

§ 84.50

REPORTS AND RECORDS

§ 84.50 Purpose of reports and records.

Sections 84.51 through 84.53 set forth the procedures for monitoring and reporting on the recipient's financial and program performance and the necessary standard reporting forms. They also set forth record retention requirements.

§ 84.51 Monitoring and reporting program performance.

(a) Recipients are responsible for managing and monitoring each project, program, subaward, function or activity supported by the award. Recipients shall monitor subawards to ensure sub-recipients have met the audit requirements as delineated in § 84.26.

(b) HUD shall prescribe the frequency with which the performance reports shall be submitted. Except as provided in § 84.51(f), performance reports shall not be required more frequently than quarterly or less frequently than annually. Annual reports shall be due 90 calendar days after the grant year; quarterly or semi-annual reports shall be due 30 days after the reporting period. HUD may require annual reports before the anniversary dates of multiple year awards in lieu of these requirements. The final performance reports are due 90 calendar days after the expiration or termination of the award.

(c) If inappropriate, a final technical or performance report shall not be required after completion of the project.

(d) When required, performance reports shall generally contain, for each award, brief information on each of the following:

(1) A comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigator, or both. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

(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.

24 CFR Subtitle A (4-1-12 Edition)

(e) Recipients shall not be required to submit more than the original and two copies of performance reports.

(f) Recipients shall immediately notify HUD of developments that have a significant impact on the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

(g) HUD may make site visits, as needed.

(h) HUD shall comply with clearance requirements of 5 CFR part 1320 when requesting performance data from recipients.

§ 84.52 Financial reporting.

(a) The Federal financial report (FFR), or such other form as may be approved by OMB, is authorized for obtaining financial information from recipients. The applicability of the FFR form shall be determined by the appropriate HUD program, and the grantee will be notified of any program requirements in reference to the FFR upon receipt of the award. A HUD program may, where appropriate, waive the use of the FFR for its grantees and require an alternative reporting system.

(b) HUD shall prescribe whether the FFR shall be on a cash or accrual basis. If HUD requires accrual information and the recipient's accounting records are not normally kept on the accrual basis, the recipient shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand.

(c) HUD shall determine the frequency of the FFR for each project or program, considering the size and complexity of the particular project or program. However, the report shall not be required more frequently than quarterly or less frequently than annually. The reporting period end dates shall be March 31, June 30, September 30 or December 31. A final FFR shall be required at the completion of the award agreement and shall use the end date of

the project or grant period as the reporting end date.

(d) HUD requires recipients to submit the FFR no later than 30 days after the end of each specified reporting period for quarterly and semi-annual reports, and 90 calendar days for annual reports. Final reports shall be submitted no later than 90 days after the project or grant period end date. Extensions of reporting due dates may be approved by HUD upon request of the recipient. HUD may require awardees to submit the FFR electronically. Electronic submission may be waived for cause in accordance with HUD's waiver policy in § 5.110 of this title.

(e)(1) When funds are advanced to recipients HUD shall use the FFR to monitor cash advanced to recipients and to obtain disbursement information for each agreement with the recipients. HUD may require forecasts of Federal cash requirements in the "Remarks" section of the FFR and may require recipients to report in the "Remarks" section the amount of cash advances received and retained in excess of three days and any interest earned on such cash advances. Recipients shall provide short narrative explanations of actions taken to reduce early drawdowns and excess balances.

(2) Recipients shall be required to submit not more than the original and two copies of the FFR or submit the report electronically. HUD may require a quarterly report from recipients receiving advances totaling \$1 million or more per year.

(f) When HUD needs additional information or more frequent reports, the following shall be observed.

(1) When additional information is needed to comply with legislative requirements or governmentwide requirements, HUD shall issue instructions to require recipients to submit such information under the "Remarks" section of the reports or other means.

(2) When HUD determines that a recipient's accounting system does not meet the standards in § 84.21, additional pertinent information to further monitor awards may be obtained by written notice to the recipient until such time as the system is brought up to standard. HUD, in obtaining this informa-

tion, shall comply with report clearance requirements of 5 CFR part 1320.

(3) HUD may elect to accept the identical information from the recipients through a system to system data interface as determined by HUD.

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§ 84.53 Retention and access requirements for records.

(a) This section sets forth requirements for record retention and access to records for awards to recipients. HUD shall not impose any other record retention or access requirements upon recipients.

(b) Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by HUD. The only exceptions are the following.

(1) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken.

(2) Records for real property and equipment acquired with Federal funds shall be retained for 3 years after final disposition.

(3) When records are transferred to or maintained by HUD, the 3-year retention requirement is not applicable to the recipient.

(4) Indirect cost rate proposals, cost allocation plans, etc. as specified in § 84.53(g).

(c) Copies of original records may be substituted for the original records if authorized by HUD.

(d) HUD shall request transfer of certain records to its custody from recipients when it determines that the records possess long term retention value. However, in order to avoid duplicate recordkeeping, HUD may make arrangements for recipients to retain any records that are continuously needed for joint use.

(e) HUD, the Inspector General, Comptroller General of the United