

# ARS Business Process Improvement Extramural Agreements Implementing a Streamlined Process

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## Executive Summary

**Background** – In Fiscal Year 1990, ARS scientific and administrative staffs initiated 564 agreements valued at over \$37 million. In Fiscal Year 2006, 2438 agreements were initiated, valued at over \$224 million. The growth in the extramural agreements program represents a 330% increase in workload over 16 years with little or no additional resources. Coupling the additional workload with the increased complexity of Agency research agreements, it was apparent that a streamlined process was needed to meet the needs of our Agency.

In January 2006 Management Systems International (MSI) contracted with ARS to conduct a business process improvement of our extramural agreement (excluding CRADAs and Federal Interagency Agreements). MSI held a series of Lean Events and focus groups with participants, customers, and stakeholders of the extramural agreements process. A final report identified process improvements and recommendations, building on findings and ideas from event participants.

**Changes** – In September 2006 an ARS business process re-engineering team initiated actions to streamline the extramural agreements business process. The basis of the new process is the seamless integration of the Agricultural Research Information System (ARIS) and Agreements Information Management System (AIMS) into a single data base. Information previously entered in two systems at multiple steps in the process will be entered into a single interface and primarily collected up-front, at the inception of the agreement. The data gathered will then be used to generate all necessary documents for both incoming and outgoing agreements.

Additional changes include a) establishing a higher threshold for incoming agreements (\$50,000) below which do not require NPS approval; b) establishing a three-tiered process for incoming/outgoing agreement amendment approval; c) eliminating subsequent year approval for outgoing amendments if coded multi-year when the project is established; and d) standardizing formats for financial and scientific reports. And although information previously collected on a Form 425 and a Form 550, such as objectives, will be gathered “up front” with all other data, an optional “letter of intent” field was added to the data collection module to assist Area Offices that still plan to review agreement intentions prior to initiating the formal process.

**Savings** – Streamlining the extramural agreement process is estimated to shorten process time by approximately 50% (from 60+ days to 15-30 days). The field locations will experience a reduction in the time needed to complete data entry and acquire the number of needed approvals. It is projected that the number of steps, including approvals needed for the process to be completed will be reduced also by approximately 50%. Higher quality agreement submissions will result from the initial single module data entry approach, improving accountability and agreement administration at the Area Office level and enhancing the approval process at HQ.