Results Oriented Accountability for Grants

Goal Leaders

Fred Nutt, Senior Advisor, Office of Management and Budget

Tim Soltis, Deputy Controller, Office of Management and Budget

Sheila Conley, Deputy Chief Financial Officer, Department of Health and Human Services

Doug Webster, Chief Financial Officer, Department of Education
Goal Statement

- Maximize the value of grant funding by applying a risk-based, data-driven framework that balances compliance requirements with demonstrating successful results for the American taxpayer.

Challenge

- The Federal government uses grants to invest approximately $700 billion each year in mission-critical needs for American taxpayers, but managers report spending 40% of their time using antiquated processes to monitor compliance instead of analyzing data to improve results.

Opportunity

- Identify, open, standardize, and link critical data sets to power data analytics to enhance financial stewardship, performance management, and accountability. Use digital tools to modernize antiquated compliance processes. Leverage available data such as those produced by annual audits of recipients to drive a risk-based framework for performance management that drives results.
Leadership

Executive Steering Committee
The Executive Steering Committee will hold the primary responsibility for developing a governance structure for the CAP goal. It will also act as an overarching governing body for all work groups.

Goal Leaders
The U.S. Department of Education and U.S. Department of Health and Human Services will serve as key members of a steering committee under the Chief Financial Officers Council (CFOC) to provide agency leadership in support of this goal.

Goal Leaders
The Office of Management and Budget (OMB) will provide overall leadership, oversight, and project management to support this goal.

Participating Agencies
All major grant making agencies are encouraged to participate and contribute to the execution of this goal. Leads will be identified for each of the work groups reflected on the governance slide.
Goal Structure

**Strategy 1: Standardize Data**
Identify, open, standardize, and link critical data sets to power analytics to enhance financial stewardship, performance management, and accountability. Validate data standards at touch points with stakeholders. Use data to identify opportunities to build standardized solutions that reduce burden and increase efficiency.

**Strategy 2: Digital Tools to Manage Risk**
Use digital tools to modernize antiquated form-based compliance processes to assess and manage risk.

**Strategy 3: Risk-Based Performance Management**
Leverage existing data such as those produced by annual audits of recipients to drive a risk-based framework for performance management that drives results.
Governance

EXECUTIVE STEERING COMMITTEE (ESC)
Fred Nutt, OMB | Tim Soltis, OMB | Sheila Conley, HHS | Doug Webster, ED

STANDARDIZE DATA
Grants Management Data Standards Working Group

LEVERAGE EXISTING DATA SOURCES & PROCESSES
SINGLE AUDIT AND RISK MANAGEMENT CAPABILITIES
Single Audit Working Group

COMPLIANCE SUPPLEMENT
Working Group:
• Compliance Supplement teams

RISK MANAGEMENT FRAMEWORK
Risk Management Framework Working Group

RISK-BASED PERFORMANCE MANAGEMENT
Risk-Based Performance Management Working Group

Chief Financial Officers Council (CFOC)

Stakeholder Outreach
Key Milestones for Quarter 3

- Issued OMB guidance directing agencies to plan for new data standards.
- Engaged agencies on the implementation of Appendix A to OMB Circular A-123 for financial assistance data.
- Engaged stakeholders to grow a Community of Practice to over 500 members.
- Issued the 2018 ‘skinny’ Single Audit Compliance Supplement.
- Launched The Opportunity Project sprint which connects spending to performance.
- Developed a draft plan for stakeholder outreach.
Strategy 1: Standardize Data

This strategy recognizes that recipient burden (such as excessive compliance requirements) can be reduced if grant reporting data is standardized and access to and collection of data is digitized. Data standardization also supports faster and more transparent decision making. This work will leverage the Federal Integrated Business Framework (FIBF) model developed by the GSA Unified Shared Services Management office to develop a comprehensive taxonomy for core grants management data standards. This strategy supports the Improving the Efficiency and Effectiveness of Administrative Services Across Government and Leveraging Data as a Strategic Asset CAP Goals.

<table>
<thead>
<tr>
<th>Key Milestones</th>
<th>Milestone Due Date</th>
<th>Milestone Status</th>
<th>Change from last quarter</th>
<th>Owner</th>
<th>Anticipated Barriers or other Issues Related to Milestone Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage Federal Integrated Business Framework (FIBF) to develop comprehensive map of core capabilities for grants management</td>
<td>FY2018 Q3</td>
<td>Completed</td>
<td></td>
<td>CFOC</td>
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<tr>
<td>Based on FIBF capabilities, standardize data elements to inform comprehensive taxonomy for core grants management data standards</td>
<td>FY2018 Q4</td>
<td>Completed</td>
<td></td>
<td>CFOC</td>
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</tr>
<tr>
<td>Develop a draft plan for stakeholder outreach</td>
<td>FY2018 Q4</td>
<td>Completed</td>
<td></td>
<td>CFOC</td>
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</tr>
<tr>
<td>Release of core grants management data standards</td>
<td>FY2018 Q4</td>
<td>In Progress</td>
<td></td>
<td>OMB</td>
<td></td>
</tr>
<tr>
<td>Implement stakeholder outreach plan strategy</td>
<td>FY2019 Q1</td>
<td>In Progress</td>
<td></td>
<td>OMB, CFOC</td>
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</tr>
<tr>
<td>Solicit public feedback on the draft core data standards</td>
<td>FY2019 Q1</td>
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<td>OMB</td>
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<tr>
<td>Develop a draft plan for governance and maintenance of data taxonomy</td>
<td>FY2019 Q2</td>
<td>In Progress</td>
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<td>CFOC</td>
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<tr>
<td>Launch government-wide readiness assessment to evaluate agency system baselines against the core grants management data standards</td>
<td>FY2019 Q1</td>
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<td>OMB</td>
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<tr>
<td>Receive agency input on opportunities to implement standardized information collections for grants management</td>
<td>FY2019 Q2</td>
<td></td>
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<td>CFOC</td>
<td></td>
</tr>
<tr>
<td>Revise OMB Guidance, as needed</td>
<td>FY2020 Q4</td>
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<td>OMB, CFOC</td>
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The Federal government has a tremendous amount of data that may be leveraged to identify opportunities and better manage risk, but that data is currently locked in an antiquated process, and driving burdensome compliance exercises. Using digital tools to modernize the process, unlocking the data to power enterprise-based risk management, and focusing in on high-risk compliance requirements could dramatically reduce burden for agencies and recipients. Powerful data and analytics based on risk could set the stage for a risk-based performance management framework in Strategy 3.

This strategy supports the Improving the Efficiency and Effectiveness of Administrative Services Across Government and Modernizing IT to Increase Productivity and Security CAP Goals.

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Draft Risk Management Framework</td>
<td>FY2018 Q3</td>
<td>Completed</td>
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<td>CFOC</td>
<td></td>
</tr>
<tr>
<td>Develop draft business capabilities for single audit resolution common solution</td>
<td>FY2018 Q4</td>
<td>Completed</td>
<td></td>
<td>CFOC</td>
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</tr>
<tr>
<td>Draft Risk Management Tool Business Capabilities</td>
<td>FY2018 Q4</td>
<td>In Progress</td>
<td></td>
<td>CFOC</td>
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</tr>
<tr>
<td>Release of Risk Management Framework</td>
<td>FY2018 Q4</td>
<td>In Progress</td>
<td></td>
<td>OMB</td>
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<tr>
<td>Solicit public for information on opportunities to build a standardized solution for grants management</td>
<td>FY2019 Q1</td>
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<td>CFOC</td>
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<tr>
<td>Draft plan for implementation of standardized solution for grants management</td>
<td>FY2019 Q2</td>
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<td>CFOC</td>
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<tr>
<td>Collaborate with public and partners to assess input received for risk management framework</td>
<td>FY2019 Q4</td>
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<tr>
<td>Deploy single audit resolution common solution prototype</td>
<td>FY2019 Q4</td>
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<tr>
<td>Iterate single audit resolution common tool prototype to include risk management tool</td>
<td>FY2020 Q1</td>
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Strategy 3: Risk-Based Performance Management

A comprehensive risk management tool for determining Federal funding awards that are low-risk and high value must include consideration of past performance results, financial risk, and an applicant’s capabilities to deliver the proposed results. In order to do this, agencies need to have ready access to performance data and have the data infrastructure to include performance in risk modeling. The recent updated guidance on grants included requirements for performance reporting in grants, however there is much more that can be done to identify practices and data tools to enable agencies to incorporate performance into their grant award operations. This strategy includes an assessment of current capabilities, piloting promising strategies, and developing a framework so that other agencies can leverage these practices. This strategy also supports the Moving from Low-value to High-value Work CAP Goal.

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<tr>
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<th>Owner</th>
<th>Anticipated Barriers or other Issues Related to Milestone Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue 2018 ‘skinny’ Single Audit Compliance Supplement</td>
<td>FY2018 Q3</td>
<td>Completed</td>
<td></td>
<td>OMB</td>
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</tr>
<tr>
<td>Streamline 2019 Single Audit Compliance Supplement with an increased focus on compliance requirements that inform performance</td>
<td>FY2019 Q2</td>
<td>In progress</td>
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<td>OMB</td>
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<tr>
<td>Solicit information from agencies on current grants performance management practices</td>
<td>FY2019 Q1</td>
<td>In progress</td>
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<td>OMB, CFOC</td>
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</tr>
<tr>
<td>Completion of sprint for The Opportunity Project which connects spending to performances</td>
<td>FY2019 Q1</td>
<td>In progress</td>
<td></td>
<td>Various Owners</td>
<td></td>
</tr>
<tr>
<td>Identify emerging and innovative practices that are ripe for pilot testing</td>
<td>FY2019 Q2</td>
<td>In progress</td>
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<td>OMB, CFOC</td>
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<tr>
<td>Design pilot and the evaluation strategy</td>
<td>FY2019 Q3</td>
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<td>OMB, CFOC</td>
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<tr>
<td>Execute pilot and assess performance at key milestones</td>
<td>FY2019 Q3</td>
<td></td>
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<td>OMB, CFOC</td>
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<tr>
<td>Analyze pilot results and develop key recommendations</td>
<td>FY2020 Q3</td>
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<td>OMB, CFOC</td>
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<tr>
<td>Compile lessons learned to guide agency adoption</td>
<td>FY2020 Q4</td>
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<td>OMB, CFOC</td>
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<tr>
<td>Revise OMB guidance, as needed based on pilot results and recommendations</td>
<td>FY2022 Q2</td>
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<td>OMB</td>
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This initiative will require extensive engagement with key grants management stakeholders, including the following internal and external communities:

- Federal Awarding Agencies
- Recipients
- Taxpayers
- Congress
- Oversight Community
- Industry Partners

Stakeholders are integral to the success of this effort. Goal leaders are reaching stakeholders through various events throughout the community to learn from best practices.
Visit the community of practice website to:

- Join the listserv to learn about exciting updates to the CAP goal
- View the stakeholder outreach strategy
- Read and provide feedback to work products as they become available
- Stay up to date on the latest speaking engagements
- Much more!

**Results Oriented Accountability for Grants**

**Community of Practice Website:**

Indicators will be developed to monitor progress towards standardizing data; leveraging digital tools and streamlining requirements to reduce recipient and agency burden; and improved risk-based performance management. Such as:

- Number of agency OMB approved information collection requests for grants reporting
- Number of recipient burden hours attributed to agency information collection requests
- Use of self-assessment data, such as percentage of Federal agency and recipient time dedicated to administrative and financial compliance requirements as compared to analyzing data to monitor results
The following organizations are supporting the accomplishment of the CAP goal:

- National Association of Public Administration (NAPA)
- Federal Demonstration Partnership (FDP)
- Association of Government Accountants (AGA)
- American Institute of Certified Public Accountants (AICPA)
- National Association of State Auditors, Comptrollers and Treasurers (NASACT)
- Council of the Inspectors General on Integrity and Efficiency (CIGIE)
- Data Foundation
- Center for Open Data Enterprise (CODE)
- Over 500 members of the Results-Oriented Accountability for Grants Community of Practice