

# GAO Highlights

Highlights of [GAO-16-573](#), a report to congressional requesters

## Why GAO Did This Study

The federal government obligated over \$27 billion for university research in fiscal year 2015, according to NSF. To allow for oversight of these funds, Congress and research funding agencies established administrative requirements that universities must comply with as part of grants they apply for and receive. University stakeholders have studied and raised concerns about the workload and costs to comply with the requirements.

GAO was asked to review research grant requirements and their administrative workloads and costs. This report examines (1) the sources and goals of selected requirements, (2) factors affecting universities' administrative workload and costs for complying with the requirements, and (3) efforts by OMB and research funding agencies to reduce the requirements' administrative workload and costs, and the results of these efforts. GAO selected and examined in detail nine areas of administrative requirements at DOE, NASA, NIH, and NSF, and interviewed administrative staff and researchers from six universities. GAO selected agencies and universities that ranged in the amount and type of research funding provided or received.

## What GAO Recommends

GAO recommends that OMB, DOE, NASA, NIH, and NSF identify additional areas where requirements, such as those for budgets or purchases, can be standardized, postponed, or made more flexible, while maintaining oversight of federal funds. DOE, NASA, and NIH generally concurred, and OMB and NSF did not comment on the recommendations.

View [GAO-16-573](#). For more information, contact John Neumann at (202) 512-3841 or [neumannj@gao.gov](mailto:neumannj@gao.gov).

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## FEDERAL RESEARCH GRANTS

### Opportunities Remain for Agencies to Streamline Administrative Requirements

## What GAO Found

Administrative requirements for federal research grants include (1) Office of Management and Budget (OMB) government-wide grant requirements for protecting against waste, fraud, and abuse of funds and (2) agency-specific requirements generally for promoting the quality and effectiveness of federally funded research. For example, OMB requires grantees to maintain records sufficient to detail the history of procurement for all purchases made with grant funds, and the Department of Energy (DOE), National Aeronautics and Space Administration (NASA), National Institutes of Health (NIH), and National Science Foundation (NSF) require applicants to develop and submit biographical sketches describing their professional accomplishments so agencies can consider researchers' qualifications when deciding which proposals to fund.

Officials from universities and stakeholder organizations GAO interviewed identified common factors that add to their administrative workload and costs for complying with selected requirements: (1) variation in agencies' implementation of requirements, (2) pre-award requirements for applicants to develop and submit detailed documentation for grant proposals, and (3) increased prescriptiveness of certain requirements. They said that these factors add to universities' workload and costs in various ways, such as by causing universities to invest in new electronic systems or in the hiring or training of staff. For example, university officials told GAO that new OMB requirements for purchases made with grant funds will result in added costs for hiring administrative staff to handle an increased volume of purchases that are subject to some form of competition.

OMB and research funding agencies have made continuing efforts to reduce universities' administrative workload and costs for complying with selected requirements, with limited results. These included efforts in three areas: (1) standardizing requirements across agencies; (2) postponing certain pre-award requirements until after making a preliminary decision about an applicant's likelihood of funding; and (3) in some cases, allowing universities more flexibility to assess and manage risks for some requirements. For example, funding agencies have developed a standard set of administrative terms and conditions for research grants and a standard form for research progress reports. Such efforts are in accordance with federal goals, such as those in a 2011 executive order that calls for agencies to harmonize regulations and consider regulatory approaches that reduce burdens and maintain flexibility. However, opportunities exist in each of the three areas to further reduce universities' administrative workload and costs. First, efforts to standardize requirements have not fully addressed variations in agency implementation of requirements, such as agencies' forms and systems for collecting project budgets and biographical sketches. Second, funding agencies have not fully examined pre-award requirements to identify those—such as requirements for detailed budgets—that can be postponed. Third, some requirements—such as those for obtaining multiple quotations for small purchases—limit universities' flexibility to allocate administrative resources toward oversight of areas at greatest risk of improper use of research funds. Further efforts to standardize requirements, postpone pre-award requirements, and allow more flexibility for universities could help ensure agencies do not miss opportunities to reduce administrative workload and costs.