

**Federal Financial Assistance  
Management Improvement Act of 1999**

Public Law 106-107



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**Government Wide Report and  
Department of Commerce  
Annual Report  
September 1, 2006 through November 30, 2007**

## I. Overview

### Total Number of Grants Awarded and dollar Breakout

Bureau	Discretionary Awards	Mandatory Awards	Discretionary Dollar Amount	Mandatory Dollar Amount	Total Dollar Amount
EDA	897	0	\$ 380,762,203	0	\$ 380,762,203
ITA	4	0	\$ 576,492	0	\$ 576,492
MBDA	48	0	\$ 11,185,371	0	\$ 11,185,371
NIST	569	2	\$ 196,636,832	\$200,000	\$ 196,836,832
NTIA	264	0	\$1,017,742,206	0	\$1,017,742,206
NOAA	1,990	0	\$ 974,746,262	0	\$ 974,746,262
O/S	0	0	0	0	0
<b>Grand Total</b>	<b>3,772</b>	<b>2</b>	<b>\$2,581,649,366</b>	<b>\$200,000</b>	<b>\$2,581,849,366</b>

### Participation in Interagency Work Groups

Department of Commerce (DOC) grant officials continue to be active in numerous interagency work groups and governing bodies in the Federal grant community.

Grants Executive Board – The Senior Procurement Executive and Financial Assistance (OAM) Director of Acquisition Management and Procurement Executive represented the Department as a voting member of the board in Fiscal Year (FY) 07. Additionally, the Director of the Grants Management Division in the Office of the Secretary and the Senior Policy Specialist served as alternates.

CFO Council Grants Policy Committee – The Senior Policy Specialist, OAMFA and the Director, Grants Management Division from the National Oceanic and Atmospheric Administration (NOAA) represented the Department in this body for the past two years.

Pre-Award Work Group – The Senior Policy Specialist and the Chief, Federal Assistance Law Division are active participants in this work group developing government wide standard terms and conditions for federal assistance awards.

Post-Award Work Group – The Director, Grants Management Division, and (NOAA) has served as Chair of this work group for several years and has provided essential leadership in revamping policies related to post award reporting and forms development.

Interagency Suspension and Debarment Committee – The Senior Policy Specialist and the Deputy Chief, Federal Assistance Law Division represent the Department in this government wide body.

Federal Funding and Accountability and Transparency Act Task Force - Several departmental grants and acquisition officials are supporting this effort. DOC submitted its initial report on grant and contract awards made in fiscal year 2007 and through November 30, 2008.

Other external grant community bodies in which the Department is represented:

- National Grants Partnership
- Grants.gov Stakeholders
- Grants Network
- Research Business Models Committee

## **II. Grants.gov**

The DOC Point of Contact (POC) for Grants.gov has coordinated training and outreach related to the Grants.gov process for all departmental bureaus.

The National Oceanic and Atmospheric Administration (NOAA) conducts quarterly training for Federal Program Office staff of which a portion is dedicated to Grants.gov updates. NOAA also conducts periodic teleconferences with its grantees every 8-10 weeks which include updates related to Grants.gov. The Economic Development Administration (EDA) conducts regional conferences with stakeholder groups to provide Grants.gov applicant training opportunities. Senior grants officials are updated on developments related to Grants.gov at quarterly meetings of the DOC Grants Council and through interim communiqués provided by the DOC Grants Policy Officer

The Department provides support to applicants on questions concerning application forms and grant programs. The Minority Business Development Agency (MBDA) has implemented a pre-application conference for all of its competitions. Prospective applicants participate by teleconference to obtain information about the competition, work requirements and application requirements (including how to use Grants.gov for application submission). The DOC Grants.gov POC participates in all pre-application conferences and encourages prospective applicants to use Grants.gov. In addition to the verbal instructions, teleconference participants are provided PowerPoint presentations on the use of Grants.gov

### Grants.gov participation -

All application packages are posted at Grants.gov during the reporting period with the following exceptions:

The Low-Power Television and Translator Digital-to-Analog Conversion Program administered by the National Telecommunications and Information Administration (NTIA) received an exemption from posting in Grants.gov because the requested OMB approved grant data collection is not in the Grants.gov forms repository.

NIST reported that one application package was not posted during the reporting period. An exemption was obtained from Grants.gov.

Following is Grants.gov participation data:

Bureau	Number and % of grant announcements posted in Grants.gov	Number and % of grant apps on Grants.gov	Number and % of grant applications received by Grants.gov	Number of Systems gone from Grants.gov usage	No. and % apps received by paper and why
EDA	7 and 100%	7 and 100%	92 (8%) Grants.gov	0	Not required to use Grants.gov 1038 (92%) paper
ITA	1 and 100%	1 and 100%	2 (8%) Grants.gov	0	Not required to use Grants.gov 22 (92%) Paper
MBDA	34 and 100%	36 and 100%	26 (49%) Grants.gov	0	Not required to use Grants.gov 27 (51%) Paper
NIST	8 and 100%	7 and 88%	576 (57%) Grants.gov	1	Not required to use Grants.gov, they also have one exemption. 442 (43%) Paper
NTIA	4 and 100%	3 and 75%		0	Not required to use Grants.gov The also have an exemption for one of their opportunities 20 (100%) Paper
NOAA	102 and 100%	44 and 100%	3,261(94%)Grants.gov	0	Not required to use Grants.gov 198 (6%) paper
O/S	0	0	N/A	N/A	0

<b>Grand Total</b>	<b>149 and 100%</b>	<b>91 and 95%</b>	<b>5,684 total apps and 3,957 (69%) electronic</b>	<b>0</b>	<b>\$2,581,849,366</b>
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### **III. Grants Management Line of Business (GM LoB)**

The Department of Commerce (DOC) fully supports the objectives of the GM LoB. Since the passage of the Federal Financial Assistance Improvement Act of 1999 (PL 106-107), DOC has aggressively moved to streamline its internal grants management systems. The Department's largest grant making bureau, NOAA, has invested approximately \$8 million to develop an automated system called Grants Online to manage its financial assistance programs. In 2004 Grants Online became the first federal government grants management system to receive a grant application through Grants.gov. The system has now been active for three years and successfully processes approximately \$1 billion a year in grants and cooperative agreements, representing more than half of DOC's financial assistance portfolio.

Since going live in January 2005 Grants Online has processed over 90% of NOAA's grant applications through Grants.gov. A contractor assisted assessment of the applicability of Grants Online to the remainder of DOC was completed in March 2006. While certain questions remain, this assessment determined that there is a high-degree of functional fit between the Grants Online system and the other DOC Bureaus. Some further analysis is recommended as part of future requirements gathering.

By October 2006, Grants Online had become a fully operational end-to-end grants management software application with increased efficiency and productivity in the NOAA grants business process. Its success persuaded DOC leadership to present a proposal to be a GM LoB Consortia Lead. The GM LoB Consortia Evaluation Team concluded that Grants Online is a highly effective grants management system and urged DOC to posture itself to be a GM LoB provider by migrating all DOC bureaus to the Grants Online system. The Department has acted upon this guidance by moving all DOC bureaus to the Grants Online system except for the National Institute of Standards and Technology (NIST) and the Economic Development Administration (EDA). DOC estimates an additional \$4 million will be required to complete the migration of EDA and NIST to the system.

On August 31, 2007, the Office of Management and Budget directed agencies to execute a Memorandum of Understanding with one or more of the Consortia Leads or complete a fit gap analysis mapping their requirements to one or more of the three existing Consortia Leads capabilities pursuant to an appeal to OMB for an alternative solution. Based upon

the substantial investment made to date to migrate to a single enterprise wide system, DOC has determined that it is in the Department's best interest to complete that migration before conducting a fit gap analysis and thereafter executing an MOU or requesting an exemption. Moreover, it would better position the Department to make a more meaningful assessment of Consortia functionality for all of our federal assistance programs

DOC has already met with designated Leads from the Department of Education, the National Science Foundation, and the Department of Health and Human Services Administration for Children and Families to assess their capabilities as consortia providers. This initial assessment indicated that the Consortia Leads were not fully in production in order to support customer agencies.

Upon completion of the Department's internal consolidation, DOC will perform a follow up assessment of the service providers' capabilities and perform a fit gap analysis to determine which one best meets DOC's needs. Additional time for development of the Consortia Leads' service capacity will permit a more definitive and effective evaluation of the Consortia based systems.

Grants Online has reduced processing time and introduced other efficiencies at both ends of the application cycle by:

- Removing paper – *mail and paper handling per grant went from 30 days prior to Grants Online to zero days with implementation of the system*
- Standardizing business processes
- Enforcing business and data validation
- Reducing repetitive and error prone data entry activities - *Data entry per grant was reduced from 17.25 hours before Grants Online to 2.2 hours with the implementation of Grants Online*
- Retiring Legacy systems (FileMaker, Oracle, Access, Excel)
- Improving customer service
- Providing tools to measure and control organizational performance
- Enabling compliance with e-gov initiatives like Grants.gov

The performance of Grants Online since its inception has placed the Department of Commerce among the leading government agencies in meeting and exceeding Grants.gov status of participation milestones.

#### **IV. Debarment and Suspension**

On December 21, 2006, the Department of Commerce published a nonprocurement debarment-suspension regulation (71 FR 76573) removing Title 15 of the Code of Federal Regulations Part 26. This regulation, which became effective January 22, 2007, revises the Department's debarment and suspension common rule to implement OMB's guidance and includes provisions specific to the Department. It collocates the Department's regulations with OMB's guidance in Title 2 CFR along with other agencies' regulations in that title and revises references in Title 15 CFR Part 14.

#### **V. Describe agency's commitment beyond 2007 to further government-wide grants initiatives**

- DOC is committed to making grant transactions easier, cheaper, and quicker for its many thousands of grant applicants and recipients:
- During 2008 DOC will host at least 2 Grantee workshops to provide education and outreach on the grants process, including the use of Grants.gov for finding and applying for grants.
- As a result of a Business Process Review recommendation for improving grants management training and certification, during 2008, DOC will develop and implement Distance Learning web based training with a focus on Grant Cost principles.
- DOC staff will continue to participate in the various interagency work groups described in Section I of this report.
- As part of the Department's Optimal Service delivery Initiative, during FY 2008, DOC will begin to consolidate grants management staff in order to provide cost effective and standardized grants management services to Program Staff and grantees.

DOC will continue the migration currently underway to the Grants Online system as an enterprise wide grants management system. This will facilitate the move to a GM LoB Consortia provider. The Department plans to complete the movement of these bureaus to Grants Online in FY 2010-11. FY 2012 is the target for completion of a fit gap analysis between Grants Online and the three GM LoB Consortia aiming towards a possible alignment and Memorandum of Understanding with one of the Consortia systems.

The Department of Commerce will remain committed to the goals of Public Law 106-107.