

# Implementation Tips for USAID Partners

Sharing Resources and Knowledge Among the Global CSO Community

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## Definitions

**FMO**—Your funding agency's Financial Management Officer.

**Program Income**—Program income is money earned by a program for the benefit of the program itself. It is generated from charging fees for services or from sales of commodities.

Program Income is different from income-generating activities, through which a program's grantees or beneficiaries keep income earned.

## References

Download PDFs version of these USG standard forms

- [SF-270](#) (Request for Advance or Reimbursement)
- [SF-1034](#) (Public Voucher for Purchases and Services Other Than Personal) or the
- [SF-425](#) (Federal Financial Report)

In order to take advantage of some of the form's features, including auto-calculations, be sure you have the latest version of Adobe Reader. Download it for free at <https://get.adobe.com/reader/>.

## Requesting USG Funds Using the SF-270: Request for Advance or Reimbursement

**Q.** When and how do I request funds, and how much can I request at a time?

**A.** The U.S. Government (USG) disburses funds to grantees in two ways: 1) by advancing funds or 2) by reimbursing partners for expenses after they have been incurred. Your Cooperative Agreement and/or your funding agency's Financial Management Office (FMO) will direct you to the disbursement channel you are authorized to use.

To request funds, you must fill out the SF-270 (Request for Advance or Reimbursement) or the SF-1034 (Public Voucher for Purchases and Services Other Than Personal) or the SF-425 (Federal Financial Report) and submit it to your funding agency's financial management officer (FMO). If you have multiple USG awards, you must fill out a separate form for each award. A detailed explanation of how to fill out and submit the SF-270 follows.

Initially, you will be limited to requesting funding advances one month at a time. Each request must be for the amount you estimate you will spend in the upcoming 30-day period. You are not allowed to request or hold on to any extra "contingency funds." However, if a particular planned procurement is delayed, you are permitted to carry over those funds until the following month. If an activity is cancelled you can spend the funds on another activity in your approved workplan.

Although individual agency policies may vary, in general, you will be required to complete the SF-270, SF-1034 or the SF-425 and submit it at least 3 weeks before the month in which you require the funds. The FMO will review and determine the appropriateness of the funds requested. If your request is unusual, such as a request for an atypically large amount of funds for an upcoming procurement, it may be helpful to provide an explanation or documentation with your request. Turn-around times vary among agencies, but generally you can expect funds within one week.

## Items to Consider

### Timing your SF-270 and SF-425 Submissions

Since the FMO uses the information from your SF-425 Federal Financial Report to process your SF-270 Request for Advance, it is important to make sure you have completed and submitted your SF-425 in a timely fashion. Though you are not required to submit the SF-425 until 30 days after the end of the quarter, waiting that long could delay the processing of your request for funds. Therefore, submit the SF-425 as soon as possible if you have a pending request for funds.

### Bank Account Requirements

Your organization and your subrecipients are not required to maintain advances in a separate bank account, provided that the organization's accounting and financial management systems are able to account for the receipt and expenditure of funds and interest earned on the advances. The advances must be deposited into a reputable bank, and the organization must only use a non-interest-bearing account unless:

- your organization (or one of your subrecipients) receives less than US\$120,000 in USG funds per year; or
- the best, reasonably available interest-bearing bank account would not expect to earn more than \$250 in interest in a 12-month period on the advance; or
- an interest-bearing account requires a minimum balance that is so high as to make it impractical to use.

Non-US organizations may keep up to US\$250 of any interest earned to cover administrative costs. Interest earned in excess of US\$250 per year must be remitted to your funding agency. US organizations may keep up to \$500 of interest earned to cover administrative costs.

Subject to approval of the Chief Financial Officer (CFO) or Controller of the federal agency/USAID, you may submit:

1. one request every 30 days covering a 30-day period
2. three requests covering 30-day sub-periods of a 90-day period to be paid automatically every 30 days
3. one request for 90 days that will be paid in 30 day-increments

### Estimating Advances

When estimating your request, do not merely divide your annual budget by 12 months; instead, calculate specifically what you think you will spend in the upcoming month. Some elements of your budget may be divided evenly among months (for example, salaries), but some, such as purchases of non-expendable equipment, may happen all in one month (for example, at the beginning of a project).

Partners who are implementing with subrecipients should work together to ensure that funding requests and spending are managed smoothly, so no organization runs out of money. To do this, ask subrecipients to provide monthly or (when approved) quarterly funding estimates. You also may wish to institute a process with subrecipients for advances and reimbursements similar to the one you follow for the USG.

### Filling Out the SF-270

Although the SF-270 is used to request advances or reimbursements from the USG, your agency's process may differ slightly from that outlined below. Always defer to the instructions provided by your FMO.

The SF-270 is a two-page form: the first page contains space for you to input information and data; the second is for signature and includes instructions on how to complete the form.

On the first page, there are three primary sections—the top portion for information about your grant and your request; the middle section in which you calculate your advance or reimbursement; and the third section for requesting advances only.

## Items to Consider

### Keep an Eye on your Obligation Ceiling!

The turn-around time for processing a request for funds is fairly short as long as you have sufficient funds obligated under your award. If you request funds above your obligation ceiling, your agreement will have to be modified to obligate additional funds to your award amount before the FMO can process your SF-270.

It is in your best interest to monitor your obligation amount closely. As soon as you have expended 75% of your obligation, contact your AOR to request that additional funds be obligated.

### The U.S. Government disburses funds to grantees in two ways:

- 1) by advancing funds or
- 2) by reimbursing partners for expenses after the fact.

<b>REQUEST FOR ADVANCE OR REIMBURSEMENT</b>  (See instructions on back)		OMB APPROVAL NO. <b>0348-0004</b>		PAGE _____ OF _____ PAGES
		1. TYPE OF PAYMENT REQUESTED a. "X" one or both boxes <input type="checkbox"/> <b>ADVANCE</b> <input type="checkbox"/> <b>REIMBURSEMENT</b> b. "X" the applicable box <input type="checkbox"/> <b>FINAL</b> <input type="checkbox"/> <b>PARTIAL</b>		2. BASIS OF REQUEST  <input type="checkbox"/> <b>CASH</b> <input type="checkbox"/> <b>ACCRUAL</b>
3. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED		4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY		5. PARTIAL PAYMENT REQUEST NUMBER FOR THIS REQUEST
6. EMPLOYER IDENTIFICATION NUMBER	7. RECIPIENT'S ACCOUNT NUMBER OR IDENTIFYING NUMBER	<b>Top</b> 8. PERIOD COVERED BY THIS REQUEST FROM (month, day, year) _____ TO (month, day, year) _____		
9. RECIPIENT ORGANIZATION  Name:  Number and Street:  City, State and ZIP Code:		10. PAYEE (Where check is to be sent if different than item 9)  Name:  Number and Street:  City, State and ZIP Code:		

11. COMPUTATION OF AMOUNT OF REIMBURSEMENTS/ADVANCES REQUESTED				
PROGRAMS/FUNCTIONS/ACTIVITIES ►	(a)	(b)	(c)	TOTAL
a. Total program outlays to date (As of date)	\$	\$	\$	\$
b. Less: Cumulative program income				
c. Net program outlays (Line a minus line b)				
d. Estimated net cash outlays for advance period				
e. Total (Sum of lines c & d)				
f. Non-Federal share of amount on line e				
g. Federal share of amount on line e				
h. Federal payments previously requested				
i. Federal share now requested (Line g minus line h)				
j. Advances required by month, when requested by Federal grantor agency for use in making prescheduled advances	1st month			
	2nd month			
	3rd month			

12. ALTERNATE COMPUTATION FOR ADVANCES ONLY	
a. Estimated Federal cash outlays that will be made during period covered by the advance	\$
b. Less: Estimated balance of Federal cash on hand as of beginning of advance period	
c. Amount requested (Line a minus line b)	\$
AUTHORIZED FOR LOCAL REPRODUCTION (Continued on Reverse) STANDARD FORM 270 (Rev. 7-97)	

### Top portion

Below are tips for completing the key sections.

OMB APPROVAL NO. <b>0348-0004</b>		PAGE _____ OF _____ PAGES
1. TYPE OF PAYMENT REQUESTED	a. "X" one or both boxes <input type="checkbox"/> <b>ADVANCE</b> <input type="checkbox"/> <b>REIMBURSEMENT</b>	2. BASIS OF REQUEST  <input type="checkbox"/> <b>CASH</b>  <input type="checkbox"/> <b>ACCRUAL</b>
	b. "X" the applicable box <input type="checkbox"/> <b>FINAL</b> <input type="checkbox"/> <b>PARTIAL</b>	
4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY		5. PARTIAL PAYMENT REQUEST NUMBER FOR THIS REQUEST
8. PERIOD COVERED BY THIS REQUEST		8
FROM (month, day, year)		TO (month, day, year)

- **Box 1(a)** – The type of payment requested will be an advance, a reimbursement or a combination of the two.
- **Box 1(b)** – For all requests other than the final request at the end of your grant, select partial payment.
- **Box 2** – The basis of the request depends on the type of accounting system you are using. The U.S. Government disburses funds to grantees in two ways: 1) by advancing funds or 2) by reimbursing partners for expenses after the fact.
- **Box 8** – The “period covered by this request” should be one calendar month (e.g., FROM January 1, 2017 TO January 31, 2017), unless otherwise directed by the FMO.

After completing the top portion, you must determine whether to fill out the full calculation area in the middle of the form or the simplified calculation area for Advances Only at the bottom of the form.

Fill out the full calculation area if any portion of the funds requested includes a reimbursement. You also must fill out the full calculation area if you have any program income.

If you are not requesting a reimbursement and do not have program income, you may skip down to the Advances Only portion of the form, described on the following page.

### Calculation Area

The primary calculation area includes three columns across the top (a–c) and a Total column. It is not necessary to break out your funding request across these columns unless directed to do so by your AOTR/COTR or FMO.

The calculations (rows labeled a–j) are explained and illustrated on the following page.

- a) Total program outlays to date:** All expenditures for your program, including cost share, as of the beginning of the request period. In other words, if your request is for Jan 1–31, 2009, give the total outlays as of Dec. 31, 2008.
- b) Less: cumulative program income:** If your program has earned any program income, enter it here.
- c) Net program outlays** (Line a minus line b).

*Partners implementing with subrecipients should work together to ensure that funding requests and spending are managed smoothly, so no organization runs out of money.*

11. COMPUTATION OF AMOUNT OF REIMBURSEMENTS/ADVANCES REQUESTED				
PROGRAMS/FUNCTIONS/ACTIVITIES ►	(a)	(b)	(c)	TOTAL
a. Total program outlays to date <small>(As of date)</small>	\$	\$	\$	\$ 175,000
b. Less: Cumulative program income				0
c. Net program outlays <small>(Line a minus line b)</small>		0		175,000
d. Estimated net cash outlays for advance period				58,250
e. Total <small>(Sum of lines c &amp; d)</small>		0		233,250
f. Non-Federal share of amount on line e				11,750
g. Federal share of amount on line e				221,500
h. Federal payments previously requested				167,500
i. Federal share now requested <small>(Line g minus line h)</small>		0		54,500
j. Advances required by month, when requested by Federal grantor agency for use in making prescheduled advances				
1st month				
2nd month				
3rd month				

- d)** *Estimated cash outlays for advance period:* How much you will need for the advance period (in our example, January 1–31, 2009). All funding needed (including cost share), regardless of any carryover cash on hand.
- e)** *Total* (sum of lines c and d).
- f)** *Non-federal share of amount on line e:* All past cost-share contributions, plus all cost-share contributions you plan to contribute during the advance period. (If you are not sure what cost share you may be able to commit to during the advance period, it is fine to put US\$0 in your SF-270, as long as you properly account for the actual cost share generated in your next SF-425.)
- g)** *Federal share of amount on line e:* This is the total amount you have requested from the USG toward this project to date, including the funds requested for the advance period.
- h)** *Federal payments previously requested:* Sum of all money you have requested to date from the USG.
- i)** *Federal share now requested* (line g minus line h): The result will be the total amount of USG funds you need for the upcoming month (request period), less any unspent USG funds you have on hand.
- j)** *Advances required by month:* The final row is used only when you request funds on a quarterly basis but receive these funds in monthly installments.

### Advances Only

To fill out *alternate computation for advances only* (box 12), calculate how much funding you will need for the next month and subtract the amount of any unspent USG funds you have remaining from your previous advance to come up with the amount you are requesting for the period. During the previous period, if you spent more than your previous advance, the *unspent funds remaining* block may show a negative amount.

## For More Information

For this or other issues of *Implementation Tips*, please visit [www.NGOConnect.net](http://www.NGOConnect.net). The Web site is a dynamic and interactive portal dedicated to connecting and strengthening CSOs, networks and CSO support organizations worldwide.

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## Submitting Your SF-270

Once you complete the first page and have the Project Director or other designated certifying authority within your organization sign and date the second page. Then, scan and e-mail the form to the payment office specified in your award, and copy your AOR/COR and USAID/Washington Activity Manager. If you have not heard from your FMO within a few days, e-mail him/her and your AOR/COR to make sure he/she has received your request.

