



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Washington, D.C. 20240



In Reply Refer to
FWS/AWSR-POP/034803

JAN 28 2008

Memorandum

To: Chiefs, Divisions of Wildlife and Sport Fish Restoration Programs,
Regions 1-8

From: Assistant Director, Wildlife and Sport Fish Restoration Programs *Rowan*

Subject: Interim Guidance for Financial Status and Performance Reporting

The purpose of this memorandum is to issue the attached "Interim Guidance for Financial Status and Performance Reporting" for application to all new awards in the financial assistance programs managed by Wildlife and Sport Fish Restoration Programs (WSFR). You may also apply the guidance, in whole or in part, to existing awards where appropriate.

This Interim Guidance will:

- (a) address an immediate need for guidance by WSFR grants managers;
- (b) implement the Department of the Interior's (DOI) May 2004 "Policy Regarding Financial Status Reporting Requirements Related to Grants;"
- (c) apply the DOI's May 2004 policy to performance reporting; and
- (d) allow WSFR to postpone a determination of the Interim Guidance's place in the Service Manual until it completes a review of other grant-administration policies.

The Interim Guidance is the result of collaboration between Regional WSFR Offices and the Washington Office Division of Policy and Programs. Two Regional WSFR Chiefs and the Chief of the Division of Policy and Programs developed the first draft. WSFR staff in the Regional and Washington Offices provided 108 comments on the first draft and 82 comments on a subsequent draft. The Division of Policy and Programs addressed all comments and modified the drafts where appropriate.

We will consider this guidance for incorporation into the Service Manual later this year, and solicit comments at that time from the Fish and Wildlife Service Directorate and the State fish and wildlife agencies.



If you have any questions on the Interim Guidance or the process that we used to develop it, please do not hesitate to contact me at 202-208-1050 or Joyce Johnson at 703-358-2156.

Attachment

cc: ARD, MBSP

U.S. Fish and Wildlife Service

Wildlife and Sport Fish Restoration Program

Interim Guidance for Financial Status and Performance Reporting

January 28, 2008

Q1. What is the purpose of this document?

A. 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 now-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's May 2004 "Policy Regarding Financial Status Reporting Requirements Related to Grants" to Performance Reports;
- (4) 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.

Q2. What reporting requirements does this document address?

A. This document addresses the following requirements for Financial Status Reports and Performance Reports:

- (1) Forms or format to use for reporting;
- (2) Content of Performance Reports;
- (3) Reporting frequency;
- (4) Due dates;
- (5) Notice to grantees;
- (6) Monitoring by WSFR;

- (7) Requests for extension;
- (8) Overdue reports; and
- (9) Remedies for noncompliance.

Q3. Which Federal financial assistance programs does this document apply to and what are the numbers of the programs in the Catalog of Federal Domestic Assistance?

A. This document applies to the following Federal financial assistance programs with their respective Catalog of Federal Domestic Assistance (CFDA) numbers:

- 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
- Everglades Restoration

This document will also apply to all financial assistance programs in which WSFR will be responsible for grant administration in the future.

Q4. What are the authorities for the policies in this document?

A. 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, OMB Control Number 1018-0109, Federal Assistance Grant Programs, 50 CFR 80, revised May 17, 2006;
- (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; and
- (5) U.S. Department of the Interior Policy Regarding Financial Status Reporting Requirements Related to Grants, as amended May 2004.

Q5. Who is responsible for implementing the requirements for Financial Status and Performance Reporting?

A. The Assistant Director for the Wildlife and Sport Fish Restoration Program and Regional Division Chiefs have the following responsibilities for the financial assistance programs managed in their respective offices:

- (1) Implement the requirements for Financial Status 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 award;
- (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) Waive requirements for Standard Form (SF) 269 or 269A Financial Status Reports if WSFR determines in writing that data in the SF 270 or SF 272 are adequate to meet short-term program or interim financial reporting needs (However, WSFR must require a final SF 269 or SF 269A 90 days after the end of the funding period when the grantee uses the SF 270 only for advances);
- (7) Approve or disapprove requests for extension of Financial Status Report and Performance Report due dates;
- (8) Suspend and terminate grant awards and payments as appropriate; and
- (9) Waive pending grant terminations in the interest of the Government.

Q6. What terms do you need to know to understand this document?

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

- (1) *Anniversary date* means the date 12 months after the effective date of the funding period or a date every 12 months thereafter until the funding period ends.
- (2) *Annual report* means a Financial Status Report or a Performance Report that covers the 1-year period between: (a) the effective date of an award and the first anniversary of the effective date, or (b) two consecutive anniversaries of the effective date of an award. An annual report is a type of an interim report.
- (3) *CFR* means the Code of Federal Regulations
- (4) *Final report* means a Financial Status Report or a Performance Report that covers the entire funding period.
- (5) *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.
- (6) *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 which 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, which the grantee is not required to account for.
- (7) *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.
- (8) *Interim report* means any Financial Status or Performance Report that covers a period of time that ends before the last day of a funding period. Interim Financial Status Reports must 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.

- (9) *Subgrantee* in the context of this document is equivalent to *subrecipient*. A definition of *subgrantee* is at 43 CFR 12.43. A definition of *subrecipient* is at 43 CFR 12.902 and 2 CFR 215.2.
- (10) *Suspension* in the context of this document means temporary withdrawal of the 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.)
- (11) *Termination* means permanent withdrawal of the authority to obligate previously awarded grant funds before that authority would otherwise expire.
- (12) *WSFR* means the Wildlife and Sport Fish Restoration Program of the U.S. Fish and Wildlife Service, and the administrative units, positions, or individuals that have been delegated responsibility for the specified programs or actions.

Q7. What form must WSFR require grantees to use for reporting the status of funds under an award?

A. WSFR must require grantees to use the SF 269, Financial Status Report (Long Form), or SF 269A, Financial Status Report (Short Form), for reporting the status of funds under an award. WSFR must require grantees to use the SF 269 (Long Form) if an award will generate program income or will use in-kind match. WSFR may waive the requirement for an SF 269 or SF 269A under the conditions stipulated in the answer to Q10.

Q8. What form must WSFR require grantees to use for reporting performance under an award?

A. Neither OMB, DOI, nor the FWS currently provides or requires a printed form for a Performance Report. WSFR must require grantees to provide Performance Reports that include the following information that is consistent with the supporting statement for OMB Control Number 1018-0109:

- (1) A comparison of actual accomplishments with the goals and objectives established for the period, the results/findings of the investigator, or both. Whenever appropriate and the output of programs or projects can be readily quantified, such data should be related to cost data for computation of unit cost.
- (2) Reasons why established goals were not met, if appropriate.

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

Q9. Does WSFR have to require grantees to require their subgrantees to use the forms or the report format identified in this guidance?

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

Q10. Can WSFR waive a Financial Status Report?

A. WSFR may waive the SF 269 or SF 269A, Financial Status Report, if it determines in writing that the SF 270, Request for Advance or Reimbursement, or SF 272, Report of Federal Cash Transactions, provides adequate information to meet short-term program or interim financial reporting needs. However, WSFR must ensure that it receives a final SF 269 or SF 269A 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.

Q11. Can WSFR waive a Performance Report?

A. 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.

Q12. How frequently must WSFR receive Financial Status and Performance Reports?

A. Unless WSFR approves a waiver for a final or interim Financial Status Report or an interim Performance Report, WSFR must receive: (a) an interim Financial Status and Performance Report no less frequently than annually if a funding period lasts longer than 1 year, and (b) a final Financial Status Report and a final Performance Report for each grant.

WSFR may require Financial Status 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 per year (applicable only to the submission of Financial Status 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 Financial Status Report unless WSFR waives the final Financial Status Report under the conditions stipulated in the answer to Q10.

Q13. How many copies of a Financial Status Report and a Performance Report must WSFR require a grantee to submit?

A. WSFR must require a grantee to submit an original of a Financial Status Report and an original of a Performance Report for each reporting period unless WSFR waives one or both reports as may be allowed under Q10 and Q11. WSFR has the option of requiring grantees to submit no more than two additional copies of each report.

An original of a Financial Status Report may be:

- (1) A completed hard copy of an SF 269 or 269A, which a grantee's authorized representative has signed in person;
- (2) A completed hard copy of an SF 269 or 269A 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 269 or 269A with an encrypted or other electronic signature of a grantee's authorized representative.

Each WSFR office must have written procedures that will 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 the answer to Q8;
- (2) An electronically transmitted scanned copy or a faxed copy of (1); or
- (3) An e-mail containing the information described in the answer to Q8.

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 affixed to it.

Q14. When must WSFR receive Financial Status and Performance Reports?

A. WSFR must receive final Financial Status and final Performance Reports no later than 90 calendar days after the ending date of the funding period or termination of grant support. WSFR must receive annual interim Financial Status Reports and Performance Reports no later than 90 calendar days after the anniversary date of the beginning (i.e., effective date) of the funding period. All other interim reports are due 30 calendar days after the ending date of the applicable interim reporting period.

Q15. Can WSFR extend the due date of a Financial Status Report and Performance Report?

A. WSFR may extend the due date of a Financial Status and/or Performance Report if it receives a written request from the grantee by letter, fax, or e-mail before the original due date(s) of the Financial Status and/or Performance Report. 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 that significantly impairs the grantee's operations.

When granting a request for extension of the due date of a final or interim Financial Status 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 Financial Status Report and/or Performance Report 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/or the withholding of further awards from the affected grant program until WSFR receives all overdue Financial Status and/or Performance Reports.

WSFR must document grant files to reflect all extensions of the due dates of overdue reports.

Q16. What kind of notice must WSFR give grantees on Financial Status and Performance Reporting requirements?

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

Q17. Who must monitor grantees' and subgrantees' Financial Status and Performance Reporting?

A. 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 subgrantee's financial and performance activities in the Financial Status 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 due concern for grantee rights and program needs.

Q18. What must WSFR do if it does not receive a Financial Status Report or Performance Report by the due date?

A. If WSFR does not receive a Financial Status and/or Performance Report or an acceptable explanation by the due date identified in the grant or the extended due date (see Q15), WSFR must take the actions listed below.

- (1) Notify the grantee in a letter accompanied by a fax and/or e-mail within 30 days that the due date has passed and that WSFR has not received the required Financial Status and/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) Request immediate receipt of the report(s) from the grantee.

(4) Negotiate 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, and/or e-mail that an approved extension has been granted. The notification must also reiterate the warning and possible sanctions in (2) above.

WSFR must receive documentation that the grantee received the above notifications in (1) and (4). 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.

Q19. What must WSFR do if it does not receive (a) a required interim Financial Status Report and/or a required interim Performance Report or (b) an acceptable explanation by the agreed-upon extension date as in the answer to Q18(4)?

A. If WSFR does not receive a required interim Financial Status and/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 Status and/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.

Q20. What must WSFR do if it does not receive the required Financial Status and/or Performance Report or an acceptable explanation by the end of the 10-calendar-day period cited in the notice sent to the grantee?

A. If WSFR does not receive the required Financial Status and/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 (see Q24).

Q21. What must WSFR do if it does not receive the required Financial Status and/or Performance Report or an acceptable explanation by the end of 30 calendar days of implementation of the suspension imposed under Q20?

A. If WSFR does not receive the required Financial Status and/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/or 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 Financial Status and/or Performance Reports.

Q22. Can WSFR waive the termination of a grant award?

A. 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.

Q23. If a grantee incurs costs authorized under a grant award but incurs these costs during a period of suspension of the grant award, can WSFR determine the costs to be allowable and eligible for reimbursement?

A. If a grantee incurs costs authorized under a grant award, but incurs these costs during a period of suspension of the grant award, WSFR cannot determine the costs to be 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).

Q24. What must WSFR do if it does not receive (a) the required final Financial Status Report and/or final Performance Report or (b) an acceptable explanation by the agreed-upon extension date as in Q18(4)?

A. If WSFR does not receive (a) the required final Financial Status Report and/or final Performance Report or (b) an acceptable explanation by the agreed-upon extension date as in Q18(4), 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 Status and Performance reporting requirements.

Q25. What must WSFR do after it receives and approves the required Financial Status and/or Performance Reports after imposing sanctions on the grantee?

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