THE PRESIDENT'S MANAGEMENT AGENDA
Modernizing Government for the 21st Century

CAP Goal #8: Results-Oriented Accountability for Grants
Federal Demonstration Partnership Spring Meeting
May 11, 2018

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Policy Analysts

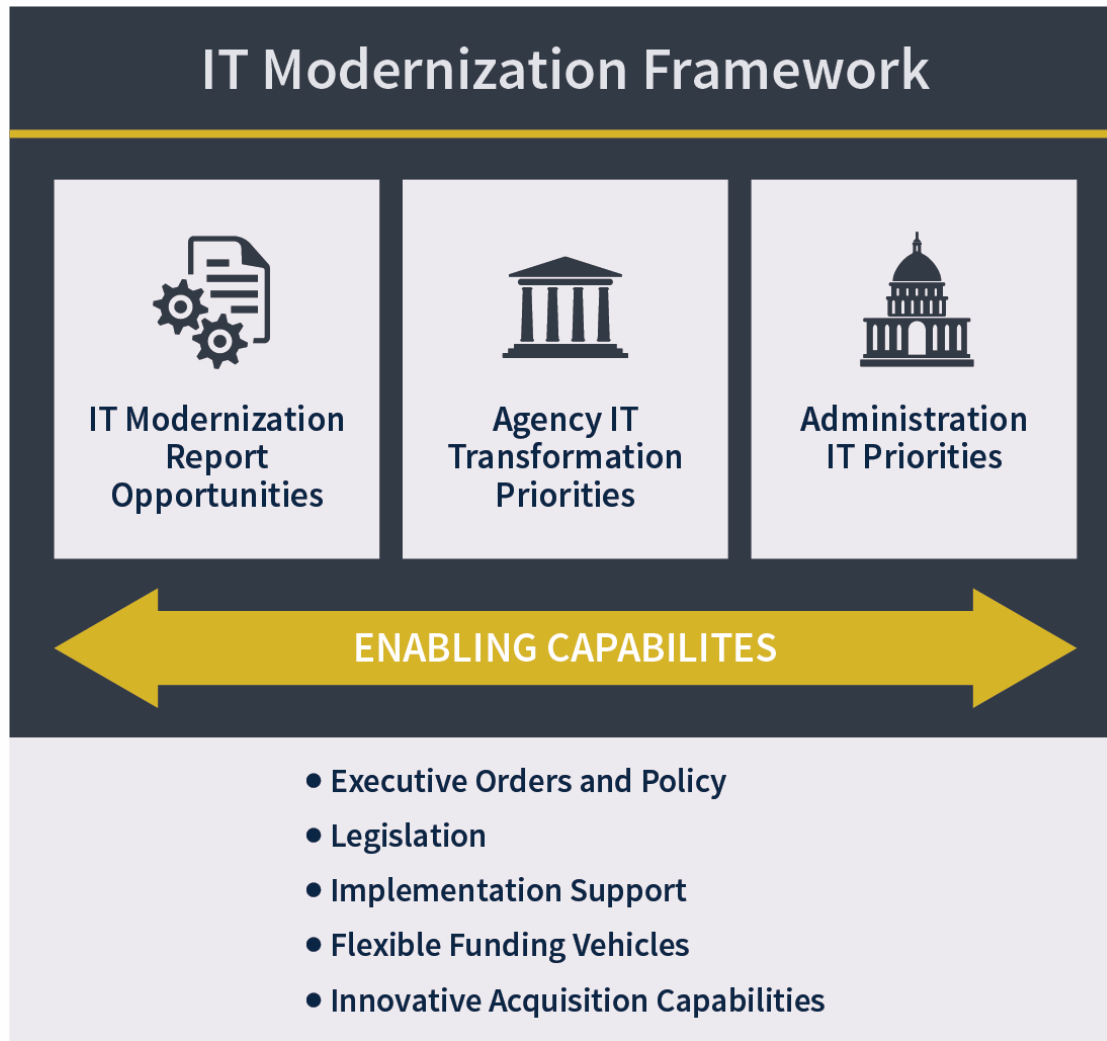*OFFICE OF MANAGEMENT AND BUDGET*

What Is Different?

Government modernization will be rooted in the intersection of transforming technology, data, process, and people rather than working in silos.
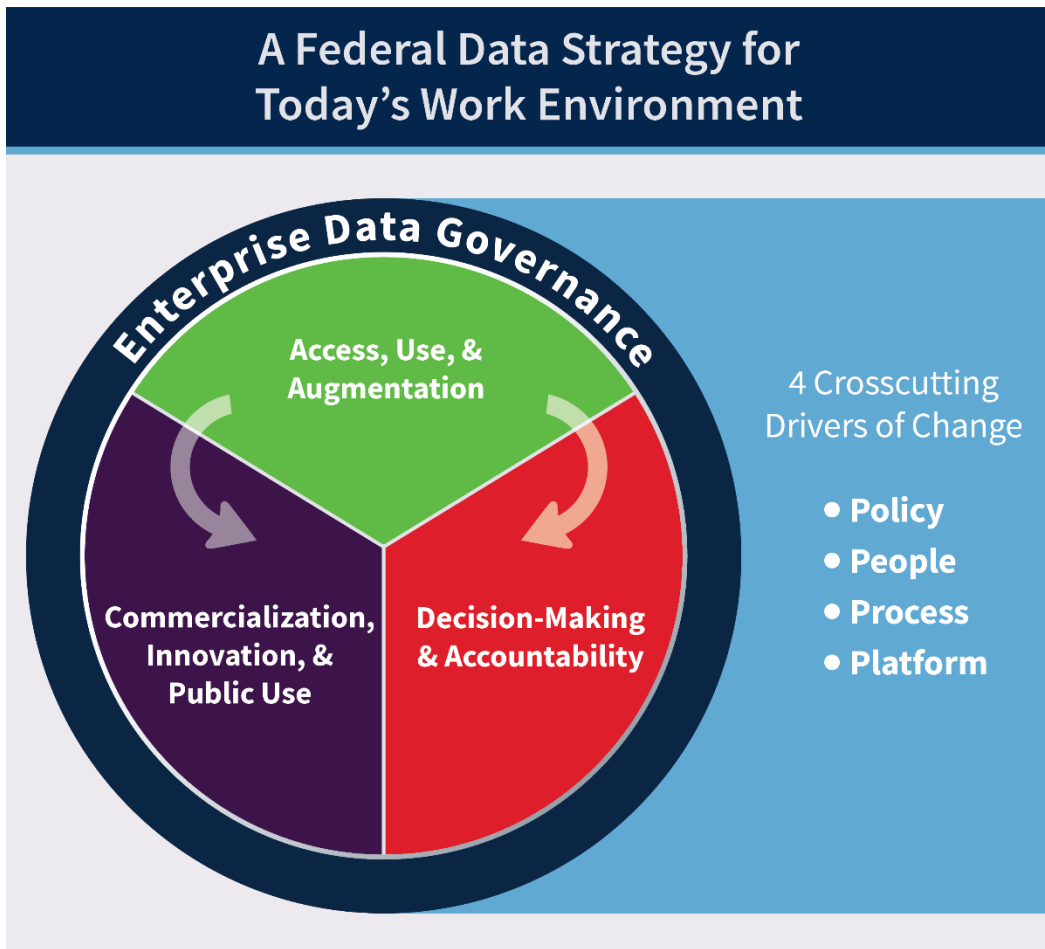
IT Modernization Framework

IT Modernization Report Opportunities

Agency IT Transformation Priorities

Administration IT Priorities

ENABLING CAPABILITES

- Executive Orders and Policy
- Legislation
- Implementation Support
- Flexible Funding Vehicles
- Innovative Acquisition Capabilities

A Federal Data Strategy for Today's Work Environment

Enterprise Data Governance

Access, Use, & Augmentation

Commercialization, Innovation, & Public Use

Decision-Making & Accountability

4 Crosscutting Drivers of Change

- Policy
- People
- Process
- Platform

Key Drivers of Transformation

IT Modernization (CAP Goal 1)

Data Accountability, and Transparency (CAP Goal 2)

People - Workforce of the Future (CAP Goal 3)

Cross-Cutting Priority Areas

Improving Customer Experience (CAP Goal 4)

Sharing Quality Services (CAP Goal 5)

Shifting From Low-Value to High-Value Work (CAP Goal 6)

Functional Priority Areas

Category Management (CAP Goal 7)

Results-Oriented Accountability for Grants (CAP Goal 8)

Getting Payments Right (CAP Goal 9)

Federal IT Spending Transparency (CAP Goal 10)

Improve Management of Major Acquisitions (CAP Goal 11)

Managing Across Silos

Federal Grants to States

Fiscal Year 1950 Estimated
[Includes Proposed Legislation]

Highways $470 Million

$1.1 Billion Public Assistance

Other $239 Million

School Lunches $75 Million

Education $323 Million

Public Health $110 Million

Employment & Unemployment Compensation Offices $135 Million

BUREAU OF THE BUDGET
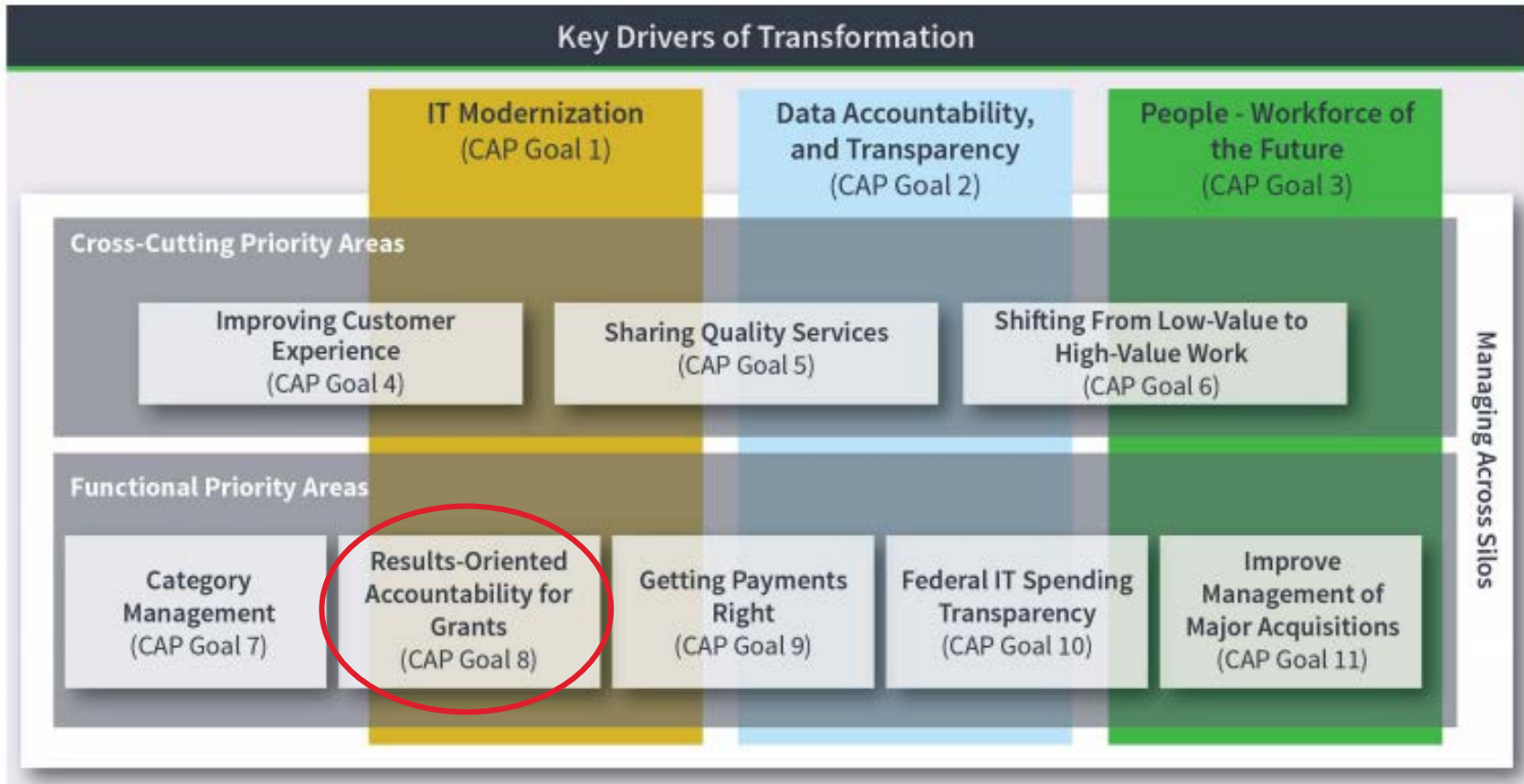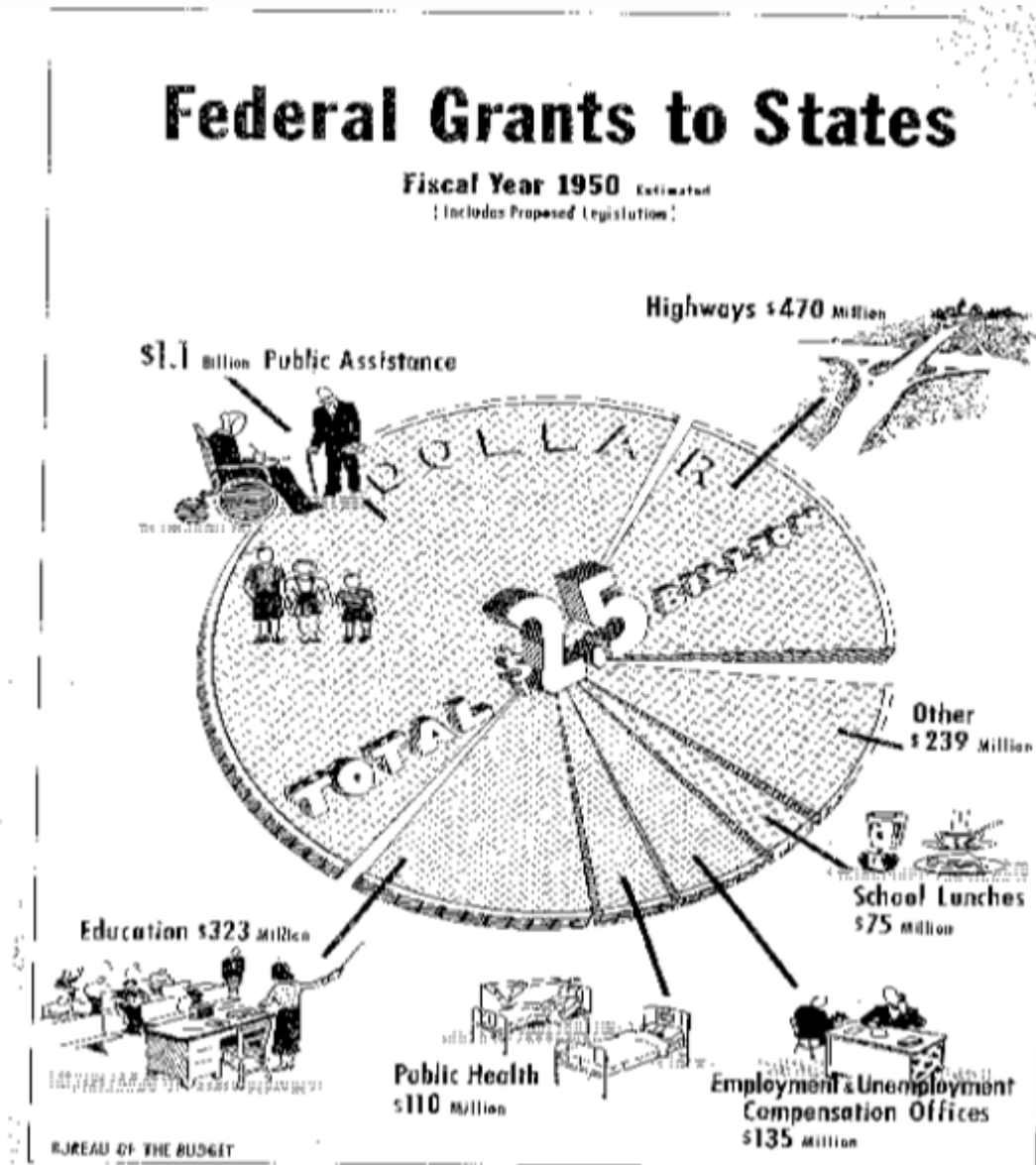
Oversight Community

- Weak internal controls
- Funds mismanagement
- Fraud
- Improper payments

Recipients and the Communities they Serve

- Burden
- Fragmentation
- Conflicting guidance

Federal Awarding Agencies

- Need for improved coordination across lines of businesses and program
- Opportunities to improve access to and quality of data
- Unstandardized business process

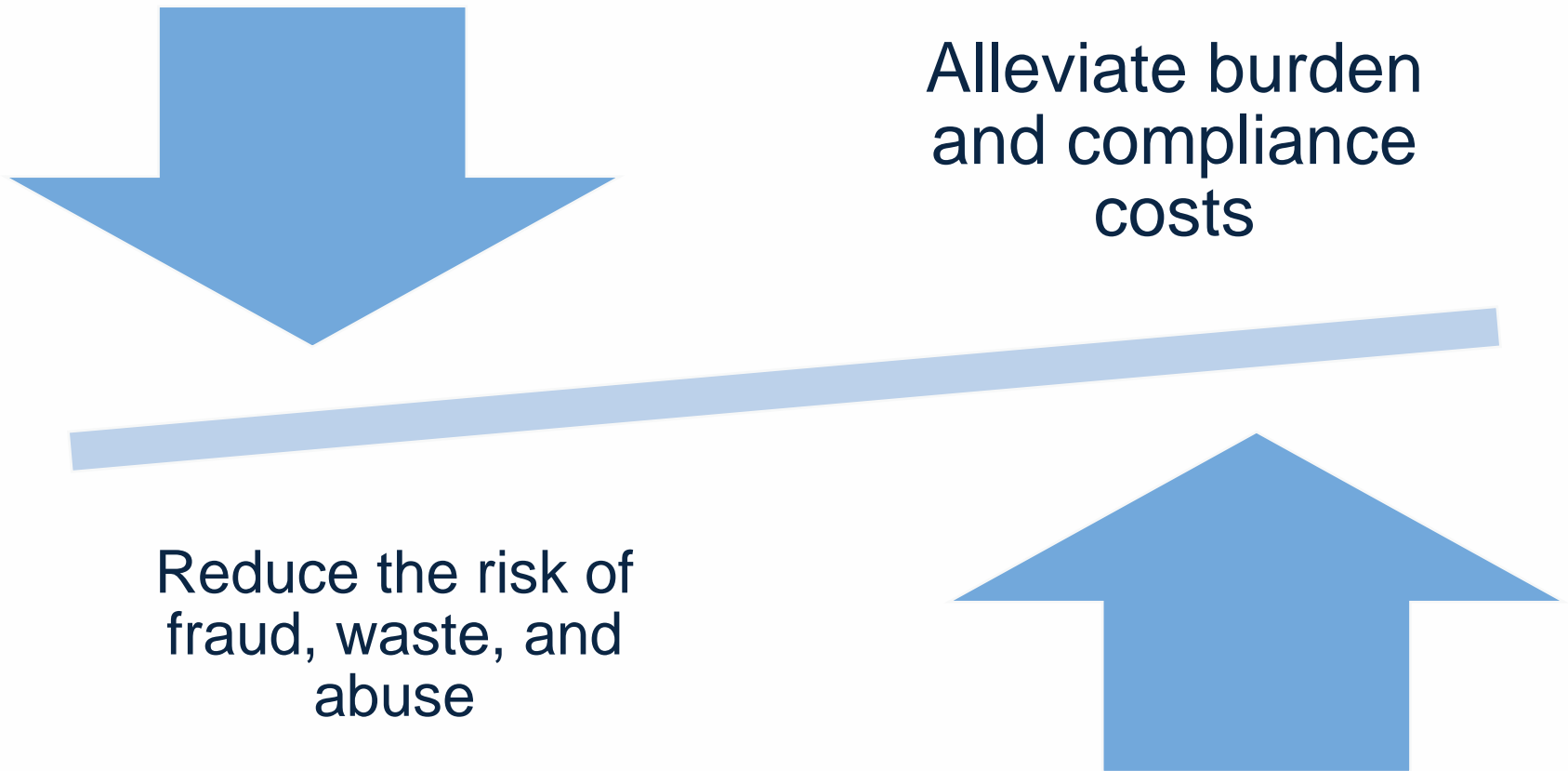Alleviate burden and compliance costs

Reduce the risk of fraud, waste, and abuse

Goal Statement

- Maximize the value of grant funding by applying a risk-based, data-driven framework that balances compliance requirements with demonstrating successful results for the American taxpayer.

Challenge

- The Federal government uses grants to invest approximately $700 billion each year in mission-critical needs for American taxpayers, but managers report spending 40% of their time using antiquated processes to monitor compliance instead of analyzing data to improve results.

Opportunity

- Identify, open, standardize, and link critical data sets to power data analytics to enhance financial stewardship, performance management, and accountability. Use digital tools to modernize antiquated compliance processes. Leverage available data such as those produced by annual audits of recipients to drive a risk-based framework for performance management that drives results.

Standardize Data

Identify, open, standardize, and link critical data sets to power analytics to enhance financial stewardship, performance management, and accountability.

Digital Tools to Manage Risk

Use digital tools to modernize antiquated form-based compliance processes to assess and manage risk.

Risk-Based Performance Management

Leverage existing data such as those produced by annual audits of recipients to drive a risk-based framework for performance management that drives results.

Better Results

CAP Goal #8 Governance

EXECUTIVE STEERING COMMITTEE (ESC)
Doug Webster, ED | Sheila Conley, HHS | Fred Nutt, OMB

STANDARDIZE DATA	LEVERAGE EXISTING DATA SOURCES & PROCESSES		RISK MANAGEMENT FRAMEWORK	RISK-BASED PERFORMANCE MANAGEMENT
	SINGLE AUDIT AND RISK MANAGEMENT CAPABILITIES	COMPLIANCE SUPPLEMENT		
Grants Management Data Standards Working Group	**Single Audit Working Group**	**Working Group:** • Compliance Supplement teams	**Risk Management Framework Working Group**	**Risk-Based Performance Management Working Group**

SUBCOMMITTEE OUTPUTS → ESC REVIEW → INTERAGENCY REVIEW AND/OR APPROVAL → CFOC REVIEW AND/OR APPROVAL → ESC APPROVAL → EXTERNAL STAKEHOLDER ENGAGEMENT

Data standardization reduces recipient burden, supports faster and more transparent decision making. Initial work will focus on the establishment of a comprehensive taxonomy for core grants management data standards.

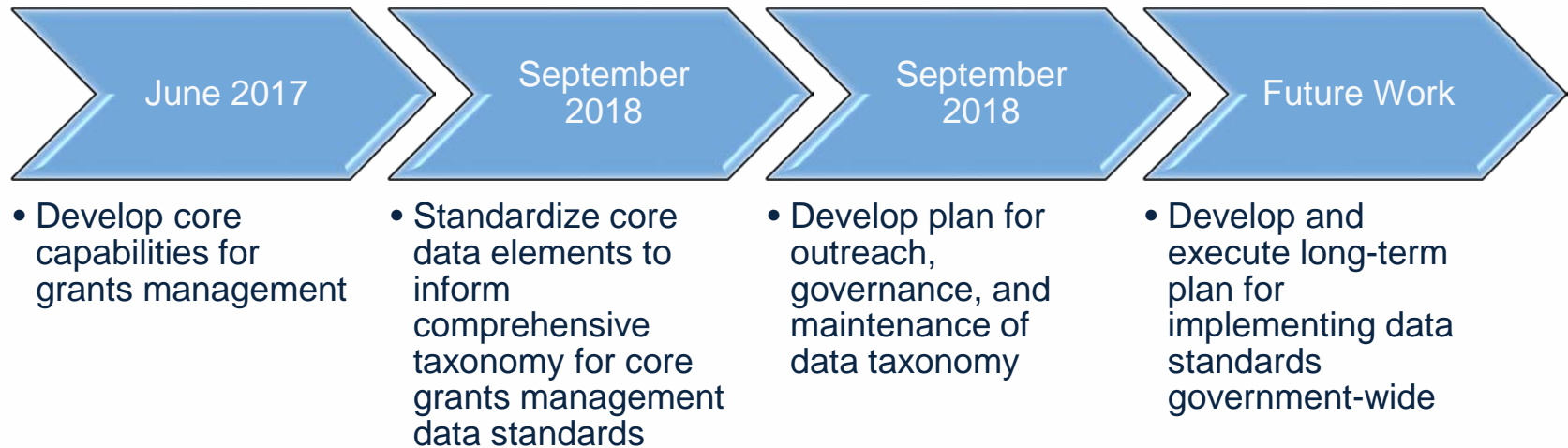This strategy supports the Improving the Efficiency and Effectiveness of Administrative Services Across Government and Leveraging Data as a Strategic Asset CAP Goals.

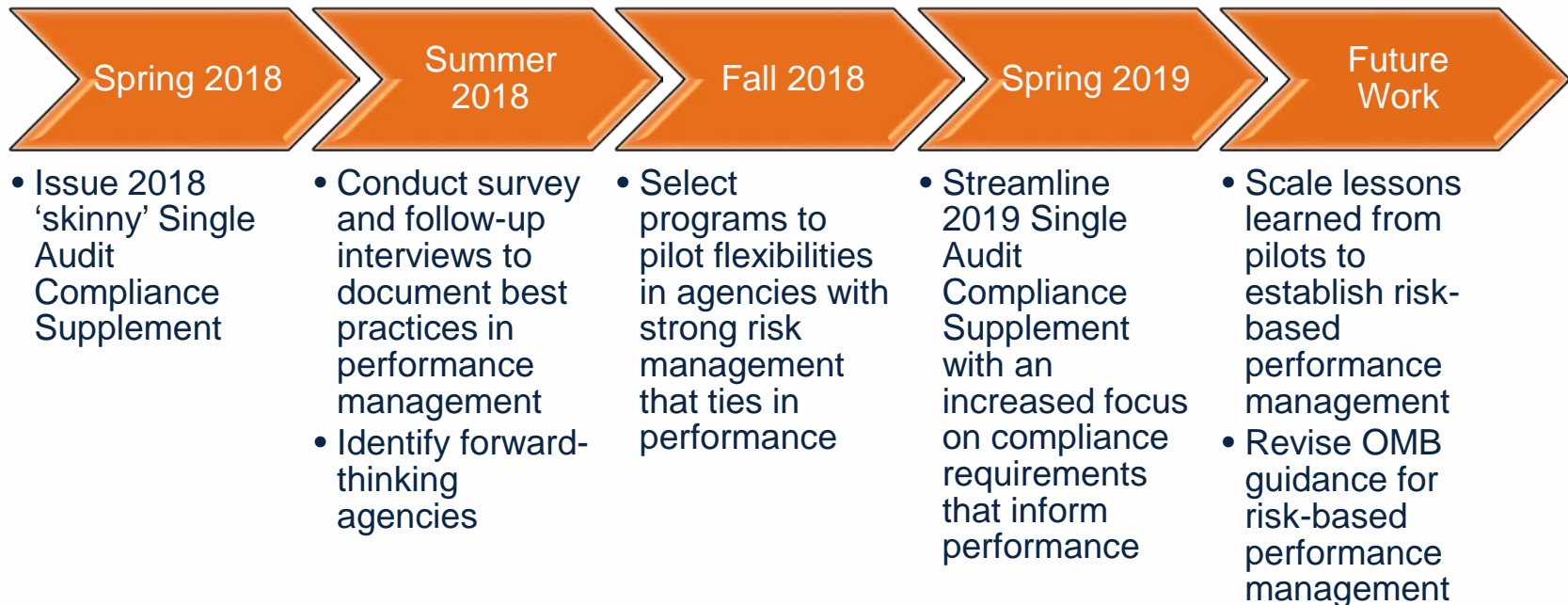| June 2017	September 2018	September 2018	Future Work
• Develop core capabilities for grants management	• Standardize core data elements to inform comprehensive taxonomy for core grants management data standards	• Develop plan for outreach, governance, and maintenance of data taxonomy	• Develop and execute long-term plan for implementing data standards government-wide

The Federal government has a tremendous amount of data that may be leveraged to identify opportunities and better manage risk, but that data is currently locked in an antiquated process, and driving burdensome compliance exercises. Powerful data and analytics based on risk could set the stage for a risk-based performance management framework in Strategy 3.

June 2018	Summer 2018	September 2018	Future Work
• Draft business capabilities for single audit resolution common solution	• Draft risk-management framework	• Develop draft business capabilities for risk management tool	• Deploy single audit resolution common solution, integrate to include risk-management tool

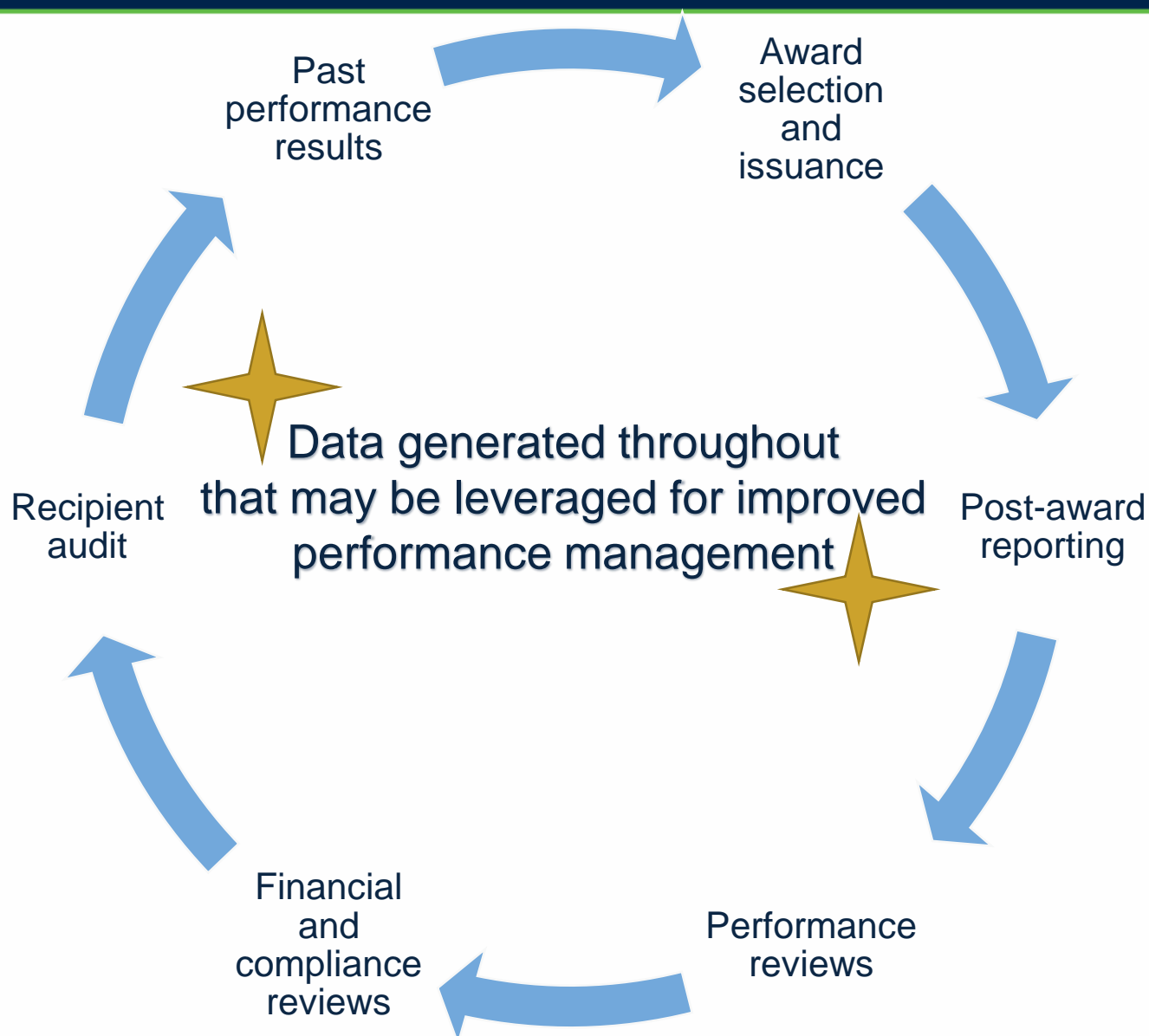PRESIDENT'S MANAGEMENT AGENDA

A comprehensive risk-management tool for determining Federal funding awards that are low-risk and high value must include consideration of past performance results, financial risk, and an applicant's capabilities to deliver the proposed results. In order to do this, agencies need to have ready access to performance data and have the data infrastructure to include performance in risk modeling.

Spring 2018	Summer 2018	Fall 2018	Spring 2019	Future Work
• Issue 2018 'skinny' Single Audit Compliance Supplement	• Conduct survey and follow-up interviews to document best practices in performance management • Identify forward-thinking agencies	• Select programs to pilot flexibilities in agencies with strong risk management that ties in performance	• Streamline 2019 Single Audit Compliance Supplement with an increased focus on compliance requirements that inform performance	• Scale lessons learned from pilots to establish risk-based performance management • Revise OMB guidance for risk-based performance management

Past performance results

Award selection and issuance

Recipient audit

Data generated throughout that may be leveraged for improved performance management

Post-award reporting

Financial and compliance reviews

Performance reviews

https://www.performance.gov

www.cfo.gov

Interested in participating or additional questions?

Reach out to the OFFM grants team. Rhea at rhubbard@omb.eop.gov, Gil at htran@omb.eop.gov, or Nicole at Nicole.R.Waldeck@omb.eop.gov

Questions

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