

U.S. Department of Education
2007 Annual Report to Congress on Implementation of Public Law 106-107
(Reporting Period: September 1, 2006 – November 30, 2007)

I. Overview

The U. S. Department of Education (Department) is a leading federal grant-making agency with a total of 156 funded programs. From September 1, 2006, through November 30, 2007, the Department made awards in mandatory (i.e., formula grant) programs totaling \$53.13 billion (8,534 grants) and in discretionary programs totaling \$5.52 billion (10,344 grants).¹

During the reporting period, the Department continued its active participation on the Grants Policy Committee (GPC) and the Grants Executive Board (GEB). Representatives from the Department participated in all meetings of the GPC, which is charged with improving the management of federal financial assistance government-wide. The GEB is a governance body that determines the technical implementation of policy changes and standards recommended by the GPC and approved by the Office of Management and Budget. As a part of its participation on the GEB, the Department participated in several GEB-sponsored conference calls related to various activities, including Grants.gov funding, the Federal Financial Accountability and Transparency Act (FFATA) implementation, and guidelines for meeting Grants.gov agency goals. In addition, the Department has been an active participant in the FFATA Task Force and is one of three Grants Management Line of Business (GMLoB) consortium lead agencies.

The Department continues to be a leading participant in the P.L. 106-107 Interagency Work Groups, including the Pre-Award, Post-Award, Mandatory, Government-wide Forms, Invention Reporting, and Research and Related Work Groups. These Work Groups are charged with streamlining the federal grants process. Additionally, a representative from the Department serves as the federal co-chair of the National Grants Partnership, which provides a forum for federal, state and local governments, nonprofit organizations, and private sector vendors interested in federal grant streamlining initiatives.

II. Grants.gov

The Department posted all 169 of its discretionary grant announcements or synopses on Grants.gov FIND. Between September 1, 2006, and November 30, 2007, the Department met the government-wide goal of making 100 percent of agency grant programs available for electronic application through Grants.gov, less exceptions approved by OMB for fellowship programs that cannot currently be supported by Grants.gov. Therefore, the Department posted 164 out of 169 application packages on Grants.gov APPLY. The

¹ Complete Impact Aid program numbers are not current for the period and are not included. The Federal Student Aid grant programs are also not included, except for the Leveraging Educational Assistance Partnership and Special Leveraging Educational Assistance Partnership Programs.

Department has not eliminated its custom electronic application system because it is currently being used to collect applications for the fellowship programs mentioned above. Therefore, no cost savings have been achieved through the use of Grants.gov at this time.

For discretionary grant competitions, the Department received approximately 15,300 applications, of which approximately 10,700, or seventy percent, came in electronically and 4,600 were received in hard copy. Of the applications received electronically, approximately 8,600 were received via Grants.gov, and 2,100 were received electronically via the Department's e-Application system.

The Department continues to educate and inform, through a variety of outreach formats, its staff, applicants and grantees, and the public about ongoing efforts to fully transition to Grants.gov for the submission of Department grant applications. The following are examples of the Department's outreach:

- **The Department's Chief Financial Officer's Special Announcement to Grantees.** Using the Department's extensive database, in August 2005 the Chief Financial Officer sent a memorandum to all grantees on the subject of "*Transitioning to Grants.gov to Submit Electronic Applications.*" The memo outlined the Department's plan to fully implement the use of Grants.gov and provided tips for recipients on how to submit a grant application successfully using the Grants.gov system.
- **Training Sessions for Department Staff.** During the reporting period, the Department developed a one-day introductory course on Grants.gov and conducted nine sessions attended by forty-seven Departmental program staff. These sessions provided staff with hands-on examples of how to build and publish an electronic application in Grants.gov. The Department also developed, implemented, and provided training to Departmental program staff on an "Application Package Tool Kit" designed to give all Department applications a uniform look. This tool kit provided further assistance to program staff in developing an electronic application package for Grants.gov.
- **Link to Grants.gov on the Department's Web site.** The Department has added to its Web site a link to Grants.gov FIND and APPLY for funding opportunities on Grants.gov.
- **Grants.gov Webcast for Faith-Based and Community Initiatives.** The Department has made numerous presentations at the White House Conferences on Faith-Based and Community Initiatives and developed a webcast presentation, which introduces viewers to Grants.gov and its features, and provides information on how to use the system.

- **Grant Workshops.** Department staff conducted outreach to the public on the use of Grants.gov at the Funding Opportunities Grant Workshops sponsored by House and Senate members for their constituents. During the reporting period, the Department conducted fifteen grant workshops across the United States. In addition, two workshops were held in Puerto Rico and were conducted in Spanish.

III. Grants Management Line of Business (GMLoB)

As noted above, in FY 2006 the Department was designated as one of the three GMLoB Consortium Lead Agencies. As a result, the Department began positioning itself as a grants management service provider to other federal grant-making agencies. The Department's GMLoB consortium approach is unique in that consortium members may have the opportunity to participate in the design of this new, full life-cycle end-to-end grants management system.

The implementation contract to design, develop, and implement the new grants management system, referred to as the "G5 solution," was awarded in September 2006. The G5 solution will be implemented in three phases over three years. Phase 1, which provides the drawdown capabilities and the base technical infrastructure for grants management, is scheduled to go live in December 2007. Phase 2, scheduled to go live in fall 2008, will deliver the pre-award processes of the GMLoB Process Model. Phase 3 will be implemented in fall 2009 and will deliver the post-award processes.

Grant-making agencies seeking to migrate to a Lead Agency must select their Lead Agency by December 31, 2007. The Department has held discussions with a number of grant-making agencies and, to further assist them in making their selection, the Department conducted and documented a "Fit-Gap Analysis" in which the G5 Solution requirements were mapped to the fourteen GMLoB processes.

Other activities include the creation of a fee structure consisting of four cost components: infrastructure start-up costs, annual infrastructure maintenance costs, a transaction service fee, and agency-specific support services.

IV. Debarment and Suspension

The Department is working on coordinating the adoption of the nonprocurement suspension and debarment regulation in Title 2 of the Code of Federal Regulations (CFR), "Grants and Agreements,"² with moving other grant regulations, including its codification of the "Common Rule," (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments) from the Education Department General Administrative Regulations (EDGAR) Part 80 into Title 2. Through this effort, grantees will be able to access all of the administrative requirements

² Title 2 of the CFR was established by the Office of Management and Budget as the central location for Federal government policies on grants and other financial assistance and nonprocurement agreements.

applicable to their Department of Education grants under Title 2. This process will be completed before the end of fiscal year 2008.

V. Agency Commitment to Future Involvement with Government-wide Grants Initiatives

The Department intends to continue to support the GMLoB initiatives by forming partnerships and providing the best possible customer service to the grantee community and partner agencies. This includes working to standardize end-to-end, full life-cycle grants processing among partner agencies. The Department will continue to be an active member of the Grants Executive Board, the Grants Policy Committee, and other government-wide grants-related efforts.

The Department will also continue to support the expansion of Grants.gov functionality to accept discretionary grant applications, such as the processing of fellowships and collaborative capabilities. The Department has taken the lead to work with Grants.gov and other grant agencies in defining the fellowship requirements for the government as a whole.

Finally, the Department will continue posting discretionary grant announcements or synopses on Grants.gov FIND. The Department will also continue to post discretionary competitions on Grants.gov, except for approved exemptions resulting from Grants.gov not supporting specific processing requirements, such as those for fellowship competitions.