

**National Science Foundation  
Advisory Committee for Business and Operations  
Executive Summary for Fall Meeting  
November 18-19, 2009**

On behalf of the Advisory Committee for Business and Operations, this serves as an Executive Summary of our findings and recommendations for the spring Committee meeting held at the National Science Foundation on November 18-19, 2009.

**Finalized on March 2, 2010**

Mary Ellen Sheridan  
Co-Chair

Tom Kirk  
Co-Chair

**Committee members in attendance:**

Jake Barkdoll	Consultant
Mike Gooden	Integrated Systems Analysts, Inc
Charlene Hayes	Johns Hopkins University
Philip Joyce	George Washington University
Tom Kirk	Brookhaven National Laboratory (retired)
Sally Marshall	Human Resource Solutions
Mark Luker	U.S. Dept. of Commerce/NTIA
Kathryn Newcomer	George Washington University
Mort Rahimi	Northwestern University
Gloria Rogers	ABET, Inc.
Katy Schmoll	University Corporation for Atmospheric Research
Dick Seligman	California Institute of Technology
Mary Ellen Sheridan	University of Chicago (retired)
E. Jennings Taylor	Faraday Technology
Don Worden	Training Consultant

**Committee members absent:**

Mildred Smalley	Southern University and A&M College (retired)
Cynthia White	Belmont University (joined via telecom on 11/17)

**Meeting commenced at 1:00 pm on, November 18, 2009**

**OIRM (Office of Information and Resource Management) Updates**

Anthony Arnolie, Director of OIRM and Chief Human Capital Officer, provided updates on several topics:

New Executive Training Program (NExT)

- Program is targeted towards management officials who would serve in a supervisory capacity.

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- Website will be launched in late November.
- Next steps: assign HRM sponsors to executive officers to help ramp-up officer productivity more quickly, implement mandatory executive training and executive coaching.

Team to Invigorate Marketing and Outreach (TIMO)

- Objectives – determine recruitment strategies, evaluate current approaches, and develop new products & approaches.
- Accomplishments – Recruited at over 30 outreach events, developed partnerships, and created new products.

Technology Update

- Executive IT Resources Board (ITRB) and Capital Planning and Investment Control Working Group (CPIC) have been formed to assist with decision making such as project investment decisions, portfolio management and funding.
- ARRA: OIRM enabled many activities and sent out 44K+ reviewer thank you letters.
- EJacket: new Division Director “concur” functionality is being rolled out in a phased approach. Streamlined process will ease administrative burden on staff

**BFA (Office of Budget, Finance and Award Management) Updates**

Tom Cooley, BFA Director and Chief Financial Officer, presented information on activities in BFA:

Budget

- FY2010 Budget Request: NSF requested an 8.5% budget increase.
- Both House and Senate have passed appropriations bill, so there is a good chance it will be signed in December. The President’s Budget should be released in February.
- ARRA-couldn’t spend money until approved by the House and the Senate. Program managers had difficulty sorting out funds.

Policy

- The Grants Policy committee working with HUD offices to discuss best practices to inform recipient community about problems to pinpoint and avoid.
- Compete Act: NSF must institute responsible conduct of research policies effective Jan. 4<sup>th</sup>. AOR must certify those conducting NSF supported grants have received training.
- FFTA: proposals will have to be entered down to the sub-recipient level and reporting will be more frequent. Burden for recipient community and NSF. Recipients want more involvement in the policy and procedures from government.

Human Capital

- MOU negotiated with BFA/Union to provide expanded workplace flexibility at end of FY09; BFA agreed to capture data on pilot for future negotiations.
- The Human Capital Plan: BFA will develop a program to make it easier for staff to go to external training and opportunities for professional growth.

Audit

- NSF got a clean opinion for the 12<sup>th</sup> year in a row. NSF is taking an aggressive stand to get a plan to OIG office by Dec. 7<sup>th</sup>. Corrective action elements are in place.

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- BFA must implement a “risk management plan” that will minimize waste, fraud and abuse and which will help assess if there are new risk factors.

**FastLane/Grants.gov/System-to-System Capabilities**

Andrea Norris and Mary Santonastasso provided updates on Research.gov. The following issues were discussed:

- NSF intends to re-open its acceptance of proposals through Grants.gov by December 1, 2009.
- Upgrades to Fastlane and Research.gov will provide NSF internal and external communities with more robust information services. For example improvements in data collection will enhance capabilities for searches for reviewers, allow searches about past awards, etc.
- NSF is working with the commercial vendors and a sample of institutions that have developed their own institutional systems for development and submission of electronic proposals to assure that there is efficient and compatible interfacing with NSF through technology-enabled “web services.”
- Next generation research community has concerns that its needs will be compromised if the government-wide system development is financially driven since although the majority of applications generate from the research community, a majority of funding goes to “other than research.”
- B&O applauded NSF’s leadership in working with the academic community to enable improved IT services.

**The American Recovery and Reinvestment Act- Reporting/Update**

John Lynskey and Jean Feldman provided updates on the work of the team and status of ARRA reporting:

- Noted the unprecedented activity – from passage of the Recovery Act to the first quarterly report in only 7 months.
- NSF provided timely support and guidance for granters through its posted “NSF Recipient Reporting Instructions” and “ARRA Recipient Help Sheet.” This resulted in an extremely high on-time response rate, 98% and a very low error rate. Committee rated NSF’s ARRA performance as outstanding.
- Current ARRA reporting issues still need to be addressed:
  1. Uniform method for counting jobs “created” and “retained”. NSF is encouraged to take the lead among the federal research agencies in obtaining clarification from OMB.
  2. Treatment of tenure-track faculty positions. Are these positions either created or retained as a result of ARRA funding? Again, NSF is encouraged to take a leadership role in assuring that OMB guidance/clarification is forthcoming.
  3. Sustaining the reporting effort. Quarterly reports are an important part of ARRA program but the reports themselves do not represent the ultimate purpose of ARRA. NSF should be vigilant to assure that the other aspects of ARRA are being attended to.

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4. Encourage NSF to verify the accuracy of numbers reported to assure credibility of ARRA reporting.
- Beyond ARRA. It is likely that the emphasis on “transparency” and “accountability” will not disappear with the expiration of ARRA. NSF should continue looking at the sort of information that is being collected and how it can be used most effectively.
  - It was noted that NSF’s Science of Science Policy program under Dr. Julia Lane is working with the FDP, OST, and the other federal research agencies to develop better ways to measure the impact of the nation’s investment in science and engineering research. The Committee encourages NSF to continue to be in the forefront of this very important activity.
  - The Committee is pleased with NSF’s ARRA recipient reporting results for the first reporting period, the improvements made to FastLane based upon the committee’s recommendations, and the quality of the practical, user-friendly ARRA electronic tools provided to the research community.

**NSF Workforce Management**

Anthony Arnolie presented information on workforce management-related issues at NSF.

- The Committee was briefed on NSF’s Action Plan following OIG Report and publicity arising from problems of inappropriate behavior and improper use of NSF resources by NSF employees.
- Employee satisfaction is a concern, particularly accountability for misconduct/inappropriate behavior.
- While there are concerns with rotators, the problems also arise from career employees.
- Gaps appear to demonstrate a lack of ‘tone from the top’ setting standards of appropriate behavior and welcoming information when misconduct appears to be evident.
- Universities have similar problems with faculty and other employees and may have experiences with personnel management techniques and means of communication of appropriate behavior standards that would make them useful partners with NSF to help address NSF’s issues.
- Concerns were expressed about number of rotators compared to career officers, especially at the divisional director/assistant director levels where long range planning responsibilities and continuity of scientific programs are vested.

Recommendations:

- NSF must strengthen and emphasize an environment of accountability.
- Communication is critical to affect desired outcomes, but NSF also should focus on HOW it communicates to employees/rotators.
- Management leadership development for rotator and career NSF staff is highly encouraged. Emphasis by top management to improve leadership development will encourage research community rotator involvement, build a broader base of institutional knowledge, and provide continuity of experience.
- Advise NSF to downplay use of the word ‘training’ and emphasize these programs as leadership/ development (particularly true with rotators).

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**iTrak- Financial System Modernization**

Shirl Ruffin and Gisele Holden provided an update of the iTrak Financial System Modernization project:

- Current NSF home grown financial system is about 25 yrs old.
- Federal financial accounting has undergone changes and efforts are underway to insure that agencies are using somewhat standard systems and collecting data in a rather uniform fashion.
- Earliest the contract could be awarded is 2012.
- When completed the iTrak system will serve NSF for 15-20 years.
- iTrak will be a state of the art enterprise system that provides NSF's financial needs, interfaces efficiently and consistently with other systems, may be data mined, and that provides a property accounting and reporting system robust enough for the polar program's extensive property resources.
- NSF planning team is building a strong foundation, intending to avoid pitfalls others have confronted in replacing major systems, by networking with other federal agencies and organizations which implemented new financial systems and by seeking guidance from potential users within and external to NSF.
- Budget implications of iTrak modernization and Future NSF culminating at nearly the same time. The Committee notes that long-term funding commitment is crucial to project success.

**NSF Strategic Plan Revision- 2010-2015**

Clifford Gabriel provided an update on the NSF Strategic Plan:

- The Committee urged NSF to embrace the revision process as an organic, holistic process that provides an organizational learning opportunity for the NSF leadership and staff throughout the organization.
- Staff from all levels at NSF should be asked to provide input during the review/revision process.
- It is viewed as important for the future of NSF's budget that the new Plan is done well with a vision that commands respect from NSF employees, OMB and the Congressional Appropriations Committee.
- Explicit attention should be given to the role that evaluation and continuing assessments can play in the Strategic Plan, and attention should be given to outcomes in the plan, rather than process measures such as review time, for example.
- The final Plan should strengthen NSF's case for investment of federal resources in a difficult economy.

**Future NSF--2013 Lease Expiration**

The lease for the current NSF buildings expires in the December 2013. Mignon Anthony provided background and updates as to the current effort leading up to this key decision point.

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Key facts (new from prior meeting):

- Lease prospectus going to Congress in Spring 2010.
- The Team has conducted 13 different studies (with more to come), including an all-employee survey and focus groups.
- Highly likely NSF will stay located somewhere in Northern Virginia.
- Potential move will occur in Winter 2014/2015.

The Committee reiterated its previous recommendations concerning space for the “next generation” NSF:

- Facility should have the “look and feel” as a place of science/engineering.
- Strongly advise NSF/GSA not to skimp on technology infrastructure.
- Urge that NSF incorporate use of virtual workspace and use of remote sites for some of its activities, such as peer review panels or meetings of advisory committees.

**Committee Discussion with NSF Acting Deputy Director, Dr. Cora Marrett**

The Committee discussed all topic areas with Dr. Marrett. Please see the individual topics above as well as the summary dated 12/3/09 for details and recommendations.

- Workforce management: Dr. Marrett agreed that NSF needs to work on partnerships with higher education. She also agreed that NSF should better its culture of accountability, especially as it relates to the identification of and corrections to inappropriate behavior.
- ARRA: Dr. Marrett noted that NSF will need to hear from the research community to answer critics concerning investment, to show funds are well invested and to go beyond the number of jobs.

**Committee Discussion/Other Issues**

- The Committee suggested that Shelley Metzenbaum, a member of the current administration’s OMB staff, be asked to speak to the committee on the next generation evaluation assessment.
- The Committee announced Tom Cooley’s retirement from NSF by the end of December 2009, and Tom Kirk’s retirement from the Committee at the conclusion of this meeting. The committee recognized both men’s accomplishments, and wished them well in their new endeavors.

**Meeting adjourned at 12:00 pm on November 19, 2009**