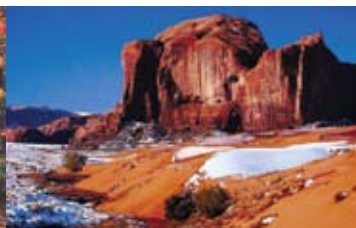




Grants Management Plan 2009-2013





Foreword

I am pleased to present the Environmental Protection Agency's second long-term Plan for Grants Management.

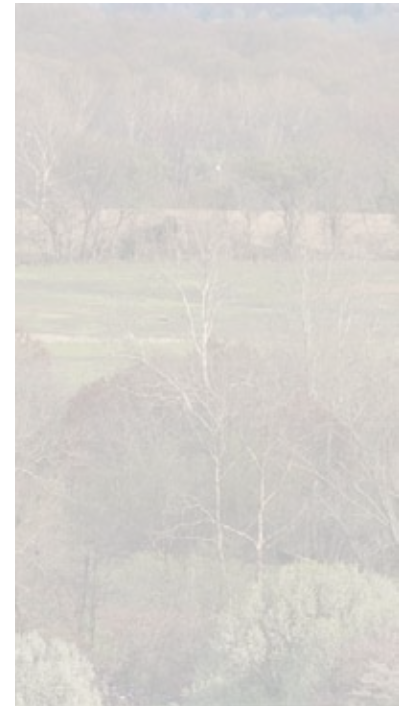
This plan reflects EPA's emergence as a best practice agency for grants management and ensures responsible stewardship of grants funds to protect our air, water and land for future generations.

The goals in the Plan underscore EPA's commitment to awarding outcome-oriented grants, maintaining a well-trained and talented grants workforce, streamlining grants policies and procedures and implementing a comprehensive electronic grants management system.

The Agency will implement the Plan in partnership with States, Tribes, local governments, educational institutions and non-profit organizations. By maximizing efficiency and effectiveness and strengthening internal controls and accountability, the Plan will keep the Agency's grant program on course to delivering a cleaner, healthier tomorrow.



Stephen L. Johnson
Administrator



A Letter from our Senior Leadership

Dear Reader:

We are pleased to release *Grants Management Plan: 2009–2013*, EPA's second long-term grants management plan. This plan provides the road map to ensure that EPA properly manages its grant dollars, which account for approximately one-half of the Agency's budget.

In implementing its first plan—*Grants Management Plan: 2003–2008*—the Agency put in place a new system of internal controls focused on the themes of accountability, transparency, and results. By making strong grants oversight a part of EPA's day-to-day operations, the system allowed the Agency to eliminate its longstanding grants management weakness and create a model grants management program.

The 2009–2013 plan builds on the progress made over the past 5 years and will prevent the recurrence of a grants management weakness. It carries forward the system of internal controls, while establishing new initiatives to increase efficiency and effectiveness. It contains five goals: demonstrate the achievement of environmental results, foster a high-quality grants management workforce, enhance the management process for grants policies and procedures, standardize and streamline the grants business process, and leverage technology to strengthen decision making and increase public awareness.

These goals support the Agency's vision of managing grants to further EPA's mission of protecting human health and the environment in accordance with the highest stewardship and fiduciary standards. Successful implementation of the second plan will require the sustained involvement of Headquarters and Regional Offices as well as close collaboration with the Agency's partners. As senior managers responsible for the administration of EPA grant programs, we are committed to leading the effort to achieve the plan's goals and objectives.

Sincerely,



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and Resources Management

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Office of Enforcement
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Executive Summary

The U.S. Environmental Protection Agency awards approximately one-half of its budget annually in grants to its state, local, tribal, educational, and nonprofit partners. EPA's grants management program—the aggregate of activities that contribute to the award and management of the thousands of EPA grants and cooperative agreements under multiple individual programmatic statutory authorities—is a cooperative effort. That effort involves the Office of Administration and Resources Management's Office of Grants and Debarment (OGD), National Program Managers, Regional Program Offices, and Grants Management Offices.

As part of the Agency's response to questions about the effectiveness and efficiency of the grants management program by EPA's Office of Inspector General, the Government Accountability Office, and the Office of Management and Budget, EPA adopted an Agency-wide grants management plan in 2003. That plan established a comprehensive approach to addressing several areas of concern, including grant competition, accountability of EPA and recipients for the proper management of grant funds, and the need to demonstrate achievement of environmental results. Implementation of that plan resulted in improvements that allowed EPA to declare that grants management was no longer a material or agency weakness. It also resulted in a commitment to continuous improvement in Agency grants management.

EPA's Grants Management Plan: 2009–2013 carries forward the vision of the original plan, mainly to ensure that its management of grants furthers the Agency's mission of protecting human health and the environment and meets the highest stewardship and fiduciary standards. Specifically, the plan contains five goals, supported by a number of objectives. The plan also identifies specific activities that EPA will undertake to achieve the objectives, as well as performance measures to track progress against them. In conjunction with this plan, OGD has developed a tactical action plan that sets annual priorities for planned activities.

Goal 1: Demonstrate the Achievement of Environmental Results

The Agency has made significant strides in ensuring that it measures program performance and evaluates whether recipients are supporting the achievement of environmental results. Under this goal, EPA and its partners will continue to improve the performance measures and their alignment with EPA strategic goals, as well as enhance national reporting of environmental results data.

Goal 2: Foster a High-Quality Grants Management Workforce

An essential prerequisite to high-quality grants management is a fully qualified workforce of grant specialists, grants management officers, and project officers. The initial grants management plan focused on upgrading grants management skills, particularly for the business aspects of grants management. In addition to ensuring that Agency staff members are prepared to meet the core competencies of grants management, EPA will take steps to retain its grants management workforce and further strengthen its skills. EPA also will ensure that the supervisors and managers of project officers, as well as individuals who advise or assist project officers, fully support the project officer function and are accountable for their assigned responsibilities.

Goal 3: Enhance the Management Process for Grants Policies and Procedures

EPA has issued a number of new grants management policies and procedures to eliminate the identified weakness in Agency grants management. Those policies and procedures significantly changed and improved the Agency's way of managing grants. Grants management requirements will continue to evolve. Under this goal, the Agency will evaluate its policy system to identify and implement process and communications improvements.

Goal 4: Standardize and Streamline the Grants Business Process

Because Agency and recipient resources are limited and should be directed to achieving environmental results, as well as compliance with grants management requirements, EPA will seek ways to reduce the administrative burden. This goal focuses on standardizing and streamlining the Agency's grants management process while maintaining the gains of the last 5 years in compliance, results, and quality.

Goal 5: Leverage Technology to Strengthen Decision Making and Increase Public Awareness

EPA needs a comprehensive electronic grants management system that meets its own requirements, provides information to the public, and complies with government-wide electronic grants initiatives to streamline and simplify grants management. Under the Grants Management Line of Business, a government-wide electronic initiative, EPA will be required to work with consortia and shared service providers and to engage in more common business processes. The purpose of this goal is to ensure that—in moving to a new model, a new electronic system, and, potentially, a new business process—EPA maximizes opportunities to use automation in grants management; adequately considers the needs of its staff, partners, and the public; ensures that any unique aspects of the Agency's business process are considered for continuation or elimination; and maximizes the potential for a successful transition. 🌱

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Introduction

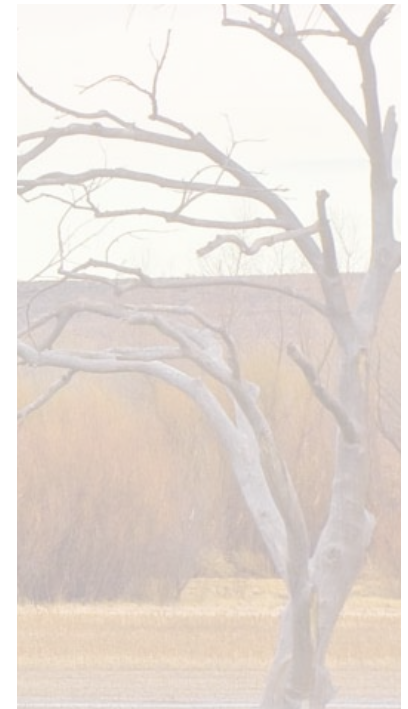
Background and Challenges

Each fiscal year, EPA awards approximately \$4 billion, about one-half of its budget, in grants. This funding represents a primary means by which EPA—in concert with states, local governments, tribes, educational institutions, and nonprofit organizations—achieves its mission of protecting and improving the environment. EPA and its partners must manage these funds effectively and ensure that they are used to achieve environmental results.

EPA grants management is a cooperative effort involving the Office of Grants and Debarment (OGD), which is part of the Office of Administration and Resources Management; National Program Managers; and Regional Grants Management Offices (GMOs), and Regional Program Offices. All of these offices work to promote the most effective and efficient use of EPA's financial and other resources and to prevent the incidence of waste, fraud, abuse, mismanagement, and poor performance:

- ◆ OGD formulates policies, procedures, and guidance on awarding and managing grants necessary to ensure compliance and appropriate stewardship of EPA funds. Also, as the Headquarters GMO, OGD is the administrative manager for all grant programs at EPA Headquarters.
- ◆ National Program Managers establish and implement national programmatic policies and ensure the implementation of OGD-issued policies with respect to the grant programs for which they are responsible. They also set funding priorities and oversee the technical and programmatic aspects of Headquarters grants.
- ◆ Regional GMOs manage the administrative aspects of EPA's regional grant activities. The Regional Program Offices work closely with the Regional GMOs, overseeing the technical and programmatic aspects of regional grants.

Over the last several years, EPA has significantly improved grants management. Many of the improvements addressed criticisms by the Office of Inspector General, the Government Accountability Office, and the Office of Management and Budget about the Agency's oversight of grants generally and its oversight of nonprofit grant



recipients in particular. Implementation of the plan allowed EPA to remove the designation of grants management as a material and agency weakness.

Under the umbrella of the initial Agency grants management plan, *Grants Management Plan: 2003–2008*, EPA provided extensive training of EPA grants management personnel and nonprofit recipients; issued *Policy for Competition of Assistance Agreements* (EPA Order 5700.5A1) and established a Grants Competition Advocate in OGD; revised *Policy on Compliance, Review and Monitoring* (EPA Order 5700.6); and issued *Environmental Results under EPA Assistance Agreements* (EPA Order 5700.7) and *EPA Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards* (EPA Order 5700.8).

Although grants management at EPA has evolved to address Agency issues, grants management government-wide also is changing and becoming more complex. During the next 5 years, EPA will have to ensure that its management of grants keeps pace not only with its internal needs but also with government-wide requirements. EPA will have to sustain the improvements it has made, along with efforts to streamline its grant process and policies and address government-wide changes. This second plan—*Grants Management Plan: 2009–2013*—integrates the successes already achieved with further improvements and future needs. In doing so, it sustains grants management as a highly visible aspect of Agency operations—a position that it both deserves and requires.

Purpose of the Plan

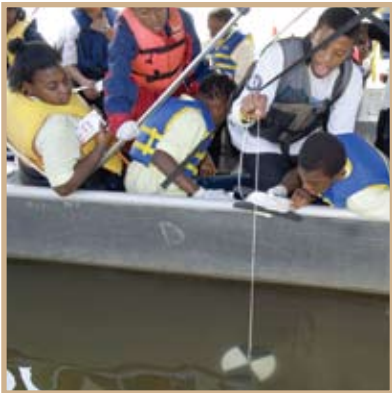
The purpose of this grants management plan is to sustain the improvements in grants management that EPA has achieved, while ensuring continuing Agency-wide attention to the utility and quality of the resources, processes, requirements, and systems used in grants management. This plan also seeks ways to further engage the in-

novation and expertise of its partners: state, local, and tribal governments; educational institutions; and nonprofit organizations. Enhancing grants management will ensure that EPA and its partners can work together to achieve the Agency's vision for grants management.



Vision Statement

EPA is committed to ensuring that its management of grants furthers the Agency's mission of protecting human health and the environment and meets the highest stewardship and fiduciary standards.



EPA Stakeholders and Partners

The success of EPA's initial grants management plan was due, in large part, to the Agency's cooperative efforts with its stakeholders—Congress and the oversight agencies (Office of Inspector General, Government Accountability Office, and the Office of Management and Budget)—and with its partners: state, local, and tribal governments; educational institutions; and nonprofit organizations. In striving for effective and efficient grants management, the views of the stakeholders, partners, and Agency personnel were all considered in developing the plan and implementing the vision. In developing this second grants management plan, the Office of Grants and Debarment has considered input from Agency personnel, stakeholders, and partners on the lessons learned from the initial plan and on the desired scope of the follow-on plan. Drafts of the goals and objectives were shared internally with representatives from Headquarters offices and Regional Grants Management Offices and Program Offices and were then presented to the Agency's Deputy Assistant Administrators and Assistant Regional Administrators.

EPA and its stakeholders and partners will benefit from the initiatives in this plan in a number of ways. This plan is intended to build on the successes of the initial plan by making policies and processes more user friendly while focusing on results. EPA is committed to streamlining its grants management processes through more efficient use of human and other resources. The Agency also is committed to ensuring accountability through improved policies and procedures, enhanced coordination and communication with stakeholders and partners, the availability of more timely and accurate information, the use of performance metrics, and continued emphasis on achieving environmental results.

The Agency believes that the plan addresses the concerns of its stakeholders and partners and will help ensure effective and efficient grants management. The grants management plan has five strategic goals, and objectives that will guide efforts to achieve each goal, for the next 5 years. For each objective, the plan identifies specific activities and target dates. The plan also presents performance measures that will enable EPA to track its progress on each of the five goals. 🌱

Goals

Goal 1: Demonstrate the Achievement of Environmental Results

Goal 2: Foster a High-Quality Grants Management Workforce

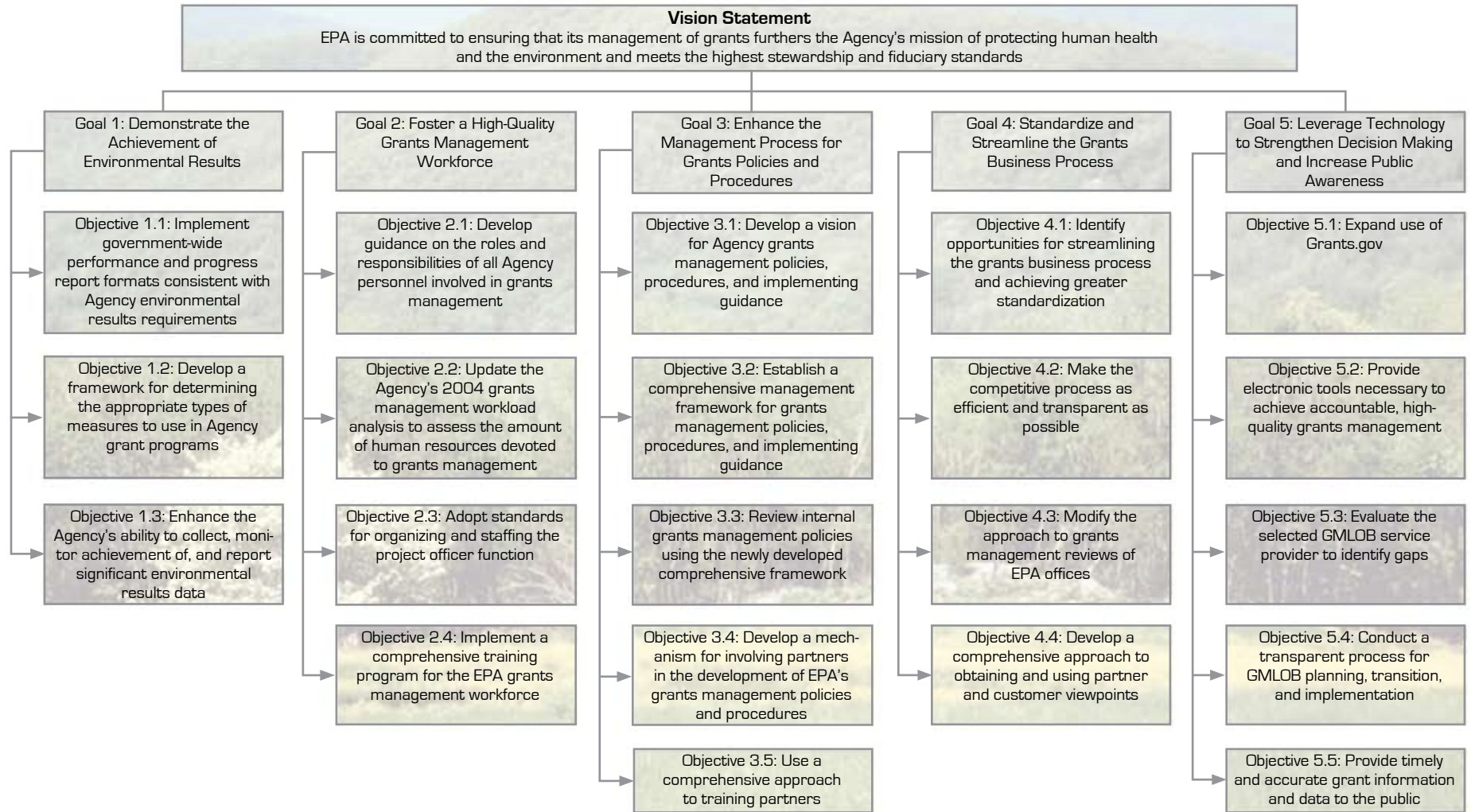
Goal 3: Enhance the Management Process for Grants Policies and Procedures

Goal 4: Standardize and Streamline the Grants Business Process

Goal 5: Leverage Technology to Strengthen Decision Making and Increase Public Awareness



Grants Management Plan Map



Objectives and Activities

Goal 1:

Demonstrate the Achievement of Environmental Results

EPA has incorporated in its grants management process considerations related to achieving positive environmental results. This has been accomplished primarily through inclusion of environmental results requirements in approved work plans. However, more work needs to be done to determine the appropriate types of measures to be included in grants and to report, document, and successfully demonstrate the achievement of those results.

The Agency measures environmental results as either outputs or outcomes, but it has not yet fully tied its strategic goals and objectives to the results to be achieved by grant programs and individual awards. Under this goal, EPA will analyze the various types of activities in which it engages to determine how best to demonstrate its achievement of environmental results. Among other things, the Agency will look at how grant-supported efforts relate to the broader efforts to successfully execute a program and will address appropriate measurement strategies.



Under this goal, the Agency also will determine how to effectively implement newly adopted government-wide performance/progress reporting standards and establish the necessary tools to enhance its ability to collect and aggregate environmental results data for Agency use on a national basis. The latter will contribute to the Agency's ability to meet data requirements such as those in OMB's Program Assessment Rating Tool (PART).

Objectives

EPA identified three objectives related to environmental results and specific activities for achieving each objective:

- ◆ *Objective 1.1:* Implement government-wide performance and progress report formats consistent with Agency environmental results requirements.
 - ◇ Analyze government-wide performance and progress reporting standards. (2009)
 - ◇ Develop a plan for implementing government-wide performance and progress reporting standards (including frequency and mandatory and optional forms) in Agency grant programs. (2009)
- ◆ *Objective 1.2:* Develop a framework for determining the appropriate types of measures to use in Agency grant programs.
 - ◇ Develop a taxonomy of EPA programs by purpose and measures applied at the Agency level and characterize the role of grants in achieving that purpose. (2010)
 - ◇ Develop criteria for determining the suitability of output and outcome measures (type of grant, project or ongoing program support, duration, number and type of related awards to a recipient). (2010)
- ◆ *Objective 1.3:* Enhance the Agency's ability to collect, monitor achievement of, and report significant environmental results data

- ◇ Determine Agency requirements for the use of grant environmental results data in PART. (2011)
- ◇ Facilitate recipient ability to collect data from their constituencies and the public to support assessment of environmental results under grants for surveys, studies, investigations, and training through the development of generic Paperwork Reduction Act information collection clearances. (2010)
- ◇ Improve Agency-wide capability to report on significant grant environmental results data, provide visibility within and across programs, and evaluate and record recipient performance on environmental results for use in post-award administration and funding decisions. (2011)
- ◇ Seek ways to ensure that, to the extent possible, data collected from recipients can serve multiple purposes to avoid duplicate reporting. (2011)
- ◇ Develop and implement environmental results training for, and outreach to, Agency personnel and recipients. (2011)



Performance Measures

The following performance measures will help EPA track its progress toward demonstrating the achievement of environmental results:

- Increase percentage of EPA grant and cooperative agreement work plans consistent with Environmental Results under EPA Assistance Agreements, EPA Order 5700.7.

Baseline:

(based on 2006 data)
63% of workplans are consistent with Order

Target:

2010: 75% of workplans
2012: 90% of workplans

- Increase percentage of EPA grant and cooperative agreement progress reports that are consistent with Environmental Results under EPA Assistance Agreements, EPA Order 5700.7.

Baseline:

To be developed in 2009 following completion of a study

Target:

2010: increase of 10% from baseline
2012: increase of 20% from baseline

Goal 1 Objectives

- ◆ *Objective 1.1: Implement government-wide performance and progress report formats consistent with Agency environmental results requirements.*
- ◆ *Objective 1.2: Develop a framework for determining the appropriate types of measures to use in Agency grant programs.*
- ◆ *Objective 1.3: Enhance the Agency's ability to collect, monitor achievement of, and report significant environmental results data.*



Objectives and Activities

Goal 2:

Foster a High-Quality Grants Management Workforce

EPA must have a skilled workforce of grant specialists (including grants management officers) and project officers to manage its grants, as well as trained managers and supervisors with grant-related or oversight responsibilities. The Agency also must make certain that the varying skills and competencies of the grant specialist and project officer functions are appropriately distinguished. In general, grant specialists and project officers have complementary roles and responsibilities. Grant specialists are principally responsible for the functions related to the administrative and financial aspects of grants, while project officers are primarily responsible for the programmatic and technical requirements.

The Agency will ensure that the roles and responsibilities of the grants management workforce, those individuals who approve the award of EPA grant funds, and supervisors and managers are clearly defined, with particular focus on areas critical to the Agency's stewardship of grants. The Agency will develop detailed guidance that addresses these roles and responsibilities and will incorporate them in training and in performance standards.



As part of this effort, the Agency will address the ways in which the project officer function may be carried out, not only to recognize organizational and programmatic differences but also to maintain accountability.

To manage grants at EPA, project officers must be certified, which requires that they complete the basic project officer course and then take the refresher course every 3 years. The Agency will consider a certification program for grants management officers/grant specialists consistent with the nature and timing of government-wide initiatives related to professionalizing the grants management workforce. In the interim, the Agency will work toward establishing a comprehensive training program for grants management officers/grant specialists and appropriate training requirements for other award officials. It also will move forward with developing a revised long-term training plan addressing administrative and programmatic training. EPA's investment in human capital in the grants management area is linked to and complements the Agency's human resources plan and the President's Management Agenda initiative on the strategic management of human capital.

Objectives

EPA identified four objectives related to strengthening the grants management workforce and specific activities for achieving each objective:

- ◆ *Objective 2.1:* Develop guidance on the roles and responsibilities of all Agency personnel involved in grants management.
 - ◇ Using existing or newly developed process models, identify areas requiring more clearly defined roles and responsibilities. (2009)
 - ◇ Building on previous guidance, develop and issue a document that fully explains the differences in grants management roles and responsibilities and identifies areas requiring joint effort or teamwork. Make the document the basis for policies and procedures to be included in an assistance administration manual (see Goal 3). (2009)
- ◆ *Objective 2.2:* Update the Agency's 2004 grants management workload analysis to assess the amount of human resources devoted to grants management.
 - ◇ Issue a document for recipients explaining the different roles and responsibilities of Agency grants management personnel. (2009)
 - ◇ Provide online tools, such as a library of samples and best practices, as a resource for Agency use. (2009)
- ◆ *Objective 2.3:* Adopt standards for organizing and staffing the project officer function.
 - ◇ Update the workload model to reflect policies and requirements (for example, environmental results) adopted after the model was initially completed. (2010)
 - ◇ Compare current staffing with the 2004 baseline to determine whether the number of grants management personnel is adequate. (2010)
- ◆ *Objective 2.3:* Adopt standards for organizing and staffing the project officer function.
 - ◇ Issue guidance, including best practices, on the use of technical contacts, grants management experts, and other resources to support the project officer of record. (2011)
 - ◇ Update performance plan guidance to address the inclusion of grants management-related performance standards in the performance plans of all individuals in program offices involved in grants management. (2011)
 - ◇ Explore options for creating new performance recognition and incentive programs for individual project officers and supervisors to encourage excellence in grants management. (2011)
 - ◇ Have the Human Resources Council or Grants Management Council consider changes to the structure of the EPA project officer workforce, including whether the Agency should move toward full-time project officers or consider standards for the number of grants to be managed by project officers. (2011)

- ◆ *Objective 2.4:* Implement a comprehensive training program for the EPA grants management workforce.
 - ◆ Address the administrative and programmatic training requirements related to the competencies for grants management officers/grant specialists and project officers and their managers in a revised long-term training plan. (2010)

Performance Measures

The following performance measures will help EPA track its progress toward strengthening the grants management workforce:

- Publication of a revised long-term training plan.

<i>Baseline:</i> Not applicable	<i>Target:</i> March 31, 2010
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- Percentage of certified project officers who are involved in grants management activities and whose individual performance plans have at least one critical element that refers to responsibilities related to grants management.

<i>Baseline:</i> 90% (based on 2007 data)	<i>Target:</i> 2009: 95% 2011: 98% 2013: 99%
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- Percentage of project officers who find that the annual Performance Assessment Review System contributed to increased accountability in relation to grants management.

<i>Baseline:</i> 46.8% (based on 2007 survey with 602 respondents)	<i>Target:</i> 2009: 65% 2011: 75%
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Goal 2 Objectives

- ◆ *Objective 2.1:* Develop guidance on the roles and responsibilities of all Agency personnel involved in grants management.
- ◆ *Objective 2.2:* Update the Agency's 2004 grants management workload analysis to assess the amount of human resources devoted to grants management.
- ◆ *Objective 2.3:* Adopt standards for organizing and staffing the project officer function.
- ◆ *Objective 2.4:* Implement a comprehensive training program for the EPA grants management workforce.



Objectives and Activities

Goal 3:

Enhance the Management Process for Grants Policies and Procedures

In the last 5 years, EPA issued new policies and procedures on competition, post-award monitoring and management, pre-award reviews of nonprofit organizations, and other grants-related topics. However, the Agency must improve its process for managing its grants management policies, which includes development, issuance, and periodic reevaluation. As the Agency seeks to refine the grants management accomplishments of the last 5 years and continuously improve its management of grants, it will need additional policies, some of which will be dictated by government-wide efforts to streamline grants management. Therefore, it will become increasingly important for the Agency to have an effective process for issuing grants policies and procedures, as well as their implementing guidance.

The Agency will improve its process for managing grants policies and procedures. The process will be transparent and inclusive, and its outputs will be accessible and current. The process will include well-articulated roles



and responsibilities, standard time frames to complete activities (including the ability to “fast track” policies and procedures when necessary), a means of identifying needed policies, feedback and evaluation mechanisms to enhance communications, and a unified, authoritative means of issuance.

An enhanced process for managing grants policies and procedures will have long-term benefits for the Agency. For example, the Agency’s partners will have an opportunity to participate and receive training, a mechanism will be available for resolving issues related to individual policies, and policies and procedures will be easily identifiable and accessible. In addition, the Agency will be able to quickly respond to the need for additional policies and will have a standard way to modify or rescind policies.

Objectives

EPA identified five objectives related to enhancing the management process for grants policies and procedures and specific activities for achieving each objective:

- ◆ *Objective 3.1:* Develop a vision for Agency grants management policies, procedures, and implementing guidance.
 - ◇ Develop a flow chart of the current process for developing, issuing, and communicating about grants management policies, procedures, and guidance. (2009)
 - ◇ Assess what has worked in the current process and what can be improved. (2009)
 - ◇ Benchmark other federal agencies’ methods of grants management policymaking and communication. (2009)
 - ◇ Identify guiding principles for grants management policies and procedures. (2009)
- ◆ *Objective 3.2:* Establish a comprehensive management framework for grants management policies, procedures, and implementing guidance.
 - ◇ Define roles and responsibilities of participants in the development and implementation of Agency policies and procedures. (2010)
 - ◇ Determine the characteristics of the framework, for example, audience, types of issuances, needed distinctions among types of programs and grants (including research and continuing environmental programs), time frames, means of dissemination, implementation approach, and ways to ensure consistency in implementation across the Agency. (2010)
 - ◇ Develop and implement a method to assess requirements for human resources, training, and automated systems related to new or revised Agency policies and procedures. (2010)
 - ◇ Establish processes for evaluating the effectiveness of policies and procedures and for updating and maintaining them. (2010)
- ◆ *Objective 3.3:* Review internal grants management policies using the newly developed comprehensive framework.
 - ◇ Using the framework under Objective 3.2, review all grants management policies and procedures issued through January 1, 2010. (2011)
- ◆ *Objective 3.4:* Develop a mechanism for involving partners in the development of EPA’s grants management policies and procedures.
 - ◇ Identify the categories or types of policies that require or would benefit from the input of partners. (2010)
 - ◇ Identify ways to involve partners. (2010)

- ◆ *Objective 3.5:* Use a comprehensive approach to training partners.
 - ◆ Ensure that the revised long-term training plan for EPA grant applicants and recipients addresses both comprehensive and targeted training on how to comply with EPA policies. (2010)

Performance Measures

The following performance measures will help EPA track its progress toward enhancing the management process for grants policies and procedures:

- Percentage of new and revised policies, issued on or after January 1, 2009, on which training is offered at least 4 weeks before required implementation.

<i>Baseline:</i> None—new activity	<i>Target:</i> 2009-2013: 100%
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- Completion of an assistance administration manual.

<i>Baseline:</i> Not applicable	<i>Target:</i> June 30, 2009
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- Percentage of grants management policies and procedures, in place as of January 1, 2010, reviewed for consistency with guiding principles.

<i>Baseline:</i> None—new activity	<i>Target:</i> 2011: 100% of those in the assistance administration manual 2012: 100% of those in EPA Orders and other formats not superseded by the assistance administration manual
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Goal 3 Objectives

- ◆ *Objective 3.1:* Develop a vision for Agency grants management policies, procedures, and implementing guidance.
- ◆ *Objective 3.2:* Establish a comprehensive management framework for grants management policies, procedures, and implementing guidance.
- ◆ *Objective 3.3:* Review internal grants management policies using the newly developed comprehensive framework.
- ◆ *Objective 3.4:* Develop a mechanism for involving partners in the development of EPA's grants management policies and procedures.
- ◆ *Objective 3.5:* Use a comprehensive approach to training partners.





Objectives and Activities

Goal 4:

Standardize and Streamline the Grants Business Process

As part of the initial grants management plan, the Agency developed a comprehensive pre-award and post-award management approach to ensuring that policies are followed and that applicants and recipients are aware of their responsibilities and comply with administrative and programmatic requirements. As part of this approach, the Agency reviewed its internal grants operations and took actions through training and other means to increase compliance. The Agency based its assessments on existing requirements and ways of doing business. EPA now needs to standardize and streamline the grants business process. Specifically, the Agency needs to make the process more responsive and focused on outcomes, and it needs to seek ways to decrease the administrative burden on grant applicants and recipients consistent with the need for accountability.

To achieve this goal, the Agency will seek to integrate multiple aspects of grants management: compliance, accountability, quality, and customer satisfaction. The primary emphasis will be on EPA's internal business process. While reviewing the grant process to distinguish roles and responsibilities (an objective of Goal 2),

EPA will evaluate whether the grant process can be more efficient, recognizing that streamlining the process can reduce the administrative burden on applicants and recipients, resulting in, for example, reduced paperwork or reporting, and more timely awards. The Agency will address quality in its internal grants management reviews (including comprehensive performance reviews and self assessments) and in its reviews of recipient performance. Also, as it implements changes due to government-wide grants streamlining, the Agency will review opportunities for streamlining the business process for itself and for applicants and recipients.

Finally, EPA will measure customer satisfaction and use the customer feedback to improve the process, including making it more transparent.

Objectives

EPA identified four objectives related to standardizing and streamlining the grants business process and specific activities for achieving each objective:

- ◆ *Objective 4.1:* Identify opportunities for streamlining the grants business process and achieving greater standardization.
 - ◇ Define the objectives and intended outcomes of the individual steps of the business process, focusing on those that consume the most time and resources to determine, among other things, whether some could be eliminated, approval authorities could be lowered, or reporting requirements could be reduced. (2010)
 - ◇ Using business process flows, identify activities that differ among Agency Grants Management Offices (GMOs) and program offices and standardize those activities if possible. (2010)
 - ◇ Identify best practices that can be adopted Agency-wide. (2010)
- ◇ Assess ways to achieve more even distribution of award activity throughout the fiscal year. (2010)
- ◆ *Objective 4.2:* Make the competitive process as efficient and transparent as possible.
 - ◇ Identify ways to make the competitive process more efficient and effective for both the Agency and applicants. (Ongoing)
 - ◇ Explore further opportunities for use of competition. (Ongoing)
- ◆ *Objective 4.3:* Modify the approach to grants management reviews of EPA offices.
 - ◇ Assess the protocols for reviewing EPA program and grants management offices to identify ways to measure quality and revise the guidance, as appropriate. (2010)
- ◆ *Objective 4.4:* Develop a comprehensive approach to obtaining and using partner and customer viewpoints.
 - ◇ Develop a baseline, through surveys or other means, of the views of project officers and other program and grants management personnel on the grants management process and requirements and on the performance of each function in carrying out that process. (2011)
 - ◇ Develop or update grants management customer service standards, including expectations for both Agency grants management and program personnel. (2011)
 - ◇ Obtain feedback from the Agency's applicant and recipient communities to assess their satisfaction with such business indicators as timeliness, responsiveness, knowledge, and consistency. (Ongoing)
 - ◇ Develop a structure to assess and address areas of concern resulting from surveys and other feedback mechanisms. (2011)



Performance Measures

The following performance measures will help EPA track its progress toward standardizing and streamlining the grants business process:

- Percentage of acceptable funding packages with commitment notices sent by program offices to GMOs within 60 days of the application receipt date (date the application receives a grant number from the GMO) (includes any proposed award, competitive or noncompetitive, other than those under continuing environmental programs).

<i>Baseline:</i> 62% (based on 2007 data)	<i>Target:</i> 2009: 67% 2010: 72% 2011: 77% 2012: 82% 2013: 87%
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- Percentage of grants awarded within 60 days of receipt of an acceptable funding recommendation and commitment notice.

<i>Baseline:</i> 89% (based on 2007 data)	<i>Target:</i> 2009-2013: At least 90%
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- Competitively award at least 90% of the dollars or 90% of new awards subject to the competition policy.

<i>Baseline:</i> 90% of dollars or number of new awards (as specified in EPA Order 5700.5A1)	<i>Target:</i> 2009-2013: At least 90% dollars or number of new awards)
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- Amount of unliquidated obligations on expired, but not financially closed out, grants.

<i>Baseline:</i> \$33.8 million (based on 2008 data) Decrease amount by 15% per year	<i>Target:</i> 2009: \$28.7 million 2010: \$24.4 million 2011: \$20.7 million 2012: \$17.6 million 2013: \$15.0 million
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- Percentage of grants that expired in the previous fiscal year and are closed out.

<i>Baseline:</i> 90% (as specified in EPA Order 5700.6)	<i>Target:</i> 2009-2013: 90%
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- Percentage of grants that expired in fiscal years prior to the previous fiscal year and are closed out.

<i>Baseline:</i> 99% (as specified in EPA Order 5700.6)	<i>Target:</i> 2009-2013: 99%
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- Percentage of awards that receive baseline monitoring consistent with *Policy on Compliance, Review and Monitoring* (EPA Order 5700.6).

<i>Baseline:</i> To be calculated using 2008 data after September 30, 2008	<i>Target:</i> 2009: 85% 2010: 90% 2011: 95% 2012: 100% 2013: 100%
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Goal 4 Objectives

- ◆ *Objective 4.1: Identify opportunities for streamlining the grants business process and achieving greater standardization.*
- ◆ *Objective 4.2: Make the competitive process as efficient and transparent as possible.*
- ◆ *Objective 4.3: Modify the approach to grants management reviews of EPA offices.*
- ◆ *Objective 4.4: Develop a comprehensive approach to obtaining and using partner and customer viewpoints.*



Objectives and Activities

Goal 5:

Leverage Technology to Strengthen Decision Making and Increase Public Awareness

In a time of increased accountability and shrinking budgets, the need for effective grants management requires the availability of accurate, complete, and up-to-date financial and other information both for internal EPA use and for the public. It also requires reducing or eliminating unnecessary duplication of effort. Consistent with other goals to streamline processes and make them transparent and to manage for results, the use of manual processes must be minimized. Information must be readily accessible by EPA personnel and the public and must be presented in easily understood and consolidated formats. It is essential that EPA expand or enhance the use of automation in support of its efforts to streamline and standardize its grants business process from planning through closeout (Goal 4), as well as its efforts to improve access to information and file management.

EPA has improved its electronic management of grants over the years, using its Integrated Grants Management System, but the system is aging, built in an outmoded technology, and is due for replacement. EPA intends to migrate grant information technology services to a Grants Management Line of Business (GMLOB)



service center to take advantage of government-wide, comprehensive grant solutions. Under the GMLOB, EPA will be required to move to a different model: consortia and shared service providers and more common business processes across federal agencies. The Agency must make some key decisions about its transition to the GMLOB. EPA will identify the gaps that must be addressed, as well as alternative approaches and costs of doing so. The purpose of this goal is to ensure that—in moving to a new model, a new system, and, potentially, a new business process—EPA not only maximizes opportunities to use automation in grants management but also adequately considers the needs of its staff and partners, ensures that any unique aspects of the Agency’s grants business process are considered for continuation or elimination, and maximizes the potential for a successful transition.

Overall, this goal will prepare the Agency for the next generation of grants management—seamless automated processes that are compliant, user friendly, and cost-effective and that produce high-quality data. Expanding use of automation, providing public access to information and data about EPA grants management, and making informed decisions about the GMLOB are essential prerequisites to EPA’s continued and long-term success in grants management. At the same time, the Agency must preserve its unique processes and requirements, eliminate activities that do not add value or are not cost-effective, and ensure that the result is beneficial for EPA’s grants management operations, considering costs, other resource requirements, and risk.

Objectives

EPA identified five objectives related to leveraging technology to strengthen decision making and increase public awareness and specific activities for achieving each objective:

- ◆ *Objective 5.1:* Expand use of Grants.gov.
 - ◇ Develop a plan (including timelines, required outreach, and responsibility for approving exceptions) to increase the availability of electronic applications under continuing environmental program grants. (2009)
 - ◇ Provide outreach to applicants promoting use of Grants.gov. (Ongoing)
- ◆ *Objective 5.2:* Provide electronic tools necessary to achieve accountable, high-quality grants management.
 - ◇ Complete development and implementation of the data mart containing grants management and related financial information, including design of standard reports consistent with user needs and a user-friendly ad hoc reporting capability. (2009)
 - ◇ Develop a process to identify user needs and determine priority, cost, and feasibility of implementation. (2009)
 - ◇ Implement a grants management dashboard and desktop tools for Agency grants management and program personnel and their managers and supervisors. (2010)
 - ◇ Plan for the acquisition and implementation of an electronic filing system for Agency grant records as part of the implementation of the GMLOB system. (2011)
- ◆ *Objective 5.3:* Evaluate the selected GMLOB service provider to identify gaps.
 - ◇ Create a high-level taxonomy of EPA grants that need to be accommodated by GMLOB (for example, research, other-than-research, earmarks, and construction). (2009)
 - ◇ Identify gaps and requirements. (2009)
 - ◇ Determine the nature of each gap and the basis of the requirements (statute, policy, other) and determine whether EPA can modify the requirements and associated business process activities, is willing to bear the costs of EPA-specific processes and requirements that differ, or can work with the GMLOB consortium to adopt the EPA requirement. (2009)

- ◆ *Objective 5.4:* Conduct a transparent process for GMLOB planning, transition, and implementation.
 - ◇ Form user groups to assist with the transition to the selected GMLOB systems. (2009 and beyond)
 - ◇ Maintain an EPA GMLOB Steering Committee to provide management input and oversight to the GMLOB migration project. (2010 and beyond)
 - ◇ Develop a plan for training EPA personnel on the features of the selected system. (2010)
 - ◇ Develop a communications strategy related to planning for, migrating to, and evaluating the GMLOB. (2009 and beyond)
 - ◇ Consult Agency partners on GMLOB transition planning and implementation. (2009 and beyond)

- ◆ *Objective 5.5:* Provide timely and accurate grant information and data to the public.
 - ◇ Submit grant award data to the USASpending.gov website as required by the Federal Funding Accountability and Transparency Act of 2006. (Ongoing)
 - ◇ Maintain the OGD Internet site with up-to-date competition and grant policy information, as well as recipient training opportunities. (Ongoing)

Performance Measures

The following performance measures will help EPA track its progress toward leveraging technology to strengthen decision making and increase public awareness:

- Percentage of state and tribal continuing environmental programs offered for application through Grants.gov.

<i>Baseline:</i> To be determined following assessment in 2008	<i>Target:</i> 2009: 2010: 2011: 100%
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- Completion of migration to the Grants Management Line of Business.

<i>Baseline:</i> Not applicable	<i>Target:</i> March 31, 2012
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- Percentage of Agency personnel involved in grants management who are satisfied with their access to, and the availability of, information in the grants data mart.

<i>Baseline:</i> To be determined following assessment in 2009	<i>Target:</i> 2011: 10% above baseline
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Goal 5 Objectives

- ◆ *Objective 5.1:* Expand use of Grants.gov.
- ◆ *Objective 5.2:* Provide electronic tools necessary to achieve accountable, high-quality grants management.
- ◆ *Objective 5.3:* Evaluate the selected GMLOB service provider to identify gaps.
- ◆ *Objective 5.4:* Conduct a transparent process for GMLOB planning, transition, and implementation.
- ◆ *Objective 5.5:* Provide timely and accurate grant information and data to the public.





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