

**INSTRUCTIONS FOR COMPLETING
THE FEDERAL FINANCIAL REPORT (SF-425)**

The **Federal Financial Report** form, or FFR, is part of the National Endowment for the Arts (NEA) final report package. We do not require it at any other time during an award's period of performance. It is submitted with the other final report package components to the NEA Grants & Contracts Office at finalreports@arts.gov. It is due no later than 90 calendar days after the award end date. Any reference to "Grant" in this document, and on the form, includes cooperative agreements.

Use the FFR form on our Web site at www.arts.gov/manageaward/. If you have questions, please contact us at finalreports@arts.gov or call (202) 682-5403.

SECTIONS 1-9 (Basic Grantee Information)

Numbers correspond to those on the FFR form. Sections grayed out on the form do not need to be completed.

- 1. Federal Agency and Organizational Element to Which Report is Submitted.** Completed for you.
- 2. Federal Grant or Other Identifying Number Assigned by Federal Agency.** Enter the 10-digit grant number from your award letter (e.g., 16-5500-7012, 17-3446-7001, etc.) or the cooperative agreement number (e.g., DCA 2016-01) from the cover page of the agreement.
- 3. Recipient Organization.** Enter the official Internal Revenue Service (IRS) name of your organization and the complete address.
- 4a. DUNS Number.** Enter your organization's Data Universal Numbering System (DUNS) number.
- 4b. EIN.** Enter your organization's Employer Identification Number (EIN), also known as a Tax Identification Number (TIN).
- 5. Recipient Account Number or Identifying Number (Optional).** If your organization assigns its own internal identifying number to track awards you may enter it here. This number is not required by the NEA. You may leave this block empty.
- 6. Report Type.** Indicate "Final."
- 7. Basis of Accounting (Cash/Accrual).** Specify whether your organization used a cash or accrual basis for recording transactions related to the award and for preparing the FFR.
 - Cash basis of accounting refers to expenses recorded when they are paid.
 - Accrual basis of accounting refers to the accounting method in which expenses are recorded when incurred.
- 8. Project/Grant Period From: (Month, Day, Year) and End Date: (Month, Day, Year).** Enter the period of performance as specified in your award document, or as amended. If the project is not finished, you should not be submitting final reports. Instead see the [How to Manage your NEA Award Handbook](#) for instructions regarding amendments.
- 9. Leave blank.**

SECTION 10, TRANSACTIONS (The Final Project Accounting)

READ FIRST

The expenses reported on your FFR should be consistent with the line items in your approved project budget. During review, we may have made adjustments to your budget to bring the costs into compliance with the terms of your award. Any adjustments were noted on the Project Budget sent with your award letter or on the budget amendment approval; take note of these when compiling figures for your FFR.

We understand that the project budget was your best estimate at the time of submission, however, for the FFR you *must* report actual expenditures that you assigned to the approved NEA project, based on supporting documentation such as invoices, contracts, receipts, checks, transaction reports, and bank statements. Review your accounting and supporting documentation and report only actual, documented costs on the FFR. It is very common that costs will fluctuate since the time of budget approval. You are not required to submit supporting documentation unless requested by the NEA, but you must keep it on file for the duration specified in the [General Terms & Conditions](#) of your award. All costs reported on your Federal Financial Report are subject to federal audit.

Receptions, galas, general fundraising efforts, special donor events, prizes, and other unallowable costs must not be included in the costs reported on the FFR. All project expenditures must meet Federal requirements even if paid with your own funds (cost share/match). As such, exclude all unallowable expenditures from the FFR.

The recipient share of expenditures should include the value of allowable third party, in-kind contributions and indirect costs as approved by the NEA.

All costs, including those paid for with cost share/matching funds, must be incurred within the period of performance, though you have 90 days to liquidate expenses after the period of performance ends. When requesting funds at the time of your final report, Section 9 of the Payment Request and Section 10 of the FFR must note the same final project costs.

See the Appendix for examples on completing this section of the FFR.

Federal Expenditures and Unobligated Balance

10a. - 10c. Leave Blank.

10d. Total Federal Funds Authorized: Enter the total amount of NEA funds authorized during the period of performance. This is the award amount.

10e. Federal Share of Expenditures: Enter the amount of NEA funds expended. Generally this will be the full amount of the NEA award, unless you do not intend to use all the funds. If you intend to request a final payment along with your final report, include that amount here.

10f. Federal Share of Unliquidated Obligations: You have 90 days from the end date of the award to expend the NEA's funds whether you use the accrual or cash basis of accounting. By the time you submit this form, this line should be zero, even if the FFR is submitted in conjunction with a final payment request, as all incurred costs should have been paid (liquidated). If there are unliquidated

NEA funds, you must either:

- (1) submit a request for a time extension to liquidate those costs; or
- (2) return the unused NEA portion; or
- (3) tell us that you do not intend to request the remaining funds.

10g. Total Federal Share (Sum of Lines 10e and 10f): Enter the sum of Lines 10e and 10f.

10h. Unobligated Balance of Federal Funds (Line 10d Minus Line 10g): Enter the amount of Line 10d minus Line 10g. This line indicates any NEA funds that you will not be drawing down, or funds that you will be returning. Please include a note in Box 12 - "Remarks" explaining that your organization will not be using the remaining funds. If you are returning funds to the NEA, indicate that in Box 12 as well.

Recipient Share

10i. Leave Blank.

10j. Recipient Share of Expenditures: Enter your share of the final project costs (also known as the "match"), based on actual expenditures.

- Do NOT include the NEA award amount in this line. In most cases, you must show at least a 1:1 cost share/match. But for many grants, the actual reported amount of your cost share/match will exceed the 1:1 requirement.

10k. Remaining Recipient Share to be Provided: This should be zero.

10l - 10o. Leave Blank.

SECTION 11, INDIRECT EXPENSES

Complete this section only if,

- an indirect cost rate agreement, established with a Federal agency, was included in your application and approved for this award, or
- if your organization claimed up to the 10% de minimis rate and it was approved for this award.

11a. Type of Rate(s): Provisional, Predetermined, Final, Fixed, de minimis, etc. Generally we will not close out an award with a provisional rate if it's needed to meet the 1:1 cost share/match.

11b. Rate: Enter the indirect cost rate(s) in effect during the reporting period. Enter 10% if you were approved for the de minimis rate.

11c. Period From; Period To: Enter the beginning and ending effective dates for the rate(s). Not applicable for the de minimis rate.

11d. Base: Enter the amount of the base against which the rate(s) was applied. If claiming the de minimis rate, this amount is your modified total direct costs. 2 CFR 200.68

11e. Amount Charged: Enter the amount of indirect costs charged during the time period specified.

11f. Federal Share: Leave blank.

11g. Totals: Enter the totals for columns 11d, 11e, and 11f.

SECTIONS 12-13, Remarks And Authorization

12. Remarks. Enter any explanations or additional information here. You may also include information about refunds, indirect costs, etc.

13a. Typed or Printed Name and Title of Authorized Certifying Official. Enter the name and title of the authorized official at your organization.

13b. Signature of Authorized Certifying Official. This form must be submitted by a current authorizing official at your organization. An actual signature is not required. You may type your authorizing official's name.

13c. Telephone (Area Code, Number and Extension). Enter the telephone number of the individual listed in Line 13a.

13d. E-mail Address. Enter the e-mail address of the individual listed in Line 13a.

13e. Date Report Submitted (Month, Day, Year). Enter the date you are submitting the FFR to the National Endowment for the Arts.

SUBMISSION OF THE FEDERAL FINANCIAL REPORT and checking to see if we received it.

Save the completed FFR form with the title "FFR, grant number, organization name."

Email the FFR (along with the rest of your final report package) to finalreports@arts.gov.

You can verify receipt a few days later at www.arts.gov/mygrant.

APPENDIX, Examples for Section 10

Example A: Most Common Scenario

If you had a \$10,000 award and incurred \$26,352 in allowable project costs, Section 10 of your FFR might look like this:

10. Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	d. \$10,000
e. Federal share of expenditures	e. \$10,000
f. Federal share of unliquidated obligations	f.
g. Total Federal share (sum of lines e and f)	g. \$10,000
h. Unobligated balance of Federal funds (line d minus g)	h.
10. Recipient Share:	
i. Total recipient share required	
j. Recipient share of expenditures (Non-NEA share)	j. \$16,352
k. Remaining recipient share to be provided	k.

Note about Example A: Some grantees may meet or exceed the required cost share/match but still only use a portion of the NEA award funds. If, for any reason, you will not be requesting the full amount of your award, follow Example B below.

Example B: Deobligating NEA Funds

If you had a \$10,000 award with a standard 1:1 cost share/matching requirement, but only incurred \$16,240 in allowable project costs, you have not met the required cost share/match. In this case, the NEA can support no more than half of the total project cost. Use Lines 10e and 10g to show the reduced NEA share of costs, and Line 10h to show the unspent NEA award balance. Verify your intent with a note in Section 12. Your FFR might look like this:

10. Federal Expenditures and Unobligated Balance:																						
d. Total Federal funds authorized	d. \$10,000																					
e. Federal share of expenditures	e. \$8,120																					
f. Federal share of unliquidated obligations	f.																					
g. Total Federal share (sum of lines e and f)	g. \$8,120																					
h. Unobligated balance of Federal funds (line d minus g)	h. \$1,880																					
10. Recipient Share:																						
i. Total recipient share required																						
j. Recipient share of expenditures (Non-NEA share)	j. \$8,120																					
k. Remaining recipient share to be provided	k.																					
Program Income:																						
l. Total Federal program income earned																						
m. Program income expended in accordance with the deduction alternative																						
n. Program income expended in accordance with the addition alternative																						
o. Unexpended program income (line l minus line m or line n)																						
11. Indirect Expense	<table border="1"> <thead> <tr> <th>a. Type</th> <th>b. Rate</th> <th>c. Period From</th> <th>Period To</th> <th>d. Base</th> <th>e. Amount Charged</th> <th>f. Federal Share</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td colspan="4">g. Totals:</td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share								g. Totals:						
a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share																
g. Totals:																						
12. Remarks: Attach any explanations deemed necessary or information required by Federal Sponsoring agency in compliance with governing legislation: Balance of \$1,880 will not be requested.																						