United States Department of the Interior

FISH AND WILDLIFE SERVICE
Washington, D.C. 20240

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Memoranda

To: Assistant Regional Director, Migratory Birds and State Programs, Regions 1-8

From: Assistant Director, Wildlife and Sport Fish Restoration Program Hannibal Bolton

Subject: Interim Guidance for Financial and Performance Reporting

The purpose of this memorandum is to issue the attached "Interim Guidance for Financial and Performance Reporting." It applies to all grants and cooperative agreements where a Wildlife and Sport Fish Restoration Program (WSFR) Division Chief is responsible for ensuring that grantees submit financial and performance reports. It is effective immediately except as noted below.

This new Interim Guidance:

(a) Implements OMB's requirement that all Federal awarding agencies use the Federal Financial Report, Standard Form (SF) 425, no later than October 1, 2009, instead of the Financial Status Report, SF 269 and 269A, and the Report of Federal Cash Transactions, SF 272 and SF 272A.

(b) Replaces the WSFR "Interim Guidance for Financial Status and Performance Reporting" dated January 28, 2008.

(c) Changes the narrative of the Interim Guidance in minor ways and changes the order of the questions to improve clarity and the flow of subject matter.

(d) Incorporates most substantive provisions of the January 28, 2008, Interim Guidance, but changes those provisions that were no longer practicable due to the adoption of the SF 425.

The new Interim Guidance makes the following substantive changes in the January 28, 2009, Guidance:

(a) Applies the Interim Guidance to WSFR-administered grants in two generic grant programs and to a regional program that still has open grants but is not receiving new funds.

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(b) Requires the use of the Federal Financial Report, SF 425, starting October 1, 2009, but allows its use at the discretion of the grantee effective immediately.

(c) Requires that interim reporting periods end on the last day of a standard fiscal quarter (March 31, June 30, September 30, and December 31), in accordance with the SF 425's instructions, but delays implementation of this requirement until October 1, 2009, for any SF 425 received before that date.

(d) Continues to allow the effective date of an award to be on any day of the year, but adapts this practice to the SF 425 instruction that a reporting period for an interim report end on the last day of a quarter.

(e) Instructs WSFR staff to use the checklist-event choices available in FAIMS for the SF 269 to record actions for any SF 425 received before October 1, 2009.

This new Interim Guidance will remain in effect until the Director approves a Service Manual chapter that addresses WSFR reporting policies. We expect this Manual chapter to be ready for the Director's approval in fiscal year 2010.

If you have any questions on the Interim Guidance, contact Joyce Johnson at 703-358-2231.

Attachments

U.S. Fish and Wildlife Service

Wildlife and Sport Fish Restoration Program

Interim Guidance for Financial and Performance Reporting

May 12, 2009

Replaces Interim Guidance for Financial Status and Performance Reporting, dated January 28, 2008

1. What is the purpose of this document?

The purposes of this document are to:

(1) Provide updated guidance for the U.S. Fish and Wildlife Service's (FWS) Wildlife and Sport Fish Restoration Program (WSFR) to replace the rescinded May 2, 2003, "Federal Aid Guidance for Reports – Questions and Answers."

(2) Implement the Department of the Interior's (DOI) May 2004 "Policy Regarding Financial Status Reporting Requirements Related to Grants."

(3) Apply DOI May 2004 "Policy Regarding Financial Status Reporting Requirements Related to Grants" to Performance Reports.

(4) Implement the Office of Management and Budget's October 9, 2008, decision to consolidate and replace the Financial Status Report, Standard Forms (SF) 269 and SF 269A, and the Report of Federal Cash Transactions, SF 272 and 272A, with a single Federal Financial Report, SF 425.

(5) Ensure that grantees are accountable for timely submission of accurate and complete reports so that WSFR can record related expenses in the proper period, deobligate funds at the end of the grant period, and monitor progress in accomplishing goals and objectives in approved grant awards.

2. What reporting requirements does this document address?

This document addresses the following requirements for financial and performance reporting:

(1) Reporting frequency.

(2) Beginning and end of reporting periods.

(3) Due dates.

(4) Standard form for financial reporting.

(5) Content of Performance Reports.

(6) Notice to grantees.

(7) Monitoring by grantees and WSFR.

(8) Requests for extension.

(9) Waivers.

(10) Overdue reports.

(11) Remedies for noncompliance.

3. Which Federal financial assistance programs does this Interim Guidance apply to?

This Interim guidance applies to any grant in the following financial assistance programs where the Chief of the WSFR Division of Policy and Programs or a Chief of a Regional WSFR Division is responsible for receiving Federal Financial Reports and Performance Reports:

Catalog of Federal Domestic Assistance Numbers	WSFR-administered Financial Assistance Program
15.605	Sport Fish Restoration
15.611	Wildlife Restoration
15.614	Coastal Wetlands Planning, Protection, and Restoration Act
15.615	Cooperative Endangered Species Conservation Fund
15.616	Clean Vessel Act
15.622	Sportfishing and Boating Safety Act (Boating Infrastructure Grants)
15.625	Wildlife Conservation and Restoration Program
15.626	Hunter Education and Safety (Section 10)
15.628	Multistate Conservation Grants
15.633	Landowner Incentive Program
15.634	State Wildlife Grants
15.638	Tribal Landowner Incentive Program
15.639	Tribal Wildlife Grants
15.649	Service Training and Technical Assistance (generic)
15.650	Research Grants (generic)
---	Everglades Restoration
---	Fisheries Restoration and Irrigation Mitigation.

This document will also apply to all financial assistance programs in which WSFR will be responsible for receiving and monitoring Federal Financial Reports and Performance Reports in the future.

4. What are the authorities for the policies in this document?

The authorities for the policies in this document are in:

(1) Office of Management and Budget (OMB) Circular A-102, Grants and Cooperative Agreements with State and Local Governments.

(2) Paperwork Reduction Act (44 U.S.C. 3501 et seq.), Supporting Statement, May 17, 2009, OMB Control Number 1018-0109, Federal Assistance Grant Programs, 50 CFR 80.

(3) Title 2, Code of Federal Regulations (CFR), part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110).

(4) Title 43, CFR, part 12, Administrative and Audit Requirements and Cost Principles for Assistance Programs.

(5) U.S. Department of the Interior Policy Regarding Financial Status Reporting Requirements Related to Grants, as amended May 2004.

(6) Federal Register, Vol. 73, No. 157, August 13, 2008, Financial Reporting for Grants and Cooperative Agreements: Federal Financial Report (FFR).

(7) Federal Financial Report, SF 425 with Instructions, OMB Control Number 0348-0061 approved October 9, 2008, expiration date October 31, 2011.

5. What are the responsibilities of the Chief of WSFR's Division of Policy and Programs and the Chiefs of the Regional WSFR Divisions for implementing financial and performance reporting requirements?

The Chief of WSFR's Division of Policy and Programs and the Chiefs of the Regional WSFR Divisions have the following responsibilities for financial and performance reporting in the grants that they administer:

(1) Implement this Interim Guidance for Financial and Performance Reporting.

(2) Ensure that WSFR clearly states financial and performance reporting requirements in applicable grant notices and award documentation.

(3) Ensure that WSFR monitors grants to ensure (a) progress in accomplishing goals and objectives and (b) compliance with the conditions of the grant.

(4) Ensure that WSFR takes timely and effective action to correct any noncompliance by grantees.

(5) Ensure that WSFR properly documents and maintains grant files.

6. What terms do you need to know to understand this document?

The terms you need to know to understand this document are below.

(1) *CFR* means the Code of Federal Regulations.

(2) *Final report* means a Federal Financial Report or a Performance Report that covers the entire funding period.

(3) *Funding period* means the period of time when Federal funding is available for obligation by the grantee. The effective date of the award is the first day of the funding period. The dates on which the grantee incurred any preagreement costs are not part of the funding period. However, WSFR may approve preagreement costs in accordance with the applicable Federal Cost Principles and Service Manual chapter 522 FW 16.

(4) *Grant* means an award of financial assistance, including cooperative agreements, in the form of money or property in lieu of money, by the Federal Government to an eligible grantee. The term does not include technical assistance that provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. In addition, the term does not include assistance, such as a fellowship or other lump sum award.

(5) *Grantee* in the context of this document is equivalent to *recipient*. The definition of *grantee* is at 43 CFR 12.43. The definition of *recipient* is at 43 CFR 12.902 and 2 CFR 215.2. When applying remedies for noncompliance in the context of this document, the term "grantee" applies only to the agency, subdivision, or other governmental organizational unit that applied for the grant.

(6) *Interim report* means any Federal Financial Report or Performance Report that covers a period of time that ends before the last day of a funding period. Interim Federal Financial Reports are cumulative and include all information and data from the beginning of a funding period even if such information and data were included in a previous interim report. Interim Performance Reports have to include only information and data that have become available since the end of the period covered by the last interim report.

(7) *Quarter* means one of the four segments of a year, each of which consists of 3 consecutive months. The beginning and ending dates of each of these

segments are: January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31.

(8) *Subgrantee* in the context of this document is equivalent to *subrecipient.* The definition of *subgrantee* is at 43 CFR 12.43. The definition of *subrecipient* is at 43 CFR 12.902 and 2 CFR 215.2.

(9) *Suspension* in the context of this document means temporary withdrawal of the grantee's or subgrantee's authority to obligate grant funds pending (a) corrective action by the grantee or subgrantee or (b) a decision to terminate the grant. (See 43 CFR 12.83(c), 43 CFR 12.962(c), and 2 CFR 215.62(c) on the effects of suspension on obligations incurred by grantees or subgrantees before the effective date of a suspension.)

(10) *Termination* means permanent withdrawal of the authority to obligate previously awarded grant funds before that authority would otherwise expire.

(13) *WSFR* means FWS's Wildlife and Sport Fish Restoration Program and the administrative units, positions, or individuals that have been delegated responsibility for the specified programs or actions.

7. What are the minimum requirements for frequency of financial and performance reporting?

WSFR must receive Federal Financial and Performance Reports for each grant as described below unless it approves a waiver under the conditions in Sections 23 and 24.

(1) WSFR must receive final reports for all grants.

(2) WSFR must receive one or more interim reports in any grant with a funding period that has at least five full quarters. Quarters are defined in Section 6. A "full quarter" is one that both begins and ends during the funding period.

(3) WSFR must receive an interim report for each sequence of four full quarters in a multiyear grant except when the last sequence of four full quarters corresponds with the end of the funding period.

8. Can WSFR require grantees to submit interim Federal Financial Reports and Performance Reports more frequently than annually?

Yes. WSFR can require grantees to submit semiannual or quarterly Federal Financial Reports and Performance Reports. However, WSFR should require more frequent reporting sparingly and only for compelling reasons.

9. Can WSFR require Federal Financial Reports more frequently than quarterly?

WSFR can require Federal Financial Reports and Performance Reports more frequently than quarterly (for example, monthly or weekly) only if a grantee:

(1) Has a history of poor performance;

(2) Is not financially stable;

(3) Has a management system that does not meet the standards prescribed in the applicable OMB Circular;

(4) Has not conformed to the terms and conditions of a previous award;

(5) Is not otherwise responsible; or

(6) Receives advances totaling $1 million or more each year (applicable only to the submission of Federal Financial Reports by State, Tribal, and local governments).

If any of the above conditions (1-6) apply, WSFR may impose additional requirements as needed if it notifies the grantee or applicant in writing as to the:

(1) Nature of the additional requirements;

(2) Reason for the additional requirements;

(3) Nature of the corrective action needed;

(4) Time allowed for completing the corrective actions; and

(5) Procedure for requesting reconsideration of the additional requirements.

WSFR must remove any special conditions once the grantee has corrected the conditions that prompted them.

When the funding period ends or WSFR terminates the grant, WSFR must receive a final Performance Report and a final Federal Financial Report unless WSFR waives the final Federal Financial Report under the conditions in Section 23.

10. Does a funding period have to start on the first day of a quarter and end on the last day of a quarter?

No. A funding period may start on any day of the year and end on any day of the year.

11. When does the first interim reporting period start?

The first interim reporting period always starts on the effective date of the grant regardless of the length of the reporting period or the required frequency of reporting.

12. When does the first interim reporting period end?

The end date of the first interim reporting period depends on the length of the reporting period as explained below.

Annual Interim Reports: The first annual interim reporting period always ends on the last day of the fourth full quarter of the funding period. So the end date of the reporting period is always December 31, March 31, June 30, or September 30. This means that the first annual interim reporting period could be almost 15 months if the effective date is the second day of a quarter, i.e., October 2, January 2, April 2, or July 2.

Semiannual Interim Reports: The first semiannual interim reporting period always ends on the last day of the second full quarter of the funding period. So the end date of the reporting period is always December 31, March 31, June 30, or September 30. This means that the first semiannual interim reporting period could be almost 9 months if the effective date is the second day of a quarter, i.e., October 2, January 2, April 2, or July 2.

Quarterly Interim Reports: The first quarterly interim reporting period always ends on the last day of the first full quarter of the funding period. So the end date of the reporting period is always December 31, March 31, June 30, or September 30. This means that the first quarterly interim reporting period could be almost 6 months if the effective date is the second day of a quarter, i.e., October 2, January 2, April 2, or July 2.

13. When must WSFR receive Federal Financial and Performance Reports?

WSFR must receive final Federal Financial and Performance Reports no later than 90 calendar days after the last day of the funding period or the termination of grant support, whichever comes first. Since a funding period may end on any day of the year, the due date of the final reports may also be on any day of the year.

The due dates of interim reports depend on the length of the reporting period as explained below.

Annual Interim Reports: WSFR must receive annual interim Federal Financial and Performance Reports no later than 90 calendar days after the last day of

each annual interim reporting period. The following table demonstrates when WSFR must receive annual interim reports:

Funding Period Effective Date	***Annual Interim Report End Date***	***Annual Interim Report Due Date***
Jan 1	Dec 31	Mar 31
Jan 2 – Mar 31	Mar 31	Jun 29
Apr 1	Mar 31	Jun 29
Apr 2 – Jun 30	Jun 30	Sep 28
Jul 1	Jun 30	Sep 28
Jul 2 – Sep 30	Sep 30	Dec 29
Oct 1	Sep 30	Dec 29
Oct 2 – Dec 31	Dec 31	Mar 31

Semiannual and Quarterly Interim Reports: WSFR must receive semiannual and quarterly interim Federal Financial and Performance Reports no later than 30 calendar days after the last day of each semiannual or quarterly interim reporting period.

14. Suppose a funding period has four full quarters followed by a partial quarter. Can the grantee combine the partial quarter with the preceding four quarters and submit a final report instead of an annual interim report?

If less than one quarter remains in a funding period with four full quarters (or a multiple of four), the grantee may combine that partial quarter with the preceding four quarters and submit a final report instead of the annual interim report. However, WSFR must receive that final report no later than the interim report's scheduled due date. See examples 4 and 6 in Section 15.

15. What are some examples of reporting periods and report due dates?

Examples of reporting periods and the report due dates are below. These examples use the singular form of "report" to indicate when a "report" is due, but both the Federal Financial Report and the Performance Report are due at that time.

EXAMPLE 1 A grant has a funding period exactly 1 year long and covers four full quarters. The funding period begins April 1, 2009, and ends March 31, 2010.

(a) WSFR does not require an interim report.

(b) The final report is due on June 29, 2010.

EXAMPLE 2 A grant has a funding period almost 15 months long and covers four full quarters. It begins on April 2, 2009, and ends June 30, 2010.

(a) WSFR does not require an interim report.

(b) The final report is due on September 28, 2010.

EXAMPLE 3 A grant has a funding period exactly 15 months long and covers five full quarters. The funding period begins April 1, 2009, and ends June 30, 2010.

(a) WSFR requires an annual interim report for the period April 1, 2009, through March 31, 2010. The report is due 90 days later.

(b) The final report is due on September 28, 2010.

EXAMPLE 4 A grant has a funding period that is almost 18 months and covers four full quarters. The funding period begins April 2, 2009, and ends September 29, 2010.

(a) WSFR requires an annual interim report for the period April 2, 2009, through June 30, 2010. The report is due 90 days later on September 28, 2010. The grantee may convert this annual interim report to a final report as long as WSFR receives it by the annual interim report's due date, i.e., September 28, 2010.

(b) The final report is due on December 28, 2010, unless the grantee converted the interim report to a final report and WSFR receives it by the interim report's due date as discussed in (a).

EXAMPLE 5 A grant has a funding period that is almost 2 years and 3 months and covers seven full quarters. The funding period begins April 2, 2009, and ends June 29, 2011.

(a) WSFR requires an annual interim report for the period between April 2, 2009, through June 30, 2010. The report is due 90 days later.

(b) The final report is due on September 27, 2011.

EXAMPLE 6 A grant has a funding period that is almost 2 years and 6 months and covers eight full quarters. The funding period begins April 2, 2009, and ends September 29, 2011.

(a) WSFR requires two annual interim reports.

(b) The first annual interim report covers the period between April 2, 2009, through June 30, 2010. The report is due 90 days later.

(c) The second annual report covers the period between July 1, 2010, and June 30, 2011. The report is due 90 days later on September 28, 2011. The grantee may convert this second annual interim report to a final report as long as WSFR receives it by the interim report's due date, i.e., September 28, 2011.

(d) The final report is due on December 28, 2011, unless the grantee converted the interim report to a final report and WSFR receives it by the second annual interim report's due date as discussed in (c).

EXAMPLE 7 A grant has a funding period that is almost 2 years and 6 months and covers nine full quarters. The funding period begins April 2, 2009, and ends September 30, 2011.

(a) WSFR requires two annual interim reports.

(b) The first annual interim report covers the period from April 2, 2009, through June 30, 2010. This report is due 90 days later.

(c) The second annual interim report covers the period from July 1, 2010, through June 30, 2011. The report is due 90 days later.

(d) The final report is due on December 29, 2011.

EXAMPLE 8 A grant has a funding period that is exactly 5 years and covers 20 full quarters. The funding period begins April 1, 2009, and ends March 31, 2014.

(a) WSFR requires four annual interim reports.

(b) The first annual interim report covers the period from April 1, 2009, through March 31, 2010. This report is due 90 days later.

(c) The second annual interim report covers the period from April 1, 2010, through March 31, 2011. This report is due 90 days later.

(d) The third annual interim report covers the period from April 1, 2011, through March 31, 2012. This report is due 90 days later.

(e) The fourth annual interim report covers the period from April 1, 2012, through March 31, 2013. This report is due 90 days later.

(f) The final report is due on June 29, 2014.

16. What form must WSFR require grantees to use for reporting the status of funds under an award?

WSFR must require grantees to use the SF 425, Federal Financial Report, for reporting the status of funds under an award. WSFR may waive the requirement for a Federal Financial Report under the conditions in Section 23.

17. What form must WSFR require grantees to use for reporting performance under an award?

Neither OMB, DOI, nor the FWS has approved a form for a Performance Report. WSFR must require grantees to provide Performance Reports that include the following information consistent with the supporting statement for OMB Control Number 1018-0109:

(1) A comparison of actual accomplishments with the goals and objectives that the grantee established for the period, the results or findings of the investigator, or both.

(2) Reasons why grantees did not meet established goals, if appropriate.

(3) Other pertinent information including, when appropriate, analysis, and explanation of cost overruns or high unit costs.

18. Does WSFR have to ensure that grantees require their subgrantees to use the forms or the report format identified in this guidance?

WSFR does not have to ensure that grantees require their subgrantees to use the forms or the report format identified in this guidance when reporting to grantees.

19. How many copies of a Federal Financial Report and a Performance Report must WSFR require a grantee to submit?

WSFR must require a grantee to submit an original of a Federal Financial Report and an original of a Performance Report for each reporting period unless WSFR waives one or both reports as may be allowed in Sections 23 and 24. WSFR has the option of requiring grantees to submit no more than two additional copies of each report.

An original of a Federal Financial Report may be:

(1) A completed hard copy of an SF 425, which a grantee's authorized representative signed in person;

(2) A completed hard copy of an SF 425 with the signature of a grantee's authorized representative affixed to it by machine or stamp with the approval of the grantee's authorized representative;

(3) An electronically transmitted scanned copy or a faxed copy of (1) or (2); or

(4) An electronically transmitted completed SF 425 with an encrypted or other electronic signature of a grantee's authorized representative.

Each WSFR office must have written procedures that enable it to determine that (a) the person providing the signature is an authorized representative of the grantee and (b) the signature is authentic.

An original of a performance report may be:

(1) A hard copy of the information described in Section 17;

(2) An electronically transmitted scanned copy or a faxed copy of (1); or

(3) An e-mail containing the information described in Section 17.

WSFR must receive the Performance Report from a grantee or an authorized representative of the grantee, but the Performance Report does not have to have the signature of a grantee's authorized representative on it.

20. What kind of notice must WSFR give grantees on financial and performance reporting requirements?

WSFR must clearly state award or program requirements for financial and performance reporting in applicable preaward, award, and postaward notices. These notices must identify required report forms, reporting frequency, due dates, and describe sanctions for noncompliance.

21. Who must monitor grantees' and subgrantees' financial and performance reporting?

Title 43 of the CFR part 12 and Title 2 of the CFR part 215 require grantees to:

(1) Monitor grant- and subgrant-supported activities to assure compliance with reporting requirements;

(2) Report the grantee's and subgrantee's financial and performance activities in the Federal Financial Reports and Performance Reports that the grantee must submit to WSFR.

WSFR must provide sufficient monitoring and oversight to ensure that grantees submit reports on time. Monitoring includes, but is not limited to:

(1) Tracking report due dates;

(2) Reviewing reports for completeness and accuracy and returning incomplete or inaccurate reports within 30 days of receipt with an adequate description of why the information provided appears to be incomplete or inaccurate;

(3) Using reports to determine whether the grantee met award requirements; and

(4) Taking effective action to provide timely notice and obtain overdue reports with concern for grantee rights and program needs.

22. Can WSFR extend the due date of a Federal Financial Report or Performance Report or both?

WSFR can extend the due date of a Federal Financial Report or Performance Report or both if it receives a written request from the grantee by letter, fax, or e-mail before the original due date(s) of the Federal Financial Report or Performance Report or both. WSFR must ensure that the grantee's written request identify the type of report to be extended, the requested revised due date, and a justification for the extension. WSFR may approve only one extension up to a maximum of 90 days unless a longer period is justified by a catastrophe, such as a major earthquake or hurricane that significantly impairs the grantee's operations.

When granting a request for extension of the due date of a final or interim Federal Financial Report or a final or interim Performance Report, WSFR must notify the grantee by letter, fax, or e-mail. The notice must state that if WSFR does not receive the Federal Financial Report or Performance Report or both by the agreed-upon extension date, WSFR will:

(1) Consider the grantee not in compliance with the reporting conditions of the grant award; and

(2) Impose sanctions that may include suspension of the grant award, termination of the grant award, and the withholding of further awards from the affected grant program until WSFR receives all overdue Federal Financial Reports and Performance Reports.

WSFR must keep extension requests and the final disposition of these requests on file and enter the appropriate checklist event in the Federal Aid Management System (FAIMS).

23. Can WSFR waive a Federal Financial Report?

WSFR may waive the SF 425, Federal Financial Report if it determines in writing that the SF 270, Request for Advance or Reimbursement, provides adequate information to meet short-term program or interim financial reporting needs. However, WSFR must ensure that it receives a final SF 425 from the grantee no later than 90 days after the end of the funding period if the grantee uses the SF 270 only for advances. WSFR must maintain a copy of the written determination of the waiver and may require the use of supplementary or other forms if OMB authorizes the information collection.

24. Can WSFR waive a Performance Report?

WSFR may waive any interim Performance Report that is required more frequently than annually, for example, semiannually, quarterly, or monthly. WSFR must maintain a copy of the written determination or waiver. If WSFR waives one or more interim Performance Reports in a given year of the funding period, it must ensure that it receives an interim Performance Report (or a final Performance Report if applicable) at the end of that year that covers whatever portion of the year was not covered by earlier interim reports. WSFR must not waive annual interim Performance Reports in multiyear grants even if there is no grant-related activity during the reporting period. A brief annual interim Performance Report from the grantee is the best way to document such inactivity and the reasons for it. WSFR must not waive final Performance Reports.

25. What must WSFR do if it does not receive a Federal Financial Report or a Performance Report by the due date?

If WSFR does not receive a Federal Financial Report or Performance Report or an acceptable explanation by the due date identified in the grant or the extended due date (see Section 22), WSFR must do (1) and (2) below. WSFR must also do either (3a) or (3b).

(1) Notify the grantee in a letter accompanied by a fax or e-mail or both within 30 days that the due date has passed and that WSFR has not received the required Federal Financial or Performance Report.

(2) Inform the grantee that failure to submit reports by the required due dates renders it not in compliance and may result in the imposition of sanctions including:

(a) Withholding cash payments pending receipt of the required report(s) [not required on a notification for an overdue final report];

(b) Denying the use of Federal funds and credit for the use of matching cash and in-kind contributions for all or part of the cost of the activity or action not in compliance [not required on a notification for an overdue final report];

(c) Whole or partial suspension or termination of the current award for the grantee's or subgrantee's program [not required on a notification for an overdue final report];

(d) Withholding of further awards for the program until the required report(s) are received; or

(e) Other legal remedies.

(3) Take action to obtain the late report by:

(a) Requesting immediate receipt of the report(s) from the grantee; or

(b) Negotiating a proposed extension date (in cases where WSFR has already granted an extension, this will be an additional extension) not to exceed 30 calendar days. The additional extension must start on the date that WSFR notifies the grantee in writing that a report is late. WSFR must approve the proposed extension date and notify the grantee in a letter accompanied by a fax or e-mail or both that an approved extension has been granted. The notification must also repeat the warning and possible sanctions in (2) above.

WSFR must receive documentation that the grantee received the above notifications in (1) and (3)(b). Such documentation could include a receipt from a certified return-receipt-requested letter, or an e-mail, fax, or letter from the grantee acknowledging receipt of a notification. WSFR must retain copies of notifications of overdue reports in the grant file as well as documentation that the grantee received the notifications and any responses to them.

26. What must WSFR do if it does not receive (a) a required interim Federal Financial Report or a required interim Performance Report or (b) an acceptable explanation by the agreed-upon extension date as in Section 25?

If WSFR does not receive a required interim Federal Financial Report or interim Performance Report or an acceptable explanation by the agreed-upon extension date WSFR must issue the written notice of noncompliance as soon as practicable, but no later than 30 calendar days after the agreed-upon extension date has passed. WSFR must issue a written warning notice to the grantee in a letter, in addition to a fax or e-mail. The warning notice must state:

(1) The grantee is not in compliance with the terms of the grant award on financial or performance reporting.

(2) Unless WSFR receives the required report(s) within the next 10 calendar days, WSFR will make no further payments and suspend the grant award until it receives all reports.

(3) WSFR reserves the right, without further notice, to convert the suspension to a termination of the grant award if WSFR does not receive the required report(s) within 30 calendar days of the implementation of the suspension.

(4) WSFR will withhold further grant-program awards to the grantee that is not in compliance until WSFR receives all required reports.

WSFR must receive documentation that the grantee received a notice of noncompliance. Such documentation could include a receipt from the delivery of a certified return-receipt-requested letter, or an e-mail, fax, or letter from the grantee acknowledging receipt of a notice. WSFR must retain a copy of a notice of noncompliance in the grant file as well as documentation that a grantee received the notice of noncompliance and any responses to it.

27. What must WSFR do if it does not receive the required interim Federal Financial Report or Performance Report or an acceptable explanation by the end of the 10-calendar-day period cited in the notice sent to the grantee?

If WSFR does not receive the required interim Federal Financial or Performance Report or an acceptable explanation by the end of the 10-calendar-day period cited in the notice, WSFR must suspend the grant award and payments.

28. What must WSFR do if it does not receive the required Federal Financial Report or Performance Report or an acceptable explanation by the end of 30 calendar days of implementation of the suspension imposed in Section 27?

If WSFR does not receive the required Federal Financial Report or Performance Report or an acceptable explanation within 30 calendar days of suspension of the grant award and payments, WSFR must convert the suspension and any sanction(s) to a termination. WSFR must then withhold further awards in the affected grant program to the grantee that is not in compliance until it receives all required Federal Financial Reports and Performance Reports.

29. Can WSFR waive the termination of a grant award?

No. WSFR may not waive a termination, but it may waive a pending termination of a grant award if it determines in writing that such action is in the best interest of the Government.

30. If a grantee incurs costs authorized under a grant award but incurs these costs during a period of suspension of the grant award, are the allowable and eligible for reimbursement?

If a grantee incurs costs authorized under a grant award, but incurs the costs during a period of suspension of the grant award, the costs are not allowable except that WSFR may, at its discretion, allow necessary and proper costs in accordance with 43 CFR 12.83(c), 43 CFR 12.962(c), or 2 CFR 215.62(c).

31. What must WSFR do if it does not receive (a) the required final Federal Financial Report or final Performance Report or (b) an acceptable explanation by the agreed-upon extension date as in Section 25?

If WSFR does not receive (a) the required final Federal Financial Report or final Performance Report or (b) an acceptable explanation by the agreed-upon extension date as in Section 25, WSFR must issue a written notice to the grantee that: (a) WSFR considers the grantee not to be in compliance with the reporting conditions of the grant award; and (b) the grant program will withhold further awards until the grantee fulfills the final financial and performance reporting requirements.

32. What must WSFR do after it receives and approves the required Federal Financial Reports or Performance Reports after imposing sanctions on the grantee?

Once WSFR receives and approves the required Federal Financial Reports or Performance Reports, it must immediately lift all sanctions on the grantee.

33. Can WSFR accept interim or final financial reports from a grantee on either the: (1) Financial Status Report, SF 269 or SF 269A; or (2) the Federal Financial Report, SF 425?

WSFR can accept interim or final financial reports from a grantee through September 30, 2009, on either the:

(1) Financial Status Report, SF 269 or SF 269A; or

(2) Federal Financial Report, SF 425.

Although WSFR can accept the SF 425 before October 1, 2009, the requirement that reporting periods end only on the last day of a quarter does not become effective until October 1, 2009.

Starting on October 1, 2009, WSFR can accept interim or final financial reports under an award only on the Federal Financial Report, SF 425 .

34. Can WSFR record actions related to either the SF 269, SF 269A, or SF 425 in FAIMS through September 30, 2009?

FAIMS has checklist-event choices available to record actions related to the SF 269 and SF 269A such as receipt of an interim or final report or extension of the due date of an interim or final report. These choices will be available for the SF 269 and SF 269A through September 30, 2009. Checklist-event choices for the SF 425 will be available starting on October 1, 2009, but WSFR may use the SF 269 checklist-event choices to record actions for any SF 425's received before that date.