



**U.S. DEPARTMENT OF
TRANSPORTATION: OFFICE OF
THE SENIOR PROCUREMENT
EXECUTIVE**

**Summer 2008
Volume 1, Issue 1**

Financial Assistance Management Newsletter

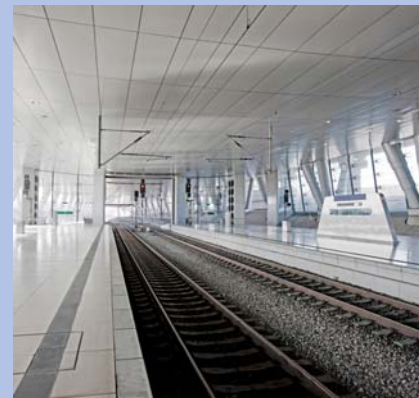
FRA Makes Tracks... Moving Forward in Grants !

On April 30, 2008, in support of DOT's efforts to implement the President's Management Agenda, Grant Management Line of Business (GMLOB) initiative, the Federal Railroad Administration (FRA) officially launched its plan to evolve from a paper-based grant management process to a web-based system. This system, called *GrantSolutions*, was selected by DOT last December from among three government-wide Centers of Excellence for grant management support services and is the product of HHS's Administration for Children and Families (ACF).

Although FRA's efforts are being led by the Office of Financial Management and Administration, FRA is taking a collaborative approach toward implementation. Because this project offers many opportunities to examine the effectiveness of current business processes, a small working group of staff from across FRA and OST is meeting regularly with ACF to review system functionality and decide on how best to integrate *GrantSolutions* into FRA's environment. The guiding principle for this infrastructure enhancement is recognizing that program requirements drive successful system implementation.

FRA staff is optimistic that *GrantSolutions* will boost its efficiency by eliminating redundancies, increasing productivity, and enhancing FRA's capacity to track, monitor and report on its growing portfolio of grants. FRA expects to have staff trained and *GrantSolutions* fully deployed by January 1, 2009.

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What is Financial Assistance Management?

Financial Assistance Management is the process through which grants, cooperative agreements, loans, and other transactions are administered:

- to improve the effectiveness of program performance;
- simplify federal financial assistance application and reporting requirements;
- improve the delivery of services to the public; and
- facilitate greater coordination among those responsible for delivering services.

In 1999, the President signed the Federal Financial Assistance Improvement Act which essentially streamlined the financial assistance processes among the 26 Grant making agencies. The Act simplified Grant application and reporting procedures, improved delivery of services to the public and helped those distributing services to gain greater coordination with each other. The website Grants.gov, the Federally designated cite, provides a place where organizations can Find and Apply for financial assistance.

Within the Office of the Senior Procurement Executive (OSPE) the Financial Assistance Management Division provides oversight and guidance to improve the effectiveness and business management of Financial Assistance Programs for each DOT OA. In addition, the Financial Assistance Management has oversight responsibilities for the DOT's Suspension and Debarment Program. Also, in partnership with the Chief Information Officer (CIO) and Chief Financial Officer (CFO) the Financial Assistance Management Division provides comprehensive oversight for the e-gov Grants Management Line of Business (GMLoB) initiative.

Grants Management Line of Business (GMLoB)



What is the Grants Management Line of Business (GMLoB)?

- GMLoB is an initiative established as a result of the Federal Financial Assistance Improvement Act of 1999.
- A common solution to support end-to-end grants management activities by giving citizens access to the process and improving customer service.
- Also aims to increase the financial and technical expertise of the agencies handling the grants.

What is GMLoB designed to do?

- Reduce cost, and improve customer service.
- Increase standardization/streamlining of business processes and technologies.

How will agencies implement the GMLoB process?

- Three agencies were designated as Consortia leads by the Office of Management and Budget (OMB). They are tasked with defining and implementing an approach for consolidating grants management systems into three consortia solutions.



(GMLoB continued)

- The Consortia leads are—Department of Education (DOE), Department of Health and Human Services - Administration for Children and Families (HHS-ACF) and National Science Foundation (NSF).
- These agencies offer their current expertise in grants management and allow partner agencies to process grants using shared business practices.
- Grant making agencies will either align with a consortia lead or demonstrate a viable rationale for non-alignment.

What are some benefits to having Consortium Lead Agencies?

- DOT may experience cost savings and risk avoidance by spreading allocable costs across the 26 grant making agencies by using a consortia provider.
- Allows for standardized business process automation.
- Provides a reduced need for staff training and development.

How does DOT interface with the GMLoB?

Jointly, the Department interacts in three areas:

- Chief Information Officer (CIO) serves as the Program Manager (PM) for DOT
- Chief Financial Officer (CFO) provides financial insight and ensures fiscal responsibility for DOT
- Senior Procurement Executive (SPE) has administrative management oversight.

For more information, see <http://www.whitehouse.gov/omb/egov/index.html>



Grants Management Line of Business

May 2008

In August 2007, the Office of Management and Budget (OMB) established a Q1 FY08 Grants Management Line of Business (GMLOB) milestone requiring grant-making agencies to either partner with a Consortium Lead (CL) or, if unable to partner with a CL, submit a formal request to OMB to pursue an alternative solution. Agencies have completed this milestone and OMB has reviewed all partnership Memorandums of Understanding and communicated decisions on agency appeal requests.

Below are the results of the Q1 milestone process (for agencies participating in the Grants Executive Board). The establishment of new partnerships and agency appeal decisions created a new landscape for the federal grants management community.

THE NEW GMLOB LANDSCAPE				
Groups	Consortium Leads Partnership Group	Strategic Partnership Group	Alternative Solutions Group	Agencies Yet to Align
Group Descriptions	<ul style="list-style-type: none"> Consortium partnership where agencies share best practices and collectively design a Consortium solution. Partner agencies migrate to Consortium solution. 	<ul style="list-style-type: none"> Strategic partnership of agencies with similar size, mission, and processing volume. NEH provides efficient, cost-effective support to NARA and NEA. 	<ul style="list-style-type: none"> Agencies granted temporary approval for continued use of an efficient, cost-effective alternative solution. COTS Sub-Group agencies work together to establish single voice with common vendor. 	<ul style="list-style-type: none"> Agencies directed to complete specific milestones, reporting requirements, and further explore CL partnership opportunities.
Member Agencies	<p>HHS/ACF Partner Agencies: CNCS, DOT, EPA, IMLS, State, Treasury, VA</p> <p>ED Partner Agencies: DOI, DOJ/COPS</p> <p>NSF Partner Agencies: DOD, NASA</p>	<p>NEH NARA NEA</p>	<p>HHS/NIH</p> <p>COTS Sub-Group: DOE, SBA, USAID</p>	<p>DHS DOC DOJ/OJP& OWW DOL HUD SSA USDA</p>



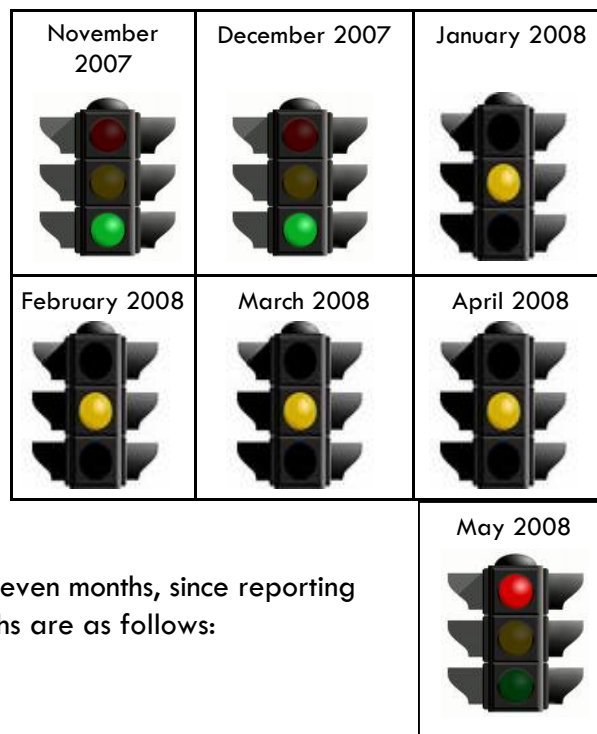
The Federal Funding Accountability Transparency Act (FFATA) and it's Affect on DOT

The Federal Funding Accountability Transparency Act (FFATA) was enacted in 2006. The purpose of FFATA is to provide the public with information about how their tax dollars are spent. By collecting data about the various types of contracts, grants, loans, and other types of spending in the Federal government provides a broader picture of much needed transparency to the Federal spending processes.

As a result of FFATA, the DOT as well as all other Federal Agencies must submit data detailing how federal funds are being spent. A three color coding system is used to depict the accuracy of agencies' reporting over a specified period of time. In this coding system, green indicates a positive review, yellow means that it needs improvement, and red stands for unsatisfactory.

To the right is a visual of how the DOT has faired over the past seven months, since reporting began. Some of the problems encountered for last several months are as follows:

- Duplicate transactions encountered;
- Missing data; and
- Incomplete zip code, e.g, plus four data.



FFATA Data Check Reminders

Do

- Ensure that all data fields are completed w/the appropriate elements, e.g., zip plus 4, use the known zip and all the plus 4 information, if no plus 4 use four zeros.
- Include a DUNS number and confidence code when provide a FFATA data submission.
- Ensure that the DUNS confidence code element is numerically recorded seven or higher. This is verified and validated by accessing Dun and Bradstreet database using the required identifying information (See Financial Assistance Policy Letter 2008-01, dated 06/19/2008).
- Make certain that quality controls are in place to ensure that there are no duplicate data submissions.

Don'ts

- Submit incomplete FFATA data.
- Transmit duplicate data submissions.
- Send data without verifying the accuracy.