

**National Oceanic and Atmospheric Administration
OCIO**

Grants Online

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Fiscal Year 2007 Operational Analysis

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Executive Summary

The Grants Online project goals are:

- * To have a single unified electronic grant processing and administration solution
- * To provide NOAA with a direct interface to Grants.gov and ensure Public Law 106/107 compliance
- * To provide NOAA corporate standard business processes that contribute to a more efficient and effective use of Grants Management resources
- * To benefit a “Corporate” NOAA by:
 - Reducing effort and time involved in the grants process
 - Allowing Program Managers to focus on results
 - Enabling Administrative staff to devote their time to rigorous cost and technical analysis of grants

This report focuses on the operational state of the project as of September 31, 2007, and is based on guidance developed by the Department of Commerce. The Grants Online project directly facilitates NOAA’s Strategic Goal for Organizational Excellence. Grants Online directly contributes to the Department’s Management Integration Goal and its performance measure of “Transactions converted to electronic format.” Furthermore, Grants Online directly contributes to the Department’s Strategic Goal to “Observe, protect, and manage the Earth’s resources to promote environmental stewardship.”

The Grants Online system website is found at:

<https://grantsonline.rdc.noaa.gov/>

A substantial amount of training documentation and guidance is available at the Grants Online Training website:

http://www.ofa.noaa.gov/~grantsonline/gol_training.html

Grants Online 2007 Accomplishments

- At the request of the Line Offices, provided 3 days of Grants Online grantee training in Hawaii in October 2006. Again at the request of the Line Offices, provided 4 days of Grants Online grantee training in various Pacific islands (Guam, Saipan, Hawaii) in September 2007. Trained 60 Grants Online users at the October 2006 sessions and 80 people at the October 2007 sessions.

- Provided Federal Program Officer training in Gaithersburg, Maryland in January (3 days) and May (3 days) 2007. Trained 80 Federal Program Officers in the use of Grants Online (40 in January, 40 in May).

- Conducted 5 User Group Sessions to educate the internal NOAA Federal Program Officer community about modifications and improvements made to the Grants Online system. Approximately 200 Federal Program Officers participated in these User Group meetings.

- Ensured that the original Grants Online development contract was closed on-schedule and on-budget in February 2007
- Relocated the Grants Online Help Desk from Silver Spring to Germantown to consolidate Grants Online operations and allow for easier and more efficient staff communication and cross-training. This has resulted in improved service to the Grants Online user community.
- At the direction of the Department, planned, tested, and deployed an interface between the Department's Grants Notification System (GNS) and the Grants Online system. This interface permits the efficient exchange of data between Grants Online and the Grants Notification System so that the Office of Legislative and Intergovernmental Affairs can easily notify Congress of certain pending NOAA grant awards.
- Completed the implementation and configuration of a Load Balancing strategy for the Grants Online system which increased system uptime to 99.9% and increased processing capacity by 100%.
- Obtained, configured, and deployed a more powerful Grants Online training server to better serve GOL training needs.
- Supported the NOAA Grants Management Division in processing and completing 1,956 grant awards in 2007 and finishing ahead of the fiscal year deadline for the second consecutive year.
- Worked closely with the Grants Management Division throughout fiscal year 2007. Provided training for GMD staff on 4 occasions, and completed 36 new reports to satisfy their reporting requirements and the evolving reporting requirements of the NOAA and external (KPMG) auditors.
- Provided approximately 25 Grants Online reports per month to Grants Management Division staff and other NOAA staff.
- At the request of the Grants Management Division Director and Line Office staff, modified the Grants Online system to accommodate NOAA's Broad Agency Announcement (BAA). In order to meet the congressional requirement, the BAA allowed potential recipients to apply for NOAA grants in a newly competitive manner. Approximately 300 BAA applications were received by NOAA, and subsequently tracked by Grants Online staff and processed through the Grants Online system.
- In conjunction with the Grants Management Division Director, developed the requirements and modified the system to allow Grants Online users to input their required semi-annual and final financial reports directly into the Grants Online system. This has resulted in an improved level of functionality for GMD and external Grants Online recipient users. In FY 2007, approximately 1,000 financial reports were input into Grants Online using this new functionality. Previously, these reports would have been submitted by grantees via email, fax, or hardcopy to GMD staff.
- Continued the steady and orderly improvement of the Grants Online system with multiple software releases during 2007. These releases improved the functionality and performance of the system.

The current project meets established cost, schedule and performance parameters.

This operational analysis (OA) is an annual, in-depth review of the program's performance based on the following:

- Customer Results
- Strategic and Business Results
- Financial Performance
- Innovation

1.0 Customer Results

Grants Online has an approved Project Management Plan. This Project Management Plan contains an approved Work Breakdown Structure, Project Schedule and Cost baseline.

Grants Online significantly reduces grants administrative time through consolidating NOAA's disparate grants processing systems and transforming a manual and paper intensive system into an automated workflow solution.

Grants Online has detailed metrics for measuring its performance. The performance metrics used, primarily from the Help Desk tracking system, have a clear relationship to both the investment's business need and the organization's strategic direction. There is a strong continual need for the investment based on OMB and DoC requirement for PL 106 & 107 compliance and the President's E-Gov Management Agenda.

Grants Online is meeting the needs of its customers. In 2007, for instance, the Grants Online team conducted 8 grantee conference calls with the Grants Online recipient user community to address their questions and provide answers. Over 400 users participated in these calls. The NOAA investment into Grants Online is delivering the services that were planned and expected. Grants Online staff continues to work with its Operations and Maintenance contractor to steadily improve the functionality and usability of Grants Online. For instance, in 2007, the Grants Online team developed, tested, and implemented 6 system upgrades to increase Grants Online functionality and stability.

1.1 Customer Requirements and Costs

Grants Online has both internal and external customers. Internal customers are primarily the NOAA Grants Management Division staff and the NOAA Federal Program Officers. The primary stakeholders are the Grants Management Division and the NOAA Office of the Chief Information Officer (OCIO). The customers and stakeholders participate in goal-setting and performance monitoring through a variety of means, such as the Grants Online Change Control Board, the Grants Management Advisory Council, and monthly status reports and meetings.

In 2007, the Grants Online team worked with the necessary requirements and procurement offices to plan, negotiate, and implement the current Grants Online Operations and Maintenance contract. As part of this current contract with IMSG, Inc., expanded the Grants Online Help Desk hours of operation to better serve Grants Online users not located on the East Coast.

1.2 Performance Measures

These measures align with the “Customer Results Measurement Area” of the Performance Reference Model developed by the Federal Enterprise Architecture Program Management Office (FEA-PMO). Table 1 summarizes the performance measures.

Table 1: Customer Results Performance Measure

Measurement Area	Indicator	2007 Baseline	2007 Actual Result	Comments
Customer Results	Develop automated reports for users that address primary grants data requirements.	Current reports can be generated from the system but require technical experience to program and make available to the user community.	Complete. 18 reports were developed successfully during 2007 for use by Grants Online users. These reports are distributed via email on a regular basis (weekly, monthly, etc) and provide critical information to Grants Online users.	This confirms that Grants Online, in addition to being the official and complete record of all NOAA grants, also serves as a clearinghouse for NOAA grant-related information.

2.0 Strategic and Business Results

The Grants Online project is meeting its own goals and objectives as well as those of the agency. Project management controls are in place to ensure the project continues to meet its goals and objectives and monitor how well the Grants Online project performs.

Without question, the Grants Online system is an improvement over trying to process NOAA grants through the disparate systems maintained by the individual NOAA Line Offices. In this way, Grants Online has proven to be beneficial in helping NOAA to process grants quicker, with a greater level of scrutiny, and with less cost. There is not another organization that could be processing NOAA grants better, more efficiently, or at lower cost.

Grants Online reports monthly metrics that show call-in activity to the Grants Online Help Desk. Using ticket reports and the software tracking tool WebCIMS, Grants Online regularly shows the following information:

* Closed Ticket Report - Details the number of all closed tickets and the breakdown of time to resolution for Tier 1. Tier 1 is defined as “*How to...*” type questions;

* Monthly Activity Report - Details the number of tickets opened and/or closed during the reporting period;

* Open Ticket Report - Details the ticket location and severity for all open tickets.

In addition to Contractor performance, Grants Online's Reporting of Grants Activity continues to expand. For example, an average of 9 reports are extracted weekly using the Grants Online data. These reports, totaling approximately 450 in FY 2007, are used by NOAA Line Offices and the Grants Management Division to monitor and track all NOAA awards and grants-related actions.

Grants Online has several management control processes to ensure that operational, mid-management, and senior management has visibility. These processes include;

- Participation on the Grants Management Advisory Council (GMAC) chaired by the Director of the Grants Management Division.
- Monthly Reports of Help Desk Activity
- Bi-weekly internal PMO sessions
- Bi-weekly PMO-to-PMO sessions with our support contractors
- Software Releases every 8 weeks that improve the functionality of the system and resolve software defects. Each release is accompanied by release notes.
- A Help Desk available to all internal and external users of Grants Online
- User Group Meetings or instructions/slides following each software release

2.1 Grants Online Helps to Achieve Strategic Goals

Grants Online is contributing to the achievement of NOAA's strategic goals. Furthermore, Grants Online is aligned with NOAA's strategic direction. Grants Online is reflective of the systems referred to in the NOAA Strategic Plan, under the mission goal of "Provide Critical Support for NOAA's Mission." Grants Online is one of the NOAA systems that provide "strong, effective, and efficient support ... necessary for NOAA to achieve our mission goals. Our facilities, ships, aircraft, environmental satellites, data-processing systems, computing and communication systems, and our approach to management provide the foundation of support for all of our programs."

The Grants Online project directly facilitates NOAA's Strategic Goal for Organizational Excellence. Grants Online directly contributes to the Department's Management Integration Goal and its performance measure of "Transactions converted to electronic format." Furthermore, Grants Online directly contributes to the Department's Strategic Goal to "Observe, protect, and manage the Earth's resources to promote environmental stewardship."

2.2 Business Results

2.2.1 Monitoring Cost, Schedule and Performance

The Grants Online Business Case investment (Exhibit 300) was updated and analyzed throughout 2007. The Exhibit 300 is a primary tool used by the Grants Online project manager and team to define and track cost, schedule, and performance plans and results. Additionally, the Grants Online project team conducts bi-weekly review meetings, monthly status sessions, and comprehensive change control board meetings with all Grants Online stakeholders.

2.3 Reviews

In 2007, the Grants Online project was reviewed by the independent firm Mainstay Partners. Mainstay Partners determined that the Year 5 Return on Investment (ROI) for Grants Online was 90 percent and the Rate of Return was 49 percent. A complete copy of the Mainstay Partners Report has been attached to the Grants Online Exhibit 300.

2.4 Security

The Grants Online system is accredited under requirements spelled out in NOA 212-13 (08/06/90) and Office of the Chief Information Officer Information Technology Security Policies that are based on OMB and NIST guidance. System Security Plans, Risk Assessments, and Contingency Plans were submitted for Grants Online during 2007. Management, operational, and technical security controls are adequate to ensure the confidentiality, integrity and availability of information.

Following several months of intensive analysis and documentation, in March 2007, the Grants Online system earned its own full Certification and Accreditation (NOAA1105).

2.5 Performance Measures

The performance measures in Table 2 show the Grants Online performance with respect to Strategic and Business Results. These measures align with the “Mission and Business Results Measurement Area,” “Processes and Activities Measurement Area” and the “Technology Measurement Area” of the Performance Reference Model developed by the FEA-PMO.

Table 2: Business Results Performance Measures

Measurement Area	Indicator	2007 Baseline	2007 Actual Result
Mission and Business Results	Decrease time spent on the administrative/processing of grants and increase time on analysis.	Grants Online will increase the efficiency of the Grants Management Division by at least 20 percent.	Complete. The Grants Management Division has seen a significant increase in efficiency due to Grants Online. Eliminating paper award files and allowing electronic task routing via Grants Online has proven successful.
Processes and Activities	Percent of external users able to manage their grants through Grants Online.	Exceed 800 external user organizations as Grants Online users.	Complete. 852 external organizations successfully used Grants Online in 2007 to effectively and efficiently manage their NOAA awards.
Technology	Response time in seconds, for accounting information, to be displayed.	More than 10 seconds.	Complete. Accounting information displays and is refreshed on Grants Online screens in no more than 3 seconds.

3.0 Financial Performance

3.1 Current Performance vs. Baseline

The current performance of the Grants Online investment is within acceptable limits of variance for cost and schedule. Upper Management is briefed on Grants Online’s performance as requested. Our regular meetings include internal PMO sessions and Federal PMO-to-(Contractor) PMO sessions. This interaction and communication reduces re-work and is beneficial in defining requirements.

The Grants Online team provides strong interaction with NOAA Grants policies by having (1) Grants Online representation at GMAC meetings and by being in regular contact with the staff and Director of the NOAA Grants Management Division.

Grants Online is considered a viable investment and a Business Essential IT Component in the NOAA/OFA/CIO inventory. The primary Grants Online contract vehicle, which expired in February 2007, was fixed-price in structure and, therefore, shifted risk away from the Government. The current support contract is time and materials and is closely monitored for cost and schedule performance.

Based on OMB and DoC requirements for PL 106 & 107 compliance, combined with the President’s E-gov Management Agenda, Grants Online continues to be well-aligned with both NOAA and DoC’s strategic direction. The OFA/CIO has been working closely with the Grants Management Division during this transition. Besides the old NOAA Grants System (NGS), the only other alternative is resorting to paper-based processes.

Our establishment of a Business and System Use Case Model demonstrates that NOAA/OFA/CIO did a thorough analysis of the need for this investment. In addition, NOAA’s

use of the Department of Commerce’s “*Grants & Cooperative Agreement Manual*” further demonstrates the need for the Grants Online investment.

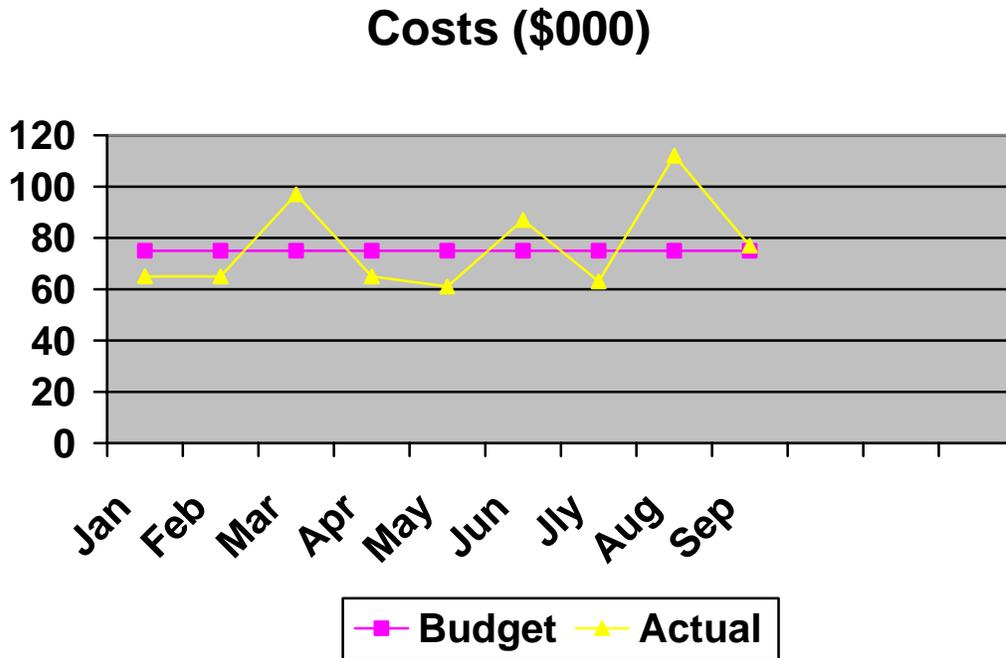


Figure 2: Budget vs Actual Costs

3.2 Performance Measures

Financial performance during 2007 was measured by the project’s ability to stay within pre-defined levels of funding. In terms of the support contract that Grants Online used in 2007, financial performance was acceptable because projected and allocated funding targets were realized. The firm fixed-price structure of the support contract that ended in February 2007 allowed funding projections to be made more effectively. A time and materials support contract has been in-place since February 2007 and that contract’s deliverables are on-schedule and its costs are slightly under budget. The support contract costs’ are within the acceptable range, shown in figure 2 (above).

3.3 Cost Benefit Analysis

An independent cost benefit study was completed on Grant Online. The entire report is available on request. An excerpt follows:

“NOAA credits several key factors to the success of its Grants Online solution. First, the agency spent a great deal of time planning the solution’s scope and vision before engaging STG and BearingPoint. After defining the vision for Grants Online, the NOAA program management office team implemented a creative options approach to the Grants Online program that allowed the

agency to award future phase implementations to vendors based on past performance and projected success of future work.

Another critical success factor was the execution of the Rational Unified Process (RUP), which is a software development process that helps make certain that the software design met user requirements.

After Grants Online's initial release, NOAA created an experienced, dedicated Help Desk team to manage user support. The Grants Online team went the extra mile to gain external user support by conducting monthly conference calls with users. This outreach and training proved essential in reducing user confusion and limited the number of Help Desk calls received during rollout."

3.4 Financial Performance Review

Financial performance is subjected to a periodic review for reasonableness and cost efficiency. Monthly budget reviews are held with the project manager, CORs and contract managers to ensure contracts are within cost and on schedule. Monthly reports from contractors are required to ensure the Government has the information it needs to evaluate cost performance. A detailed review of work and priorities is undertaken if cost is significantly above baselined values. Also, any necessary corrective actions are also identified and implemented.

4.0 Innovation to Meet Future Customer Needs

Based on the previously cited Customer Results, Strategic and Business Results, and the Financial Performance Results, NOAA is confident that it has made the correct choice by developing and deploying Grants Online. Although there are other grants management systems in use throughout the Government, NOAA's Grants Online system is one of the few that is workflow-based, providing an advantage in efficiency and use not typically seen.

Customer needs are continuing to be met through on-going Grants Online system improvements and training. Furthermore, during 2006 Grants Online moved from being a strictly internal NOAA grants management system to adding external users (grantees) on a pre-planned and set schedule. By adding external users, NOAA has shown its commitment to Grants Online and its confidence that this system will serve as a win-win for both internal and external users. External users are increasingly using Grants Online and they are finding that routing and submitting documents such as progress reports and award action requests has become more efficient with Grants Online. One of NOAA's goals is continuous improvement and, therefore, the Grants Online project will always search-out ways to meet current and future customer requirements at lower cost. This belief can be seen in the Grants Online operations and maintenance firm fixed-price contract vehicle, designed to keep costs as low as possible while still meeting the demands of the system and users.

The Grants Online investment accomplishes a unique goal in NOAA, namely, more effective and efficient grants management. At this time, it is not feasible to combine Grants Online with other

investments to better meet organizational goals. The Grants Online team resides within the Office of the Chief Information Officer so there is a cross-fertilization benefit that occurs on a regular basis with other NOAA IT investments. Furthermore, all Grants Online hardware is located at NOAA's Information Technology Center (ITC) with other NOAA administrative system hardware. There is, therefore, an economy of scale being realized with the Grants Online hardware.

How could NOAA make better use of technology to provide a better level of service at lower cost? As stated earlier, the NOAA Grants Online team is continually searching for ways to use technology more efficiently to provide better service at a lower cost to our customers. The Grants Online team will evaluate and implement applicable technology as it develops and is proven effective.

4.1 Number and Types of Users

The Grants Online solution is designed to meet NOAA's high-volume operating requirements. More than 3,700 users have processed thousands of grants through Grants Online. Of these users, 80 percent are external grantees who access the system to self-manage their applications. The solution provides both external users and NOAA personnel with a one-stop shop for all of their grant processing needs.

Project to Address Challenge

Migrate OS (Human Resources), MBDA, and ITA to Grants Online and train their internal users in the use of the system. Continue to work with Department and NOAA personnel to determine the feasibility of implementing Grants Online at EDA and NIST.

Complete the Grants Online Review Module to allow for the entry of scoring and reviewer results into the Grants Online system.