

ACF Administration for Children and Families	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
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	3. Originating Office: Office of Head Start	
	4. Key Words: Federal Reporting Changes; Financial Reports; SF-425; Cash Transactions; Expenditures	

PROGRAM INSTRUCTION

TO: All Head Start Grantees, including Head Start, Early Head Start, Early Head Start-Child Care Partnerships, Collaboration, and National Centers

SUBJECT: Changes in Federal Reporting

INSTRUCTION:

This Program Instruction (PI) notifies grantees of a change in submission of the Federal Financial Report SF-425 for cash transactions and for expenditures to the U.S. Department of Health and Human Services (HHS) Payment Management System. Grantees are also advised of the use of the online [GrantSolutions](#) system for obtaining Notices of Award, submission of the Real Property Status Report SF-429, and the Tangible Personal Property Report SF-428.

Quick Links:

- [Change in Submission of Federal Financial Reports SF-425 for FY 2016](#)
- [GrantSolutions](#)
- [Notices of Award](#)
- [Change in Submission of Real Property Status Report SF-429](#)
- [Change in Submission of Federal Financial Report SF-425 for FY 2015, 2014, or Earlier](#)
- [Submission of Tangible Personal Property Report SF-428](#)

Change in Submission of Federal Financial Report SF-425 for Fiscal Year (FY) 2016

All Head Start grantees are required to submit financial reports detailing both the cash transactions made for its federal award(s) and separate reports detailing the expenditures made for the same award(s). For most grantees, filing requirements are satisfied using the same report, Federal Financial Report standard form 425 (SF-425).

Cash transactions are reported quarterly with online reporting to the HHS Payment Management System (PMS) on lines 10a, b, and c of the SF-425. Expenditures, obligations, and liquidations are reported either quarterly, semi-annually, or annually to the Administration for Children and Families (ACF) on lines 10d through 10o of the SF-425. Head Start grantees currently meet their reporting requirements to ACF via postal mail or by scanning and emailing the form to their assigned fiscal specialist.

ACF and the Program Support Center are collaborating in the submission of the SF-425 to reduce the burden on grantees and assist with the reconciliation of expenditures and disbursements, and to allow for timely closeout of grants.

Beginning with the FY 2016 grant awards, this system of separate online reporting will be consolidated into a single reporting system. Starting with these awards, both the cash transactions (lines 10 a, b,

and c) and the expenditures, obligations, and liquidations (lines 10d through 10o) will be reported through the grantee online accounts with PMS. The first expected reports for grantees with an October 1, 2015 funding date will be April 30, 2016 (see table below). This information will no longer be reported separately by hard copy or email.

Every grantee should already have a PMS account to allow access to complete the SF-425. If your office needs additional user access, please contact your PMS Representative.

Note the following important conditions:

- This reporting method is effective for FY 2016 financial reports.
- Any remaining reports still required, or revised, for FY 2015, 2014, or earlier, must be submitted as a scanned and uploaded document to the Grant Notes file in GrantSolutions (see below).
- SF-425 reports will continue to be due as frequently as is required in the award terms and conditions. Reports will be due on one of the standard dates by which cash reporting is required to be submitted to PMS or at the end of a calendar quarter as determined by ACF (see table below).
- Unless instructed otherwise, such as through the terms and conditions or a special condition on the Notice of Award, all Head Start grantees are expected to submit three reports for each Notice of Award and each Budget Period they have received.
- Generally, awards are for a 12-month budget period. Head Start grantees will continue to submit reports as follows:
 - a Semi-Annual report;
 - an Annual report; and,
 - a Final report.
- Semi-Annual and Annual reports are cumulative, covering either 6 or 12 months of expenditures, respectively.
- Final reports will be due on the quarterly submission date for the quarter after the end of their budget period. Grantees that have budget periods beginning February 1, May 1, August 1, and November 1 are the exception. In these cases, the Final reports will be due on the quarterly reporting date for the quarter in which the grantee's budget period ended. No Final report will be due sooner than 90 days after the end of the applicable budget period.
- Box 12 of the Final report must include the following:
 - Total Amount of U.S. Department of Agriculture (USDA) Reimbursement: \$_____
 - Total Development and Administrative Expenditures: \$_____ (federal and non-federal)
 - If an Unobligated balance of federal funds is being reported on line 'h,' the grantee must provide a breakdown of total federal expenditures for each 'CAN NO.' which appears in box 25, Financial Information, on the most recent Notice of Award for the budget period.
- To aid in understanding, see the table below. Note that in some cases the Annual Report and the Final Report will be due on the same date.

Table - Find the month in which the Head Start budget period begins in Column 1 and then read across that line.

Budget Period Begins	First SF-425 Due	Report Cumulative Costs through	Second SF-425 Due	Report Cumulative Costs through	Final SF-425 Due
January 1	Jul 30	Jun 30	Jan 30	Dec 31	Apr 30
February 1	Oct 30	Jul 31	Apr 30	Jan 31	Apr 30*
March 1	Oct 30	Aug 31	Apr 30	Feb 28/29	Jul 30
April 1	Oct 30	Sep 30	Apr 30	Mar 31	Jul 30
May 1	Jan 30	Oct 31	Jul 30	Apr 30	Jul 30*
June 1	Jan 30	Nov 30	Jul 30	May 31	Oct 30
July 1	Jan 30	Dec 31	Jul 30	Jun 30	Oct 30
August 1	Apr 30	Jan 31	Oct 30	Jul 31	Oct 30*
September 1	Apr 30	Feb 28/29	Oct 30	Aug 31	Jan 30
October 1	Apr 30	Mar 31	Oct 30	Sep 30	Jan 30
November 1	Jul 30	Apr 30	Jan 30	Oct 31	Jan 30*
December 1	Jul 30	May 31	Jan 30	Nov 30	Apr 30

****The second and final reports are due the same date***

GrantSolutions

The GrantSolutions system will be made available to Head Start grantees for delivery of Notices of Award and for certain types of federal reporting. Head Start grantees will begin receiving notice of account issuance beginning with the effective date of this PI.

GrantSolutions accounts will be issued via email to the Program Director / Principal Investigators (PD/Pis), Authorizing Officials, and Chief Financial Officers of Head Start grants. These positions are identified in the Head Start Enterprise System (HSES) as Head Start/Early Head Start Director, Authorizing Official/Board Chair, and Chief Financial Officer. Key staff of Collaboration Grants and Interagency Agreements will also receive notice of account creation in the GrantSolutions system.

A series of email notifications will include individual logins, passwords, and system usage agreements. **Do not to share login credentials with delegated staff. Sharing credentials is a violation of federal law.** Additional accounts for your organization may be requested from your assigned Grants Management Specialist.

Please note that the purposes detailed in this PI are the only acceptable reasons for using GrantSolutions for Head Start grants and interagency agreements. **Other submissions or data entry within the system will be rejected.**

Notices of Award

Authorized users of GrantSolutions will receive email notification of newly issued Notices of Award. Award documents can be accessed using the link in the email, logging into GrantSolutions, and downloading the Notice of Award PDF. Your Regional Office will no longer deliver Notices of Award.

Change in Submission of Real Property Status Report SF-429

The SF-429 is now available in GrantSolutions for onscreen data entry. Instructional materials can be found in the HSES Instructions section and on the GrantSolutions website. The schedule of annual submission for the SF-429 and SF-429A by grant award budget period, project period, disposition, and encumbrance request is outlined in [ACF-IM-15-01 Real Property Reporting and Request Requirements](#).

Change in Submission of Federal Financial Report SF-425 for FY 2015, 2014, or Earlier

Grantees are to scan and upload completed copies of the FY 2015 SF-425 reports to the specified folders in the Grant Notes section of GrantSolutions. Fillable PDF template forms of the [SF-425](#) are available on the Early Childhood Learning and Knowledge Center (ECLKC) website.

Submission of Tangible Personal Property Report SF-428

Grantees are required to provide a Tangible Personal Property Report SF-428 and SF-428B, and, if needed, SF-428S, not later than 90 days after the close of the project period. Grantees are to scan and upload completed copies of the SF-428 reports to the specified folders in the Grant Notes section of GrantSolutions. Fillable PDF template forms of the [SF-428](#) are available on the ECLKC website.

Questions related to fiscal reporting and other administrative requirements should be directed to the assigned Grants Management Specialist identified in HSES. Should your office need additional Payment Management System (PMS) accounts, please contact your PMS Representative at www.dpm.psc.gov.

Thank you for the work you do on behalf of children and families.

/ Blanca E. Enriquez /

Blanca E. Enriquez
Director
Office of Head Start

Resources:

[SF-425](#)

[SF-428](#)

[SF-428-B](#)

[SF-428-S](#)