



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

Category: Improving State Operations

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## **Executive Summary:**

Every year, state governments manage and disperse billions of dollars from their own budgets and the federal government through a myriad of grant programs intended for individuals, businesses, organizations, nonprofits, counties and local entities. In Pennsylvania, these programs are managed by various agencies whose capabilities range from highly manual and paper-based processes to mature, electronic and automated systems. Public information about grant programs is also widely dispersed. Although funds are tracked through a central accounting system, PA still lacked a central portal to view *where* all grant dollars are being disbursed across different lines of business.

In September 2015, PA embarked on the first phase of an Enterprise Grants Management initiative to establish a center of excellence (COE) that can support multiple agencies, with subsequent phases focused on establishing a grant portal for the commonwealth as well as an enterprise reporting engine to highlight where grant dollars are being disbursed..

The COE leverages a system developed by the Department of Community and Economic Development to centralize the management of its 76 grant and loan programs.

In December 2016, the Department of Environmental Protection (DEP) became the first agency to leverage the COE to replace its paper-driven process for Environmental Education Grants, enabling users to submit and track their applications electronically and DEP staff to quickly score and process the grant contracts. DEP was able to reduce processing time by 75% and will generate \$340,000 in savings over the next five years. The state Office of the Budget is also leveraging the COE for its Redevelopment Assistance Capital Program. The initial success has created a groundswell of interest among agencies, including the PA Department of Transportation, Historical Museum Commission and Council on the Arts.

The project is part of Governor Wolf's GO-TIME initiative to increase collaboration and sharing of resources across state agencies. The Governor's Office of Transformation, Innovation, Management and Efficiency (GO-TIME) works with agencies to drive efficiencies and savings while improving services to the public. The grants project has also been recognized directly by the governor through the annual state employee awards for excellence.

Subsequent phases of the project intend to focus on improving interfaces between all eGrant systems and the central accounting system, implementing electronic signatures, a single grants portal for the public and a reporting engine to provide greater insight and transparency into the disbursement of funding across the state.

## **Concept**

Through the Governor's Office of Transformation, Innovation, Management and Efficiency (GO-TIME), Governor Tom Wolf has challenged PA state agencies to reimagine how they deliver programs and services to the public, with the goal of increasing efficiencies and savings while preserving or improving customer service. One way that GO-TIME is achieving its mission is through efforts to increase collaboration and resource sharing across agencies in order to take advantage of their individual strengths and capabilities.

Pennsylvania also recognizes that citizens view us as "one government" and therefore expect consistent levels of service and user experiences across transactions. The manner in which grants are administered across the enterprise creates numerous business challenges, including:

- Some agencies utilize manual processes to administer their grant programs
- Some agencies utilize PDF forms that must be completed and mailed
- Some agencies utilize small, outdated applications.
- There is no single location online where a user can go to apply for grants.
- Many times, data was re-keyed into spreadsheets, small desk top applications (i.e. MS Access) or printed out in hard copy for program review.
- Many agencies or departments would have to increase staffing levels during key application times.
- The commonwealth does not have a central dashboard highlighting where grant funding is flowing by line of business to evaluate if certain programmatic areas are over funded versus underfunded.
- All financial grants data ultimately resides in the central accounting system – but some agencies are providing a manual interface and not leveraging existing automated interfaces.
- There does not appear to be a two-way interface to the central accounting system from existing eGrant systems and all agencies are also manually updating grant agreements to the Treasury eContracts database.
- Citizens have difficulty finding what grant programs were available.
- Citizens have difficulty discovering which programs they are qualified to apply for.

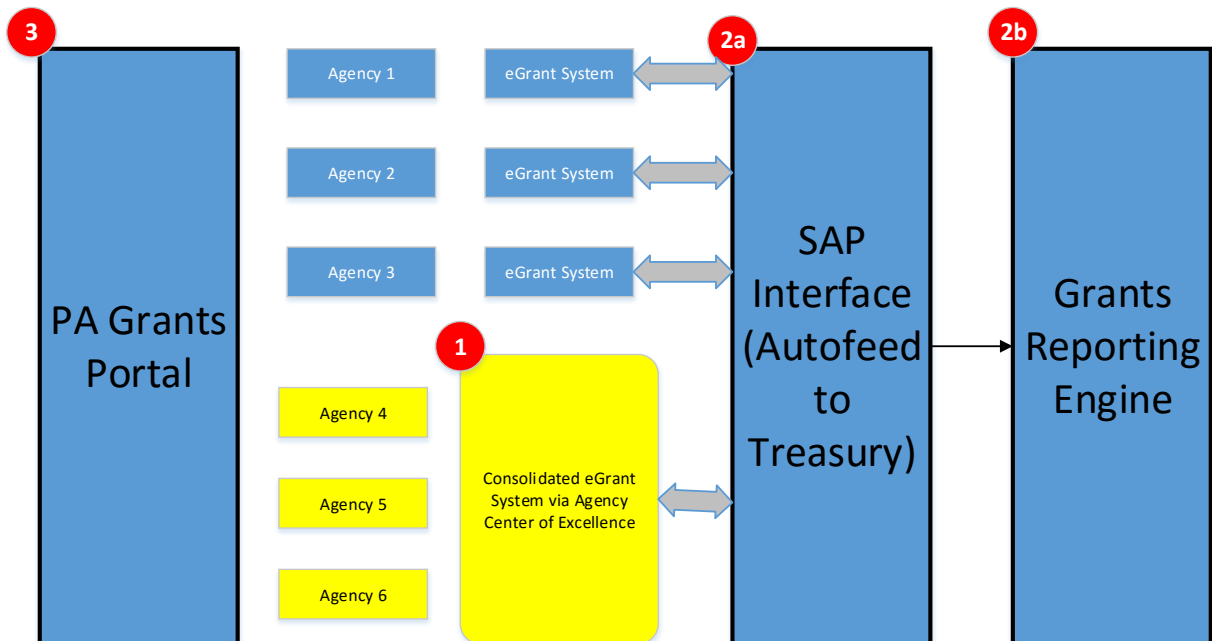
This initiative established a central Enterprise Grants Management solution to support all agencies in the commonwealth. The goals of the Enterprise Grants Management project are to:

1. Harmonize the number of eGrants systems in use in the commonwealth by focusing attention on those agencies that are in need of a system

2. Automate the back end interfaces to the central accounting system and Treasury from existing eGrants systems
3. Improve how grantees submit invoices for payment
4. Eliminate the paper grant agreements that are provided to Comptroller Operations for approval
5. Improve and standardize on the grants monitoring processes
6. Remove barriers to automation of the grants process
7. Implement eSignature to eliminate the number of paper grant agreements that are processed

The diagram below depicts a future conceptual model that focuses on (1) establishing a Center of Excellence for granting that can support multiple agencies while identifying ways to mature existing eGrant systems currently in place and improve the existing interfaces to the central accounting system (2a) to capture additional data that will ultimately feed a grants reporting engine (2b). This approach ensures that all agencies see improvement in their grants automation processes versus attempting a ‘one size fits all’ approach.

The last component of this project (3) is the development of a grants portal for Pennsylvania that will allow grantees to search for grant opportunities across a number of lines of business. In order to make this successful, work must be completed on the backend to ensure all agencies have an automated way to receive data from grantees.



The PA Department of Community and Economic Development (DCED) has an existing application, Electronic Single Application (ESA), that it utilizes to receive applications for

funding like grants, loans, tax credits and more. The proposal was for ESA to be enhanced and modified so that it could serve as the Center of Excellence for eGrants, assisting other agencies in receiving applications for grants they offer through their current grant programs.

From an IT governance standpoint, DCED has established inter-agency agreements with agencies to provide the enhancement and maintenance support for eGrants. Many agencies were interested in the solution because they either had outdated systems or have nothing more than a manual/paper process. In addition, DCED provided this solution to agencies at a fraction of the cost of building a new solution. The Office of Administration/Office for Information Technology (OA/OIT) assisted DCED in setting up the COE and polling the agencies to gauge needs and interest. DCED's role was to meet with interested agencies, bring in the required resources and work together to stand up what was needed for ESA to be the utilized to receive applications for their grant programs.

Interested agencies were encouraged to reach out to DCED for a high-level demo of the ESA system. In many cases, agency leadership saw the value in being able to utilize a proven solution rather than purchasing a software solution product or building a custom solution, both which can be very expensive and require a long time to implement.

DCED spent time with agencies to showcase the automation and show how minimal changes to agency business processes could yield significant efficiency improvements. Business process reengineering was a key focus of the project in order to optimize business workflow to the greatest extent possible.

DCED received immediate interest from the Department of Environmental Protection (DEP) which has mostly manual processes for its grant programs

The DCED eGrants team provided guidance from start to finish, including project management, detailed requirements gathering, coding, alpha testing, deployment, interfaces with the central accounting system, Comptroller, break fix, canned report and training of agency personnel who would be using the system to process their grant applications.

### **Significance**

The significance of this project is substantial to both business offices and IT organizations that support grant programs. Business offices can replace manual processes and utilize staff in a more efficient manner. Many agency IT organizations are maintaining outdated applications on end-of-life platforms and enhancements are simply not possible. Other IT organizations were considering kicking off new projects to look for COTS solutions or launching projects to custom build solutions to satisfy their

business needs for e-Grants management. Considering the cost and time required for such initiatives, it often makes sense for agencies to partner with DCED and make use of the COE.

The following agencies are either currently leveraging or actively engaged with DCED to leverage the ESA solution for grants.

- 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**

DEP has reduced the time required to process incoming applications for its Environmental Education grants by 75% - from 10 days to 2.5 days – by using the ESA. The Office of the Budget has eliminated manual data entry steps from its process, saving approximately 7 days of staff time and eliminating potential data entry errors.

Agencies can process grant applications more quickly, run reports easily and get the funds into the hands of the applicants faster than ever before.

In some cases, DCED was able to stand up grant programs in the ESA system within 1-2 months while the remaining grant programs went live in less than a year.

As the project continues, new grant programs will be available for applicants to apply online from each agency. Agencies determine which grant programs are next to onboard into the system based on business cycles. Program offices that previously had to review hard copies of applications can now view data in the system electronically or run reports for ease of processing.

DCED continues to enhance and offer new functional modules. DCED is currently working on additional enhancements to the system as per below:

- Create an independent eSignature solution that can easily be implemented to enable more grant applications to evolve from paper to electronic.  
*DCED has recently teamed up with the Office of Attorney General (OAG) to roll out an enhancement which allows the OAG to electronically sign contracts.*

- Create a new Document Management module to allow for numerous documents to be attached to an eGrant application.
- Create a Flexible Budget Module that will allow for users to build their budget as they apply for a grant and not be restricted to pre-defined columns and rows.

*The Flexible Budget Module has been deployed and is in use by DCED and agencies that are part of the COE for eGrants.*

This project has helped to break down the silos that constrain resources and expertise to a single agency and move PA further on its path to a unified face of government serving citizens. We are excited to explore additional opportunities to leverage the center of excellence concept to benefit all agencies.