

# **GAO Review of Federal Research Grants**

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## **Opportunities Remain for Agencies to Streamline Administrative Requirements**

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# GAO Review of Federal Research Grants

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- Organizations studying administrative requirements on research grants have raised concerns about researchers' and universities' burden for complying with the requirements
- For example, principal investigators surveyed by the Federal Demonstration Partnership estimated spending 42 percent of their time meeting requirements rather than conducting active research.
- What does this 42 percent represent? What's behind it? Is there room for improvement—i.e., streamlining requirements, without sacrificing oversight?

# Background on GAO

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- **GAO at a glance:**
  - Founded in 1921
  - Led by Comptroller General of the United States, Gene L. Dodaro
  - Approx. 3,000 employees and an FY 2015 budget of \$551.6 million
  
- **GAO's mission:** support the Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people
  
- **GAO's process** for conducting work and advising Congress and agencies

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## Related GAO products

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- DATA Act Section 5 pilot for reducing recipient reporting burden (**GAO-16-438**)
- Administrative costs charged to grant programs (**GAO-15-118**)
- Reform of grants management under P.L. 106-107 (**GAO-13-383**)
- Timeliness of grant closeouts (**GAO-12-360**)
- Grants.gov challenges (**GAO-11-478**)

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# Background on the Review

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- Originally requested in 2012 by Rep. Mo Brooks of the House Committee on Science, Space, and Technology; request joined by Rep. Larry Bucshon in 2013
  - Postponed review due to ongoing reviews by the National Science Board and Federal Demonstration Partnership
  - Subsequent request in 2015 from Rep. Barbara Comstock of the House Committee on Science, Space, and Technology
- Started work in April 2015, issued report in June 2016 and publicly released report in July 2016

# Objectives

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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?

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## Scope and methodology

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- **Selected agencies:** DOE, NASA, NSF and NIH, which together provided about 83 percent of federal funding for research at universities and colleges in FY 2015
- **Selected requirements:** Nine categories of requirements (e.g., project budgets, biographical sketches, conflict of interest)
- **Selected 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

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- **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 <sup>a</sup>	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 <sup>b</sup>			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 <sup>c</sup>	Biographical sketches	Develop and submit information on experience, publications, and accomplishments of project personnel			
	Financial conflicts of interest <sup>d</sup>	Disclose and review financial interests to identify conflicts and develop a plan to manage conflicts <sup>e</sup>		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

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- **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)

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

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- 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

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- 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., grants.gov, federal research terms and conditions, DATA Act pilot)
  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)

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

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- 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.

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

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- **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

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

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- **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

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- **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

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- **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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Web site: <http://www.gao.gov/>

## **Congressional Relations**

Katherine Siggerud, Managing Director, [siggerudk@gao.gov](mailto:siggerudk@gao.gov)  
(202) 512-4400, U.S. Government Accountability Office  
441 G Street, NW, Room 7125, Washington, DC 20548

## **Public Affairs**

Chuck Young, Managing Director, [youngc1@gao.gov](mailto:youngc1@gao.gov)  
(202) 512-4800, U.S. Government Accountability Office  
441 G Street, NW, Room 7149, Washington, DC 20548

## **Strategic Planning and External Liaison**

James-Christian Blockwood, Managing Director, [spel@gao.gov](mailto:spel@gao.gov)  
(202) 512-4707, U.S. Government Accountability Office,  
441 G Street NW, Room 7814, Washington, DC 20548

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