



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

April 23, 2010

M-10-16

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

FROM: Peter R. Orszag
Director 

SUBJECT: Grants.gov - Return to Normal Operations

The effective implementation of the Recovery Act is a top priority for the Administration. Last spring the Office of Management and Budget (OMB) and Federal agencies identified a potential risk that could have resulted in a disruption to the effective implementation of the Recovery Act within the operation of Grants.gov. As a result, I instructed Federal grant-making agencies, through memorandum [M-09-14](#) *Recovery Act Implementation - Improving Grants.gov and Other Critical Systems*, to immediately identify alternative methods for accepting grant applications during the Recovery Act's expected peak period to reduce demand on Grants.gov. Several Federal agencies responded to this request and for an interim period accepted grant applications by alternate electronic means to minimize potential disruption in the grant application process. Concurrently, I also instructed the Department of Health and Human Services (HHS), the Federal agency that operates and maintains Grants.gov, to execute immediate improvements to the system.

In a subsequent memorandum [M-09-17](#), *Improving Grants.gov*, Federal grant-making agencies were asked to cover a proportionate share of the improvement costs for Grants.gov. Since that memo was issued, HHS has completed multiple system adjustments, stabilized the system, increased processing capacity, and improved the user experience. As a result, Grants.gov has successfully increased grant application processing capacity from about 500 per day last year to a current proven capacity of at least 8,400 applications per day, with no noticeable degradation of performance. In addition, Grants.gov is continuing to make additional improvements funded by the Federal grant-making agencies to further increase capacity and enable improved system performance measurement.

HHS and partnering agencies' efforts, combined with system upgrades to Grants.gov, have mitigated the risks identified last spring. Therefore, Federal grant-making agencies are instructed to resume using the "Apply" functionality of Grants.gov for all the programs that previously used this functionality prior to the memorandum (M-09-14), by no later than April 30, 2010. Federal agencies shall also continue using the "Find" functionality of Grants.gov to post all discretionary grant opportunities.

Also in the memorandum (M-09-17), a portion of the agencies' supplemental funding went to the General Services Administration (GSA) to develop a proof of concept to determine whether portions of the Integrated Acquisition Environment may be used within the grants architecture. GSA has completed the development stage on this project and the Departments of Energy and the Interior are testing the proof of concept. The results will be available by the summer of 2010.

The results and lessons learned from the proof of concept will be used to inform HHS and the Federal grant-making agencies as they continue to modernize and strive for improvements in the grants process. We will keep you apprised of any major developments.

We look forward to continuing our dialog on the Grants.gov system and discussing ideas for further improvements as needed. We acknowledge the real improvements in the system that have been achieved over the past year. Questions regarding this memorandum can be addressed to Ms. Debra Bond, Deputy Controller, Office of Federal Financial Management at 202-395-3993.

Thank you for your cooperation and support of Grants.gov.