

GAO Review of Federal Research Grants

Opportunities Remain for Agencies to Streamline Administrative Requirements

Background on GAO Review

- Request from House Committee on Science, Space, and Technology for GAO review
 - Interest in understanding underlying reasons for 42% administrative workload identified by 2012 FDP report and 2013 NSB report findings, as well as actions to address university concerns
- Started work in April 2015, issued report in June 2016 and publicly released report in July 2016
- GAO subsequently testified to Congress on report findings at end of September 2016

Objectives

1. What are the sources and goals of selected research grant requirements?
2. What factors contribute to universities' administrative workload and costs for complying with these requirements?
3. What efforts have the Office of Management and Budget and research funding agencies made to reduce the administrative workload and costs for complying with these requirements, and what have been the results of these efforts?

Scope and methodology

- **Four agencies:** DOE, NASA, NSF and NIH, which together provided about 83 percent of federal funding for research at universities and colleges in FY 2015
- **Nine requirements:** Nine categories of requirements (e.g., project budgets, biographical sketches, conflict of interest)
- **Six universities:** In-depth interviews with researchers and administrators at George Mason, Johns Hopkins, MIT, UMass-Amherst, USC, and UC-Riverside
- **Stakeholder organizations:** Broader perspective from organizations including the Association of American Medical Colleges, Council on Governmental Relations, and National Science Board

Objective 1: The sources and goals of selected requirements

- **Sources:** information to provide a better understanding of where requirements originate
- **Goals:** information to provide context and balance as to what requirements were meant to accomplish and how they have been used to provide oversight
- Two broad **sources** of requirements, with two broad sets of **goals:**
 - (1) OMB's government-wide grant requirements for **protecting against waste, fraud, and abuse of funds** (i.e., Uniform Guidance), as implemented by agencies
 - (2) agency-specific requirements generally for **promoting the quality and effectiveness of federally funded research.**



Source	Requirement category	Pre-award	Award	Post-award implementation	Closeout
OMB's Uniform Guidance, implemented through funding agency guidance ^a	Competing and documenting purchases			Obtain price or rate quotations, competitive bids, or competitive proposals for certain purchases of goods and services, and maintain documentation of purchases	
	Documenting personnel expenses			Document salaries and wages charged to grants based on records that accurately reflect the work performed	
	Preparing and managing project budgets	Develop and justify proposed project budget and submit it to agencies		Manage project budget and report to agencies on the use of funds	
	Subaward reporting ^b			Report information on subaward recipients and amounts of funds they received to a federal website	
	Subrecipient monitoring			Evaluate subrecipient risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward; monitor subrecipient progress and use of funds; and review subrecipient audits	
Research funding agency guidance ^c	Biographical sketches	Develop and submit information on experience, publications, and accomplishments of project personnel			
	Financial conflicts of interest ^d	Disclose and review financial interests to identify conflicts and develop a plan to manage conflicts ^e		Regularly update financial interest disclosures, review financial interests to identify conflicts, and implement conflict management plans	
	Managing and sharing research data and results	Develop and submit a plan to manage and share data and other research results		Manage and share data and research results in accordance with plan	
	Researcher mentoring and development	Develop and submit a plan for mentoring and developing researchers		Mentor and develop researchers in accordance with plan	

Objective 2: The factors adding to universities' administrative workload and costs

- **Common factors** universities and stakeholders identified that add to their administrative workload and costs:
 - **variation** in funding agencies' implementation of certain requirements (e.g., financial conflicts of interest, project budgets)
 - **pre-award** requirements for applicants to develop and submit detailed documentation for grant proposals (e.g., biographical sketches, project budgets)
 - **increased prescriptiveness** of certain requirements (e.g., competition and documentation of purchases, financial conflicts of interest)

Objective 2: The factors adding to universities' administrative workload and costs

- Examples of administrative workload and costs:
 - **Electronic systems costs** – procuring, updating, and maintaining electronic grant management systems
 - **Administrative staff workload and costs** – hiring and training administrative staff
 - **Researcher workload** – time spent learning and complying with requirements

Objective 3: Agency efforts to streamline requirements, and the results of these efforts

- OMB and the four research funding agencies in our review (DOE, NASA, NIH, and NSF) have made continuing efforts to reduce universities' administrative workload and costs, by
 1. **standardizing** requirements across agencies (e.g., federal research terms and conditions)
 2. **streamlining pre-award** requirements (e.g., preliminary proposals, just-in-time submission process)
 3. allowing universities **more flexibility to assess and manage risks** for some requirements (e.g., payroll certification, modular budgets)

Objective 3: Agency efforts to streamline requirements, and the results of these efforts

- OMB and agency efforts have resulted in some reductions to administrative workload and costs
- However, **opportunities exist** for further reductions in workload and costs, while maintaining oversight and accountability.

Objective 3: Agency efforts to streamline requirements, and the results of these efforts

- **Standardization:**
 - OMB's efforts to standardize requirements did not fully address the variations in requirements; research funding agency and OSTP efforts have not fully addressed variation in requirements
 - There are some practical limits to standardization, but more can be done
 - **We recommended** DOE, NASA, NIH and NSF coordinate through OSTP to identify areas for further standardization

Objective 3: Agency efforts to streamline requirements, and the results of these efforts

- **Pre-award streamlining:**
 - Agencies have not extended pre-award streamlining efforts to all solicitations, or for all requirements, for which they could be used to reduce workload and costs
 - There are some programs where preliminary proposals may not be desirable, but more can be done to expand these efforts
 - **We recommended** DOE, NASA, and NIH conduct agency-wide reviews of possible actions to postpone pre-award requirements (as NSF has already done)

Objective 3: Agency efforts to streamline requirements, and the results of these efforts

- **Efforts to allow more flexibility to assess and manage risks:**
 - Certain OMB and NIH/HHS requirements limit universities' flexibility to allocate resources toward oversight of high-risk purchases, subrecipients, and financial interests
 - OMB purchasing and subrecipient monitoring requirements
 - NIH/HHS financial conflict of interest requirements
 - Since issuing these rules, information has been collected on their effects on universities' administrative workload and costs. This information could allow OMB and HHS to better balance workload and costs against the requirements' added protections for accountability and research integrity.
 - **We recommended** that, as part of their planned evaluations, OMB and HHS evaluate options for targeting requirements on areas of greatest risk.

Summary

- **Key themes:**

- OMB and agencies have worked to streamline requirements.
- Concerns about administrative workload and costs persist, and opportunities exist for further streamlining.
- Balancing streamlining and accountability is key.

- **Next steps:** GAO's process for recommendation follow-up and implementation by agencies



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