

FEDERAL DEMONSTRATION PARTNERSHIP

National Academy of Sciences
2101 Constitution Avenue, NW Washington, D.C 20418

November 17, 2000

William Richardson
Secretary
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Richardson:

On behalf of the Federal Demonstration Partnership (FDP Phase III), and in the spirit of Public Law 106-107, I would like to comment on the Department of Energy's latest initiative in electronic research administration (eRA): the Industry Interactive Procurement System (IIPS). The FDP is a consortium of 12 federal agencies including the Department of Energy, 65 institutions and 7 affiliate organizations committed to increasing research productivity by streamlining the administrative process and minimizing the administrative burden on principal investigators while maintaining effective stewardship of federal funds. During the current phase, eRA is a primary focus.

The FDP actively supports the federal government's many initiatives in eRA. However, an initial review of IIPS leaves us troubled. As its name implies, the intended audience for this system may be industry rather than non-profit research institutions such as universities. Nevertheless, our researchers are being directed by DOE to use this system.

We have two broad areas of concern; the first pertains to issues impacting day-to-day research institution operations, the second pertains to compliance with federal regulations.

RESEARCH INSTITUTION OPERATIONS

There are four characteristics of the IIPS that may negatively impact the day-to-day operations of research institutions submitting proposals; specifically:

- IIPS does not ensure that proposals can only be submitted by the research institution's authorized office;
- IIPS has insufficient security and authentication controls in its registration process;
- IIPS does not permit the user to exit the proposal submission process without submitting the proposal and,
- IIPS as currently configured imparts additional and substantial burdens upon the submitting institutions.

First, the current configuration of the IIPS submission approach permits faculty members or others to submit proposals directly to DOE without appropriate institutional review. Institutional reviews ensure that the obligations committed to in the proposal (for example, the statement of work, the cost estimates, the facilities, the administrative resources, and the effort commitments of project personnel) can be appropriately met in the event an award is made. This review process helps to guarantee that proposals are accurate and can thus compete fairly with each other. Bypassing this review process compromises the institution's ability to perform its oversight responsibilities to ensure appropriate stewardship of federal funds.

*The FDP is an independent cooperative initiative of U.S. research institutions, federal agencies, and professional organizations to enhance research productivity. The Government University Industry Research Roundtable is the official convener of the FDP.
Telephone 202/334-3486 Web Address: FDP3.org*

Second, the IIPS registration process is open; that is, in a matter of minutes, anyone can register, purport to be a faculty member of any institution, and submit a proposal. No institutional reviews or approvals are required during the registration process.

Third, once a proposal is begun in the IIPS it must be finished. There is no way to save a partially completed proposal, there is no way to go back and correct errors, and there is no way to exit the system without submitting the proposal you are working on. The net result is that research institutions will, from time to time, probably end up submitting multiple versions of a given proposal. This is a recipe for confusion and additional unnecessary work for both the submitting institutions and the DOE.

Fourth, it should be noted that as currently configured, the IIPS also adds substantially to the research institutions' administrative burden. Research institutions will be required to develop in-house expertise (for example, help desks and/or training programs) specifically for the IIPS. Additionally, the IIPS mandates the use of a specific technology for proposal submission: Microsoft Word. While we agree that Word is extensively used, it is not supported by Unix-based operating systems. Many of our researchers use Unix-based computers so, in order to submit proposals to the IIPS, these faculty members must go through the additional step of converting their proposals to Word. Finally, because the IIPS is based on a consumer-to-business model (in contrast to a business-to-business model), if a research institution wants to maintain data locally, faculty and staff must key data into the IIP System as well as their institution's.

COMPLIANCE WITH FEDERAL REGULATIONS

We would also like to address two compliance issues. First, it appears that the IIPS does not comply with the requirements of Public Law 106-107. To the best of our knowledge, the IIPS was developed unilaterally by DOE without collaborating with either the Federal Commons or the grantee community. This appears to place the IIPS at odds with Public Law 106-107 (see SEC. 5. (a) (2) and (7), and (c) (1) and (2)).

In addition, we believe that IIPS has not undergone the necessary review nor obtained the necessary approvals required from the Office of Management and Budget under the Government Paperwork Reduction Act. These reviews help assure that an appropriate benefit to the public is obtained relative to the burden of administering a new system. Our review indicates that the burden imposed by this system significantly outweighs its benefits.

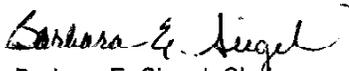
We strongly urge that you refrain from further use or implementation of the IIPS for the non-profit research community, and begin working with the appropriate federal coordinating committees (particularly the Federal Commons) and institutional stakeholders. Attachment 1 lists some of the core principles that the FDP believes ought to be included in all electronic research administration systems. The FDP encourages your efforts in this area, which is so critical to the success of electronic research administration including compliance with the requirements of Public Law 106-107. In summary, we ask that your efforts comply with existing federal laws and guidelines and that you coordinate your efforts with the existing interagency initiatives.

In the past, DOE has been an active FDP member. In fact, DOE was one of five federal agencies that participated in the initial phase of FDP in the mid 1980s. In addition, in the early 1990s DOE

led an eRA feasibility project with eight institutions that ultimately resulted in the initial work on EDI transaction set 194. Given your history as a leader and a collaborator, it is disappointing to see a reduced level of participation in FDP and to see IIPS development taking place outside of the existing interagency initiatives and without the input of institutional partners.

We encourage you to work with us and to designate staff to actively participate in the FDP. Our next meeting will take place on January 11 – 12, 2001 at the Beckman Center in Irvine, California. Please visit our web site at fdp3.org, or contact me for more information about this meeting. My colleagues and I would also be pleased to answer any questions you might have about existing or planned collaborations among the federal agency and research institution stakeholders in this important endeavor.

Sincerely,



Barbara E. Siegel, Chair
Federal Demonstration Partnership

Enclosure

cc:

- A. Bienenstock, OSTP
- J. Charney, OMB
- D. Clark, Cornell University (Co-chair FDP 106-107 Task Force)
- M. Dresselhaus, DOE Director, Office of Science
- M. Herbst, DOD (PL 106-107 Chair, Pre Award Working Group)
- D. Hoexter, DOE (Office of Procurement and Assistance, IAEGC and R&R Committee)
- E. Moniz, DOE Under-Secretary
- E. Phillips, HHS (PL 106-107 Co-chair, Electronic Working Group)
- M. Riches, DOE (FDP Program Representative)
- B. Stanford, ONR (PL 106-107 Co-chair, Electronic Working Group)
- M. Telson, DOE, CFO
- C. Vargas, Kent State University (Co-chair FDP 106-107 Task Force)
- T. Wood, DOE (FDP, Administrative Representative)

Attachment 1

Core Principles for eRA Systems

**As drafted by the Federal Demonstration Partnership
November 2000**

These core principles reflect the functional specifications that should be addressed or included in all eRA systems.

1. Roles and Responsibilities

- a. Business-to-Business Transactions (e.g., grant applications, financial reports). Recipient and submitting organizations must be jointly responsible for establishing the distinct roles and responsibilities of key parties to a transaction (e.g., the definition and roles of Principal Investigator, Program Officer, Agency Business Official, Institutional Business Official). Both the agencies and submitting research institutions must agree to changes in these roles and responsibilities in advance.
- b. Good Faith. Once determined, all parties must respect these roles in the design and implementation of systems that involve or may potentially involve interfaces with other stakeholders (e.g., systems should accommodate routing capabilities for transactions that require institutional prior review and approval).

2. Interface

- a. Interface Standards. In recognition of the partnership between funding agencies and the national research community, federal agencies (and their subsidiary divisions, departments and/or programs) should refrain from unilaterally developing and deploying eRA systems and instead, actively participate in and use the systems already developed or being developed in accordance with the requirements of PL 106-107. At the present time, these efforts are focused through the Federal Commons subcommittee of the IAEGC.
- b. Interface Alternatives. Transmission mechanisms must be established that provide a set of reasonable and viable alternatives for different sizes and types of organizations. However, all alternatives will reference the same data standards

3. Data

- a. Data Standards. Irrespective of the transmission technology used, only established data standards should be used in eRA systems. For proposal submissions this is the ANSI X12 Transaction Set 194 and its attendant implementation conventions and trading partner agreements. Modifications to the Transaction Set can only be accomplished through the established policies and procedures of the standards setting body.
- b. Data Entry. Data should be entered only once and updated as needed, by the designated person(s) at the responsible organization authorized to provide it. The submitting organization is the entity responsible for assigning responsibility and authority to its individuals within the context of the roles agreed to by the parties. Once entered, data may be updated only in accordance with established standards (e.g., proposal data may not be updated after a submission deadline except for administrative corrections and with the consent of the affected agency).

c. Data Ownership. Data should be "owned" by the entity that entered it but must be accessible to all parties having a legitimate business need to use the data.

d. Data Access. Data standards and transmission mechanisms must be established that can easily share and, where appropriate, update data across the systems of all parties having a legitimate need to use the data.

4. System Integrity. eRA systems must build confidence by demonstrating that they can both transmit complex data with "integrity" (looks the same no matter where it is printed) and in a secure fashion with adequate safeguards.

5. Training. End user training and support must be a focus of all parties. eRA systems must be user friendly, intuitive and responsive to user needs.

6. Added Value. eRA systems must add value to all stakeholders. It is neither sufficient nor appropriate to add efficiency to one element of the overall system or to a single party at the expense of other elements, or other parties. Systems must be designed with a primary focus on the common good.