Welcome

Please help yourself to breakfast.
Agenda

8:00 - 8:45am  Registration and Breakfast
8:45 - 8:55am  Welcome
8:55 - 9:45am  Dale Bell, Division Director, DIAS NSF
9:45 - 9:55am  Q&A and Discussion
9:55 - 10:00am Closing
Innovations in Award Oversight and Business Assistance

George Washington University
Trachtenberg School of Public Policy & Public Administration
Grants Management Breakfast
Wednesday, May 25, 2016
Purpose
Share information about NSF, its approach to monitoring and oversight, and opportunities for innovation

Outcomes
• A high level understanding of NSF and its oversight processes
• Awareness of resources about NSF
• A lively discussion
Agenda

- National Science Foundation Overview
- Merit Review and Award Process
- Award Monitoring and Business Assistance Program
- Audit and Audit Resolution
- Opportunities for Innovation – A Summary
NSF in a Nutshell

- Independent Agency
- Supports basic research & education
- Uses grant mechanism
- Low overhead; highly automated

- Discipline-based structure
- Cross-disciplinary mechanisms
- Use of Rotators/IPAs
- National Science Board
How NSF is Organized

National Science Board (NSB)

Director
Deputy Director

Office of the Inspector General (OIG)

Biological Sciences (BIO)

Computer & Information Science & Engineering (CISE)

Engineering (ENG)

Geosciences (GEO)

Mathematical & Physical Sciences (MPS)

Office of Diversity & Inclusion

Office of the General Counsel

Office of Integrative Activities

Office of International Science & Engineering

Office of Legislative & Public Affairs

Social, Behavioral & Economic Sciences (SBE)

Education & Human Resources (EHR)

Budget, Finance & Award Management (BFA)

Information & Resource Management (IRM)
Office of Budget Finance & Award Management

NSF by the Numbers

- **$8B**: FY 2017 budget request
- **93%**: funds research, education and related activities
- **50,000 proposals**
- **12,000 awards funded**
- **2,000 NSF-funded institutions**
- **350,000 NSF-supported researchers**
- **217 Nobel Prize winners**

Fund research in all S&E disciplines
Fund STEM education & workforce

Grants & Agreements | Institution & Award Support | Large Facilities Budget | Financial Management | Acquisition & Cooperative Support
NSF Award Portfolio

- Over $27 billion in total award funding
- Over 42,000 active awards
  - Standard and continuing grants
  - Cooperative agreements
  - Graduate research fellowships
  - Other awards
- Over 2,000 Awardees
  - Universities / 4-year colleges
  - Non-profit organizations
  - For-profit organizations
  - Community colleges
  - Other awardees

![Pie chart showing type of award instrument and awardee institution]
NSF Funding Profile, FY 2016 - 2017

NSF FUNDING PROFILE, FY 2016-FY 2017
Research Grant Awards

FY 2016 (Estimate)  | FY 2017 (Estimate)  | FY 2017 (Estimate)*
42,200               | 43,200              | 45,000
9,200                | 9,300               | 10,100
22%                  | 22%                 | 23%

* Includes new mandatory funding

COMPETITIVE PROPOSALS | AWARDS | FUNDING RATE
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NSF Proposal & Award Process Timeline

- NSF Announces Opportunity
- Research & Educational Communities
- Submit
- NSF Program Officer
- Ad Hoc
- Panel
- Combination
- Internal
- Program Officer Analysis and Recommendations
- DD Concur
- Can be returned without review/withdrawn
- Award
  - Via DGA
  - Decline
  - Organization

Timeframes:
- Proposal Preparation: 90 Days
- Proposal Receipt to DD Concurrency of PO Recommendation: 6 Months
- DD Concur: 30 Days
- Award

Grants & Agreements | Institution & Award Support | Large Facilities Budget | Financial Management | Acquisition & Cooperative Support
NSF uses a risk-based portfolio monitoring strategy that integrates its monitoring activities and focuses monitoring activities on awardees administering higher risk awards.

NSF’s portfolio monitoring strategy has three key components -

- **Annual risk assessment** enables NSF to focus limited advanced monitoring resources on awardees more in need of monitoring and business assistance.

- **Comprehensive monitoring activities** augment routine or automated baseline activities with focused advanced monitoring activities to provide broad coverage of the award portfolio. These activities are designed to mitigate the risk of non-compliance with federal grant management regulations (administrative regulations, cost principles, and audit requirements) and NSF award administration requirements.

- **Gathering feedback and incorporating monitoring results** to enable NSF to better target business assistance activities and to make continuous improvements to the risk assessment model and monitoring procedures.
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Advanced Monitoring Process

NSF Award Portfolio
Risk-Based Award Ranking

40,789 Awards Ranked by risk points

Risk-Based Awardee Ranking
2,206 Awardees Ranked by risk points

Risk Adjustment Criteria
1. Institutional Factors
2. Prior monitoring activities and results
3. Award administration and program feedback

Awardee Risk Categories

Category A
- ~7% of Awardees
- Risk Points > 29
- Total Obligation > $500K

Category B
- ~23% of Awardees
- 14-29 Risk Points
- Total Obligation > $500K

Category C
- ~70% of Awardees
- NSF not Cognizant
- Risk Points < 14 or
- Total Obligation < $500K

Prioritize monitoring based on:
- Highest risk points
- Highest dollars
- Number of awards

Source: FY2016 Risk Assessment

From Awards To Awardees

Award portfolio information as of June 30, 2015

Grants & Agreements | Institution & Award Support | Large Facilities Budget | Financial Management | Acquisition & Cooperative Support
Monitoring Activities

- Baseline Monitoring Activities

- Advanced Monitoring Activities
  - Desk Reviews
  - Site Visits
  - Business System Reviews
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NSF’s monitoring activities, combined with other grant-related activities, provide comprehensive coverage of the entire portfolio.
Innovation Highlights

• Reducing Administrative Burden – Pilot Programs
• Data Analytics in Baseline Monitoring
• Advanced Monitoring Virtual Site Visits
• Management/OIG Stewardship Collaborative
Reducing Administrative Burden

• Preliminary Proposals – after an initial review, only selected proposals are asked to submit a full proposal

• “Just-in-Time” budget process – proposals require only a description of the necessary resources; a detailed budget is only required if the proposal is recommended for an award.

• Reducing Deadlines – Reducing Proposal Numbers in GEO/EAR - switching from two deadlines a year to no deadlines to assess proposal pressure
Data Analytics in Baseline Monitoring

- Use data analytics to identify awards that are out of compliance (e.g., overdue reports)
- Analyze awardee institution’s award portfolios for potential risk aggregate risk (e.g., high number of sub recipients)
- Track award progress through exception reporting to identify anomalies (e.g., slow or fast burn rate, Principal Investigator turn over)
Advanced Monitoring Virtual Site Visits

Drivers

- Personnel Workload
- Travel Restrictions
- Availability of Collaborative Technologies
- Flexibility in the Site Visit Process

Benefits

- Resource Savings
- Focused Interaction
- Access to Resources Real Time
- Flexibility in Process
Stewardship Collaborative

**Purpose** – Monitor and improve the audit and audit resolution processes, and address emerging and outstanding issues.

**Desired Outcome** – Achievement of our shared mission of proper stewardship of the taxpayers’ investment in science, engineering, and education.

**Participants** – Senior managers with BFA and the OIG; co-chaired by the Assistant Inspector General for Audit, and the Deputy Division Director of Institution and Award Support.

**Frequency** – Meets monthly as a full forum, with ad hoc or subgroup meetings occurring as needed.
Online Resources

- Division of Institution & Award Support: http://www.nsf.gov/bfa/dias/index.jsp
- General: http://www.nsf.gov
**NSF.gov Resources**

**NSF Resources**


- **Prospective New Awardee Guide (PNAG)** – highlights the accountability requirements associated with federal awards and contains information to assist in preparing the documents NSF requires to conduct pre-award administrative and financial reviews.

- **Uniform Guidance, NSF Implementation Webinar** – presents changes in NSF policy with the implementation of the Uniform Guidance. Slides from the presentation are also available. The presenter is Jean Feldman, Head of the NSF Policy Office.

- **About Award Cash Management Service (ACM$)** – provides information on how to use the NSF ACM$ system for grant-by-grant award payments and post-award financial processes.

**Key NSF Divisions, Offices, and Branches**

- **Division of Financial Management (DFM)** – provides financial services to the NSF research community (NSF staff, grantees, and vendors).

- **Division of Grants and Agreements (DGA)** – processes and issues award agreements. DGA also conducts business, financial, and award administrative reviews to ensure awardee and grant compliance. DGA Grants & Agreements Officers can assist with grant-specific questions.

- **DIAS/Cost Analysis and Audit Resolution (CAAR) Branch** – performs cost analyses, resolves audit findings pertaining to NSF awards, and conducts various award monitoring activities that provide business assistance to awardees.

- **DIAS/Policy Office** – develops and issues proposal and award policy for the NSF programs, leads outreach efforts, and assists awardees with policy-related questions.

- **DACS/Cooperative Support Branch (CSB)** – carries out the negotiation, award, administration, monitoring, and oversight of complex cooperative agreements for large facilities.
# External Resources

## Financial Assistance Organizations

A number of associations and organizations provide information on best practices in the areas of internal controls and grants management processes.

**Direct Resources:**
- Federal Demonstration Partnership (FDP)
- National Council of University Research Administrators (NCURA)
- National Grants Management Association (NGMA)
- Society for Research Administrators International (SRA)

**Related Resources:**
- Association of Government Accountants (AGA)
- National Academy of Public Administration (NAPA)
- U.S. General Accountability Office (GAO)

## Compliance Resources

- **Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards** – provides the most up-to-date version of 2 CFR § 200, frequently referred to as the Uniform Guidance. The Uniform Guidance is in effect for new federal awards as of December 26, 2014.
  - PAPPG – codifies 2 CFR § 200 for NSF.
  - FAQs – addresses NSF’s implementation of 2 CFR § 200.
- **Council on Financial Assistance Reform (COFAR)** – contains extensive information on the Uniform Guidance, including archived webinars, FAQs, and COFAR priorities.
- **AU-C Section 500: Audit Evidence** – details the acceptable use of electronic records for audit evidence. This guidance is oriented toward auditors.
Archived Webcast

• Fall 2015 NSF Grants Conference webcast includes sessions covering:
  – Proposal Preparation
  – Merit Review Process
  – Award Management
  – Proposal & Award Policy Update
  – NSF CAREER Program Overview

• Available for on-demand viewing at:
  – http://www.tvworldwide.com/events/nsf/151102/
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