



Center of Excellence for e-Grants for the Commonwealth of PA

Category: State CIO Office Special Recognition

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Executive Summary:

Every year, state governments manage and disburse billions of dollars from the federal government and their own state budgets through a myriad of grant programs intended for individuals, businesses, organizations, nonprofits, counties and local entities. In Pennsylvania, these programs are administered by various agencies whose management and processing capabilities range from highly manual and paper-based processes to mature, electronic and automated systems. Further, the business areas for each grant program had established separate grant processes, duplicative interfaces and manual data entry that resulted in a significant burden to grant recipients seeking to apply for grant dollars.

Public information about grant programs is also widely varied. Although Pennsylvania had a central accounting system to track the amounts disbursed to applicants from each program, it still lacked a central view of where, geographically, all grant dollars are being distributed across different lines of business.

Pennsylvania's governor has made collaboration and sharing of resources across agencies a priority of his administration and this is echoed in the state's IT strategic plan. In the fall of 2015, the CIO's office embarked on an initiative to address the challenges related to grants through the establishment of an Enterprise Grants Management initiative. The initiative would support multiple agencies and a central grant portal for grant recipients as an enterprise grant reporting engine to highlight where grant dollars are being disbursed.

The commonwealth had attempted to implement a central grants solution in the past but was not successful given the number of stakeholders, disparate processes and no single authority existing over grants management. The State CIO's Office approached this recent implementation differently by establishing partnerships across the agencies to buy in to the new framework and encouraging agencies to modify their business processes to align with the new solution. The implementation approach included establishing a Center of Excellence, a model that leveraged a system developed by the Department of Community and Economic Development that could be enhanced to support the needs of multiple agency grant programs and serve as the foundation for the grant portal and reporting engine.

To date, six agencies, including the Department of Environmental Protection, Office of the Budget, Department of Transportation, Historical and Museum Commission, Emergency Management Agency and Council on the Arts have adopted the solution for 122 of their grant programs.

The initiative has resulted in \$18M in productivity savings from increased efficiency, automation and standardization across the grants management business processes. Additional savings will be realized as more grant programs utilize the system.

Concept

The Commonwealth of Pennsylvania had a fragmented approach to manage the entire grants management lifecycle from how grant recipients apply for a grant opportunity to how a grant application is closed out. Each granting agency maintained its own processes for managing grants – some processes were automated while others were manual and required wet signatures. In many agencies, granting programs are aligned by business unit as a vertical and are not centralized within the agency to yield horizontal efficiencies. Each grant application required a different application form that could be paper or electronic, with different processes to complete, numerous manual components and no centralized mechanism to check on the status of a grant request.

Pennsylvania recognized the burden this placed on grant recipients – who often applied for grants across agencies.

The granting process is particularly difficult to automate within a state government. State government plays the role of both a grantee of federal dollars and a grantor of state dollars. For the scope of this initiative, the focus was on the role state government plays as a grantor and the funds it distributes to grant recipients.

Governor Wolf's administration encouraged agencies to break down siloes and recognize that citizens view us as "one government" and therefore expect consistent levels of service and user experiences regardless of which agency with which they are interacting. However, the manner in which grants were administered across different agencies created numerous business challenges, including:

- The commonwealth did not have a single online portal to find and apply for grant opportunities
- Agencies leveraged disparate processes to administer their grant programs
- No central dashboard existed to view where grant funding was flowing by line of business

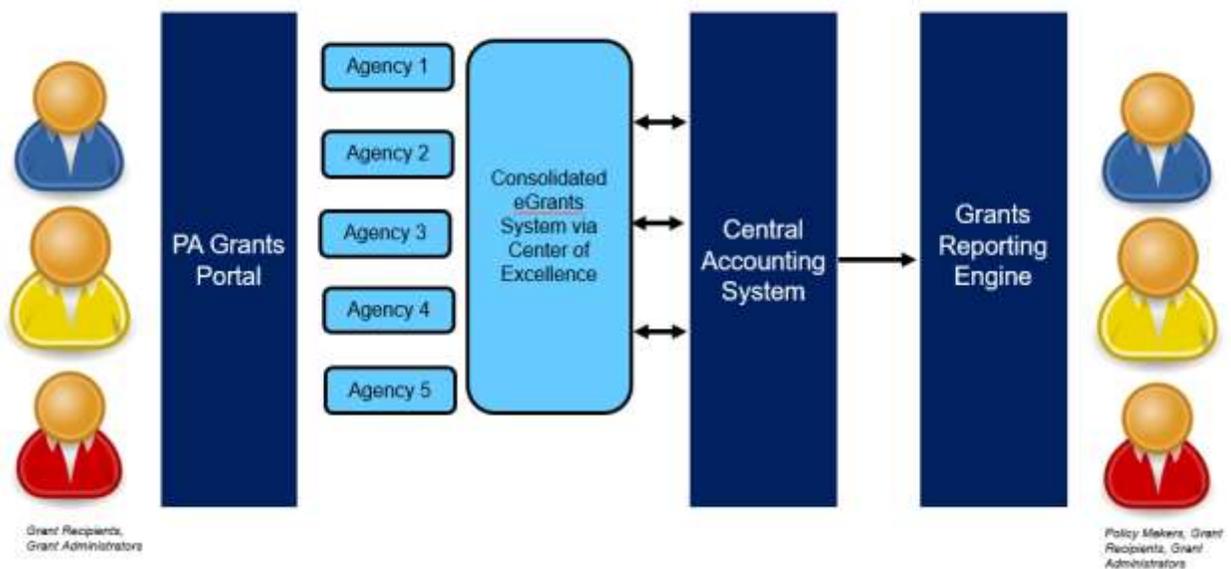
To address these challenges, the State CIO's Office established a Grants Management Strategy to address the needs of multiple grant agencies, establish a consistent, automated process and improve the applicant experience. The State CIO's Office assessed possible solutions and identified an existing eGrants system supporting the Department of Community and Economic Development that could be expanded to support the needs of multiple agencies. The system is a web-based tool with a two-way interface with the central accounting system to track financial data. The system also tracks the entire grants lifecycle, including application, evaluation, post-award monitoring and closeout activities.

The goals of the Enterprise Grants Management initiative are to:

1. Implement an end-to-end automated grants management process
2. Improve and standardize an end-to-end automated process

3. Converge the number of eGrants systems in use in the commonwealth
4. Establish an online portal for grant seekers to find and apply for grant programs
5. Establish a central grants reporting engine that could be leveraged to view where grant dollars were being disbursed geographically within the state.

The diagram below depicts the solution implemented by the commonwealth, which includes the following key components: (1) establishing a Center of Excellence for granting that could support multiple agencies (2) automating and standardizing the interface from existing agency eGrant systems to the commonwealth’s accounting system (3) establishing a grants reporting engine to easily view grant investments and programmatic outcomes and (4) establish a grant portal for grant recipients to find and apply for grants.



To begin the project, the State CIO’s Office evaluated agency grant systems and determined that the PA Department of Community and Economic Development (DCED) had an existing grants application that was on a current platform and was modular enough to support multiple agency needs. The State CIO’s Office then provided investment dollars to enhance the ability of the solution to support the needs of multiple agencies.

The Center of Excellence was formally established and enhanced to further improve the granting process – including establishment of an online portal to find and apply for grants; a financial module that grant recipients could leverage to establish how they would allocate grant dollars; an eSignature component to enable grant recipients, program administrators and legal staff to electronically sign a grant application; and a common identify management feature that could be leveraged by grant recipients who apply for multiple grant programs.

As enhancements were in development leveraging an agile methodology, the commonwealth actively began to market the new solution to agencies. Agency grant program leaders quickly saw the value in being able to utilize a proven solution rather than

purchasing a software solution product or building a custom solution. Agency grant program administrators were particularly interested in the configurable modules that they could use establish new grant programs within the system without relying on IT staff.

Agreeing to participate in the Center of Excellence meant that agencies would standardize their business processes to match how the IT solution worked. This resulted in considerable business process standardization and efficiency improvements. Agencies were willing to make business process changes in order to gain access to a modern system that helped them meet their programmatic needs. Business process reengineering was a key focus of the project in order to optimize business workflow to the greatest extent possible.

From an IT governance standpoint, the CIO's Office established an inter-agency steering committee to evaluate new enhancements to the eGrants platform that would be prioritized through a shared decision-making process. Each agency contributes a fee to manage the resources required to maintain the solution and any enhancement to the solution benefits all agencies that participate in the Center of Excellence.

Significance

The centralized eGrants management system is significant to grantees seeking grant opportunities, policymakers seeking to ensure equitable investment of programmatic dollars and agencies responsible for administering an efficient grant process. Pennsylvania leveraged an efficient solution that one agency had implemented and, through a minimal investment of \$200,000, was able significantly enhance the solution to support the needs of multiple agencies. Notable accomplishments include:

For Agency Grant Managers

- **Quick Deployment** – A simple grant program can be implemented within 2 weeks to 2 months.
- **Faster Grant Evaluations** – The ability to review and evaluate grant applications online accelerates processing.
- **Consistent Grant Monitoring** – The system provides a consistent method to monitor grant outcomes.
- **Data Quality** – The implementation of a fully automated solution will improve the quality of data that grant managers utilize.

For Grant Recipients

- **Elimination of Manual Data Entry** – Online processing improves efficiency and quality of grant applications.
- **Streamlined Process** – Grantees can apply for multiple grant applications in a more streamlined manner.
- **eSignature Process** – Grantees, agency program managers and legal staff can now electronically sign grant documents to expedite the overall process.

- **Flexible Budget Module** – Enables grant recipients to specify how they intend to spend grant dollars as part of their grant application.

For Policymakers

- **Centralized Reporting** – The ability to view investments in each county by program category provides new insight into how dollars are being disbursed.
- **Establishes Foundation for Central Find and Apply Function** – The Center of Excellence has streamlined the number of back-end eGrant systems to lay the foundation for a central portal to find and apply for grants.

For IT Organizations

- **Flexible Architecture** – Establishes an IT solution that was already supported and can accommodate multiple agency needs; the architecture is extensible.
- **Agile Delivery** – Leverages an agile delivery model to enable quick review of system or integration requirements to meet business needs.

The solution provides benefits to both grant offices and IT support staff. Agency grant offices have been able to replace manual processes and utilize staff in a more efficient manner. IT organizations no longer need to maintain numerous, outdated grant systems that are reaching end of life.

The following agencies are actively engaged with the eGrants Center of Excellence, which currently supports 122 grant programs and over 12,000 grant applications.

- Pennsylvania Department of Community and Economic Development (DCED)
- Pennsylvania Department of Transportation (PENNDOT)
- Pennsylvania Department of Environment Protection (DEP)
- Office of Budget (OB)
- Pennsylvania Historical Museum Commission (PHMC)
- Pennsylvania Emergency Management Agency (PEMA)
- Pennsylvania Council on the Arts (COA)

Impact

Since the eGrants Center of Excellence was implemented, close to 12,000 grant applications have been processed electronically, resulting in an average improved efficiency of 50% over prior processes, which translates to an estimated \$18 million in improved productivity.

In addition, the online grant processing system has resulted in a reduction in data entry errors and a centralized repository for viewing the distribution of grant opportunities by program category. Pennsylvania will now be able to determine areas of the state which may be overfunded or underfunded by line of business.

Some notable outcomes include:

- The Department of Environment Protection has reduced grant processing time by **75% - from 10 days to 2.5 days.**
- The Budget Office has eliminated manual data entry steps from its grant processing cycle, **eliminating 7 days** from its end-to-end process and eliminating data entry errors.
- Implementation of an **end-to-end automated process** for the PA Historical and Museum Commission.
- The Center of Excellence also includes a customer support center to assist grant recipients with their applications. Since going live, the **customer support center is fielding roughly 1,000 calls per month** in support of other agencies beyond DCED.

The eGrants initiative has served as a model for Pennsylvania to demonstrate how transformational change can occur with minimal investment. The collaborative approach led by the CIO's Office to meeting the business challenges helped encourage greater agency participation in the initiative. The program has helped to break down the silos that constrain resources and expertise to a single agency and moved Pennsylvania further on its path to a unified face of government serving citizens. Citizens will now have an automated and more streamlined experience when they apply for grant programs. In 2017, the Governor recognized the initiative with an award for excellence for the savings and efficiencies it has produced.