

Section 7.3.2: Financial Reports

PURPOSE AND POLICY

When managing a subgrant, a grant program manager must obtain useful information for monitoring project expenditures. During the grant lifecycle, the subgrantee must prepare and document the expenditures that relate to overall grant performance and progress. The reports contain the actual expenditures and unliquidated obligations for a specific reporting period and cumulative for the subgrant. Grant program managers ensure that recipients are fully aware of financial reporting requirements by providing technical assistance and monitoring so that reports are properly prepared and submitted in a timely manner. If a subgrantee fails to submit the financial reports, the subgrant will be subject to an automatic withholding of the ability to drawdown funds. Further, the failure to submit the financial report may lead to the suspension and/or termination of an award. The Office of Grants and Federal Resources (GFR) recommends that grantors utilize the eCivis Subrecipient Manager (SRM), which includes a financial reporting function.

PROCEDURE

1. **Receive the financial report**

The subgrantee submits the status report through e-mail or an award management system, preferably the eCivis SRM. The subgrantee is required to submit the report within 45 days of the end of the calendar year; if a quarterly report is required, within 45 days after the end of the quarter.

2. **Review the financial report**

The grant program manager performs a programmatic review by accessing the files and comparing the expenditure rate with the project activity level noted in the progress or final report. If issues are noted, the grant program manager contacts the subgrantee to discuss (see [Section 8.2.3, Desk Reviews](#)).

3. **Assess and resolve any problems with Financial Status Report**

The grant program manager performs a financial review by assessing the problem, and contacts the subgrantee to advise of the error, provide technical assistance, and request a revised report, if necessary. If a revised copy is not submitted by the recipient, the grant program manager will notify the subgrantee in writing that funds may be withheld until a revised report is submitted.