

U.S. DEPARTMENT OF LABOR

FEDERAL GRANT STREAMLINING PROGRAM

2006 ANNUAL REPORT

FINAL

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INTRODUCTION

The Department of Labor's (DOL) annual progress report on the streamlining and simplifying of the award and administration of its Federal grants consists of two sections – a report on the government-wide activities that was jointly prepared by the 26 grant-awarding Federal agencies and a summary of DOL-specific activities related to grant streamlining.

The streamlining of grant awards and administration supports the e-Government Presidential priority initiative and serves to help DOL toward achieving its goals of ensuring that the workforce of the 21st Century is safe, secure, prepared, and competitive. By simplifying the grant application process, we open the door to the widest array of entities to assist the Department with job training and the other critical functions provided by DOL.

The Department has five agencies that award and manage mandatory and discretionary grant: Employment and Training Administration (ETA), Occupational Safety and Health Administration (OSHA, Mine Safety and Health Administration (MSHA), Bureau of Labor Statistics (BLS) and Office of the Assistant Secretary for Administration and Management (OASAM). ETA accounts for 93% of DOL's budget authority and similar percentage of DOL's grant and contract activity – they manage more than 2,500 active grants and contracts in 13 program categories and annually process more than 4,000 grant and contract actions.

BACKGROUND AND PURPOSE

This is the fifth annual progress report submitted to the Congress and the Office of Management and Budget (OMB), as required by section 5 of the Federal Financial Assistance Management Improvement Act of 1999 (Pub. L. No. [P.L.] 106-107, “the Act”). This 2006 report covers our interagency activities between June 2005 and September 2006.

We have provided an annual report each year since the P.L. 106-107 Initial Plan (Initial Plan) was submitted in May 2001. Each year we have described the collaborative efforts of 26 federal agencies to streamline and simplify the award and administration of federal grants.¹ This year, we also are providing a retrospective on what we have accomplished over the past 5 years. As a result, in addition to reporting our accomplishments during this reporting period, work in progress, and the “road ahead,” we are providing our assessment of the road we have traveled to this point.

We have taken this approach to this year’s report because we believe it is important to demonstrate what we have accomplished under the Act (and related initiatives) as well as to address what remains to be done. Our reasons for this belief are that this is the next-to-the-last annual report under the Act and the Government Accountability Office (GAO) has completed both phases of its evaluation of our implementation of the Act. In the second phase GAO audit, GAO stated that Congress should consider reauthorizing the Act beyond its November 2007 sunset date to ensure that cross-agency initiatives progress.²

THE YEARS IN REVIEW—2001-2005

Before we started our journey toward government-wide streamlining and simplification under P.L. 106-107, there had not been a comprehensive effort to streamline grants since the Federal Assistance Review in the early 1970’s. There had been efforts by grant-making agencies with similar interests to pursue change in selected areas. For example, major research agencies have worked extensively with recipients to develop common practices that would streamline research administration. With the enactment of P.L. 106-107, all of the 26 major grant-making agencies came together in work groups, set up a governance structure, consulted with external constituencies, and began to develop a plan for streamlining all aspects of grant award and administration. We did not know the details of how we would get to our destination and the successes, obstacles we would encounter, and mid-course corrections we would make along the way. We also did not envision the cooperative spirit that has emerged among the agencies.

¹ The term “grant” as used in this report includes cooperative agreements.

² “Grantees Concerns With Efforts to Streamline and Simplify Processes (GAO-06-566): <http://www.gao.gov/new.items/d06566.pdf>

The Initial Plan and Changes in the Grants Management Environment Since May 2001

At the time of the Initial Plan, the federal financial assistance portfolio consisted of \$325 billion dollars in annual expenditures and more than 600 programs. Currently, more than 1,000 programs provide over \$460 billion annually in federal financial assistance³. The increase in the size and diversity of our portfolio makes our work to streamline and simplify the process even more significant.

Our work to implement the Act was furthered by the introduction of two grant-related President's Management Agenda E-Government (E-Gov) initiatives—Grants.gov and the Grants Management Line of Business (GMLoB). During the last 5 years, we also underwent changes in organizational structure and leadership for the interagency effort and established relationships with other entities, several of which did not exist in 2001.

ORGANIZATIONAL STRUCTURE AND LEADERSHIP

At the outset, we had four streamlining and simplification work groups—the Pre-Award, Post-Award, Audit Oversight, and Electronic Processing Work Groups—and a policy and oversight team reporting to the Grants Management Committee (GMC), which operated under the auspices of the Chief Financial Officers (CFO) Council. The Electronic Processing Work Group has been replaced by the Grants.gov and GMLoB initiatives and we have added two new work groups—the Mandatory Grants Work Group and the Training and Certification Work Group.

We formed the Training and Certification Work Group to consider a common qualification and training framework for those individuals who ultimately will be responsible for implementing the new policies, procedures, and systems. The Mandatory Grants Work Group was an outgrowth of our understanding that discretionary and mandatory grants are distinct in many respects and that each needs a dedicated effort.

We have had sustained leadership by OMB and HHS, as the designated lead agency under the Act, through its P.L. 106-107 Program Management Office (PMO); however, there have been other governance changes. Last year, as part of the restructuring of responsibilities for the policy and electronic aspects of grants streamlining, the GMC was reconstituted as the Grants Policy Committee (GPC), which serves as the interagency policy arm of our efforts. The GPC, operating under the auspices of the CFO Council and the executive leadership of OMB, is chaired by the National Science Foundation (NSF). The Grants Executive Board (GEB), chaired by the National Endowment of the Arts (NEA), is the equivalent of the GPC for the electronic aspects of grants streamlining and simplification.

³ Number of programs listed at <http://www.grants.gov>. Total dollars based on FY 2004 Consolidated Federal Funds Report (<http://www.census.gov/prod/2005pubs/cffr-04.pdf>). This amount is expected to be higher when the FY 2005 and FY 2006 reports are released.

The Grants.gov and the GMLoB initiatives have had a significant effect on our efforts. Grants.gov is a single, government-wide electronic portal where the public can find information about all federal funding opportunities for grants under which an agency has discretion to make awards and through which applicants may electronically submit applications. The GMLoB initiative is intended to reduce the number of different “back office,” or internal agency, grants processing systems, and establish common sets of business practices across agencies, thereby reducing redundancy and costs. Each of these initiatives has its own PMO, which receives strategic direction from the GEB.

To be successful, all of these entities must work closely with each other, OMB, the individual federal agencies, and, as appropriate, other E-Gov initiatives. We have used various means to ensure that coordination, including designating liaisons and preparing periodic status reports to ensure that coordination.

OUTREACH

As part of the development of the Initial Plan, we held consultation meetings with external constituencies, invited them to submit written comments on an interim plan, and provided other opportunities for input. Since 2001, we have developed or enhanced our relationships with entities internal and external to the federal government in an effort to harmonize initiatives and be more inclusive. This includes the Federal Demonstration Partnership (which includes non-federal research organizations and federal agencies), the National Grants Partnership (which includes membership from the non-federal governmental and non-profit communities as well as from federal agencies), and the Research Business Models Subcommittee of the Committee on Science (which includes the federal research agencies and coordinates with the external research community).

Figure 1 shows the organizational structure included in the Initial Plan and Figure 2 shows the organizational structure and relationships as they exist today.

Figure 1. The P.L. 106-107 Governance Structure: 2001

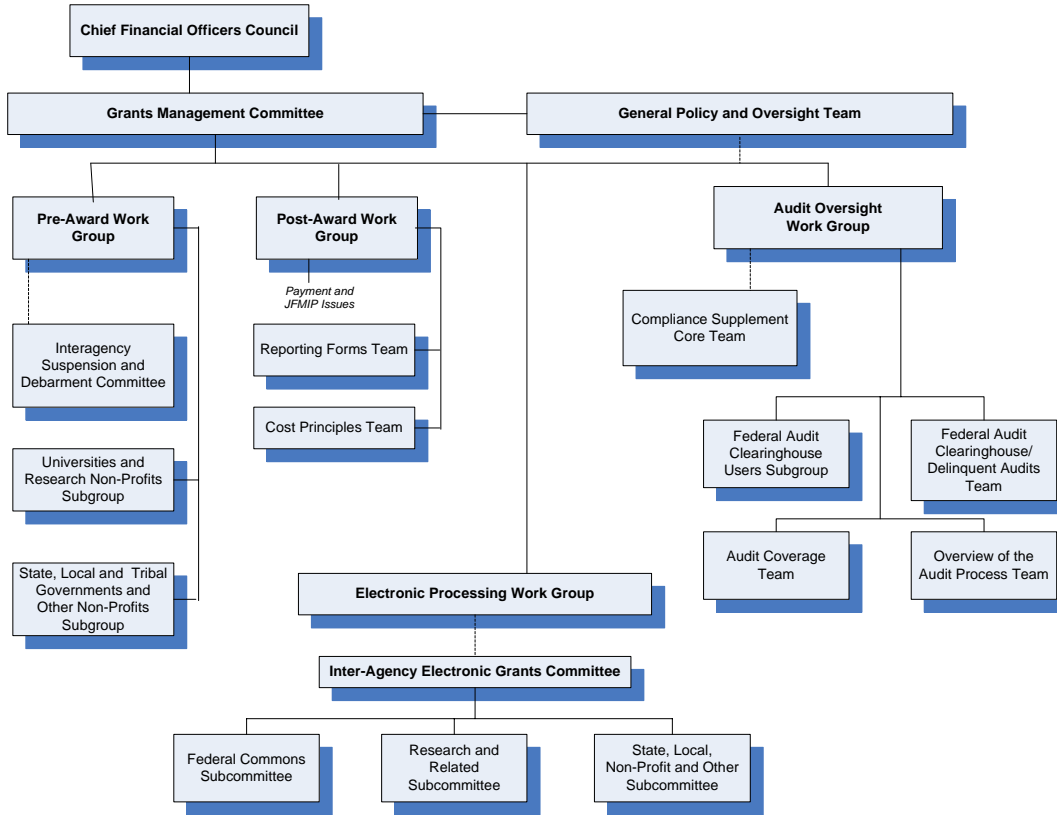
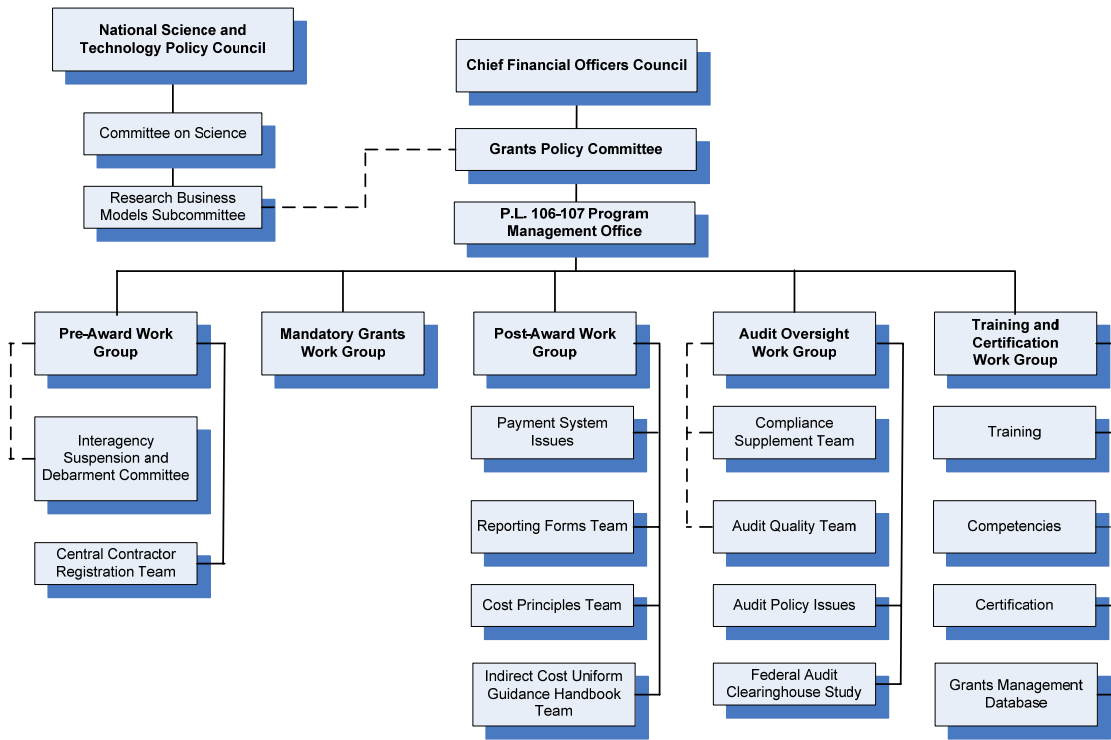


Figure 2. The Federal Grant Streamlining Initiative (P.L. 106-107):
Current Structure



We cite these changes to show that the accomplishments described in the following pages are ones where, although there have been changed priorities and processes, because of our commitment to change, we have accomplished many of the things we set out to do in 2001 and others we had not planned at that time.

Our Major Accomplishments—Through May 2005

AN OVERVIEW

Subsection 6(a) of the Act requires federal agencies to establish

- ◆ a common application or set of applications for use in applying for multiple federal financial assistance programs serving similar purposes, administered by different federal agencies;
- ◆ a common system, including electronic processes, wherein a non-federal entity can apply for, manage, and report on the use of funding from multiple federal programs serving similar purposes and administered by different agencies;

- ◆ uniform administrative rules for federal financial assistance programs across different federal agencies; and
- ◆ an interagency process for addressing the requirements of the Act.

In the Initial Plan, we cited our major objectives as

- ◆ streamlining, simplifying, and standardizing, to the extent appropriate;
 - announcements of funding opportunities;
 - application requirements and procedures;
 - award documents, including terms and conditions for
 - general administrative requirements, like those that currently originate in OMB Circulars A-102 and A-110, and
 - national policy requirements that originate in statutes, Executive Orders, their implementing regulations, and other appropriate sources;
 - reporting forms and business processes for reporting.
- ◆ improving reporting by recipients;
- ◆ making the descriptions of similar cost items in the cost principles consistent, where possible;
- ◆ having single audits that meet federal oversight needs; maintaining up-to-date information on federal requirements, and providing information and services to recipients, auditors, and agencies to ensure quality and timely audits; and
- ◆ developing and implementing electronic processes and data standards that are interoperable and provide a common face to applicants, recipients, and agencies.

Our major accomplishments, some of which are far along in development but are not yet implemented, fall in the four areas specified in subsection 6(a) in the statute and reflect the progress we have made toward fully meeting our stated objectives. These include the following:

- ◆ Making it easier for potential applicants to
 - find funding opportunities, determine whether a funding opportunity is of interest, and apply as a result of our development and deployment of Grants.gov; and

-
- locate the same types of information in the same place in each announcement through use of a standard funding opportunity announcement format.
 - ◆ Reducing the number of different application forms and standardizing data elements across those forms.
 - ◆ Making it easier for recipients to provide reports under their grant awards and improving the quality of information reported through
 - development of a common set of reporting formats, including a consolidated federal financial report, real and personal property reports, an invention report, and performance reports for research and non-research awards; and
 - improvements in the quality of audits and audit services.
 - ◆ Exploring ways to reduce the number of different federal grant processing systems and leverage successful systems and processes, which is being carried out through the GMLoB.
 - ◆ Making suspension and debarment policies and procedures easier to understand, by rewriting in plain language the common rule adopted by the agencies.

Figure 3 provides an overview of our activities from November 1999 through May 2005. Other sections of this report provide additional detail on our accomplishments, some which continue to be refined as the result of experience, stakeholder feedback, and the GAO reports, and the remaining activities planned through the sunset of the Act in November 2007.

Figure 3. Summary of Accomplishments: Passage of the Act through May 2005

1999	through	2002	2003	2004	2005
<p>Passage of PL 106-107</p> <p>Federal Grant Streamlining Initiative Work Groups formed</p> <p>Public consultation meetings held</p> <p>Initial plan submitted to Congress</p>	<p><i>Proposed policies issued for public comment:</i></p> <ul style="list-style-type: none"> -- Standard funding opportunity announcement format -- Grants.gov FIND data elements -- Changes to cost principles 	<p><i>Policies issued:</i></p> <ul style="list-style-type: none"> -- Use of a standard announcement format -- Grants.gov FIND data elements -- Use of Grants.gov FIND -- Increase in A-133 audit threshold -- Common rule on suspension and debarment <p>Agencies posting synopses on Grants.gov FIND for 100% of their discretionary funding opportunity announcements</p>	<p>Established Title 2 of the Code of Federal Regulations as central location for OMB grants and agreements guidance and federal agency implementation</p> <p>Developed a set of core application face page data elements for use in Grants.gov APPLY and hard-copy applications</p> <p>Deployed Grants.gov APPLY</p> <p>Enhanced the operation of the Federal Audit Clearinghouse</p>	<p>Established Grants Policy Committee</p> <p>Established working relationship with Research Business Models Subcommittee; Federal Demonstration Partnership; National Grants Partnership</p> <p>Formed Training and Certification Workgroup</p> <p>Grants Executive Board charter amended</p> <p>Initiated Grants.gov</p>	

GRANTS.GOV AND GRANTS MANAGEMENT LINE OF BUSINESS AND THEIR RELATION TO P.L. 106-107

The Grants.gov and the GMLoB initiatives did not exist at the time of the Initial Plan; however, in combination with the P.L. 106-107 policy efforts, they have helped achieve, or hold the promise to achieve, significant streamlining and simplification of the grants process for applicants, recipients, and federal agencies.

Grants.gov directly supports the objectives of expanded E-Gov and P.L. 106-107 through

- ◆ FIND, on which federal agencies must post synopses of discretionary funding opportunities, and

-
- ◆ APPLY, which has fostered use of standardized forms for cross-government use and allows potential applicants to search posted opportunities, receive opportunity posting notices via e-mail, download the application package, and submit applications electronically.

These functions are supported for both federal and non-federal users by the Grants.gov PMO and its contact center and e-mail support desk, as well as the common Web site with training tips, tools, search functions and technical library.

Grants.gov has successfully implemented architecture with open standards utilizing Extensible Markup Language (XML) allowing different standards to seamlessly integrate with Grants.gov without requiring infrastructure changes. The Grants.gov system-to-system functionality, available to applicant organizations, further simplifies the grant process for organizations that apply for large numbers of federal grants. This functionality allows those organizations to continue using their internal grant processing systems and create a seamless, automated integration with Grants.gov APPLY for all of the applications they submit to the federal agencies. Similarly, agency system-to-system interfaces allow agencies to integrate their back-office systems with Grants.gov. For example, the Department of Justice has been extremely successful integrating their back-office system with Grants.gov. Their application packages are transmitted within 90 seconds from the Grants.gov system to their back-office system, dramatically reducing transmission time from the applicant to the agency.

Although Grants.gov has made great strides in streamlining and standardizing the public-facing processes and data elements for finding and applying for grants, much of what hampers streamlining and standardization are the complex and varying requirements resulting from legacy agency grants management processes and systems. The GMLoB was created to address issues related to back-office processes and systems.

In Fiscal Year (FY) 2004, a task force made up of representatives from the 26 major grant-making agencies developed the vision for a target GMLoB operating model. The target operating model states that the federal grants management community will process grants in a decentralized way using common business processes supported by shared technical support services. This vision is complementary to and supportive of our policy initiatives.

Accomplishments in This Reporting Period

GRANTS.GOV

During this reporting period, Grants.gov sought and obtained feedback in an effort to continuously improve its utility to both the federal and non-federal communities. Grants.gov's accomplishments and those of the federal agencies are indicated by the following statistics for FY 2006:

- ◆ All 26 major federal grant-making agencies are posting synopses of all of their discretionary grant opportunity announcements at Grants.gov FIND and are posting application packages for some or all of those opportunities:
 - Of the 26 agencies, 21 reached the FY 2006 goal of posting 75 percent of their application packages for discretionary grant opportunities at Grants.gov APPLY.
 - 76 percent of all Federal discretionary grant opportunities were available for electronic application through Grants.gov.
 - 2,821 discretionary grant opportunity synopses were posted, with 5,197 posted since the advent of Grants.gov.
 - 2,298 discretionary grant application packages were posted, with a total of 6,230 published since inception.
- ◆ 90,045 applications have been received (exceeding the FY 2006 goal of 45,000), with 106,205 submissions since inception.

Highlights of Grants.gov activities during this reporting period include the following:

- ◆ In conjunction with the E-Authentication E-Gov initiative, deployed multiple credential service providers beginning with the federal grant-making agencies (grantors) in August 2006. E-Authentication provides standard identity verification services for users in both the public and private sectors.
- ◆ Deployed system-to-system functionality, which allowed applicant organizations and agencies to integrate their systems with Grants.gov:
 - Thirty-nine non-federal organizations are registered with Grants.gov to submit applications using XML and Web services, with an additional nine providers currently testing this capability.
 - Thirty federal systems are integrated with Grants.gov, which allows them to retrieve grant applications submitted to Grants.gov APPLY directly into their systems.
- ◆ Several Grants.gov outreach efforts were completed:
 - Hosting of a live Webcast on February 9, 2006, which had more than 4,000 participants, and offering an opportunity for questions and answers. The Webcast was a follow-up to a *Federal Register* notice [71 FR 2549, January 17, 2006] that encouraged organizations to reg-

ister early with Grants.gov to avoid any possible delays at the time of application submission.

- Presentations in 24 states and stakeholder meetings reaching more than 10,000 stakeholders. Participants in these meetings included congressional staff members, foundation executives, recipient grant managers and practitioners, federal program personnel, representatives of trade associations, and tribal advocates.
- The first listserv e-mail was sent on June 1, 2006 to the Stakeholders Members Group to provide them with the stakeholder meeting update. Listservs also have been created for the System-to-System Group, the Grantor User Group, and the Grants.gov newsletter subscribers. This service will allow Grants.gov to quickly send out announcements as well as allow for discussions.
- ◆ Grants.gov improvement efforts include the following:
 - In early July 2006, deployed a major Web site content redesign with enhanced features and capabilities, which were explained to the federal agencies in several informational sessions.
 - In August 2006, conducted a preliminary usability evaluation of the grantor side of Grants.gov. Initial results indicated that, while all of the grantor tasks were successfully performed by the participants, and their associated ratings of satisfaction were fairly high, a number of usability improvements were needed. Improvements are now being considered.

GRANTS MANAGEMENT LINE OF BUSINESS

Our GMLoB planning progressed sufficiently that we were able to define an implementation approach for our vision—processing grants in a decentralized way using common business processes supported by shared technical support services. This will be accomplished through several “consortia,” each led by a federal agency with a series of commercial service providers. Consortia lead agencies will align with agencies to be serviced according to common interests. In 2005, through a structured process, OMB designated three initial consortia lead agencies: the Department of Education, Administration for Children and Families (ACF) within HHS, and the National Science Foundation (NSF).

During this reporting period, the GMLoB PMO, which is overseen by NSF and HHS, continued to identify areas for government wide standardization and streamlining, working in conjunction with the GEB, the consortia leads, and the other federal agencies. This year our focus has been primarily on the consortia leads and information gathering. Some of the designated consortia leads, with the advice and assistance of the GMLoB PMO, have begun operational pilots. The

several shared services pilot programs that have been undertaken involve NSF and the U.S. Department of Agriculture's Cooperative State Research, Education, and Extension Service and a similar partnership between HHS components ACF and the Health Resources and Services Administration.

TITLE 2 OF THE CODE OF FEDERAL REGULATIONS

In 2004, as recommended by the Pre-Award Work Group, OMB established Title 2 of the Code of Federal Regulations (CFR) as the central location for government wide policy and procedural requirements for grants and agreements. The streamlining reasons for establishing Title 2 as the location for OMB guidance for grants and agreements and agency implementation of that guidance are to

- ◆ Make all of OMB's guidance for grants and agreements easier to use and more accessible for federal agencies and applicants for, and recipients of, grants and agreements.
- ◆ Make it easier for applicants/recipients to find agencies' implementations of the OMB guidance. Each agency's regulations currently are in its own title of the CFR, causing a recipient that receives awards from several agencies to have to find and read regulations in multiple CFR titles. Co-locating the agencies' rules in Title 2 will eliminate that burden.

Since May 2004, OMB, with the assistance of the Pre-Award and Post-Award Work Groups, has relocated to Title 2 its existing OMB Circular A-110 and the three sets of OMB cost principles in OMB Circulars A-21, A-87, and A-122.

Replacing Common Rules with Adoptable Guidance

The Interagency Suspension and Debarment Committee (ISDC), working with the Pre-Award Work Group, made significant progress this year toward replacing the common rule on nonprocurement debarment and suspension with adoptable OMB guidance in the new Title 2. This guidance is a model for adoptable guidance to eliminate other common rules so that we ultimately will realize benefits from this initiative that are broader than debarment and suspension.

Specifically, replacing common rules with adoptable guidance will do the following:

- ◆ *Make it easier to discern an agency's variations from OMB's government wide language.* When each agency publishes a common rule, e.g., the suspension and debarment common rule, it is difficult to identify any agency-specific additions or exceptions to the government-wide language because the variations are embedded in and integrated with the agency's publication of the full text of the rule. With the new approach, each agency's implementation of the guidance will be a brief rule that: (1) adopts the OMB guidance, giving it regulatory effect for that agency's activities; and

(2) states any agency-specific additions, clarifications, and exceptions to the government-wide policies and procedures contained in the guidance.

- ◆ *Reduce the volume of federal regulations.* The agencies' separate publications of the full text of a common rule currently require hundreds of pages in each paper copy of each edition of the CFR. The new approach will cut this many-fold, which reduces both burdens on the public and costs of maintaining the regulations.
- ◆ *Streamline the process for updating government-wide requirements.* To update a common rule, all signatory agencies had to process the same rule-making document before it could be sent to OMB and published in the *Federal Register*. This exceedingly complex and time-consuming process created long delays in updating a common rule. With the new approach, OMB will publish proposed changes to the guidance in the *Federal Register*, with an opportunity for the public to comment. When OMB finalizes each change to the guidance, the updating process will be complete because agencies that have adopted the guidance generally will not need to make any changes to their adopting implementations.

The accomplishments in this reporting period related to replacing rules with adoptable guidance are as follows:

- ◆ On August 31, 2005, OMB issued in the *Federal Register* [70 FR 51863] the guidance prepared by the ISDC. The guidance is in interim final form at 2 CFR part 180.
- ◆ The ISDC prepared a template that OMB issued to the agencies for use in adopting the guidance.
- ◆ On April 4, 2006, OMB issued a call to the agencies to establish their assigned chapters in 2 CFR, issue regulations in those chapters to adopt the OMB guidance on debarment and suspension, and remove their codifications of the common rule in their separate CFR titles.

Agencies are now preparing their rulemaking documents to adopt the OMB debarment and suspension guidance, which must be completed by February 2007, to bring this multi-step initiative to completion.

REPORTING

Consistent with our vision to streamline and simplify reporting, while at the same time ensuring that federal agencies and programs have the information they need to manage their grant programs and ensure recipient accountability, we have spent the last several years designing and vetting standard reporting formats in each area for which reports currently are required. These include the—

- ◆ Consolidated Federal Financial Report (FFR), which melds the Financial Status Report (SF 269) and Federal Cash Transactions Report (SF 272);
- ◆ Real Property Report to ensure accountability for land or buildings acquired or constructed under grants;
- ◆ Personal Property Report to address the status of tangible personal property valued at over \$5,000 acquired under grants;
- ◆ Summary Report of Inventions;
- ◆ Performance Progress Report for use on grants other than those for research; and
- ◆ Research Performance Progress Report for use on research and research-related grants.

Leadership for these efforts has been provided by the Post-Award Work Group and the Research Business Models Subcommittee. All of these reporting formats have been reviewed by the federal grant-making agencies and are being prepared for public comment. Two of these reports have been the subject of previous *Federal Register* notices; while others have been informally vetted with affected recipient constituencies.

The FFR and the data elements for the summary report of inventions were published in the *Federal Register* for public comment on April 8, 2003 [68 FR 17097] and October 30, 2002 [67 FR 66178], respectively. The nature of the comments as well as the need to ensure the suitability and availability of these reports for electronic submission resulted in the delay in bringing them to closure before now. This year, we focused on resolving those issues. In the case of the FFR, we conducted a pilot effort with the Department of Health and Human Services Payment Management System to demonstrate recipient ability to complete and transmit the report electronically. It provided valuable information on the form design and electronic transmission, which will result in a better product for the federal agencies and our recipients.

AUDIT

One of this year's accomplishments was to use the interagency process to develop information with respect to the effect of Hurricanes Katrina and Rita on OMB Circular A-133 audits. We developed draft guidance to assist non-federal entities and their auditors as well as cognizant and oversight agencies for audit. The document covers requests for waivers, extensions, or other deviations from the requirements of the Circular and guidance to federal cognizant and oversight agencies in responding to such requests. We also included an appendix in the 2006 OMB Circular A-133 Compliance Supplement that listed, by program, the waivers or special provisions for the entities affected by the Hurricanes Rita and Katrina, including those in the disaster areas and those receiving displaced indi-

viduals and providing services to them. The Compliance Supplement also is posted on OMB's Web site (http://www.whitehouse.gov/omb/circulars/a133_compliance/06/06toc.html)

ACTIVITIES UNDERWAY OR PLANNED

We have a number of important activities underway that will reach fruition during the next reporting period as well as several planned activities that will build on the successes of the past few years. Where appropriate, we will continue to involve stakeholders and the public (through *Federal Register* notices) in these activities, which include the following:

- ◆ Expanding our outreach efforts by initiating a series of Webcast stakeholders meetings to inform stakeholders about the progress of our P.L. 106-107 implementation activities and to hear their comments and concerns. The first meeting is scheduled for October 25, 2006.
- ◆ Continuing to enhance the use and functionality of Grants.gov in response to user feedback and advances in technology by
 - working with agencies on successful implementation of the goal to post 100 percent of discretionary application packages in FY 2007;
 - implementing platform-independent forms viewer to support Macintosh users;
 - working with Central Contractor Registration (CCR) to simplify the registration process for applicants and grantees;
 - making available E-Authentication service from multiple credential service providers for the applicant community; and
 - reviewing and updating the SF 424 forms.
- ◆ Continuing to streamline and simplify pre-award, award, and post-award processes for applicants and recipients by doing the following:
 - Developing guidance for issuance by OMB on the structure and content of awards, including both administrative and national policy requirements. This guidance will replace the OMB Circular A-102 common rule and OMB Circular A-110. This major undertaking will result in not only the adoptable guidance approach described above with its inherent benefits but also in a standard approach to the information transmitted in an award. Standard language for and placement of award terms and conditions will provide greater clarity and allow for increased understanding by recipients of the requirements that apply to them. This effort has the potential to reduce the direct burden

- on applicants and recipients as well as help recipients avoid audit disallowances;
- Issuing a policy on use of certifications and assurances under grants to reduce burdens associated with submissions by applicants and recipients; and
 - Completing the streamlining of OMB guidance on grants and agreements and associated agency regulations, and relocating them in the new central location in Title 2 of the CFR.
- ◆ Continuing our efforts to make it easier for recipients to report on activities under their awards and enhancing the quality of information about recipients and awards by doing the following:
- Completing our efforts to standardize reporting requirements. The next steps in this process include publishing in the *Federal Register* for public comment, several reports (summary of inventions, Federal Financial, Real Property, Tangible Personal Property, Performance/Progress, and Research Performance); developing the policy that will accompany each report, which will be proposed as part of the terms and conditions in Title 2 CFR; and planning for government-wide electronic implementation allowing submission through a single portal.
 - Continuing our efforts to achieve greater standardization of the payment request process.
 - Making further refinements in the cost area, including possible additional changes to the OMB cost principles and completion of a manual for non-profit organizations on how to develop indirect cost proposals.
 - Developing, as a joint effort of the RBM Subcommittee's Subrecipient Monitoring Task Force, OMB, and the Audit Oversight Work Group, additional coverage in the 2007 OMB Circular A-133 Compliance Supplement for subrecipient monitoring.
 - Clarifying the roles and responsibilities for cognizant audit agencies and cross-cutting programs.
- ◆ Forming GMLoB partnerships among the consortia leads and the remaining agencies, including development of cross-servicing agreements and plans for migration.

LOOKING AHEAD

The vision to streamline and simplify the grants process still remains valid and we recognize that there is more we can and should do. One of our greatest accomplishments has been the interagency collaborative process we have developed and the appreciation that grants management is a “global” enterprise. Agencies can no longer act in isolation, whether in developing grant policies or systems. To the extent possible, we plan to use the infrastructure we already developed as we go forward, for example in addressing the government-wide implementation of the recently enacted Federal Funding Accountability and Transparency Act of 2006.

We expect to continue our work after November 2007. We understand that the Act may be extended; however, even in the absence of such an extension, we will continue our efforts. We have accomplished a great deal and are enthusiastic about taking advantage of additional opportunities to make improvements.

Comment [MEP1]: Separate each section of the agency report using the headings provided in the OMB report guidance: i.e., General, Grants.gov, GM LoB. Make sure that the bullets under the section you call “General Approach” are properly assigned to the three sections or deleted if they are required by the report guidance.

DEPARTMENT OF LABOR GRANT STREAMLING ACTIVITY

Participation in Government-wide Streamlining and Grants.gov Efforts

Comment [F2]: Please add FY06 DOL context info: (1) # of total financial assistance programs? Discretionary vs. Mandatory (2) total financial assistance award dollars

DOL Accomplishments in 2006

Grants.gov

- DOL has received over 475 electronic submissions in FY06.
- DOL achieved a 93% of discretionary grant application packages posted on Grants.gov, exceeding the OMB FY06 milestone of 75%.
- **DOL currently has thirteen programs in Grants.gov APPLY.**
- DOL awarded approximately \$308 million in financial assistance in grants/contracts in FY06.
- DOL continues to be 100% in compliance with OMB's FIND policy requiring agencies to post 100% of synopses at Grants.gov for discretionary award opportunities.
- DOL has contributed Agency staff to participate on the Pre-Award, Post-Award, Mandatory, Reports and Cost Principles workgroups.
- DOL has provided a detailee to Grants.gov, who is actively working towards the success of this initiative.
- DOL is a partner agency for the Grants.gov initiative, and is represented on the Grants.gov Executive Board by senior management of the Employment and Training Administration (ETA)
- DOL provided funding for Grants.gov this fiscal year. Staff from OASAM, ETA, Bureau of Labor Statistics, Occupational Safety and Health Administration, and Mine Safety and Health Administration have participated in Grants.gov stakeholder meetings.
- OSHA conducted a workshop at its annual grant conference to educate recipients about Grants.gov.
- ETA conducted two workshops at its annual grantee conference to educate recipients about Grants.gov.
- ETA has conducted numerous training sessions on Grants.gov during various grantee conferences.

Comment [F3]: Move up to "Participation in Government-wide Streamlining and Grants.gov Efforts" section (top of DOL section)

Grants Management Line of Business.

- DOL submitted a Declaration of Intent as a Consortia Lead in 2006 and is currently waiting for response from OMB on results of the competition for additional consortia
- ETA provided staff for the Grants Management Line of Business who participated in drafting business cases, reviewing agency surveys and reviewing vendor responses to the Request for Information.
- DOL personnel actively participate in the Grants Policy Committee and Grants Network meetings.

Comment [F4]: Should mention that DOL submitted a *Declaration of Intent* as a *Consortia Lead* in late 2006 and currently waiting for response from OMB on results of competition to name additional consortia.

Participation in any of the P.L. 106-107 interagency work groups responsible for streamlining and simplification proposals (and subgroups and teams under them).

- The Employment and Training Administration and the Occupational Safety and Health Administration are members of the Post-Award Work Group – Reporting Forms Subgroup – Financial Reports Team. The Financial Reports Team created the Federal Financial Reports that consolidates the Financial Status Reports (SF269 and 269A) and Federal Cash Transactions Reports (SF-272 and 272A).

Other streamlining and simplification activities.

- OSHA continues its streamlining of the application process by requiring States that operate both section 23(g) State plans covering the private sector and section 21(d) Consultation projects to submit an integrated application. This streamlining effort allows the States to submit one single performance plan reflecting the integrated nature of both programs.

General Internal Efforts to Create an Environment Conducive to Grants Streamlining and Simplification and Assess Impact of Changes

- ETA and BLS participated in the test phase for the Adobe version of Grants.gov forms.
- ETA conducted eight training workshops for primarily SESA grantees to educate grantees on the revised SF 269 form.
- OSHA implemented the announcement template for the FY 2006 announcement of its discretionary program.

Comment [F5]: I don't think it's necessary to point this out. Otherwise, please clarify that while not active in related Gov-wide workgroups, DOL will utilize resulting forms, processes, etc. where feasible.

- BLS successfully uses the announcement template to describe cooperative agreement programs to eligible participants.
- MSHA successfully implemented the announcement template in the overall grant awarding process for the FY 2006 grant period.
- DOL agencies have issued policy guidance to State grantees on obtaining DUNS numbers, Central Contractor Registration and Grants.gov.

Looking Ahead

- DOL has a management structure in place for E-Grants. It is based on a 3 tier model consisting of an E-Grants Advisory Group, an E-Grants Management Team, and an E-Grants Project Team.
- E-Grants Advisory Board was established to conduct oversight on this project. They are responsible for overall leadership and policy direction. This board is comprised with senior level managers from each of the grant making agencies in DOL. They are provided weekly project status reports, and monthly meetings are held to discuss updates and questions and concerns.
- E-Grants Management Team is responsible for carrying out Advisory Group decisions, developing project designs and plans, and completing deliverables. This team consists of an E-Grants Manager and agency representatives.
- The E-Grants Project Team was created to design and implement a common, enterprise-wide E-Grants system. This effort enabled DOL to streamline the grants process, reduce costs and improve efficiencies within all grant making agencies. The plan made use of the existing comprehensive grants system in the Employment & Training Administration (ETA) and is making necessary additions/modifications that will enable an extension to all DOL agencies. To date, the E-Grants Project Team has developed a project plan, created a Work Breakdown Structure (WBS), gathered Agency requirements, and created a Functional Requirements Document. The Design Phase has been completed and the E-Grants system was implemented in October 2006.
- Several outreach activities to our internal constituencies were conducted. They consisted mainly of information presentations on the strategy of the E-grants solution. We have also conducted interviews with each DOL Agency to gather their business requirements and discuss detailed streamlining efforts. Their feedback was incorporated into the Functional Requirements Document.

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- The new E-Grants system will enable DOL to measure their planned performance improvement goals. A baseline of the current grants process is being developed. This will allow DOL to assess the impact of streamlining the grants process and effectively coordinate with Grants Management Line of Business requirements.
 - Multiple DOL agencies have communicated with external partners (program offices, State Agencies, etc.) to provide information on Grants Streamlining efforts and the impact of these efforts of operations.

Comment [F6]: How does this fit into GMLoB or at least factor into overall DoL GMLoB strategy?