Shared Services Leadership Forum

Grants Quality Service Management Office (Grants QSMO)

April 11, 2024
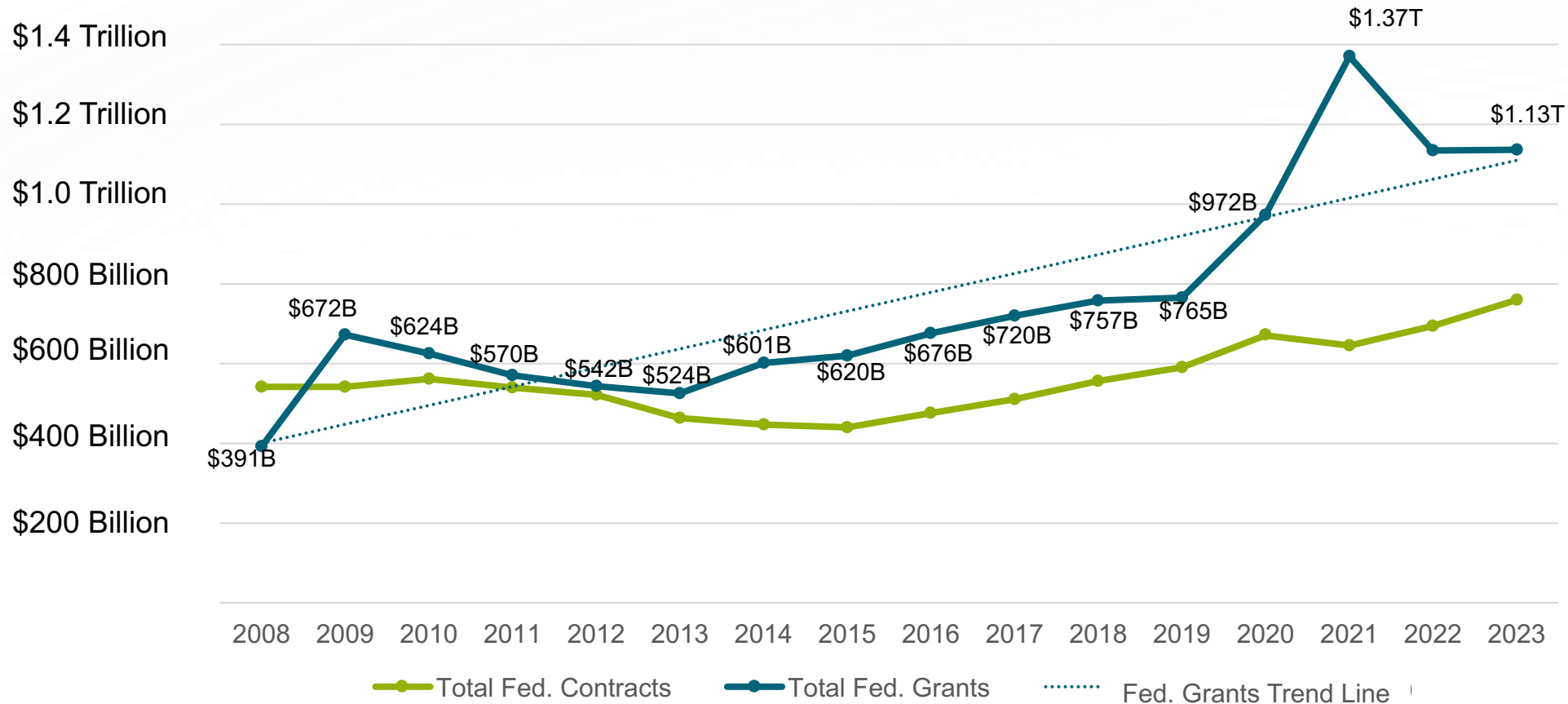
Grants QSMO Market Research Updates

Grants and Contracts Spending by Fiscal Year

Grants are one of the key ways the US government delivers services to the public.

Grants Obligations and Federal Contracts
FY08 – FY23

Grants obligations are rising with with an increase of +190% since 2008.

In 2023, Grants exceeded Contracts spending by $377B.

Chart values:

Total Fed. Grants: $391B (2008), $672B (2009), $624B (2010), $570B (2011), $542B (2012), $524B (2013), $601B (2014), $620B, $676B (2016), $720B (2017), $757B (2018), $765B (2019), $972B (2020), $1.37T (2021), $1.13T (2023)

Legend: —— Total Fed. Contracts —— Total Fed. Grants ······· Fed. Grants Trend Line

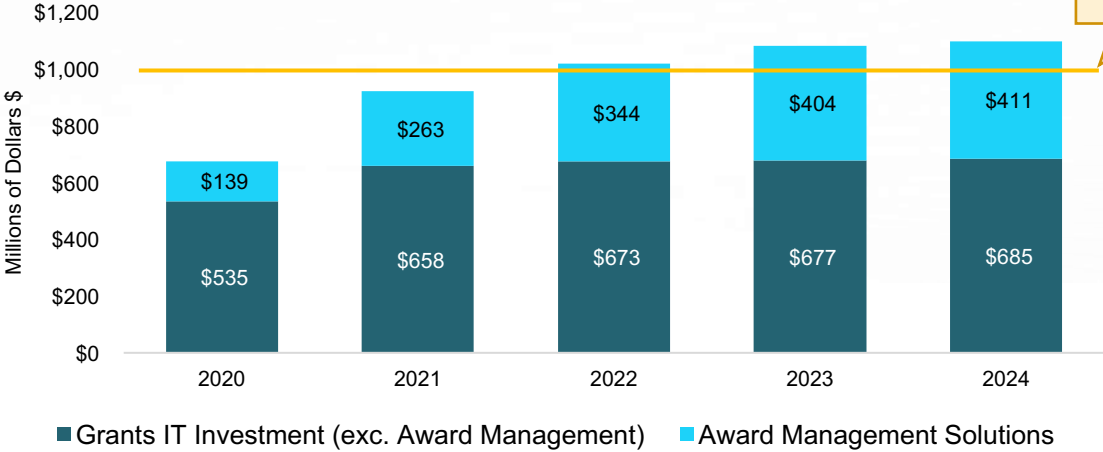# The Case for Diverse IT Solutions

Agency Mission Enablement

Maximize Market Capacity

Realize Market Efficiencies

Increasing Grants IT Investments*

Over $1B in total Grants IT investment in 2024.

Year	Grants IT Investment (exc. Award Management)	Award Management Solutions
2020	$535	$139
2021	$658	$263
2022	$673	$344
2023	$677	$404
2024	$685	$411

Millions of Dollars $ — $0, $200, $400, $600, $800, $1,000, $1,200

■ Grants IT Investment (exc. Award Management)   ■ Award Management Solutions

Planned investment in Award Management Solutions **nearly tripled** from FY20 to FY24, **from $139M to $411M**. Total planned grants IT modernizations in FY24 value more than **$1B**.

*Figures based on Grants QSMO analysis of ITDashboard.gov data retrieved December 2023.

Value of Centralized, Standard Solutions

GRANTS QSMO

System Centralization

Consolidates/replaces multiple systems performing duplicate functions across an agency's departments and programs.

- Eliminates duplicate spending for IT development and maintenance
- Reduces burden for recipients
- Enables data standardization, sharing, analysis, and reporting
- Streamlines agency-level processes

System Standardization

Replaces systems built on code-level agency/department customization .

- Democratizes cost of IT development and maintenance across all system customers
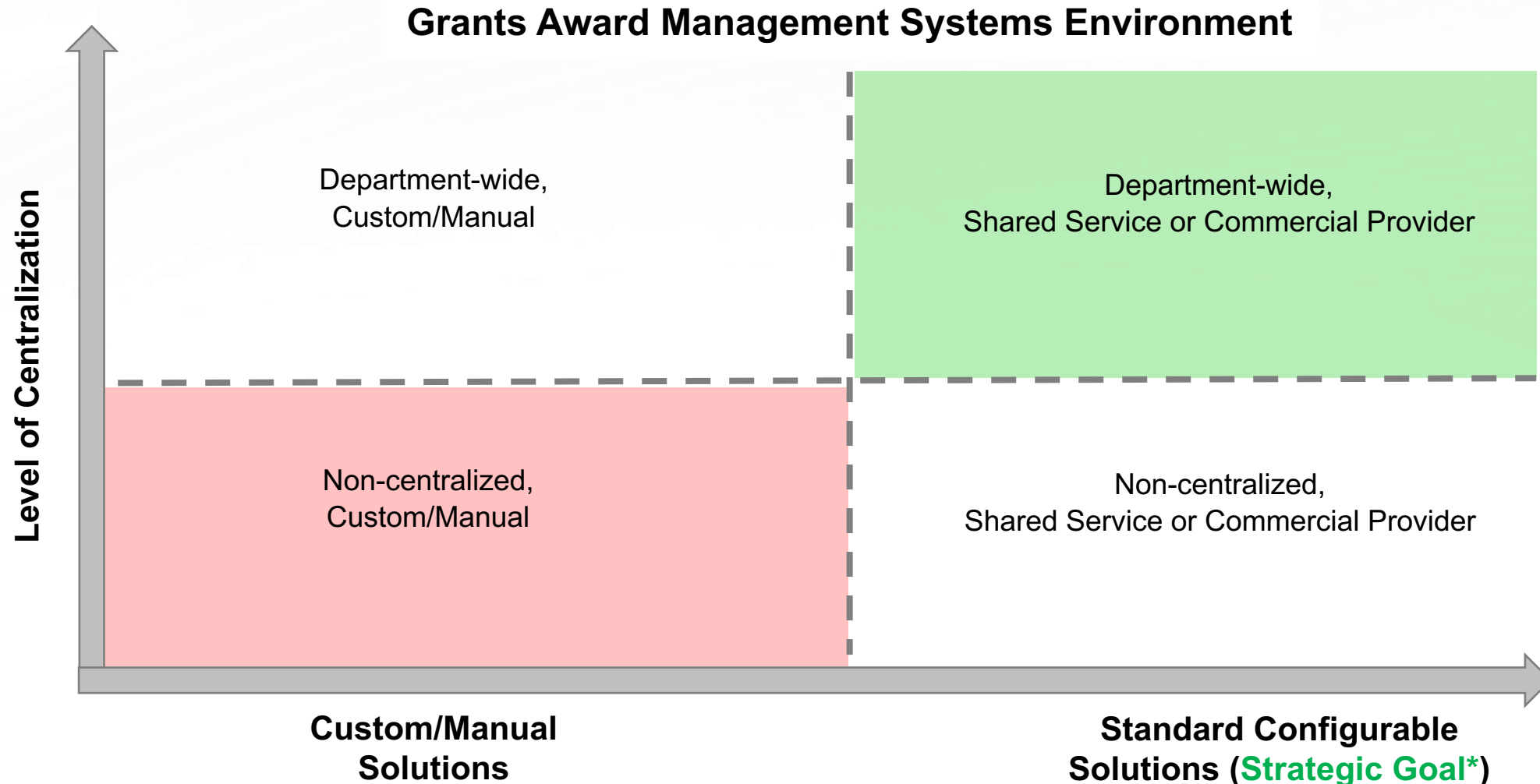- Eliminates need for system-by-system code revisions to accommodate new requirements:
  - IT Security requirements
  - Legal / Policy requirements
  - Business function requirements
- Enables data standardization, sharing, analysis, and reporting

"Cost savings have been realized by commercial and other government shared services. One commercial company documented a 55% reduction in costs."–SSLC*

System Standardization and Centralization

The Grants QSMO aims to move agencies from non-centralized, custom systems to adoption of standard, configurable solutions and department-wide system centralization.

Grants Award Management Systems Environment

Level of Centralization →

Department-wide, Custom/Manual

Department-wide, Shared Service or Commercial Provider

Non-centralized, Custom/Manual

Non-centralized, Shared Service or Commercial Provider

Custom/Manual Solutions

Standard Configurable Solutions (Strategic Goal*)

System Standardization and Centralization

Opportunities exist to support the Grants QSMO goal of <u>moving agencies toward standard, highly configurable solutions</u>, ultimately supporting agency mission needs.
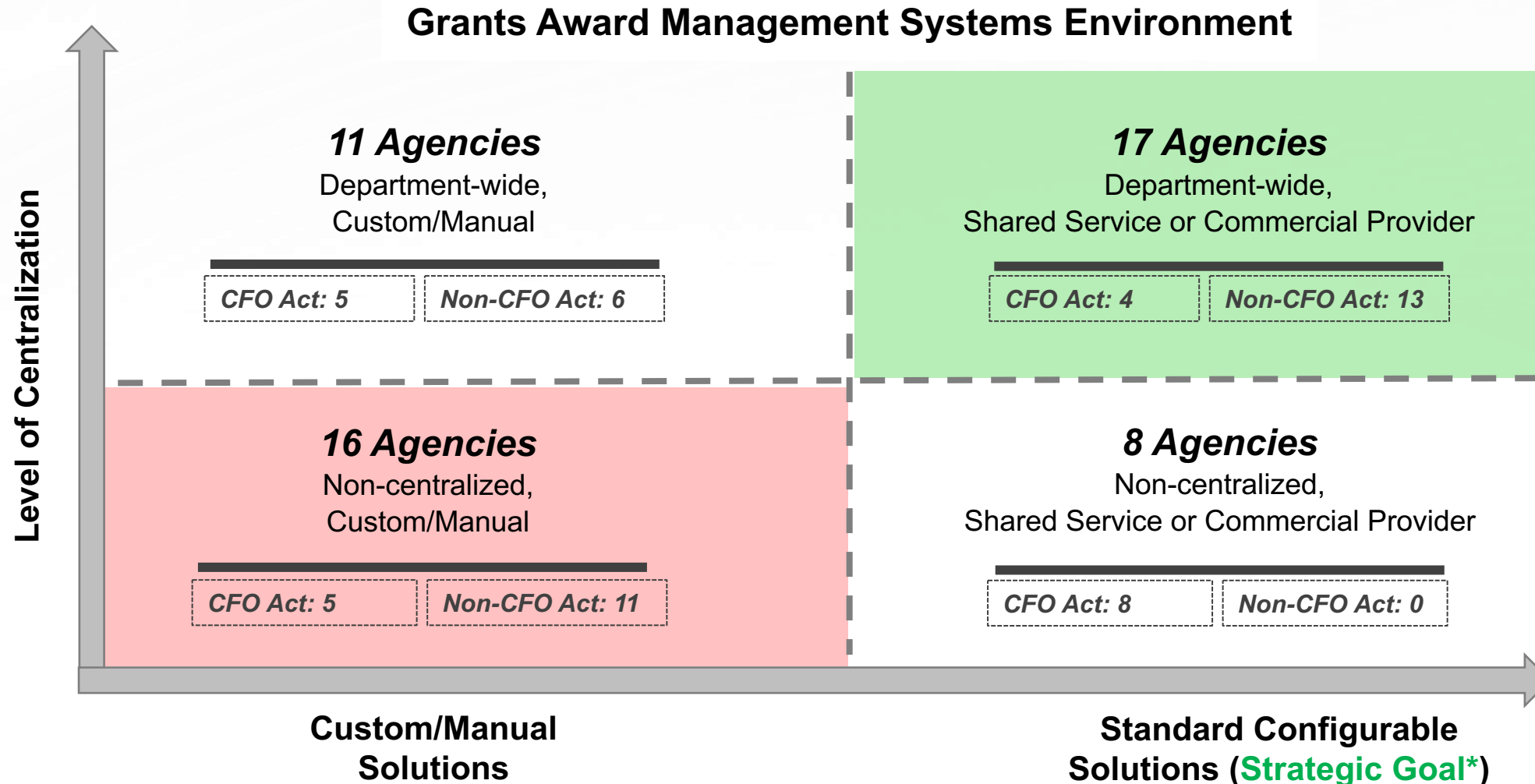
Grants Award Management Systems Environment

Level of Centralization →

**11 Agencies**
Department-wide,
Custom/Manual

| CFO Act: 5 | Non-CFO Act: 6 |

17 Agencies
Department-wide,
Shared Service or Commercial Provider

| CFO Act: 4 | Non-CFO Act: 13 |

16 Agencies
Non-centralized,
Custom/Manual

| CFO Act: 5 | Non-CFO Act: 11 |

8 Agencies
Non-centralized,
Shared Service or Commercial Provider

| CFO Act: 8 | Non-CFO Act: 0 |

**Custom/Manual
Solutions**

**Standard Configurable
Solutions (Strategic Goal*)**

*The Grants QSMO aims to reduce the number of custom systems and manual processes in use for grants management across the federal government

Grants QSMO + COFFA Market Research

The Grants QSMO 2024 commercial market research, being conducted in coordination with the Council on Federal Financial Assistance (COFFA), focuses on addressing customer needs by providing access to high-value solutions that meet common government requirements and standards.
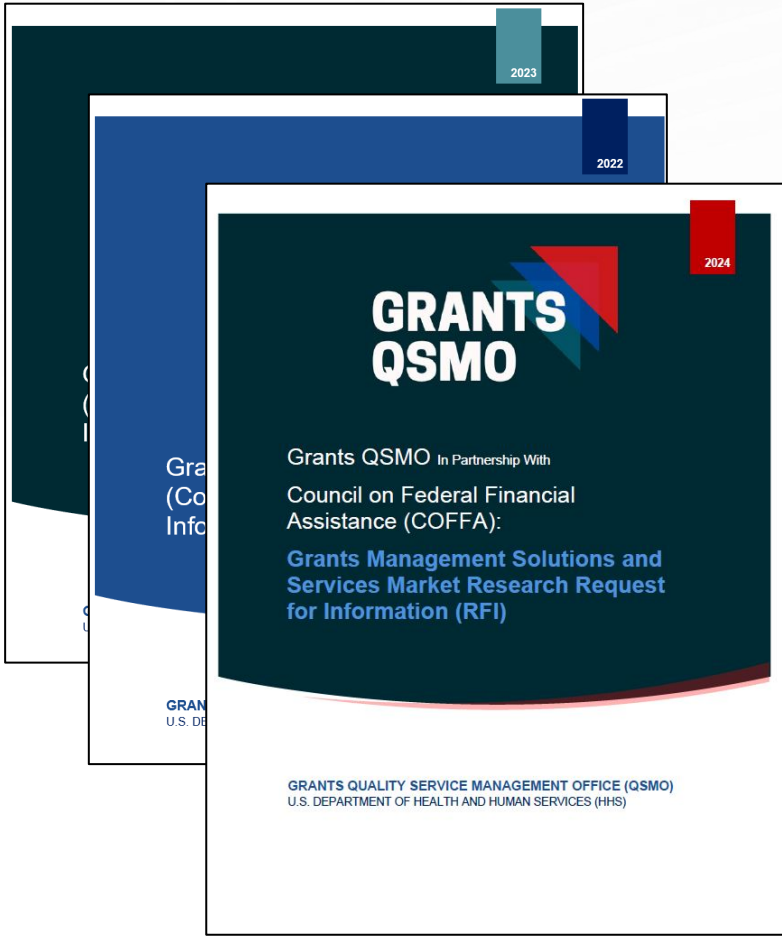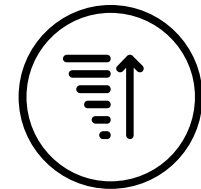
Vendor Pathway For:

- Grants QSMO Recommendations
- Insight to Agency Needs
- Engagement with Grants QSMO
- Influencing Agency Acquisitions

Leads To:

- Faster Acquisitions
- Reduced Burden
- Proven Success

2023

2022

2024

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Grants QSMO In Partnership With

Council on Federal Financial Assistance (COFFA):

Grants Management Solutions and Services Market Research Request for Information (RFI)

GRANTS QUALITY SERVICE MANAGEMENT OFFICE (QSMO)
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)

2024 Market Research Focus Areas

Based on demand signals from Federal Awarding Agencies, the Grants QSMO + COFFA 2024 RFI focuses primarily on Award Management System (AMS) vendors and on the data points most used during their market research.*
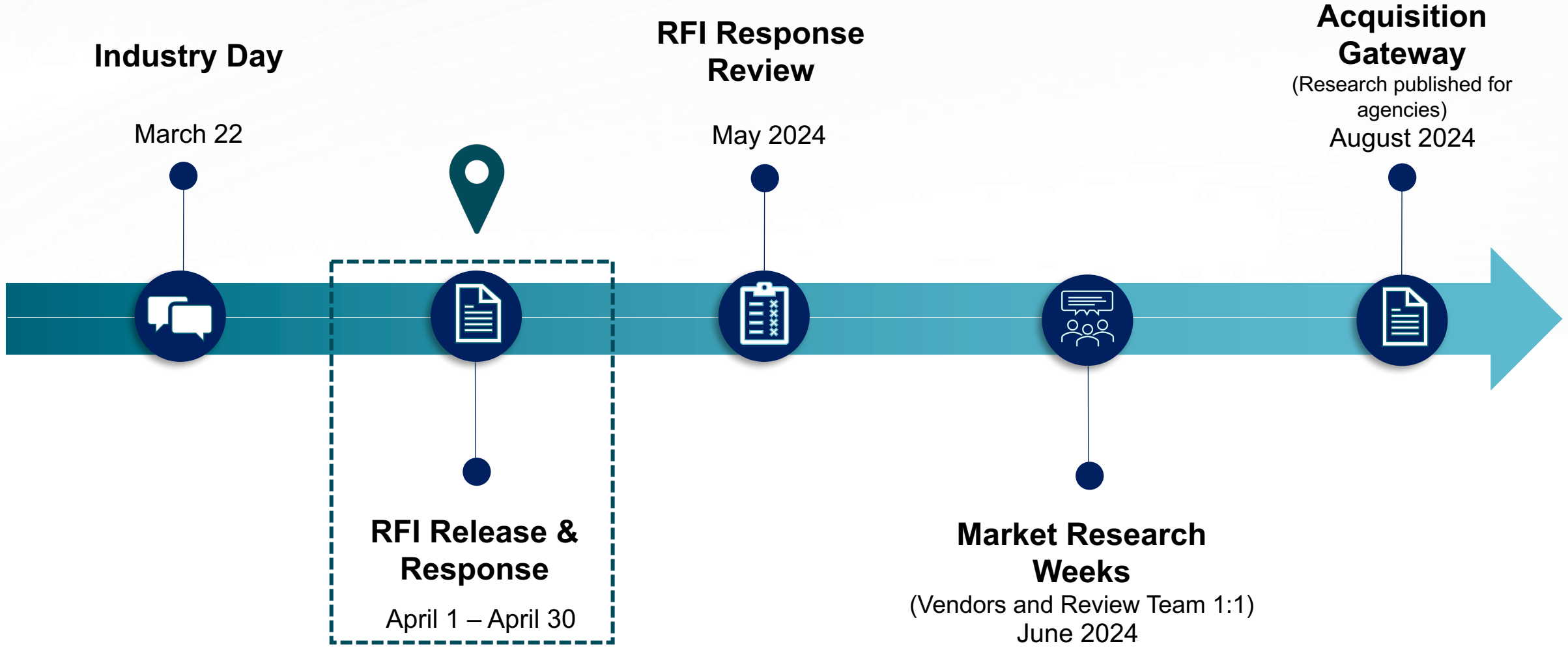
HIGHLIGHTS CARRIED OVER FROM 2023

✓ Existing Award Management Software as a Service (SaaS) solutions

✓ System demos

✓ Customers (Federal and non-Federal)

✓ Current government contract vehicles and contact information

✓ FedRAMP status at solution, platform, and infrastructure levels

✓ Federal Integrated Business Framework (FIBF) Activity Alignments

NEW DATA TO COLLECT IN 2024

▪ System Connections: Grants.gov, ASAP, PMS, general ledger FM systems

▪ Data standards compliance: ability to produce FABS data extract using GSDM model (formerly DAIMS)

▪ Financial Assistance types supported: support for loans, direct payments, etc. in addition to grants and cooperative agreements

▪ Past performance examples (up to 3)

2024 Market Research Timeline

Industry Day

March 22

RFI Response Review

May 2024

Acquisition Gateway
(Research published for agencies)
August 2024

RFI Release & Response

April 1 – April 30

Market Research Weeks
(Vendors and Review Team 1:1)
June 2024

Customer Engagement Success Stories

Value of Grants QSMO Marketplace/Market Research

The Grants QSMO enhances agency mission delivery, as shown by customer feedback*

IAF implemented REI GovGrants within 6 months, on time, and on budget

"Grants QSMO brings so much expertise to the table and I am so grateful for their knowledge of the marketplace and advice, especially since my team is embarking on a new solicitation and this is the first time many of us have ever worked on a grants-system solicitation before."

- Inter-American Foundation (IAF)

DOC migrated from 3 solutions that were 30 years old to a modern shared service at eRA

"The Grants QSMO has not only shown a vast knowledge base of policy, systems and collaborative efforts across the Grants Community, they have also been very accessible and hands-on in their approach to share real time information."
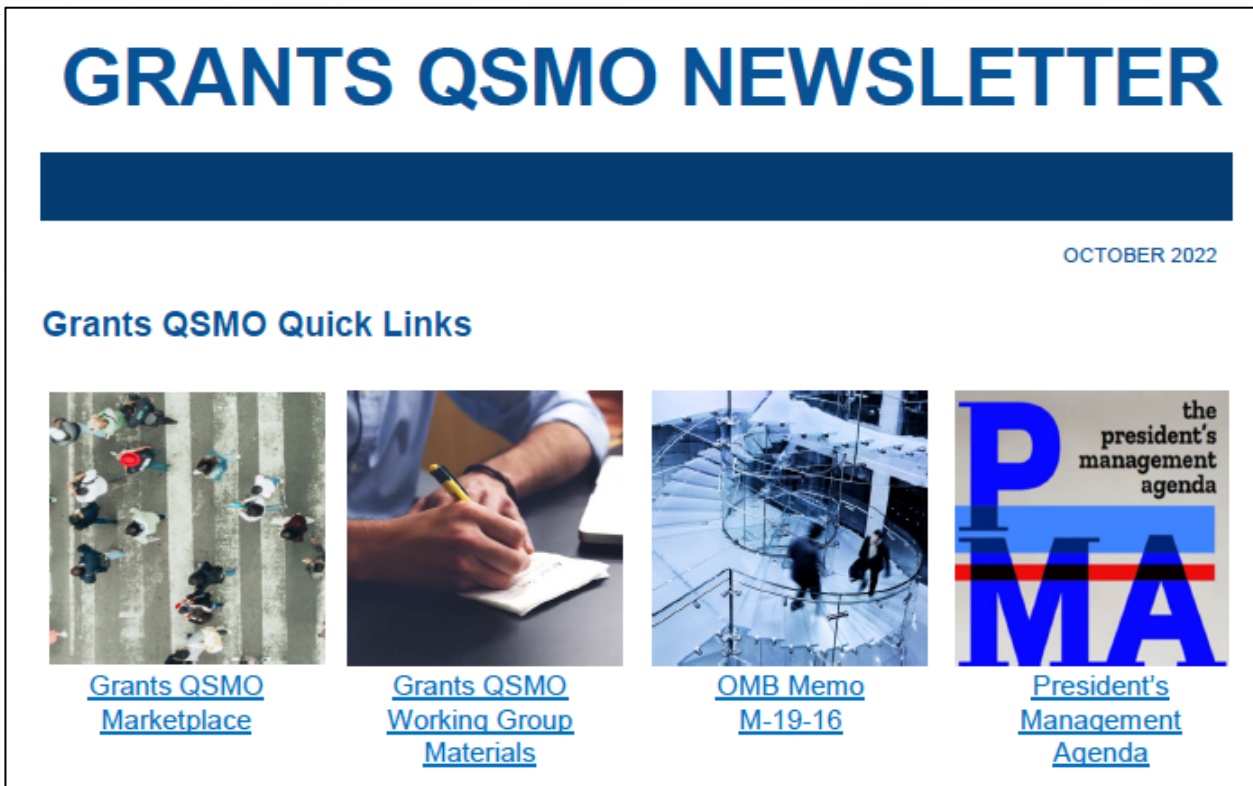
- Marketplace Shared Service Provider

*See Appendix for Customer Satisfaction scores and testimonies.   *FOIA Exemption 5 – Deliberative Process Privilege*

Discussion

Seeking resources in support of leveraging standard, configurable solutions (vs. custom solutions):

- Are there any reputable benchmarking resources that would provide cost avoidance data?

- Are there any resources that outline benefits (e.g., security savings, economies of scale, AI adoption, etc.)?

Stay Connected to the Grants QSMO

The Grants QSMO Newsletter is the grants community's premiere resource for up-to-date news, important announcements, upcoming events, job postings, and more!

Grants Community Listserv

To subscribe to the **grants community listserv**, email grantscommunity@listserv.gsa.gov or scan here

Federal Grants Community Listserv

To subscribe to the **federal grants community listserv**, email grantsfed@listserv.gsa.gov or scan here

Appendix

Market Research Priorities

1. Solution is **Software-as-a-Service** with purpose-built functionality in core award management to receive and review grant applications, issue notices of award, process award modifications, produce reports on key award data, close out an award

2. **Out-of-the-box, highly configurable** grants management functionality does not require code changes for use by a federal agency

3. Processes are in place to collect and act on **customer and recipient user feedback** (prioritizes user-centered design)

4. Has **FedRAMP** certification or Federal **Authority to Operate** (ATO)

5. Can produce **FABS-compliant data extracts** that meet GSDM/USAspending.gov federal award reporting requirements

6. Proven **ability to scale to the Federal** government and manage federal financial assistance in accordance with 2CFR200

7. **Solution interfaces** with Grants.gov, SAM.gov, Federal Audit Clearinghouse (FAC.gov), and other relevant systems such as Login.gov or financial systems in use by federal agencies;

Grants QSMO Impact- Customer Feedback

GRANTS QSMO

Trust & Listening — **8.4**

"The Grants QSMO has not only shown a vast knowledge base of policy, systems and collaborative efforts across the Grants Community, they have also been very accessible and hands-on in their approach to share real time information."
— Marketplace Shared Service Provider

Overall Service and Value — **8.8**

"The Grants QSMO … has been a shining example of a mission focused group that collects feedback while offering business process improvements and new solutions to age old problems realized in the arena of Grants Administration."
— Mandatory Federal Shared Service Provider

Overall Satisfaction — **8.9**

"The Grants QSMO team exemplifies transparency in both their procedures and their communications, qualities that are immensely valued and crucial for vendors collaborating with the Federal Government. Their unparalleled expertise in Federal grants and the broader grants landscape instills confidence in their exceptional service to the grants community." – Vendor

Likelihood to Recommend — **9**

"There is no other single source that is as comprehensive or accessible as the Grants QSMO team."
— Federal Awarding Agency

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* Scores and comments reflect all time responses from post-engagement Medallia surveys

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