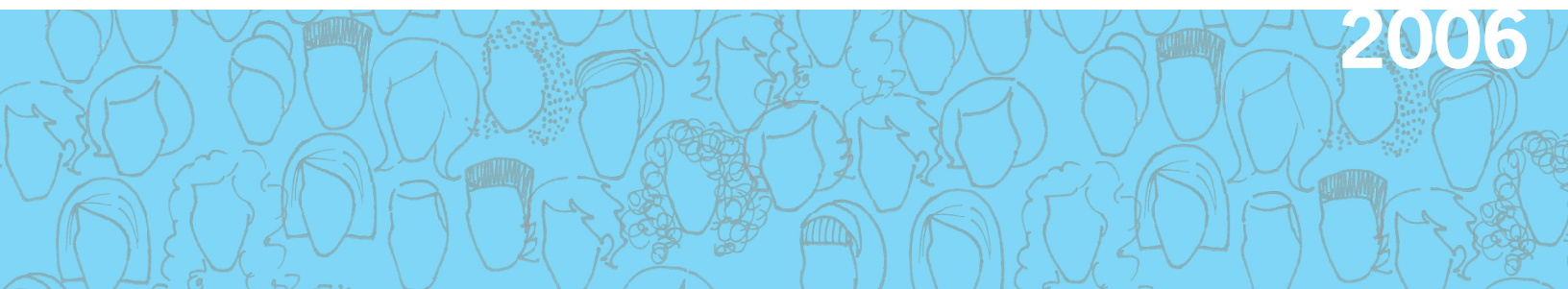




NSF

Report to Employees

2006



Dear Colleagues:

During the past year, you have made significant progress for NSF on its commitment to excellence, results, and stewardship. These goals are both internal to NSF and part of the President's Management Agenda (PMA). We believe that the Foundation continued to maintain a reputation for consistency, efficiency, and quality as we met new challenges while experiencing considerable growth in our budget and program activities. We saw promising results from educational and scientific research awards, and received a variety of honors thanks to your committed service.

Our work continues to have a positive impact on the nation. For example, NSF has supported a number of research efforts (in the physical sciences, social and economic sciences, and engineering) related to the catastrophic flooding in our southern states. We also announced new research on the intricate relationship among pollution, climate change, and the oceans.

Our successes on the scientific frontier are directly related to your outstanding efforts and support. To learn more about NSF's scientific accomplishments, we invite you to review our award-winning 2005 [Performance Highlights](#) report.

Thanks to each of you for your dedication. You make the Foundation a dynamic organization that is respected both here and abroad.



Arden L. Bement, Jr.  
Director



Kathie L. Olsen  
Deputy Director

Throughout the federal government, NSF is recognized as a leader for implementing outstanding results-oriented management practices, and establishing collaborative partnerships with the scientific and federal communities. Thank you for your dedication and service to the NSF community...here are just a few of the outstanding accomplishments for the year.

## Leadership

- After NSF co-chaired the Grants Management Line of Business (GMLoB) task force, the Office of Management and Budget (OMB) selected NSF as one of the initial three consortia leads. GMLoB is using a consortia-based approach to develop service centers around functional and grant-type competencies.
- We continued to maintain green lights for excellent management practices. NSF sustained a “green” rating for financial performance and eGov on the PMA scorecard for over four years.
- We received an “A” grade in the House Committee on Government Reforms study of 24 agencies’ security practices.
- The Foundation received its eighth unqualified “clean” audit opinion.
- We were also selected by the President to help implement the American Competitiveness Initiative.

## Recognition

- NSF ranked 2nd in the Partnership for Public Service (PPS) and American University’s (AU) “Best Places to Work in the Federal Government” in 2005 for the second time (we were also ranked 2nd in 2003). The Foundation ranked 2nd out of 30 Federal agencies.
- NSF is the only agency to receive the highest rating of “Effective” in all of its Program Assessment Rating Tool (PART) program evaluations by OMB. PART is a systematic method for assessing the performance of program activities across the federal government. We received the top 5 scores for all research and development (R&D) evaluations across government.
- We made headlines by winning a Webby Award in a competition that Time Magazine calls the “online Oscars.” Our external website was named the “People’s Choice” among the best government websites.
- NSF’s [FY 2005 Performance Highlights](#) report received a League of American Communications Professionals (LACP) Honors Award at the [2005 Vision Awards](#). We placed 5th among 44 government agencies (with budgets of more than \$1 billion). In a field of almost 2,000 entrants, NSF placed in the top 15 percent, and had the distinction of being the only federal government agency to be recognized for [5 years of distinction in its annual reports](#).

## Innovation

- With considerable staff input, our draft Strategic Plan has been updated to include specific performance Objectives. The number of Objectives evaluated under the Strategic Goals has been consolidated from a total of 20, at present, down to two.
- A Management Working Group has begun to assemble an implementation strategy for key findings resulting from the Administrative Functions Study. The study was designed to address the impact of rapidly changing work processes, shifts in workload, and advances in technology on the Foundation’s ability to efficiently perform its administrative duties.
- NSF’s Intranet (internal web) was redesigned with a user-friendly interface and reengineered to provide convenient access to the information you need most.
- AcademyLearn, NSF’s web-based learning management system, began its phased implementation this year. AcademyLearn will give NSF employees and IPAs access to approximately 2,000 professional and personal development-related online courses.

In an effort to continuously improve our internal operations, NSF recently began an exploration of the effectiveness and efficiency of its internal controls as part of a government-wide initiative to set stronger business and accountability standards. You will likely hear more about this in the future.

# Report to Employees | at a glance



Click on a topic to navigate directly to its page.



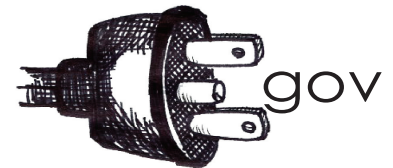
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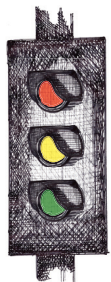


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These icons will help you navigate the Annual Report. They will provide more background information about a particular topic.



**President's Management Agenda Initiative**

The PMA is one of the tools we use to accomplish continuous improvement in management practices and business processes.



**Awards and Recognition**

NSF is recognized as a leader in the federal government. This icon identifies areas where NSF gained recognition for outstanding achievements.



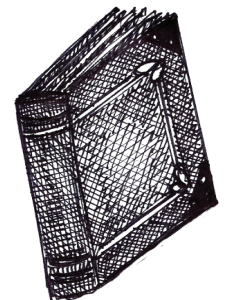
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# Organizational Excellence

Organizational excellence is the heart of our NSF values and our ability to support cutting edge science, education, and engineering research. It is because of **your** commitment to the NSF mission that the Foundation continues to be recognized for its valuable role to the nation.

## Organizational Excellence



OE: Organizational  
Excellence

We are now into the third year of NSF's fourth strategic goal, Organizational Excellence (OE), as described in [NSF's Strategic Plan](#) that started in FY 2003. This goal is closely aligned with the President's Management Agenda and is based on the following indicators: human capital management, technology-enabled business processes, performance assessment, and merit review. NSF has a framework for assessing its achievements in accordance with the requirements of the Government Performance and Results Act (GPRA).

In the past year, we accomplished significant achievements in OE projects and processes including:

GMLoB:  
Grants Management Line of  
Business

- Developing a workforce strategy that compliments the dynamic and unique staffing needs of NSF through the creation of a Foundation-wide workforce plan

- Contributing to the government-wide grants management effort to build rapport, strengthen working relationships, and develop a spirit of partnership in the Federal community. For example, NSF was selected as one of three government-wide consortium leaders for the Grants Management Line of Business (GMLoB).

PART: Performance  
Assessment Rating Tool

- Leveraging powerful technical tools, such as eJacket, to streamline workflow processes and reduce processing of paper proposals



- Integrating [PART \(Performance Assessment Rating Tool\)](#) assessments into ongoing program management activities and initiatives

For more information about this year's OE assessment, visit the NSF Advisory Committee for Business and Operations web site:

Since its inception, the [OE goal](#) and its framework have produced continuous improvement in many NSF business processes. The new Stewardship strategic goal in the draft FY 2006-2011 Strategic Plan will provide even more focus to NSF in continuing success with improvement efforts.

[www.nsf.gov/oirm/bocomm/](http://www.nsf.gov/oirm/bocomm/)

For more information about NSF's Strategic Plan (2003-2008), visit:

<http://www.nsf.gov/pubs/2004/nsf04201/FY2003-2008.pdf>

For more information about the PART, visit:

<http://www.whitehouse.gov/omb/part/>

## Strategic Plan

### ABC

OMB: Office  
of Management  
and Budget

NSB: National  
Science Board

We are developing the agency's new strategic plan (2006-2011) through a collaborative process that has involved significant input from staff, the research and education community, and other key stakeholders, including Congress and OMB. The draft plan is much shorter than the current plan, as recommended in staff comments from last October. Using the recent NSB (National Science Board) Vision document as a guide, the plan retains the essence of the current Strategic Goals while renaming them to be more action-oriented and outcome-based. There should, however, be no significant changes in the internal mapping of NSF programs and budget categories to the strategic goals.

PART: Performance  
Assessment Rating Tool

The number of Objectives to be evaluated under the Strategic Goals has been condensed. This change should simplify the "nugget" process for goal evaluation purposes. The new plan may also allow us to reduce the number of OMB Program Assessment Rating Tool (PART) evaluations. While we have the overall best scores across government in those evaluations, they add considerable workload for NSF staff.

GPRA: Government  
Performance and Results  
Act

The structure of the new plan fulfills the requirements of the Government Performance and Results Act (GPRA). It includes the NSF mission statement, strategic goals, objectives, means and strategies, external factors that can affect achievement of goals, and the relationship of this entire framework to annual performance goals in the NSF budget. The goals, strategies and assessments are focused at the NSF-wide level, while also describing the roles of merit review, COVs, and Advisory Committees in the overall assessment process. The new strategic plan will be released September 30, 2006.

COV: Committee of  
Visitors



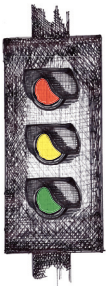
For more information,  
visit  
[http://www.nsf.gov/  
about/performance/  
acgpa/index.jsp](http://www.nsf.gov/about/performance/acgpa/index.jsp)

or

[http://www.whitehouse.  
gov/omb/expectmore/](http://www.whitehouse.gov/omb/expectmore/)

# Strategic Management of Human Capital

PMA  
Scorecard:  
Status:  
Green



PMA  
Scorecard:  
Progress:  
Green

ABC

AFS: Administrative Functions Study

S&E: Science and Engineering Directorates

NSF’s administration and management planning supports our Organizational Excellence strategic goal and places special emphasis on Human Capital. Our intention is to have a “diverse, agile, results-oriented cadre of NSF knowledge workers committed to enabling the agency’s mission and to constantly expand their abilities to shape the agency’s future.” We are proud of achieving a “green” scorecard rating in this area.

## Administrative Functions Study

The Administrative Functions Study (AFS) is designed to address the impact of rapidly and constantly changing work processes, shifts in workload, and advances in technology on the Foundation’s ability to efficiently perform its administrative duties. The study, with considerable staff input at all levels, has examined the distribution of administrative functions among staff in the Science and Engineering (S&E) Directorates and has recommended strategies to better align those functions in support of the NSF mission. In addition, the study has evaluated and established alternative career paths and will increase professional development opportunities for NSF administrative support staff.

The “study” phase of the AFS has been completed and has achieved a number of milestones including:

- Development of a new model and corresponding positions, after vetting alternatives with the cross-directorate Advocates Steering Committee
- Creation of potential career paths and opportunities for each position in the new model
- Recommendation of specific strategies for transitioning current organizations and hiring/developing employees in the new model

Currently, a Management Working Group has begun to assemble an implementation strategy for these key findings from the AFS. NSF will continue to conduct quarterly employee exchange sessions to keep everyone up-to-date on the progress of implementation and to garner feedback.



## Workforce | Staff Planning

This year, NSF developed a draft Foundation-wide workforce plan with the help of representatives from all Directorates and Offices. This plan will help guide management in their understanding of NSF Human Capital policies and procedures, and specifically, help NSF develop more consistent and comprehensive succession planning and knowledge management processes.

ABC

HRM: Human Resource  
Management

In conjunction with the new workforce plan, the Division of Human Resource Management (HRM) met with all Directorates and Offices to develop specific staffing plans, integrating data such as hiring projections, recruitment needs, and impending retirements with each Directorate's business issues and needs. These staffing plans will be used by NSF and the individual Directorates/Offices to guide current and future staffing needs.

NSF has already seen benefits from this initiative through a higher rate of new hires (and fewer vacancies) as compared to last year. This will benefit all employees in helping to bring in human resources in a more timely manner. NSF as a whole will be able to more expeditiously address Congressional inquiries, develop budgetary submissions (aligned with staffing needs), and develop a workforce that complements the dynamic and unique staffing needs of the Foundation.

## Human Resource Management Service Teams

OIRM recognizes the need to provide more integrated service to its customers, to help serve their business needs in a proactive, efficient and effective manner. To that end, OIRM's Division of Human Resource Management (HRM) is moving to an integrated Service Team approach to serve all NSF organizations. Service Teams will allow for an increased focus on partnering with Directorates to plan and anticipate human capital requirements and on coordination and communication within HRM and between HRM and NSF customers to improve responsiveness and reduce dwell time.

ABC

MPS: Mathematical and  
Physical Sciences

A Service Team pilot was successfully completed with the Directorate for Mathematical and Physical Sciences (MPS) in April 2006 and an evaluation of the pilot was conducted in May. Lessons learned and best practices were incorporated into phase one of the Foundation-wide roll out.

In June, a Customer Account Representative from HRM was assigned to each Directorate and Office. The primary responsibilities of the Customer Account Representative are to:

- Understand the business and human capital needs of each Directorate and Office
- Work collaboratively with the Directorate or Office to develop strategies and plans to manage their long term human capital issues
- Work proactively to address immediate needs, improve communication with the Directorate or Office and coordinate Directorate or Office issues across HRM

NSF will continue the phased implementation of the Service Teams through the coming year. The concept will be coupled with enhanced tools (for example, new staffing plans), processes (e.g., improved recruitment and on-boarding) and technologies (e.g., FTE tracking) to improve overall customer service and support.

## NSF Academy

The NSF Academy supports career development and organizational learning initiatives for the Foundation's staff. Achievements this year include:

- Organization of a series of Division Director retreats and roundtables. The retreats have been excellent opportunities for NSF's Deputy Director to provide feedback to, and exchange ideas with, senior leadership. The roundtables provide a forum to discuss important operational and administrative issues for the Foundation.

- Integrating Organizational Development (OD) services throughout the Foundation. These services or solutions are defined as both short term problem and opportunity identification and long-range efforts to improve problem solving and renewal processes through a more collaborative management approach. They include internal consulting and coaching services with executive and leadership staff, as well as retreat and workshop facilitation services.

ABC

OD: Organizational  
Development

## AcademyLearn

AcademyLearn is a web-based learning management system used for developing, managing, and optimizing organizational skills and talent across the Foundation to increase workforce productivity and aid in agency operations. The goal of AcademyLearn is to vastly improve the ability of all NSF employees to register or take internal or external training.

AcademyLearn will enable NSF to:

- Deliver training to anyone, anytime, anywhere
- Maintain records and report on the training delivered
- Distribute training through centralized scheduling and administration

AcademyLearn is being implemented in phases. Phase I was completed in April, 2006. This phase gave all NSF employees and IPAs access to AcademyLearn where they currently have access to approximately 2,000 professional and personal development online courses in SkillSoft's Business Skills, IT, and Government Focused course libraries.

Phase II consists of having NSF's proprietary e-business online tutorials available via AcademyLearn. This phase started in April, 2006, and will be ongoing since new tutorials are constantly being created.

Phase III will be performed in stages. The first segment of Phase III will allow learners to browse, request, enroll, and complete no-cost learning opportunities that are offered internally at the Foundation. This stage is scheduled to be completed during the summer of 2006. The second segment of Phase III involves the integration of AcademyLearn with the NSF Financial System, FAS, and will allow learners to request external training via AcademyLearn. At the end of Phase III, AcademyLearn will replace the legacy Training System (currently accessed via the NSF WinStation).

# Budget and Performance Integration



NSF continues to earn a green rating on the [President's Management Agenda \(PMA\)](#) scorecard for its efforts in Budget and Performance Integration (BPI). This initiative sets government-wide standards to ensure that agencies' budget priorities are closely linked to program performance. NSF's efforts in this area have emphasized improvements to tracking the costs of large facility projects, upgrades to the Enterprise Information System (EIS), (for release later this summer), and direct links between budget line items and the Financial Accounting System (FAS).



One major activity under the BPI initiative is evaluating programs using the Program Assessment Rating Tool (PART). OMB developed PART to provide a systematic method for assessing the performance of program activities across the federal government. Each year, about 20 percent of an agency's programs must undergo PART review. NSF is the only agency to receive the highest rating of "Effective" in all of its PART program evaluations by OMB.

NSF received the top 5 scores for all PART Research and Development (R&D) evaluations across government.

Of nearly 800 federal programs that have been evaluated by PART, only 15 percent have been rated as effective. These outstanding results both reflect your diligent work and NSF's competitive awards process that helps ensure relevance, quality, and performance. These key components are representative of the Administration's R&D Criteria.



BPI: Budget and Performance Integration

EIS: Enterprise Information System

FAS: Financial Accounting System

PART: Program Assessment Rating Tool



For more information about this topic, visit:

<http://www.results.gov>

<http://www.expectmore.gov>



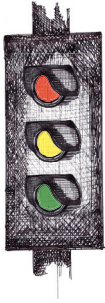
# 99.9 Percent

Over many years, the process by which NSF awards eligible grant recipients has been declared 99.9 %\* accurate.

# Financial Performance

Financial Management Line of Business | Grant Financial Monitoring  
Grant Financial Survey | Guest Travel  
Internal Control | Systems & Strategic Alignment  
**Click on a topic to navigate directly to its page.**

PMA  
Scorecard:  
Status:  
Green



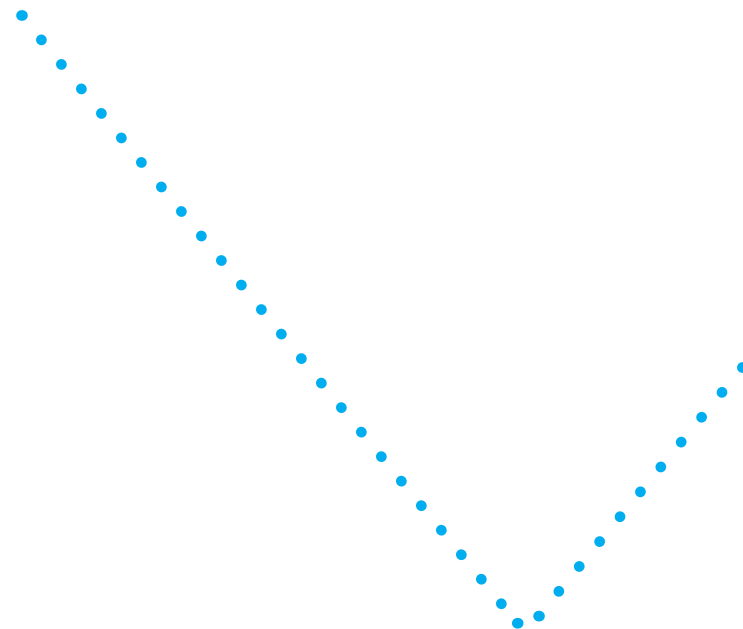
PMA  
Scorecard:  
Progress:  
Green

NSF was recognized as the first agency to earn a “green” rating for financial performance on the PMA scorecard and has sustained this rating for over four years.

In FY 2005, NSF maintained its record of excellence in financial management even as we, along with other federal agencies, faced an increasing need for accountability to the American taxpayer. NSF has a strong tradition as an efficient and effective organization, and builds continuously on its legacy of sound financial management.

Our core business operations provide timely access to reliable financial data. NSF’s financial and grant management systems are highly integrated and provide our stakeholders with the highest quality business services. NSF prepared annual financial statements in conformity with generally accepted accounting principles of the United States and subjected them to an independent audit to ensure their reliability in assessing performance. In FY 2005, NSF received its eighth unqualified “clean” audit opinion.

Some of the NSF activities factoring into our PMA financial performance rating are summarized in the following sections.



We sustained our “Green” rating in the Department of the Treasury’s Financial Management scorecard. We also achieved one of the top scores on a monthly basis in the government-wide CFO Council’s financial management metrics.



FY 2005 [Performance Highlights](#) report was named as one of the top government annual reports by the league of American Communications Professionals for the fourth consecutive year.

### Financial Management Line of Business (FMLoB)



LoB: Line of Business (FMLoB - Financial Management)

GMLoB - Grants Management)

GSA: Government Services Administration

NSF continues to provide support to the FMLoB initiative through our involvement in varied committees, commenting on draft system and committee documents, and signing and funding the FMLoB agreement.

Overall, our focus is on the alignment of FMLoB activities with NSF's main grants function. Recently, we started a series of meetings with GSA (managing partner for FMLoB) and the GMLoB project office to observe the integration touch points between the GMLoB and FMLoB initiatives.

NSF is committed to a strategy of integrating our FMLoB actions with our [GMLoB consortia approach](#).

### Grant Financial Monitoring



FCTR: Federal Cash Transactions Report

Over the last few years, our NSF team developed new Post Award Monitoring activities oriented towards grantee expenditures as reported on the Federal Cash Transactions Report (FCTR) and grantee payments. These activities were developed to provide a level of increased accountability and stewardship of funds.

As a result of these activities, during the past year, NSF has achieved recovery of \$3,190,076 in excess cash held by grant recipients, and reduced erroneous program income reporting by grantees from \$3,993,756 to \$775,979.

There were only two out of a possible 6,703 required FCTRs that were not submitted which resulted in a return rate of 99.97%.



### Grant Financial Survey

In an ongoing effort to provide the highest standards of customer service in financial and award management to our growing grantee community, we conducted a grantee survey in 2005.

The objective of the survey was to assess and measure the effectiveness of NSF's post-award financial management processes, and to solicit customer feedback as a means of identifying areas of improvement. The survey concentrated on the FastLane system's online financial functions, and its responses were used to develop recommendations for improvement based on input received directly from our valued grantee community. Overall, the survey demonstrated that the grantee community was highly satisfied with the customer service they received and the grantees appreciated the ease of use of the system.

It was yet another step in our continuing efforts to make transactions with our stakeholders more user-friendly, while increasing the effectiveness and integrity of our internal operations. NSF plans to use the grantee feedback to develop new and improved business processes to further streamline our financial award systems.

### ABC

OIRM: Office of  
Information and Resource  
Management

BFA: Budget, Finance  
and Award Management

### Guest Travel

NSF developed the Guest Travel System for the purpose of automating the paper-based travel process of the Foundation's panelists and other visitors. The new system, fully implemented on October 1, 2005 by OIRM with support from BFA, has been an overwhelming success and has greatly improved the overall guest travel process.

The new system improves tracking of travel obligations and provides for quick closeout of obligations. This allows managers to utilize unused travel program funds earlier than in the previous process.

Of equal importance, the Guest system efficiencies have allowed our panelists to be paid much faster than they were when we used a paper-based reimbursement system.



## Internal Control

Responsibility for the Stewardship of Federal Funding: Our agency's ability to demonstrate that its staff work to achieve the mission and support the controls needed to ensure the integrity of operations, is fundamental to the receipt of Federal funding. Management conducts an annual review of these controls to support the assurances made by the agency Director in the Performance and Accountability Report. This annual report is submitted to the public at-large, the Executive Office, and Congress.



FMFIA: Federal Managers'  
Financial Integrity Act

APIC: Accountability and  
Performance Integration Council

The Federal Managers' Financial Integrity Act (FMFIA) was adopted in 1982 to implement these basic safeguards. FMFIA is implemented through [Office of Management and Budget Circular No. A-123: Management's Responsibility for Internal Control \(A-123\)](#). A-123 requires that each agency ensures compliance with laws and regulations, adequate controls over financial reporting, and efficiency and effectiveness of operations related to these issues.



For more information  
about OMB A-123, visit:

[http://www.whitehouse.gov/  
omb/circulars/index.html](http://www.whitehouse.gov/omb/circulars/index.html)

In FY 2005, the NSF Director designated the Accountability and Performance Integration Council (APIC) as a senior assessment team. APIC reports to the Chief Operating Officer, who also serves as the NSF Deputy Director, and briefs the Senior Management advisory Roundtable. In addition to these formal groups, each individual working at NSF has responsibility for understanding and meeting all requirements related to internal controls.

During FY 2007, NSF will offer training and education to provide each of you with this essential information so you can, in turn, fulfill your stewardship responsibilities to ensure the Foundation's continuing success.

### Systems and Strategic Alignment



EIS: Enterprise Information System

FAS: Financial Accounting System

FP: Financial Planning

BPI: Budget and Performance Integration

The NSF Enterprise Information System (EIS), NSF Financial Accounting System (FAS), and our web based reports (Report.web) combination provides multiple formats and levels of detail regarding financial performance and other information to staff and management. In EIS, key quantitative performance and financial information is updated frequently and easily accessible to management, allowing managers to drill down to the appropriate level of information. Our FAS system provides real-time and detailed information, and Report.web, an NT-based e-reports solution, distributes financial and award reports over the web resulting in ease of distribution and access while reducing storage and printing costs.

This past year, we completed a combined Financial Performance (FP) and Budget and Performance Integration (BPI) plan that fully integrated strategic planning, budget formulation and execution, performance evaluation, cost analysis, and financial statements into the these three systems, providing management with aligned information for ease of decision-making. More importantly, beyond its use for day-to-day operations, the integrated financial, budgetary and performance information produced by these systems is critical for the Foundation's strategic decision-making process. NSF is now leveraging the work done to adapt our integrated alignment in the development of the new strategic plan.

PMA Scorecard: Status: Green



PMA Scorecard: Progress: Green

OMB recognized NSF's progress and results with this initiative and rated NSF "Green" on the December 31, 2005 IPIA scorecard.



IPIA: Improper Payments Information Act

FCTR: Federal Cash Transaction Report

## Improper Payments Information Act

The Improper Payments Information Act (IPIA) of 2002 and OMB guidance require agencies to review all programs and activities, identify those susceptible to significant erroneous payments, and determine an annual estimated amount of erroneous payments made in those programs. NSF contracted with McBride, Lock, and Associates, Certified Public Accountants, to conduct an annual statistical review of NSF's Federal Cash Transaction Report (FCTR) transactions received from grant recipients.

The Division of Financial Management and Division of Institution and Award Support worked closely with the contractor throughout the review. The results of the review and the extrapolation of results to the \$4.2 billion universe of NSF's IPIA program payments determined IPIA rates of 0.0248 percent or \$1.05 million. NSF's results are well below the \$10 million IPIA Act requirement for reduction plan reporting.

NSF's electronic process for cash draws and FCTR payments is highly automated and accurate. Our grant payment process in paying eligible grant recipients has been near perfect—99.9 percent—for many years and is one of the most accurate in government. Therefore, our IPIA initiative focuses on the awardees' proper use of taxpayer funds. These statistically favorable results demonstrate the effectiveness of NSF's end-to-end award management process.



# Think Green

NSF was recognized as the first agency to earn a “green” rating for financial performance on the PMA scorecard, and has sustained this rating for over four years.

## Electronic Government

PMA  
Scorecard:  
Status:  
Green  
  
PMA  
Scorecard:  
Progress:  
Green



The use of eGovernment tools is critical to NSF’s success and integral to our work and communications with the science and engineering community. We are proud of sustaining our “green” scorecard rating in this area.

NSF and OIRM are committed to being on the leading edge of technology for our employees and customers. Your work environment demands sustained access, reliability, and communication and collaboration tools to help you deliver the greatest productivity.

NSF’s investment in technology not only expands electronic government initiatives - it also supports how we work and serve our customers.

## Grants.Gov and Grants Management Line of Business (GMLoB)

ABC  
GMLoB: Grants  
Management Line of  
Business

[Grants.gov](http://www.grants.gov) allows organizations to electronically find and apply for grant opportunities from all Federal grant-making agencies. NSF is an active partner in the Grants.gov initiative. All NSF funding opportunities have been posted in the “Find” capability of Grants.gov. In addition, 75% of FY 06 funding opportunities will be posted to the “Apply” capability by the end of FY 06, allowing the research community to respond to those opportunities directly via Grants.gov. To date, approximately 400 proposals have been submitted to NSF through Grants.gov.



For more information about Grants.gov, visit:

<http://www.grants.gov/>

Along with the Department of Education, NSF co-chaired the Grants Management Line of Business (GMLoB). The GMLoB was initiated as an eGov opportunity to develop a common business model for technical and operational grants management activities in order to improve the efficiency of these activities. The common business model developed by the GMLoB identified groups, or consortia, of grant-making agencies committed to working together to meet common needs. Each consortium would be responsible for providing planning, leadership, and business and program direction with a goal of defining a common technical solution to meet the back-office needs of member agencies.

## Grants.Gov and GMLoB | continued

In February, the Office of Management and Budget selected NSF and two other agencies (Department of Education and Health and Human Services Administration for Children and Families) as the initial three consortia leads. NSF was chosen to serve as a consortium lead because of our unique posture as a model of public administration excellence. We are the only Federal agency that combines the research mission with a grant mechanism as its sole line of business, and we have an active leadership role in many cross-agency initiatives. By partnering with other research agencies, NSF will lead a research-oriented consortium, where GMLoB goals are aligned with the business needs of partnering agencies and current NSF systems and services.

As with any major initiative, there are benefits, costs, and risks associated with implementation. Given these factors, NSF is developing a business case that will outline why NSF is adopting the GMLoB as a strategic organizational objective, describe an operating vision, and define critical success factors. One key benefit for NSF is that only consortia-lead agencies are permitted to continue investing in grants-related information systems, which will help to preserve and enhance current systems like FastLane and eJacket.

### ABC

USDA/CSREES: US Department  
of Agriculture, Cooperative State  
Research, Education and Extension  
Service

At the same time, the US Department of Agriculture, Cooperative State Research, Education and Extension Service (USDA/CSREES) has agreed to work collaboratively with NSF to establish a pilot project that focuses on improving communication to the customer. In particular, the pilot explores the ability to provide an application service, in this case, NSF's FastLane Proposal Status module, to another agency. The module allows customers to check on the status of their proposals submitted to either NSF or USDA/CSREES, and includes reviewer feedback. The pilot will gather information on collaborative approaches and architectural alternatives. Both the business case and pilot are expected to be completed later this year.

## FastLane and eJacket Enhancements

FastLane is known by many as NSF's flagship application. We strive to continuously develop and implement enhancements that ensure FastLane meets our customers' needs. Our most recent enhancements include Enhanced Online Help, making it easier and more intuitive for our FastLane customers to use the system, and an improved Proposal Submission function, which provides a centralized location and grouping for errors and warnings, helping users to manage their workspace.

eJacket is a web-based application designed to provide Foundation staff an electronic method for processing proposals after FastLane submission. It eliminates paper files and allows simultaneous access to critical program records and transactions. Several enhancements were made to eJacket in the past year in response to customer feedback, increasing eJacket's efficiency and effectiveness. NSF recently implemented a new Committee of Visitors (COV) module that incorporates the Conflicts of Interest (COI) functionality, enabling users to electronically view jackets and documents. Since June 2005, 19 out of 21 COV meetings used eJacket as a way for COV members to view jacket documentation, significantly reducing the amount of paper and effort expended to prepare for a COV. Additionally, several enhancements were made throughout eJacket's modules to streamline collaborative proposal processing. The enhancements allow users to process collaborative projects with one action and apply data to all collaborative pieces at the same time.

By the end of this fiscal year, a new eCorrespondence functionality will provide users with batch processing capabilities, reducing the amount of time spent sending correspondence to the external community. Customers will be able to develop and batch requests for eLetter generation (over 200,000 eLetters annually), maintaining these requests at both the division and program levels. Additional enhancements include a preview feature that displays both future and historical lists of all correspondence for each division, and the option of sending non-award letters as a group, instead of one-at-a-time.

ABC

COV: Committee  
of Visitors

COI: Conflicts  
of Interest



EDS: Electronic Data  
Systems

## eTravel

eTravel is one of the original 24 President's Management Agenda (PMA) initiatives. The project is designed to provide an end-to-end travel management system for all federal agencies. In partnership with GSA and EDS, NSF implemented its current travel system, FedTraveler, in April 2005.

As you are probably aware, NSF has experienced technical, logistical, and operational issues with FedTraveler. Concerned we were expending valuable staff time, energy, and resources on a flawed travel system, we conducted an extensive review of all technical issues associated with this federally mandated travel system. A number of other federal agencies experienced similar issues with both the implementation and management of FedTraveler. Along with these federal agencies, we brought your feedback and concerns to the group, identified inefficiencies in the system, and provided a comprehensive list of issues to GSA.

In September 2005, GSA developed a corrective action plan to address our collective issues and has taken steps to enhance FedTraveler from all perspectives. EDS has collaborated with NSF in addressing FedTraveler inefficiencies and is working to bring FedTraveler into compliance with the GSA Master Contract. The Interagency EDS Users Group, of which NSF is a vocal partner, continues to monitor the progress of the system, identifying new issues and making recommendations for improvements and enhancements.

In addition to our proactive role externally, we have taken steps internally to improve customer satisfaction with FedTraveler by continuing to publish *Ask Neville*, an online newsletter and web presence, and the *Blue Skies* monthly newsletter. We have also established a Requirements Review Board (composed of representatives from each directorate), and are developing a FedTraveler "local experts" users group throughout NSF. In an effort to continuously improve the system, we are offering open exchange sessions to seek out customer feedback.

NSF has shared your feedback, concerns, and issues with GSA and EDS, demonstrating FedTraveler's impact on our customers and the need for improvement. NSF senior management is aware of your concerns and values your feedback. We are closely monitoring this issue and with your continued support, will meet our goal of streamlining and enhancing the travel process.

# 250,000

The number of scientists, educators, technology experts and administrators using NSF's FastLane system.





## eAuthentication

The eAuthentication initiative intends to provide a trusted and secure standards-based authentication architecture to support Federal eGovernment applications and initiatives.

This approach will provide consistency and eliminate redundancy, as it includes a uniform process for establishing electronic identity and also eliminates each initiative developing its own solution for the verification of identity and electronic signatures.

Benefits include a secure, easy-to-use method of proving identity to the government while sparing users the burden of having to track multiple sets of registration information.

NSF expects to implement this service as part of our GMLoB pilot with USDA/CREES this summer.

## IT Security

NSF is aware of the ever-increasing vigilance required to secure our people, information and assets, and has established a strong and comprehensive security program that is consistent with Government-wide guidance and patterned after industry best practices. To this end, NSF established the Large Facility Security Working Group (FACSEC), with a goal of addressing unique security issues and challenges related to NSF-funded large research activities, and hosted a Cyber Security summit in December of last year.

A secure information environment is critical to the success of our programs. We continue to assess and evaluate improvements that can be made to enhance our overall security posture, while maintaining an open and collaborative environment for scientific research and discovery.

## CIO Advisory Group

The CIO Advisory Group (CIOAG) was reconstituted in an effort to better address the management of IT investments Foundation-wide. The group is composed of senior representatives from directorates and staff offices. The CIOAG provides NSF with expert advice, sponsorship, and overall leadership for IT investment strategy and resource allocation.

Areas of focus include capital planning and investment control, project performance management, risk assessment, and enterprise architecture. Currently the group is considering issues of strategic importance to NSF, to include IT funding, reporting, project prioritization and performance.

Achievements include NSF receiving an "A" grade in the House Committee on Government Reform study of 24 agencies' security practices, with all major applications being certified and accredited and 93% of NSF employees completing security awareness training.



FACSEC: Large Facility Security Working Group



CIOAG: Chief Information Officer Advisory Group

## Lifecycle Tracking of Facilities



MREFC: Major  
Research Equipment  
and Facilities  
Construction

In a continuing effort to provide stewardship of funds and accountability for major research projects, NSF designed and developed a means for tracking all costs associated with the Major Research Equipment and Facilities Construction (MREFC) projects.

The tracking of these projects by lifecycle phase is part of both the Budget and Performance Integration and Financial Performance scorecards. This enhancement to the Financial Accounting System (FAS) identifies the full cost of a facility and provides efficiency in the timely reporting of the costs associated with facilities. In the long-term, the benefit from tracking these costs will be to assist NSF in making better budget decisions and implementing best practices.



For more information  
about MREFC, visit:

In addition, we released the “[Guidelines for Planning and Managing Major Research Equipment and Facilities Construction \(MREFC\) Account](#)” which clearly defines the process for MREFC project planning, and the procedures and requirements at each stage from Concept/Development to Renewal and Termination.

<http://www.nsf.gov/bfa/docs/mrefcguidelines1206.pdf>

## Competitive Sourcing

NSF announced its first public-private competition in the summer of 2005 to strengthen technical and administrative support services within its Office of Budget, Finance and Award Management.

The competition was specifically tailored to address a concern identified in its 2004 Financial Statement Audit Report calling for dedicated resources to improve post-award monitoring of grants, contracts, and cooperative agreements.

As a result of this initiative NSF successfully solicited and made a contract award to Booz Allen Hamilton in April 2006. Through this award, NSF has gained complementary resources to enhance its Post Award Monitoring and Business Assistance Program, which is considered a Gold Standard model in the Federal government. Complimentary resources have enabled NSF to partner with the private sector to perform the following:

- Desk reviews to assess the general management and accounting and financial systems of awardees managing NSF awards, as well as, to perform reconciliations of awardee accounting records to Federal Cash Transaction Reports
- Development and administration of a customer feedback tool
- Development and administration of an instrument to survey institution costs related to site visits and desk reviews
- Development of a database to track post award monitoring findings and trends including a compendium of lessons learned
- Support for:
  - o Coordination and administration of outreach activities
  - o Administration and oversight of large facility projects
  - o Closeout processing
  - o Crosscutting services

These complementary services enable NSF to work synergistically with the private sector to improve accountability.



# Homeland Security Presidential Initiative (HSPD)-12

ABC

HSPD 12:  
Homeland Security  
Presidential Directive

NIST: National Institute  
of Standards and  
Technology

GSA: Government  
Services Agency

On August 27, 2004, President Bush signed Homeland Security Presidential Directive (HSPD) 12, requiring implementation of a single Government-wide standard for “secure and reliable forms of identification issued by the Federal Government to its employees and contractors” who access Federal facilities and IT systems. The overall goals of HSPD-12 are to improve security and reduce threats of terrorist acts by improving the quality and security of the forms of personal identification used to access Federal facilities and systems.

HSPD-12 instructed the National Institute of Standards and Technology (NIST) to develop a standard for secure and reliable forms of identification credentials. Identity credentials must meet the control objectives delineated in HSPD-12:

- Issued based on sound criteria for verifying an individual's identity
- Strongly resistant to identity fraud, tampering, counterfeiting and terrorist exploitation
- Can be rapidly authenticated electronically
- Issued only by accredited providers (agencies can self-accredit)

NSF (led by OIRM) has already met the first HSPD-12 deadline (October, 2005) which was to institute a more stringent checks and balances method for issuing ID cards (fingerprint checking is one of the outcomes of the Directive).

GSA is taking the lead for securing vendors who can deliver the ID cards and systems that meet the NIST guidance. The Presidential Directive states that agencies must have new systems for issuing the new standards-based credentials in place by October 27, 2006. Due to external factors, it is unknown if this aggressive deadline will be altered.

NSF will benefit from elimination of two different, proprietary physical access systems at Stafford Place I and Stafford Place II, to be replaced by a single security system and credential that meets HSPD-12 requirements. In addition to credentials for all new employees and contractors, we will replace (and upgrade to Smart Cards) the credentials used by the current staff of 1500.



### Webby Award for NSF Website

The new NSF website was nominated for—and won—a Webby Award in the Government website category. NSF won the “People’s Voice” Webby award, and 5 NSF staff members went to New York to attend the “Gala” celebration. Webbies are the “Oscars” of websites, with (at least) one major difference: Acceptance speeches are limited to 5 words.

NSF’s 5 words were: “Even better than rocket science!”

## Inside NSF and InfoShare

NSF’s Intranet, Inside NSF, was redesigned in January with a user-friendly interface and reengineered to provide convenient access to the information you need most. The new Inside NSF web-enables your NSF work life in a number of new ways, with more enhancements to come in the years ahead. Highlights about these new systems include:

### Internal Communications

All NSF organizations can contribute news that will appear on the Staff News list (on the Inside NSF home page), thanks to an expansion of ePublish, the content management system developed for NSF’s new external website.

### Knowledge Management

The new Inside NSF features a system called InfoShare that makes it easier for you to share information by allowing you to upload documents yourself. You may also restrict the viewing of documents to specific groups so you can disseminate information within your organization or within a group that you define. InfoShare also includes a robust subscription service, enabling you to sign up for updates to posted documents.

### Personalization

Besides personalizing your subscriptions in InfoShare, you can also customize the Inside NSF home page to suit your own needs. By logging into My Inside NSF (on the Inside NSF home page), you can add and remove certain content from your home page, add custom links to your favorite websites, and select the types of documents you want to appear on your customized home page.

### Search

The new Inside NSF leverages the Google search engine, which has been very successful on the external site. A search form is right at the top of the home page.

### Internal Services Directory

It is sometimes difficult to figure out where to go when you need a service you don’t often use. With the new Internal Services Directory, a database-driven tool, you have access to a one-page index of all the commonly requested services provided within NSF, complete with both primary and secondary contacts for each service.

## Business Analysis

A key agency initiative is NSF's Business Analysis study, now in its final year. The outcomes of the study are influencing current operational strategies and guiding long-term administration and management investments that garner important results for the agency's operations. The study has attempted to address the fundamental challenges facing NSF as it becomes a fully integrated organization, capable of working both within and across science, disciplinary, and organizational boundaries. This study is a key element of NSF's Administration and Management strategy, a concurrent analysis of human capital, business practices, and technology, which now constitutes part of the Organizational Excellence strategic goal.

The Business Analysis is based on a holistic approach to management excellence, as well as to achieving results. It also supports several initiatives of the President's Management Agenda. The solutions developed can help us to evolve as an agency and to best meet the needs of our science and engineering research and education community.

This year, results of the Business Analysis can be classified into four major areas:

- **Cross-Agency Integration:** supported the 2006-2011 Strategic Plan update and helped to reconstitute the CIO Advisory Group, an agency-wide coordinating body that assists in planning our IT initiatives.

### ABC

AFS:  
Administrative  
Function Study

- **Core Business Processes:** continued implementation of a number of improvements in the areas of Merit Review and Award Management and Oversight processes, including improvement in program proposal deadline coordination, improvement in award management and oversight of large facility projects, and creation of automatic e-mail reminders for principal investigators and sponsored research offices.

- **Human Capital Management:** completed the study phase of the Administrative Function Study (AFS) and moved into the implementation phase (see [Strategic Management of Human Capital section](#) for more details).

- **Technology and Tools:** continued designing NSF's Target Enterprise Architecture which, when implemented, will allow NSF to better manage its IT investments and overall project and risk management.

The Business Analysis team is currently working with us to implement these initiatives as well as preparing final reports that NSF can utilize at the conclusion of the project.

## Organizational Excellence

Organizational excellence is the heart of our NSF values and our ability to support cutting edge science, education, and engineering research. It is because of your commitment to the NSF mission that the Foundation continues to be recognized for its valuable role to the nation.

The President's Management Agenda has been an important tool to help us accomplish continuous improvement in management practices, business processes, and procedures.

**Thank you** for your continuing dedication and service to the NSF community as we move forward to make further progress on our commitment to excellent, results-oriented management and stewardship.

## Acronym Glossary

AFS	Administrative Function Study
APIC	Accountability and Performance Integration Council
BFA	Budget, Finance and Award Management
BPI	Budget and Performance Integration
CIOAG	Chief Information Officer Advisory Group
CISE	Computer & Information Science & Engineering Directorate
COI	Conflicts of Interest
COV	Committee of Visitors
EDS	Electronic Data Systems
EIS	Enterprise Information System
FACSEC	Large Facility Security Work Group
FAS	Financial Accounting System
FCTR	Federal Cash Transactions Report
FMFIA	Federal Managers' Financial Integrity Act
FMLoB	Financial Management Line of Business
FP	Financial Planning
GMLoB	Grants Management
GPRA	Government Performance and Results Act
GSA	Government Services Administration
HRM	Human Resource Management
HSPD-12	Homeland Security Presidential Directive
IPIA	Improper Payments Information Act
LoB	Line of Business
MPS	Mathematical and Physical Sciences
MREFC	Major Research Equipment and Facilities Construction
NIST	National Institute of Standards and Technology
NSB	National Science Board
OD	Organizational Development
OE	Organizational Excellence
OIRM	Office of Information and Resource Management
OMB	Office of Management and Budget
PART	Performance Assessment Rating Tool
USDA/CSREES	US Department of Agriculture, Cooperative State Research, Education and Extension Service



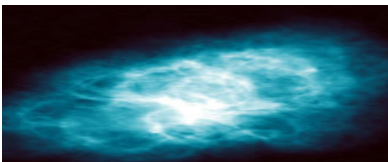
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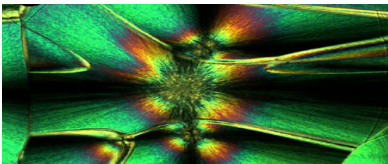
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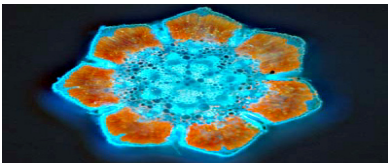
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Credit: Credit T. Rector, D. Thilker and R. Braun; NRAO/AUI/NSF; NOAO/AURA/NSF



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## Web Resources

[NSF Home Page](http://www.nsf.gov)  
[www.nsf.gov](http://www.nsf.gov)

[NSF Strategic Plan \(2003-2008, 2006-2011\)](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf04201)  
[www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=nsf04201](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf04201)

[National Science Board](http://www.nsf.gov/nsb/)  
[www.nsf.gov/nsb/](http://www.nsf.gov/nsb/)

[eGov web site](http://www.whitehouse.gov/omb/egov/index.html)  
[www.whitehouse.gov/omb/egov/index.html](http://www.whitehouse.gov/omb/egov/index.html)

[Chief Financial Officers' Council government-wide Metric Tracking Indicators for financial performance](http://www.fido.gov/mts/cfo/public/200601/)  
<http://www.fido.gov/mts/cfo/public/200601/>

[LACP Vision Awards](http://www.lacp.com/2005vision/C23.HTM)  
<http://www.lacp.com/2005vision/C23.HTM>  
<http://www.lacp.com/2005vision/t5years.htm>

[NSF FY 2006 Performance Budget](http://www.nsf.gov/about/budget/fy2006/toc.htm)  
<http://www.nsf.gov/about/budget/fy2006/toc.htm>

[NSF Performance and Accountability Reports](http://www.nsf.gov/about/performance/reports.jsp)  
<http://www.nsf.gov/about/performance/reports.jsp>

[NSF Advisory Committee for GPRA Performance Assessment](http://www.nsf.gov/about/performance/acgpa/index.jsp)  
[www.nsf.gov/about/performance/acgpa/index.jsp](http://www.nsf.gov/about/performance/acgpa/index.jsp)

[NSF Advisory Committee for Business and Operations](http://www.nsf.gov/oirm/bocomm/)  
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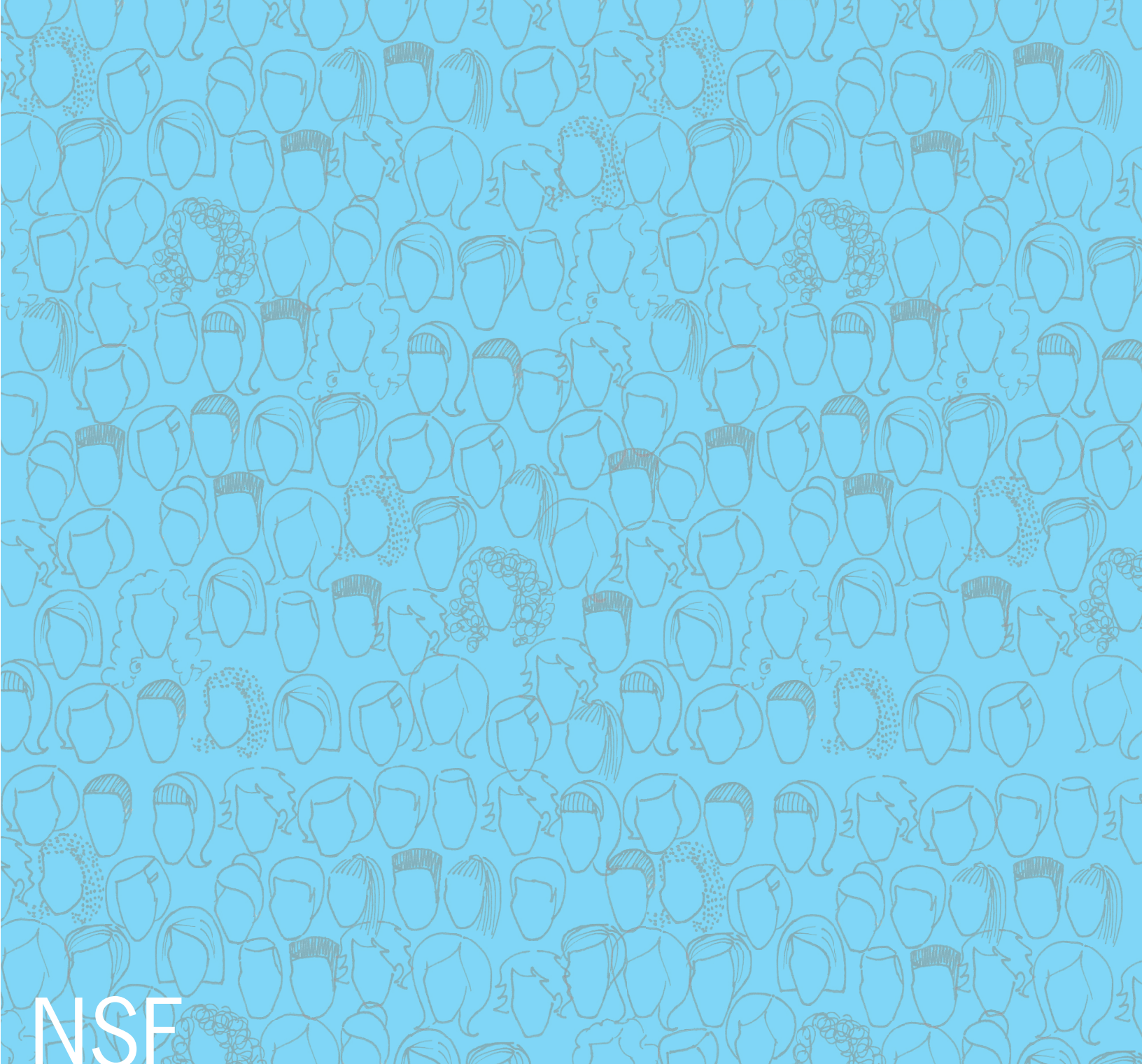
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[Webby Speech](http://www.webbyawards.com/press/speeches.php)  
<http://www.webbyawards.com/press/speeches.php>

[The President's Management Agenda](http://www.results.gov)  
[www.results.gov](http://www.results.gov)

[Office of Management and Budget \(OMB\)](http://www.whitehouse.gov/omb/grants/index.html)  
[www.whitehouse.gov/omb/grants/index.html](http://www.whitehouse.gov/omb/grants/index.html)



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