PURPOSE: The purpose of this Grant Information Circular (GIC) is to inform NASA personnel and grant and cooperative agreement recipients of revisions to the FY 2023 NASA Grant and Cooperative Agreement Manual (GCAM) in response to the Department of Health and Human Services’ (HHS) decommissioning of the Federal Cash Transaction Report (FCTR) within the Payment Management System (PMS).

BACKGROUND: To bring NASA’s financial reporting practices in line with the rest of the Federal grant-making agencies, NASA has coordinated with HHS PMS to transition the quarterly financial report module in PMS from the FCTR to the Federal Financial Report (FFR/SF-425). Beginning with the reporting period ending September 30, 2023, NASA will no longer accept the FCTR in PMS for submissions of required quarterly financial reports. All quarterly and final financial reporting beginning with the July 1 - September 30, 2023, reporting period will be done in the FFR format within PMS. Award recipients’ first FFRs will be due no later than October 31, 2023.

NASA grant and cooperative agreement recipients who currently have access to PMS should login to PMS and update their permissions to request access to the FFR module. Information on updating user permissions can be found here.

GUIDANCE: To reflect the transition from the FCTR to the FFR, language in Acronyms, Post Award Monitoring, Closeout, and Appendices D, F, and G of the FY23 GCAM have been revised to ensure the guidance contained therein reflects NASA’s new quarterly and final financial reporting requirements.

The clarifications are designed to ensure consistency of effort in NASA’s financial reporting while providing guidance to NASA program officials, grant officials, and recipients of their respective responsibilities to ensure proper stewardship of NASA’s Federal financial assistance awards.

The following changes to the GCAM are effectuated with this GIC:

**GCAM 1.0 Acronyms**

*Removed:*

- FCTR Federal Cash Transaction Report
- FSR Financial Status Report
GCAM 7.1 Post Award Monitoring

Second paragraph corrected to read:
Grant Officers and Technical Officers are responsible for routine post-award monitoring on all awards, regardless of the award’s risk determination. At a minimum, routine monitoring includes reviewing award recipients’ annual performance reports, quarterly and final FFR (SF-425) (this is a Grant Officer responsibility), and all other reports that may be required (See Appendix F for a full list of required reports).

9.1 Closeout Process and Requirements

9.1 (1)(e) corrected to read:
A final FFR has been received, all payments have been made to the recipient, all reimbursements have been received and reconciled, and any remaining unused balance has been deobligated from the grant or cooperative agreement.

9.1 (2) (a) Corrected to read:
Review line 10.b of the final or most recently submitted FFR to determine the amount reported as disbursed.

Appendix D - Award Terms and Conditions

D8 – Financial Management, corrected to read:
(a) Advance payments will be made by the Financial Management Office of the NASA Center assigned financial cognizance of the award using the Department of Health and Human Services' Payment Management System (PMS), in accordance with procedures provided to the recipient. In accordance with 2 CFR §200.328, the recipient shall submit a Federal Financial Report (FFR/SF-425) electronically within PMS within 30 days following the end of each Federal fiscal quarter (i.e., December 31, March 31, June 30, and September 30).

(b) In addition, the recipient shall submit a final Federal Financial Report (FFR/SF-425) electronically within PMS within 120 calendar days after the end date of the period of performance. The final FFR shall pertain only to the completed award and shall include total disbursements from inception through completion. The report shall be marked “Final.” The final FFR shall be submitted to NASA per the Grants and Cooperative Agreement Manual (GCAM), Appendix F, Required Publications and Reports.

Appendix F - Required Publications and Reports

Reports, changed from:
Quarterly Federal Cash Transaction Report (FCTR)

To:
Quarterly Federal Financial Reports (FFR/SF-425)

Final Reports, changed from:

To:
Properly Certified Final Federal Financial Report (FFR/SF-425)
Appendix G – NASA Routine Monitoring Plan

G3.1.3 – G3.2.4, should read as follows:

G3.2.2 Reports Review Monitoring

G3.1.3 Quarterly and Final Federal Financial Reports Review

GOs must review the quarterly and final Federal Financial Report (FFR/SF-425) submitted by the recipient in accordance with 2 CFR §200.328, Financial reporting.

The GO performing the review must ensure the following:

- That financial reports are submitted timely:
  - Quarterly FFR reports are due no later than 30 days past the reporting period end date,
  - Final FFRs are due no later than 120 days after the end of the period of performance.
- All amounts in the financial report are cumulative; and
- All funding drawdowns are commensurate with award implementation.
  - Recipients must not draw down more funding than they need for immediate expenditures in accordance with 2 CFR §200.305, Federal payment, and, unless an adequate justification is provided, there should not be prolonged periods of time in which a recipient does not draw down any funds at all.

G3.1.3.1 Review for Excess Cash on Hand

GOs will review the quarterly and final FFR for excess cash on hand, and, if excess cash on hand is identified, review the recipient’s justification for having an excess of cash on hand. If the justification is insufficient, the GO must reach out to the recipient to properly justify the excess cash or return the cash via PMS.

G3.1.3.2 Review the Pace of Drawdown

The NSSC will evaluate the data submitted in the quarterly FFR to evaluate the pace at which the recipient is drawing down funding. The review involves comparing the amount drawn down for each award against the time elapsed in each award’s period of performance (e.g., if the subject quarter is halfway through the period of performance, the cumulative amount of funding drawn down should be roughly equivalent to half of the total award amount.). If the pace of draw is too fast or too slow, the GO must reach out to the recipient to obtain a justification for the pace of drawdown.

G3.1.3.3 Cost Share Review

If applicable, the recipient must report the amount of cost sharing they have contributed to each award under the “Recipient Share” section of their quarterly and final FFR. GOs must review the FFRs to ensure that the cost share requirement is met. If cost share requirements have not been met, GOs, in consultation with the award’s Technical Officer, should inquire with the award recipient to determine why the required cost share has not been met and implement appropriate corrective actions in accordance with sections G3.3 and G3.4 of this appendix.
G3.1.3.4 FFR Approval and/or Follow-up
GOs must approve the quarterly and final FFR in PMS or return the report to the recipient with instructions on how to make necessary revisions. The GOs must follow up with the recipient until the report is approved. The approved report must be shared with the award’s TO upon request.

G3.1.4 Recurring Reports with GO Validation Requirements
Reports are valuable to ensure that NASA grant and cooperative agreement projects are efficient and effective. The GO must validate the submission of reports outlined in Table G3.1.4(A) below as well as the quarterly and final FFR outlined in sections G3.1.3 through G3.1.3.4 above throughout the award’s period of performance.

Submission validation involves the GO confirming that the recipient has submitted the required report in a timely manner, where applicable, and placing an electronic copy of the report in the award’s official grant file.

Recipients will submit the reports outlined below electronically to the cognizant NASA office and provide a copy to the GO. The reports will be considered approved by the cognizant NASA office unless the GO receives notice from the cognizant NASA office within ten (10) business days that the report has not been approved.

EFFECTIVE DATE: August 3, 2023

REGULATION OR TERM AND CONDITION CHANGES: Yes. The revised language of the term and condition of Appendix D8 – Financial Management, shall be incorporated into all new and amended grants and cooperative agreements awarded on or after the effective date of this GIC. The new term and condition will be incorporated in the Grant and Cooperative Agreement Manual during the next update.

HEADQUARTERS CONTACTS: Corey Walz, Office of Procurement, Procurement Management and Policy Division, Grants Policy & Compliance, 202.940-6581, e-mail: corey.a.walz@nasa.gov.