

NSF's Financial Management Awards Survey Response to Users

Survey Summary

The National Science Foundation (NSF), Office of Budget, Finance, and Award Management (BFA), Division of Financial Management (DFM), recently conducted a survey on its post award financial management processes. Five areas were included in the survey:

- Institution Background,
- FastLane Cash Requests,
- FastLane Federal Cash Transactions Report (FCTR),
- FastLane Banking Information, and
- FastLane Interface and Operations.

The survey was established primarily to evaluate and solicit stakeholder feedback on several system enhancements completed during the past year including:

- A new FastLane login system,
- Ability to enter and view electronic funds transfer (EFT) data on FastLane,
- A new requirement for grantees to complete lines seven through ten on the Federal Cash Transactions Report (FCTR),
- A new FastLane column with grants due to be financially closed and permitting certain grants to be held open, and
- Adding a new FastLane administration feature allowing NSF/Institution Ledger Section (ILS) accountants to post notices to grantees online.

The survey was made available to all grant recipient institutions using the FastLane Financial Functions. DFM received 528 survey responses. General findings from the survey indicate that grant recipients:

- Find the FastLane Financial Functions understandable and easy to use,
- Report high levels of customer satisfaction with the system and DFM staff, and
- Want improved on-line help and enhanced communication with DFM.

In response to information received from the Grantee Survey we have begun to implement changes to our operations as shown in the 3 examples listed below:

Survey Issue:

Grantees commented that they did not understand the FCTR Line 8 (Days of Cash on Hand) on the FCTR Part I, especially when they had a negative cash on hand balance.

Response:

NSF implemented changes to the automated edits for Line 8 making it required only when the cash on hand is positive. The explanation for Line 8 in the FCTR on-line instructions was modified accordingly.

Survey Issue:

Grantees requested enhanced communication of FCTR due dates and system changes.

Response:

NSF implemented an additional email FCTR notification one week prior to the due date. As a result, on time submission rates have increased approximately 5%.

Survey Issue:

Grantees commented that they did not like the scroll forward feature on the FCTR limiting page displays to 10 awards on the FCTR Part II.

Response:

NSF is implementing design changes to have all FCTR awards appear on a continuous page. This will allow users to scroll down to see all of their awards. Expected completion date is July 2006.

Below is a summary of each question and NSF's response:

To determine the FastLane user functions of those answering the survey, we asked responders, **how do you represent your Grantee Organization?**

Response:

User types were identified as follows: 57% Financial Function Users; 36% Financial Administrators; 3% FastLane Contacts and 4% Other.

I. Institutional Background

Question 1 – Please indicate the type of organization with which you are associated?

Response: As anticipated, the survey results reflected 56% of NSF's grantee organizations are academic institutions, school districts, or community colleges. Another 36% are non-profit organizations and the remaining 8% are for-profit organizations, individuals, tribal colleges, or foreign awardees.

II. FastLane Cash Requests

Summary: The survey indicated that the majority of grantees followed sound cash management practices by minimizing cash balances or even maintaining negative cash on hand balances. Survey responses indicate that 90% of NSF grantees operate on a reimbursement basis, (instances in which grantee funds are requested after expenses are incurred and funds disbursed). Approximately 10% of grantees request cash advances.

Grantees also reported that NSF was very efficient in performing the cash request and payment function. However, some grantees reported delays in the funds transfer process when problems occur.

Question 2 – The New FastLane Cash Request Edit ‘Current Cash on Hand.’ Was it helpful for managing cash balances and drawdown?

Response: NSF was encouraged to see 59% of survey respondents answered “yes” to this question. User comments indicated the new feature is beneficial in reconciling institution records to NSF records. There were comments recognizing that the new “Current Cash on Hand” feature is similar to one used by the Department of Health and Human Services (HHS) Payment Management System (PMS), creating cohesive functionality throughout the federal government and making it easier for grantees receiving funds from other federal agencies to navigate through the various systems.

41% of respondents answered “no” to this question. Those that commented said the new requirement is burdensome because they operate on a reimbursement basis and either have no cash or negative cash on hand. Some respondents stated they did not understand what the term “Current Cash on Hand” meant.

NSF acknowledges the majority of its grantees request reimbursement of funds and therefore have no cash on hand or negative balances to report, however, the information obtained from the “Current Cash on Hand” field is used by NSF and throughout the Federal Government to manage federal funds. We appreciate the effort the grantee community makes to provide this information.

An explanation of what is meant by “Current Cash on Hand” can be found on the cash request screen by clicking on “Help For This Field” next to the Organization Current Cash Balance data entry box. If you have additional questions you can always contact your Grant Accountant for assistance.

Question 3 - Does your organization typically carry a positive cash balance at quarter end?

Response: Ninety percent (90%) of respondents answered “no” because they operate on a reimbursement basis.

Question 4 – Do you typically run negative cash on hand balances at quarter end in excess of 5% of your grant portfolio?

Response: A large number of respondents, 72%, answered “yes” to having negative cash on hand balances at quarter end; 28% responded “no”. NSF encourages grantees to utilize FastLane to request funds when needed and match payment requests as closely as possible to actual program expenditures. Sound cash management practices will prevent institutions from carrying large negative cash.

Question 5 – What is the usual explanation for why your typical quarter end cash position in numbers 3 and 4 runs in the manner it does.

Response: Answers varied, however the majority of respondents noted standard procedures used for financial reporting or billing cycles as to why they operate on a reimbursement basis.

Question 6 – Are your FastLane cash requests handled by NSF in a timely manner?

Response: We are pleased to report 99% of respondents answered, “yes” to this question and expressed appreciation for the timeliness and reliability of FastLane services. In addition, there were comments from several Treasury ASAP users who commented on the timeliness of payments through that system.

We also acknowledge the 1% responding “no” and commenting that NSF, with 2-3 day service is not as fast as HHS’ PMS and Treasury’s ASAP turn around time of one day. Some overseas grantees reported not receiving payments in a timely manner because they receive checks rather than electronic payment. At this time, NSF does not direct transfer funds to foreign countries. A few payments are issued by check and mailed to grantee organizations. It is expected to take an overseas check 7-10 days to be delivered to a grantee organization. In our continuing effort to improve service, NSF will look into ways to enhance the overseas payment process.

Question 7 – What is the average processing time from cash request to cash receipt at your bank?

Response: Eighty-seven percent (85%) of respondents answered that cash requests are received in 1-3 days and expressed thanks for the outstanding, consistent and highly reliable service. Ten percent (10%) responded that cash receipts were deposited in the bank within 4-5 days. Three percent (3%) reported cash receipts of 5 days or greater. These responses appeared to come from international grantees and from grantees that described internal problems within the institution as the cause for the delay in the receipt of funds. As stated above, NSF is investigating ways to improve the processing time between cash request and cash receipt for foreign grantees.

III. FastLane Federal Cash Transaction Reports (FCTR)

Summary: Survey results indicated that most grantees completed the FCTR properly. Grantees also understood that the new post award monitoring processes had been added to better review grantee cash management practices. Most grantees reported that they were aware of, and correctly completed, the newly required lines to report information about project income, number of days cash on hand, interest income, and advances to subgrantees or subcontractors. The addition of lines 7 through 10 on the FCTR was required in response to NSF audit findings. Grantee comments further suggested some confusion over the definition of “Cash on Hand” and the procedures for calculating the data entry for “Number of Days Cash on Hand” sections. Grantees requested written instructions, or an updated online help page, defining and explaining the new FCTR lines and the procedures for their completion.

Question 8 – Were you aware of the new ‘hold open’ feature provided by FastLane for grants scheduled for closing?

Response: Sixty percent (60%) said they were not aware of the new feature or said the instructions were not clear. Forty percent (40%) of respondents answered “yes” and liked the new feature finding it beneficial to their internal operations.

NSF will look into ways to make the on-line instructions clearer. Additionally, NSF intends to increase outreach activities such as attendance at grantee conferences, increased outreach visits, and to possibly develop a joint training program with other Federal agencies.

Question 9 – Do you believe the hold feature to be an improvement over prior capabilities?

Response: Ninety percent (90%) of respondents found the ‘hold open’ feature to be an improvement over prior functionality citing a reduction in the need to reopen a grant to make adjustments. Two percent (2%) of respondents stated they were not aware of this feature. Eight percent (8%) of respondents were not aware or had no opinion about this feature.

Question 10 – Do you have other comments for improvements to the ‘hold open’ reporting feature?

Response: Most respondents wanted an extended period of time for the grant to remain open. Other suggestions included a request for an automatic hold through the end of the following quarter and email notifications sent 6 to 8 weeks prior to the end of a grant.

Some respondents requested additional information on this feature including an explanation of its purposes and capabilities. NSF will work to improve on line instructions to better explain this feature.

Question 11 - Do you often find the need to hold a grant open for additional quarters?

Response: A significant number of respondents commented that having the hold feature available for additional quarters is beneficial. Forty-six percent (46%) answered “yes”, citing that the extra time is needed to accommodate unforeseen expenses such as late vendor invoices and other adjustments. The remainder of respondents (54%) answered “no”.

Question 12 – FCTR Part I, line 5 provides for entering adjustments to closed grants. Are you provided sufficient space for your comments in the remarks section of FCTR lines 16 and 17 to fully explain line 5 adjustments, etc.?

Response: Most respondents indicated they had little or no experience using this feature, but the majority of people using it say although the amount of space is adequate it would be helpful to have additional space. NSF will review the feasibility of adding more lines for comments in the remarks section or adding a comments field directly on the adjustments page.

Question 13 – Are lines 7 – 10 on the FCTR adequately explained?

Response: Most respondents stated they were confused by what was expected in lines 7 to 10 and needed further explanation.

The on-line instructions for the FCTR provide an explanation of information to be supplied on each line. If users have additional questions after reading the instructions, they should contact the NSF grant accountant. NSF will work to improve on line instructions to better explain this feature.

Question 14 – Do you have any specific concerns about the new requirement for reporting on lines 7 –10 of the FCTR?

Response: Most responses were in reference to line 8 (Number of days of Cash on Hand). The majority of grantees have negative cash on hand; therefore the question does not apply.

Respondents said all other lines needed further explanation. As noted above NSF will work to improve on line instructions to better explain this feature.

Question 15 – Is your organization familiar with the definitions, policies and procedures for grantee cash management, cash balances, and payment warehousing?

Response: The majority of respondents 92%, said “yes”, to this question. NSF will review the on-line instructions and work to improve the definitions, policies and procedures for grantee cash management, cash balances, and payment warehousing.

Question 16 – Do you have any suggestions for how NSF might further enhance and improve its FastLane FCTR administrative process?

Response: The majority of respondents suggested NSF improve communication by using electronic announcements, improve written instructions, and provide user training. There were suggestions on how to improve features of the interface or automated system. NSF will consider all suggestions to improve the FastLane FCTR administrative process.

As noted previously, NSF intends to increase outreach activities by attending grantee conferences, conducting more outreach visits, and developing a joint training program with other government agencies.

IV. FastLane Banking Information

Summary: The vast majority of grantees greatly appreciated being afforded the ability to enter and change banking information online via the Electronic Funds Transfer (EFT) Update process. Grantees reported the feature made banking much easier by eliminating paper forms such as the SF3881 ACH VENDOR/MISCELLANEOUS PAYMENT FORM. NSF pays grants using the “pooling” process. We do not anticipate a change to grant-by-grant payments in the near future. Converting to a grant-by-grant payment process would involve major accounting policy changes in NSF and would affect internal procedures in all institutions.

Question 17 - Were you aware that your organization can now update Banking information online and are no longer required to report that information on the paper form SF 3881?

Response: Half of the respondents reported being aware of the new feature. One respondent indicated NSF could do a better job communicating with grantees.

One respondent wanted to know how internal controls are affected by this change. The internal control procedures associated with updating Banking information online is as follows:

Only those persons designated as FastLane Financial Function users with Grantee EFT Update permission can change banking information. System edits check ABA routing numbers and after verification prompts the user to review and verify that the information is correct before the information is processed. After the information is successfully updated in the system, an e-mail notification of the EFT Profile change is sent to the following FastLane users: Financial Administrator, all financial function users who have permission to request cash and/or change EFT information and, all Authorized Organizational Representatives. All changes to EFT information are logged in the FastLane database.

Question 18 - Do you have any suggestions for how NSF might further enhance and improve your ability to modify your organization's banking information?

Response: NSF has reviewed all comments and multiple system enhancements are under consideration as a result of this input.

V. FastLane Interface and Operations Section

Summary: Feedback was requested regarding the recent improvements to system access, management controls, and the new login system for FastLane users. To improve communication between grantees and NSF's Institution Ledger Section (ILS), accountants had been given the ability to post notices and alerts to grantees at the top of the FastLane Financial Functions page.

NSF also inquired about the organization of the FastLane users and financial administration of grantee institutions. NSF requires the roles of the FastLane Financial Function User, FastLane contact, and Financial Administrator to be given to people associated with the organization to communicate and operate with NSF.

Survey results indicated that the roles of FastLane Financial Function User, FastLane Contact and Financial Administrator were often combined or shared within the grantee organization. This was particularly true for organizations carrying few grants or with few grant administrative personnel.

The results suggest that the level of satisfaction with the system interface and operations is very good.

Question 19 - Is your FastLane Contact the same person as your FastLane Financial Administrator?

Response: Most respondents reported they did not know who performed FastLane Contact or Financial Administrator functions.

Question 20: Do problems periodically prevent your FCTR from being submitted on time?

Response: A few respondents cited having no problem submitting FCTRs on time. A few responses identified the problem to be in the organization's accounting office. There was a suggestion that NSF send more email reminders. In response, NSF has initiated sending FCTR reminder email notices on topics such as the availability date, due date, and late notices.

Question 21: Do you have any suggestions for modifying the definitions, roles and responsibilities of the FastLane contacts, FastLane Financial Function Users and/or Financial Administrators to better streamline operations for your particular organization?

Response: NSF has reviewed all comments. There were no specific comments on the definition of roles. Most comments were on the on-line help feature and communication.

NSF will work to improve on line instructions and intends to increase outreach activities by attending grantee conferences, conducting more outreach visits, and developing a joint training program with other government agencies.

Question 22: Have the recent changes made to the FastLane Financial Functions interface improved your ability to track and manage your grantee organization's financial reporting and cash flow management responsibilities?

Response: Some grantees acknowledge the recent changes improved their ability to track and manage financial reporting and cash flow. Most responses were non-committal or found no additional improvement. During the past year, NSF launched new FCTR monitoring processes to review cash on hand, program income and interest income. This program has resulted in significant decreases in the overall amount of positive cash on hand, reductions in erroneous program income entries, and improved compliance in the remittance of excess interest income.

Question 23: Is your FCTR certifying official also a FastLane Financial Function User?

Response: Responses to this question were evenly split with half of the respondent's indicating "yes" and the other half indicating "no". Larger grantees usually assign multiple staff members as Financial Function users and in some cases have multiple backups for each responsibility.

Question 24: Do Prior FastLane users who have left your institution usually have their access removed from the FastLane system within?

Response: The responses indicate there is no standard policy in place that requires removal of FastLane access for former employee. It should be noted that most respondent said there were very few turnovers in the organization. In response NSF is considering processes to prompt or remind grantee institutions to regularly review and update FastLane User access. This is a basic security practice that needs improvement in many organizations.

Question 25: Is your organization able to assign and modify passwords for FFU's in a timely way?

Response: Most respondents said "yes". Some respondent complained of the requirement to change passwords so frequently. There was a request to be notified when passwords are about to expire. NSF is required by Federal regulations to require all FastLane users to change passwords on a regular basis. This applies to NSF staff as well as grant recipient users. In addition to the password change process NSF intends to implement a process to insure all users acknowledge "rule of behavior" for NSF systems. This process will be implemented in the near future.

Question 26: Has the new management notice administration feature at the top of the FastLane Financial Functions page been helpful to you?

Response: Most respondents indicated not being aware of the feature. There were comments that the feature could not be seen on the screen and a suggestion that this feature be addressed in workshops where users could focus on the feature and its function. NSF intends to increase outreach activities such as attendance at grantee conferences, increase outreach visits, and develop a joint training program with PMS and or ASAP. We will include information about this feature in our training and information presentations.

Question 27: Would the new management notice administration feature be better located somewhere else on FastLane?

Response: Most respondents think the location of the new management notices is appropriate. Several respondents suggested e-mail notices as the best means to provide information. NSF has implemented an increase use of email notices to distribute information concerning the FCTR.

Question 28: Do you have any comments on how NSF might further improve its financial management policies for PI's who transfer between organizations?

Response: The many comments to this question indicate that there are many areas within the PI process that need to be improved. NSF has reviewed all comments and is considering a course of action to improve the process. See the comments list to view all submissions.

Question 29: Do you have any suggestions for how NSF might further enhance and improve its FastLane interface and FastLane financial functions and operations?

Response: Multiple system enhancements are under consideration as a result of these comments. For example, NSF is developing grantee inquiry capabilities, increased use of email and improving on-line support. In response to comments on the use of the SSN for the log on process, if you do not want to report the SSN to NSF, a pseudo code will be provide.

Question 30: Are you satisfied with the current level of service you receive from your NSF Institution Ledger Section accountants?

Response: Over 95% of the responses were "yes". NSF has reviewed all comments, whether positive or negative, and is developing new customer service initiatives.

Question 31: Do you have any suggestions for improving the level of communication between your organization and your corresponding NSF Institution Ledger Section accountant?

Response: There were no specific suggestions for improving the banking information process. The majority of comments noted the efficient of the process. NSF received multiple requests for workshops and an on-line tutorial. NSF plans to increase outreach activities.

The Institutional Ledger accountants are assigned grantees by State. State assignments are on the ILS website along with contact information.

In general the comments were complimentary of ILS accounts.

Question 32: Do you have any suggestions for how NSF might further enhance and improve its FastLane banking information update process?

Response: NSF has reviewed all comments. Multiple system enhancements are under consideration as a result of this input. See the Comments List for all comments submitted on this question.

Conclusion: NSF is committed to respond in an effective and timely manner to the suggestions it received from its grantee stakeholders. DFM will use the results to develop a plan to further enhance the FastLane system, related user guides, and additional on line help to assist with all post award financial processes.

In response to results received from this Survey, new initiatives will be directed toward improving the level of DFM's communication with its grantee audience with a concentration on enhancing the utility and clarity of FastLane's financial reporting functions. DFM will increase the use of email updates and announcements and improve its outreach program by promoting conference participation and onsite visits. DFM will implement your suggestions to make FastLane's Financial Functions more user friendly by enhancing online instructions with illustrations and interactive examples, and by encouraging the use of the FastLane demo website.