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Public meeting of the Government Accountability and Transparency Board

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(DRAFT comments, specific to Maryland)

The Maryland Governor's Grants Office is currently in the process of preparing our 11<sup>th</sup> Annual Report, gathering information on all federal grants received by Maryland state government in a single location so elected officials, non-profits, and members of the public can see information on the 472 federal grants that are active (in 2013), bringing in \$9.3 billion during Maryland state fiscal year 2014.

This information serves as a primary research tool for local governments, non-profits, and individuals interested in accessing public funds, and it includes specific details on where the money came from, how it was distributed, and which state policy goals were advanced from the receipt of these funds.

Maryland does not have a statewide grants management system (and to the best of our knowledge, neither does any other state, Massachusetts is close to implementing one) so the process of building the Annual Report involves taking initial data estimates from our state Department of Budget and Management and sharing these with more than 25 state agency grants contacts. The agency contacts in turn write the reports on grants received by their agency, which are the building block that leads to the completed report, a process that takes 3 months from start to finish, and ironically is only 100% accurate on the day the report is released.

Other states that either have grants offices, or are considering creating such an office, always ask us if it is possible to ease this process by pulling preliminary information on federal grants received by their state agencies from [USASpending.gov](http://USASpending.gov).

Unfortunately this has not been possible in the past and until this type of information is readily available (and usable) any further discussion on the many positive financial and policy benefits that can be achieved by increasing transparency on federal funds seems premature.

The states that either have a Grants Office in place, or are doing similar work with the remains of their ARRA reporting system, speak via conference call on a regular basis. Laurie Petrone (Director of Grants Management, Rhode Island Office of Management and Budget) and Ramesh Advani (Director of Federal Grants Management for the Commonwealth of Massachusetts, Exec. Office for Administration and Finance), both submitted detailed written responses to the 6 questions asked by the Government Accountability and Transparency Board. I am about to paraphrase their written remarks, though I am confident that the views of those states, and my interpretations of their answers, reflect the views of most of the states that participate in these conference calls.

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What questions are you trying to answer with federal spending information?

1. What is the amount of federal funding currently available in all state agencies, broken out by individual grant award?
2. What are the fiscal and programmatic start and end dates for each federal grant award?
3. How much of an award has been spent, is committed, and how much remains to be drawn down from each award?
4. What is the state match required (including in-kind), if any, and are there other non-federal match requirements?
5. Can information be identified at the sub-recipient and prime vendor (or sub-recipient vendor) level?
6. Are grants awards mandatory or discretionary, and are they continuing or one-time awards?
7. Is there additional information on the programs (or sectors) where the dollars are being spent?
8. Is there information on other grant opportunities where applications have been submitted but decisions/awards have not yet been made?

What federal spending information do you need to answer these questions?

1. Individual award level data by state (including state government agency), prime recipient name, CFDA or Award Number, all in an easy to search system.
2. Local government grant recipients (both direct and as sub-recipients), and the same for non-profits and higher education institutions, in an easy to search system.
3. The award history of each grant, including start and end dates, amendments, and no cost extensions.

Where do you find that federal spending information now?

1. State sources: award letters, state budget office data, grants contacts in state agencies...all mostly manual activities.
2. State financial systems would be the best answer but few (no?) states currently have an active grants module that can be used state-wide to report expenditures against awards or anything else that most people would consider to be a statewide grants management system. I believe that Massachusetts is the closest to implementing such a system.
3. USASpending.gov is used for only the most anecdotal purposes, not trusted for broader searches or when more accurate information is required.
4. Federal Funds Information for States (FFIS) is widely used for information on the largest federal grants, though they continue to increase the grant programs in their database. CFDA and SAM are used to identify basic characteristics (e.g. competitive vs. formula). Grants.gov, Recovery.gov, individual federal agency

websites, contacts with grants specialists at individual agencies, and Congressional Research Service all are used on occasion.

5. The US Census Bureau no longer produces the once valuable CFFR reports that included federal funding information for local governments.

Where does federal spending information need clearer instructions or explanations?

1. Award letters should have a standardized format (all federal agencies now differ), and award numbers could also be standardized.
2. Data dictionaries and user guides supporting FFATA reporting, USASpending, and Recovery.gov are all helpful but it would be more efficient to have a standard template for all reports. The broader point is that without data standardization at the front end all data gathering tools and databases, for prime recipients, for sub-recipients, for states and for local governments, will always be difficult for anyone to actually use.

What suggestions do you have for prioritizing federal spending information enhancements?

1. Standardization of data elements and a common data dictionary for all federal grants, modeled on the ARRA learnings and approach.
2. Common federal grant database and reporting system that all prime recipients use to submit spending information with all federal agencies also required to use this system for data extraction...thus eliminating multiple/contradictory data collection mechanism and reports in place in individual agencies.
3. Allow states that are trying to develop standardized enterprise-wide grants management system to centrally access federal systems for information submitted by their state agencies to improve oversight as well as financial and program planning.

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This covers the specific answers to your 6 questions. I want to conclude with a couple examples of why these issues are important for many of the constituents who we deal with on a daily basis.

The discontinuation of the Consolidated Federal Funds Reports by the US Census Bureau before USASpending was able to provide similar information has been a problem. CFFR used to have information on federal funds flowing into individual counties, split out by individual program and CFDA number. At a recent briefing for state legislative staff we were reminded how popular this information remains, and the Maryland Grants Office Annual Report still lists the most recent CFFR data for Maryland counties, despite the numbers now being four years out of date. State legislators use this information to assist non-profits looking for resources, while also seeing how their county does in federal grant fund activity compared to their neighboring jurisdictions. We are considering using the information in USASpending, and trying to sort this by zipcode into Maryland counties, as a “better than nothing” substitute in this year’s Annual Report.

Congressional staff and staff to other elected officials have tried to use USASpending information (unsuccessfully) to providing basic briefing material on the most recent, and the largest, federal grants and contracts received by a particular jurisdiction when their elected official is either visiting or holding an event in that community. Some Congressional staff still rely on file folders with hard copy press releases to provide some of this information, knowing that it is not close to a complete representation of accurate federal spending figures.

The Recovery.gov website has also exacerbated the problem of available federal funds data not meeting demand, in some respects, as all of these constituencies have seen that it is possible to create a real-time, map-based website that allows for easy access to information related to federal grants and contracts. With the end of ARRA, it is increasingly hard to explain why it is more difficult to successfully search for federal grants and contracts data today than it was just a year or two ago. The expectation seemed to be that once ARRA was completed all federal spending information would migrate (and be posted) to a similar, easy-to-access website, but that has not been the case.

Effective grants management requires a partnership between federal, state, and local entities and what we need most right now from the federal government is to strengthen the foundation that we have been building together with access to sound federal award data.