Office of Budget, Finance, and Award Management

Updates to the Business & Operations Advisory Committee

Tom Cooley
NSF CFO and BFA Director
November 18, 2009
Update Topics

- NSF FY 2010 Budget Request
- American Recovery and Reinvestment Act
- Policy Updates
- BFA Human Capital Plan Implementation
- FY 2009 Financial Statement Audit
- A-123 Internal Controls Update
- Government-wide Grants Policy Themes
## FY 2010 Budget Request

<table>
<thead>
<tr>
<th>Appropriations Account</th>
<th>FY 2009 Appropriation</th>
<th>FY 2010 Request</th>
<th>Percent Change over FY09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research &amp; Related Activities</td>
<td>$5,183</td>
<td>$5,773</td>
<td>10.6%</td>
</tr>
<tr>
<td>Education &amp; Human Resources</td>
<td>$845</td>
<td>$857</td>
<td>1.5%</td>
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<tr>
<td>Major Research Equipment &amp; Facilities Construction</td>
<td>$152</td>
<td>$117</td>
<td>-22.8%</td>
</tr>
<tr>
<td>Agency Operations &amp; Award Management</td>
<td>$294</td>
<td>$318</td>
<td>8.3%</td>
</tr>
<tr>
<td>National Science Board</td>
<td>$4</td>
<td>$4</td>
<td>-</td>
</tr>
<tr>
<td>Inspector General</td>
<td>$12</td>
<td>$14</td>
<td>16.7%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$6,490</strong></td>
<td><strong>$7,045</strong></td>
<td><strong>8.5%</strong></td>
</tr>
</tbody>
</table>
American Recovery and Reinvestment Act of 2009 - NSF

- Recovery Act funds were to be awarded in a timely manner. NSF made 4,677 awards for $2.48B by September 30.
- All grants were issued as standard grants with durations of up to five years.
- Funding of new PIs and high-risk, high-return research were top priorities.
- The majority of eligible proposals were already in-house.
- Only four ARRA-specific solicitations were released.
- NSF considered proposals declined on or after October 1, 2008, and made 318 awards from this pool.
Policy Updates

New Proposal and Award Policies and Procedures Guide (PAPPG) issued October 1, 2009

- New guidance added on complying with the America COMPETES Act (ACA)
- Changes reflect implementation of Responsible Conduct of Research and Reporting of Research Results
NSB Cost Sharing Report
Issued August 2009

- ACA directed NSB to evaluate decision to eliminate cost sharing
- This is a second comprehensive report and recommendations
- NSF will be reviewing the recommendations over the coming weeks and developing an appropriate implementation strategy
Telework and Workplace Flexibility Pilot

- Increased workplace flexibility played key role in managing heavy workloads during end of FY09
- MOU negotiated between NSF and AFGE to permit flexibility in response to ARRA
- MOU addressed increased flexibility for telework, core hours, and overtime
Keeping our Edge (KOE): The BFA Human Capital Strategic Plan, FY 2009-2014

- Both the KOE and the Implementation Outline were released
- BFA SharePoint Site released along with BFA SharePoint Guidance
- Developing program for enhanced Individual Development Plans (IDP)
- BFA Peer Award
FY 2009 Audit Results

- 12th Clean Opinion
- New Significant Deficiency on Contract Monitoring of Cost Reimbursement Contracts

Next Steps:
- Develop Corrective Action Plan by December 7th
- Management Letter Report
FY 2009 Audit Results, continued

- **Corrective Action Plan – Key Elements**
  - Workforce analysis of Division of Acquisition and Cooperative Support to assess staffing needs, roles and responsibilities
  - Audits of NSF’s cost reimbursement contracts, which have a higher risk of susceptibility to waste and abuse are scheduled to commence in fiscal year 2010
  - Improvements to Contracting Manual
  - Evaluating relevant issues in OIG’s written reports and memos
A-123 “Management’s Responsibility for Internal Control”

- The NSF has Completed its Four-Year Phased-in Implementation
- The NSF is Issuing an Unqualified Assurance Statement
- The Assurance Statement Asserts NSF’s Compliance with:
  - The Federal Managers’ Financial Integrity Act of 1982
  - The Office of Management & Budget Circular A-123, Appendix A, *Internal Control over Financial Reporting*
  - The Office of Management & Budget Circular A-127, *Financial Management Systems*

- **FY 2009 Compliance**
  - Conducted Interviews
  - No Changes from FY 2008 Results/Guidance
  - Complied with Applicable Federal Laws
  - Complied with U.S. Government General Ledger Standards

- **FY 2010 New Requirements**
  - Conducting Interviews based on the New Requirements
  - Obtaining Supporting Documentation
  - Identifying Gaps
America Recovery & Reinvestment Act
“Risk Management Plan”

- The NSF is Leveraging its Overall A-123 Program for the Risk Management Framework
- The NSF is Assessing Current Compliant Environment
- The NSF is Assessing Enterprise Risks
- The NSF will Monitor Compliance Risk of the Recovery Act
- The NSF will Coordinate Compliance-Related Activities to Support & Facilitate Management & the Independent Audit of Projects Funded
Obama Administration

Key Themes for Government-wide Grants Policy

❖ Transparency & Accountability
  - Increased engagement by OMB and Congress
  - ARRA
  - Grants Executive Board, Grants Policy Committee & GMLoB coordination (IT/Policy: Integration)
  - Professionalizing Grants management series (GPC Training & Certification Workgroup)

❖ Stakeholder involvement
  - FDP, NGP (AGA Partnership)