



An EAGL Takes Flight:

Implementation of a Comprehensive Grant Management System
Ecology Administration of Grants and Loans System (EAGL)

Category:
Improving State Operations

Washington State Department of Ecology

Contact:
Bernadette Williams, Project Manager
(360) 407-6887
bewi461@ecy.wa.gov
Department of Ecology
Project Management and Planning Office

Initiated: July 2012
Completed: October 2014

Executive Summary

The Washington State Department of Ecology (Ecology) manages an active portfolio of grants and loans worth \$1.4 billion that benefits the health of Washington State's land, water and air. We pass along a significant portion of our budget to individuals, communities, cities and local governments to do environmental work.

Examples of that work include:

- Building water pollution control facilities
- Cleaning up publicly owned contaminated sites
- Improving solid and hazardous waste management
- Aiding in pollution prevention
- Improving air quality
- Cleaning up watersheds
- Controlling aquatic weeds, and more

Prior to the Ecology Administration of Grants and Loans (EAGL) project, Ecology had no comprehensive system to manage these grants/loans and business processes varied across the department. As a result, our grant/loan customers were frustrated because they experienced inconsistent interactions with the department and could not process grant/loan transactions online. In addition, internal business processes were inefficient and Ecology-wide reporting was nearly impossible.

EAGL combined technology and business process improvements to make state operations more effective and efficient. The project benefits include:

- More responsive service to customers seeking financial help
- A unified experience for customers that apply for multiple grants/loans
- Online transactions
- Standardized business process - combined 26 business processes into one.
- Reduction of data entry errors and processing errors
- Improved monitoring and auditing of grants/loans
- Allows agency-wide reporting

Business Problem and Solution Description

The Problem

The mission of the Department of Ecology is to protect, preserve and enhance Washington State's environment and to promote wise use of our air, land and water resources to the benefit of current and future generations. One of the ways that this is accomplished is through grant and loan programs to individuals, communities, cities and local governments, to pay for environmental projects across the state. There are 26 grant and loan programs which span 10 organizational units within the Department. Managing and administering these grant and loan programs well is a large effort and is crucial to our success.

In the current year, the size of Ecology's grant/loan portfolio is \$1.4 billion dollars (grants and loans can span multiple years). Each year, an average of about 650 grant/loan agreements and 1,400 grant/loan applications from external customers must be managed. These customers include businesses, municipalities, other state agencies, individuals, and tribes. For governance and from an environmental standpoint, this large portfolio must be managed effectively.

Prior to the project, the grant/loan application submission process, the application evaluation process, the award process, and monitoring were all paper based. Those paper based processes were time consuming and inefficient for our customers and our staff.

The processes for each of 26 individual grant/loan programs were varied. Those variations led to confusion for our customers who applied for multiple grants or loans. Our customers also complained about the inability to submit applications online. Many consider it a given that all interactions with government will have a digital option.



The volume of grants/loans awarded per year continues to grow but the staff resources assigned to manage those grants/loans has not. One goal of the new system was to automate business processes to save staff time so existing staff can handle the increasing workload.

With our paper processes, it was almost impossible to collect organization wide information about grants/loans for management purposes. Over 120 shadow systems (spreadsheets/databases) had been created for tracking purposes.

These shadow systems required multiple data entry points and were inconsistent across the agency.

Our solution



Our proposed solution was the Ecology Administration of Grants and Loans System, or EAGL. The goals of the EAGL project were to:

- Provide better customer service to our grant and loan customers
- Provide a technology solution that increased the efficiency of both Ecology staff and clients as they manage grants and loans
- Increases transparency and accountability of our grant and loan work.

After a build vs buy analysis, Ecology decided to purchase a Commercial off the Shelf (COTS) grant management system. The rationale for the decision included several factors. A COTS system was expected to meet Ecology's needs with less effort than developing from scratch. COTS systems tend to follow industry best practices which Ecology wished to adopt. Our State's technology direction encourages consideration of outsourcing.

To meet our reporting needs, we extended the COTS system by building a data access layer on top. These reports allow us to satisfy the unique requirements of government systems (for example, tracking of multiple fund sources) without modifying the commercial product. Building on top of a COTS system is preferable because asking for customization is tedious, costly to implement, and costly to maintain.

The Ecology project manager used a blend of Lean methodology and traditional project management techniques. Prior to implementing the COTS system, we used Lean methodology to identify a single agency standard grant/loan process. ***We reduced the business processes from 26 distinct processes to one.*** A team of vendor staff and Ecology staff worked to implement the single standardized process in the EAGL system. To manage the remainder of the project, the Ecology project manager used more traditional project management techniques based on the Project Management Body of Knowledge (PMBOK).

Contract costs for the project were \$410,000 for the purchase and implementation of the COTS system and required 4.5 staff equivalent (4.5 FTE). The project duration was 26 months. The system was rolled out in waves with the final wave going to production in October 2014.

Many communication methods were used to reach out to our customers. For example, individual grant/loan programs communicated via email distribution lists (listservs). We communicated with interest groups and we held workshops to

reach out to specific customer bases. Organization wide information was disseminated through Ecology's Internet site (www.ecy.wa.gov). As part of this project, the grant/loan information on the Internet site was revamped to make grant/loan information more organized and easier to access.

The project successfully delivered the desired benefits. The EAGL system is an innovative implementation that has made managing grants/loans more efficient, saving both our customers and Ecology time and money. As a result of the efficiencies gained by the implementation, Ecology is able to manage an ever increasing portfolio of grants and loans with existing staff.

Significance

This project was truly transformative because it combined technology and business process improvement to make Ecology's grant/loan operations more effective and efficient.

This project aligns with both NASCIO State CIO Priorities for 2015 and State of Washington priorities:

Security: One of the Ecology's requirements was to implement the COTS system securely within the government environment. We wanted to host the application internally on agency web servers and still be able to authenticate external users as they pass through all firewall infrastructure. We needed to leverage the State of Washington's proxy server services provided by the state's central IT agency. We implemented a highly innovative solution by working with the COTS vendor to customize the system to integrate with the state's proxy service.

Consolidation/Optimization: As part of the project, the 26 grant/loan program processes were consolidated into one process that was automated by the EAGL system.

Budget and Cost Control: The EAGL system is an innovative implementation that has made managing grants/loans more efficient, saving both our customers and Ecology time and money.

Customer Relationship Management: The EAGL system itself is a collaborative platform. The system allows customers to collaborate on grant/loan applications online before submission. Ecology staff collaborate within the system to screen and evaluate applications and award and monitor grants/loans.

Strategic IT Planning: The project aligns with the State of Washington's strategic vision. Results Washington (<http://www.results.wa.gov>) is Governor Jay Inslee's initiative to use proven private-sector principles to improve state

services and results for Washingtonians. This project closely aligns with two of the five goal areas of Results Washington; 1) Sustainable Energy and a Clean Environment and 2) Efficient, Effective and Accountable Government. In particular, this project aligns with the goal to “increase number of services available online.”

As a result of this project, Ecology is able to manage the large portfolio of grants and loans much more efficiently and effectively. Ecology staff and grant/loan customers spend less time processing paper and spend more time focused on the environmental work that is the goal of the grant/loan.

Because of the access to data that the EAGL system provides, the agency has realized the benefits of increased transparency and accountability in managing the significant grant/loan investment. The transparency and accountability will solidify the agency’s reputation as a good steward of tax payer’s dollars which will lead to the stability of the grant/loan funding sources from the state legislature.

Benefits of the Project

As a result of this project, the business process has been improved in all phases of the grant/loan life cycle – from application through award and monitoring. Both Ecology staff and our customers have realized savings in time and money.

Our customers are now provided a consistent application experience for all 26 grant/loan application types, are able to collaborate on their applications online, and can easily submit applications electronically prior to deadlines. In the past, some customers have driven paper applications to the Ecology headquarter building, literally racing up to the door to meet deadlines. In one particular year, two customers got into car accidents on the way. We have no doubt that moving to online applications has reduced the risk of traffic accidents! Additional time savings are realized because the system enforces business rules so the customers are informed of requirements in real time which leads to high quality applications being submitted with less rework. Customers also save money on paper, copying, printing and postage costs.



Moving the paper process online has eliminated the need for approximately 1,400 paper applications and attachments per year. The savings will result in the elimination of 255,000 pieces of paper. Using the Environmental Protection Agency’s WARM Model, the paper savings translates to conserving 6 barrels of oil, 276 gallons of gas, and 7 metric tons of carbon emissions. In addition to eliminating paper applications, grant/loan payment processing has also been moved online, resulting in additional paper savings.

Ecology realizes significant staff time savings because of the single consistent automated workflow in the EAGL system. Business rules are enforced reducing errors and rework. Time is saved because information no longer needs to be reentered into shadow systems. Since applications are online, paper applications are no longer lost on people's desks thereby reducing the time needed to track applications. The agency saves money on paper, copying, printing and postage costs.

In one small element of the overall business process, processing the grant/loan application, Ecology has realized a savings of 900 staff hours per year. Although we do not yet have metrics for the other elements of the business process, including awards/amendments, payment requests, progress report and closeout processing the time savings for those elements are far greater.

With the implementation of the EAGL system, all grant/loan data is managed in just one place. This improves Ecology's ability to extract and analyze data. As a result, grants/loans can be managed more effectively. Access to the data increases accountability and allows the agency to tell the story of the results we are getting from our grant/loan investment.

This project was a resounding success. Users have said the system is "easy to figure out and straightforward", "user friendly" and "very easy to navigate". We improved our business processes and then automated those improved processes with technology. As a result, Ecology is better able to manage and administer our grants and loans, helping to ensure healthy air, land and water for generations to come.