

**National Oceanic and Atmospheric Administration
OCIO**

Grants Online

006-48-04-00-01-3802-00

2006 Operational Analysis

Executive Summary

The Grants Online project goals are:

- * To have a single unified electronic grant processing and administration solution
- * To provide NOAA with a direct interface to Grants.gov and ensure Public Law 106/107 compliance
- * To provide NOAA corporate standard business processes that contribute to a more efficient and effective use of Grants Management resources
- * To benefit a “Corporate” NOAA by:
 - Reducing effort and time involved in the grants process
 - Allowing Program Managers to focus on results
 - Enabling Administrative staff to devote their time to rigorous cost and technical analysis of grants

This report focuses on the operational state of the project as of December 31, 2006, and is based on guidance developed by the Department of Commerce. The Grants Online project directly facilitates NOAA’s Strategic Goal for Organizational Excellence. Grants Online directly contributes to the Department’s Management Integration Goal and its performance measure of “Transactions converted to electronic format.” Furthermore, Grants Online directly contributes to the Department’s Strategic Goal to “Observe, protect, and manage the Earth’s resources to promote environmental stewardship.”

Grants Online 2006 Accomplishments:

- Grants Online-Data Warehouse link established to improve performance significantly
- NOAA completed the deployment of Grants Online to all external users (grantees/recipients). This effort coincided with a comprehensive scrub of NOAA Grants data. 800 grantees are now able to use the Grants Online system to manage their awards. Grants Online has recorded over 15,000 grantee logins since September 2005.
- Continued the steady and orderly improvement of the Grants Online system with multiple software releases during 2006. These releases improved the functionality and performance of the system.

The current project meets established cost, schedule and performance parameters.

This operational analysis (OA) is an annual, in-depth review of the program’s performance based on the following:

- Customer Results
- Strategic and Business Results
- Financial Performance
- Innovation

1.0 Customer Results

Grants Online has an approved Project Management Plan. This Project Management Plan contains an approved Work Breakdown Structure, Project Schedule and Cost baseline.

Grants Online significantly reduces grants administrative time through consolidating NOAA's disparate grants processing systems and transforming a manual and paper intensive system into an automated workflow solution.

Grants Online has detailed metrics for measuring its performance. The performance metrics used, primarily from the Help Desk tracking system, have a clear relationship to both the investment's business need and the organization's strategic direction. There is a strong continual need for the investment based on OMB and DoC requirement for PL 106 & 107 compliance and the President's E-Gov Management Agenda.

Grants Online is meeting the needs of its customers. In 2006, for instance, Grants Online successfully completed a deployment to all external users. The NOAA investment into Grants Online is delivering the services that were planned and expected. Grants Online staff continues to work with its Operations and Maintenance contractor to steadily improve the functionality and usability of Grants Online.

1.1 Customer Requirements and Costs

Grants Online has both internal and external customers. Internal customers are primarily the NOAA Grants Management Division staff and the NOAA Federal Program Officers. The primary stakeholders are the Grants Management Division and the NOAA Office of the Chief Information Officer (OCIO). The customers and stakeholders participate in goal-setting and performance monitoring through a variety of means, such as the Grants Online Change Control Board, the Grants Management Advisory Council, and monthly status reports and meetings.

In 2006, the Grants Online project continued to procure critical contractor support through a firm fixed-price contract that allowed for low Government risk, cost-containment, and high value.

1.2 Performance Measures

These measures align with the "Customer Results Measurement Area" of the Performance Reference Model developed by the Federal Enterprise Architecture Program Management Office (FEA-PMO). Table 1 summarizes the performance measures.

Table 1: Customer Results Performance Measure

Measurement Area	Indicator	2006 Baseline	2006 Actual Result	Comments
Customer Results	Grants Online access for external users.	There is no external user access to Grants Online.	One hundred (100) percent of NOAA grantees have been given access to Grants Online. This access allows them to more easily and efficiently manage all their NOAA grants.	This will empower the external grantee community to manage some aspects of their own grants, thereby eventually, reducing the burden on federal staff.

2.0 Strategic and Business Results

The Grants Online project is meeting its own goals and objectives as well as those of the agency. Project management controls are in place to ensure the project continues to meet its goals and objectives and monitor how well the Grants Online project performs.

Without question, the Grants Online system is an improvement over trying to process NOAA grants through the disparate systems maintained by the individual NOAA Line Offices. In this way, Grants Online has proven to be beneficial in helping NOAA to process grants quicker, with a greater level of scrutiny, and with less cost. There is not another organization that could be processing NOAA grants better, more efficiently, or at lower cost.

Grants Online reports monthly metrics that show call-in activity to the Grants Online Help Desk. Using ticket reports and the software tracking tool WebCIMS, Grants Online regularly shows the following information:

- * Closed Ticket Report - Details the number of all closed tickets and the breakdown of time to resolution for Tier 1. Tier 1 is defined as “How to...” type questions;
- * Monthly Activity Report - Details the number of tickets opened and/or closed during the reporting period;
- * Open Ticket Report - Details the ticket location and severity for all open tickets.

In addition to Contractor performance, Grants Online’s Reporting of Grants Activity continues to expand. For example, an average of 8 reports are extracted weekly using the Grants Online data.

These reports, totaling approximately 400 in FY 2006, are used by NOAA Line Offices and the Grants Management Division to monitor and track all NOAA awards and grants-related actions.

Grants Online has several management control processes to ensure that operational, mid-management, and senior management has visibility. These processes include;

- Monthly Change Control Board Meetings. Membership includes both hands-on users as well as Line Office Representation to the Grants Management Advisory Council (GMAC)
- Monthly Reports of Help Desk Activity
- Bi-weekly internal PMO sessions
- Bi-weekly PMO-to-PMO sessions with our support contractors
- Software Releases every 6-8 weeks that improve the functionality of the system and resolve software defects. Each release is accompanied by release notes.
- A Help Desk available to all internal and external users of Grants Online
- User Group Meetings following each software release

2.1 Grants Online Helps to Achieve Strategic Goals

Grants Online is contributing to the achievement of NOAA's strategic goals. Furthermore, Grants Online is aligned with NOAA's strategic direction. Grants Online is reflective of the systems referred to in the NOAA Strategic Plan, under the mission goal of "Provide Critical Support for NOAA's Mission." Grants Online is one of the NOAA systems that provide "strong, effective, and efficient support ... necessary for NOAA to achieve our mission goals. Our facilities, ships, aircraft, environmental satellites, data-processing systems, computing and communication systems, and our approach to management provide the foundation of support for all of our programs."

The Grants Online project directly facilitates NOAA's Strategic Goal for Organizational Excellence. Grants Online directly contributes to the Department's Management Integration Goal and its performance measure of "Transactions converted to electronic format." Furthermore, Grants Online directly contributes to the Department's Strategic Goal to "Observe, protect, and manage the Earth's resources to promote environmental stewardship."

2.2 Business Results

2.2.1 Monitoring Cost, Schedule and Performance

The Grants Online Business Case investment (Exhibit 300) was updated and analyzed throughout 2006. The Exhibit 300 is a primary tool used by the Grants Online project manager

and team to define and track cost, schedule, and performance plans and results. Additionally, the Grants Online project team conducts bi-weekly review meetings, monthly status sessions, and comprehensive change control board meetings with all Grants Online stakeholders.

2.2 Reviews

In 2006, the Grants Online project was reviewed by the NOAA Information Technology Review Board (NITRB) and the Commerce Information Technology Review Board (CITRB). In both cases, the Grants Online project received favorable comments. The NITRB and CITRB reviews included comprehensive reviews of the current state of the Grants Online project and all associated cost, schedule, and performance results. Subsequent to the CITRB session, the Grants Online project was assigned a “green” rating, indicating that the project was meeting expectations and on-track. As part of the 2006 NITRB and CITRB reviews, a quad chart summarizing cost, schedule, and performance for the Grants Online project was used.

Furthermore, the Grants Online project was reviewed by OMB as a potential Grants Management Line of Business (GMLoB) service provider. Although the Grants Online system and team received favorable comments from the OMB-chartered review panel, a GMLoB recommendation was not received.

2.3 Security

The Grants Online system is accredited under requirements spelled out in NOA 212-13 (08/06/90) and Office of the Chief Information Officer Information Technology Security Policies that are based on OMB and NIST guidance. System Security Plans, Risk Assessments, and Contingency Plans were submitted for Grants Online in December 2006. Management, operational, and technical security controls are adequate to ensure the confidentiality, integrity and availability of information.

2.4 Performance Measures

The performance measures in Table 2 show the Grants Online performance with respect to Strategic and Business Results. These measures align with the “Mission and Business Results Measurement Area,” “Processes and Activities Measurement Area” and the “Technology Measurement Area” of the Performance Reference Model developed by the FEA-PMO.

Table 2: Business Results Performance Measures

Measurement Area	Indicator	2006 Baseline	2006 Actual Result	Comments
Mission and Business Results	Provide NOAA Grants users with a system that is easier to use, less costly, and more intuitive	Establish a NOAA grants system of record that is not paper-based and reduces the number separate grant systems within NOAA.	Complete. Grants Online is now the NOAA Grants system of record.	This action has standardized the entire NOAA Grants management process and provided a platform for measuring and improving the Grants process.
Processes and Activities	Implement a workflow based NOAA Grants Management system that will move tasks automatically and electronically, according to a predetermined set of roles, to the necessary NOAA Grants employees.	Deploy a workflow based Grants system that moves Grants tasks electronically throughout the application and award process.	Grants Online has been successfully deployed within NOAA	
Technology	Grants Online Availability	The Grants Online system will be available 24 hours per day, 7 days per week except for scheduled downtime for routine maintenance.	The Grants Online system is available 24 hours per day, 7 days per week except for infrequent scheduled downtime for routine maintenance.	

3.0 Financial Performance

3.1 Current Performance vs. Baseline

The current performance of the Grants Online investment is within acceptable limits of variance for cost and schedule. The grantee roll-out was successfully completed in August of 2006, ahead of schedule. Currently, all NOAA grantees have the ability to access and use the Grants Online application to accept and manage their awards. Additionally, the resolution and closing of Grants Online help desk tickets is within established target ranges.

Upper Management is briefed on Grants Online’s performance as requested. Our regular meetings include; Change Control Board (CCB), internal PMO sessions, and Federal PMO-to-(Contractor) PMO sessions. This interaction and communication reduces re-work and is beneficial in defining requirements.

The Grants Online team provides strong interaction with NOAA Grants policies by having (1) Grants Online representation at GMAC meetings and (2) GMAC representation at our monthly Change Control Board (CCB) meetings.

Grants Online is considered a viable investment and considered a Business Essential IT Component in the NOAA/OFA/CIO inventory. The primary Grants Online contract vehicle in 2006 was fixed-price in structure and, therefore, shifted risk away from the Government.

Based on OMB and DoC requirements for PL 106 & 107 compliance, combined with the President's E-gov Management Agenda, Grants Online continues to be well aligned with both NOAA and DoC's strategic direction. The OFA/CIO has been working closely with the Grants Management Division during this transition. Besides the old NOAA Grants System (NGS), the only other alternative is resorting to paper-based processes.

The Grants Online PMO also conducts monthly Users' Group sessions. This forum helps to continually review how Grants Online services can meet our stakeholders needs more efficiently and effectively.

Our establishment of a Business and System Use Case Model demonstrates that NOAA/OFA/CIO did a thorough analysis of the need for this investment. In addition, NOAA's use of the Department of Commerce's "*Grants & Cooperative Agreement Manual*" further demonstrates the need for the Grants Online investment.

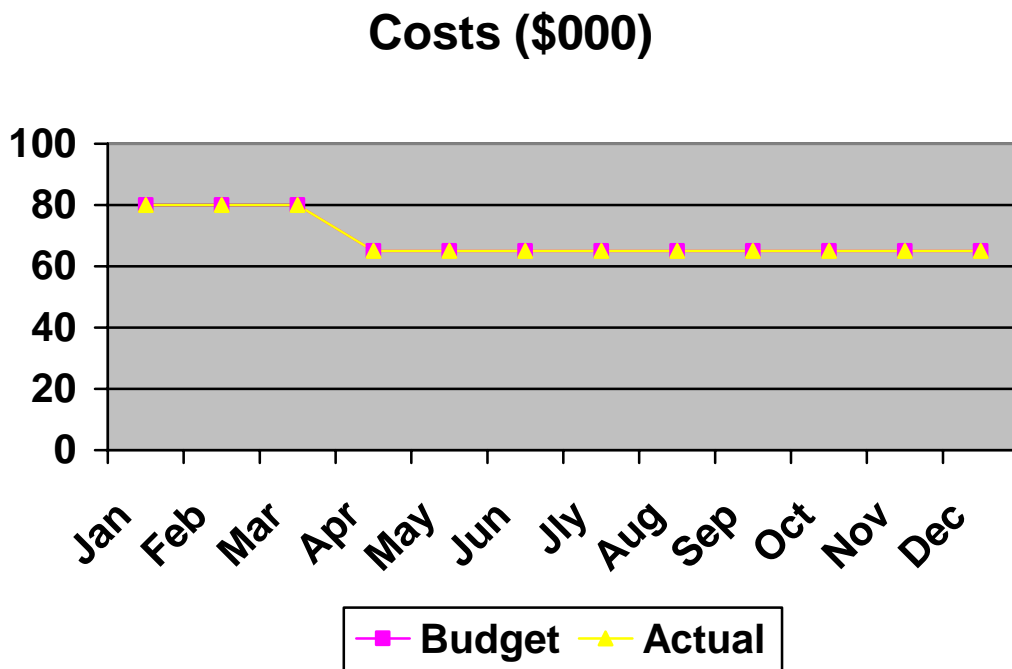


Figure 2: Budget vs Actual Costs

3.2 Performance Measures

Financial performance during 2006 was measured by the project's ability to stay within pre-defined acceptable levels of funding. In terms of the support contract that Grants Online used in 2006, financial performance was acceptable because projected and allocated funding targets were realized. The firm fixed-price structure of the existing support contract allowed funding projections to be made more effectively. The support contract costs' trend was within the acceptable projections shown in figure 2 (above).

3.3 Cost Benefit Analysis

An independent cost benefit study was recently completed on Grant Online. The entire report is available on request. An excerpt follows:

“NOAA credits several key factors to the success of its Grants Online solution. First, the agency spent a great deal of time planning the solution's scope and vision before engaging STG and BearingPoint. After defining the vision for Grants Online, the NOAA program management office team implemented a creative options approach to the Grants Online program that allowed the agency to award future phase implementations to vendors based on past performance and projected success of future work.

Another critical success factor was the execution of the Rational Unified Process (RUP), which is a software development process that helps make certain that the software design met user requirements.

After Grants Online's initial release, NOAA created an experienced, dedicated Help Desk team to manage user support. The Grants Online team went the extra mile to gain external user support by conducting monthly conference calls with users. This outreach and training proved essential in reducing user confusion and limited the number of Help Desk calls received during rollout.”

3.4 Financial Performance Review

Financial performance is subjected to a periodic review for reasonableness and cost efficiency. Monthly budget reviews are held with the project manager, CORs and contract managers to ensure contracts are within cost and on schedule. Monthly reports from contractors are required to ensure the Government has the information it needs to evaluate cost performance. A detailed review of work and priorities is undertaken if cost is significantly above baselined values. Also, any necessary corrective actions are also identified and implemented.

4.0 Innovation to Meet Future Customer Needs

Based on the previously cited Customer Results, Strategic and Business Results, and the Financial Performance Results, NOAA is confident that it has made the correct choice by developing and deploying Grants Online. Although there are other grants management systems in use throughout the

Government, NOAA's Grants Online system is one of the few that is workflow-based, providing an advantage in efficiency and use not typically seen.

Customer needs are continuing to be met through on-going Grants Online system improvements and training. Furthermore, during 2006 Grants Online moved from being a strictly internal NOAA grants management system to adding external users (grantees) on a pre-planned and set schedule. By adding external users, NOAA has shown its commitment to Grants Online and its confidence that this system will serve as a win-win for both internal and external users. External users are increasingly using Grants Online and they are finding that routing and submitting documents such as progress reports and award action requests has become more efficient with Grants Online. One of NOAA's goals is continuous improvement and, therefore, the Grants Online project will always search-out ways to meet current and future customer requirements at lower cost. This belief can be seen in the Grants Online operations and maintenance firm fixed-price contract vehicle, designed to keep costs as low as possible while still meeting the demands of the system and users.

The Grants Online investment accomplishes a unique goal in NOAA, namely, more effective and efficient grants management. At this time, it is not feasible to combine Grants Online with other investments to better meet organizational goals. The Grants Online team resides within the Office of the Chief Information Officer so there is a cross-fertilization benefit that occurs on a regular basis with other NOAA IT investments. Furthermore, all Grants Online hardware is located at NOAA's Information Technology Center (ITC) with other NOAA administrative system hardware. There is, therefore, an economy of scale being realized with the Grants Online hardware.

How could NOAA make better use of technology to provide a better level of service at lower cost? As stated earlier, the NOAA Grants Online team is continually searching for ways to use technology more efficiently to provide better service at a lower cost to our customers. The Grants Online team will evaluate and implement applicable technology as it develops and is proven effective.

4.1 Number and Types of Users

The Grants Online solution is designed to meet NOAA's high-volume operating requirements. More than 3,000 users have processed thousands of grants through Grants Online. Of these users, 80 percent are external grantees who access the system to self-manage their applications. The solution provides both external users and NOAA personnel with a one-stop shop for all of their grant processing needs.

Project to Address Challenge:

In 2007, smoothly transition the existing support contract to a new vendor while maintaining the high levels of customer support to which Grants Online users have become accustomed.