

ORGANIZATIONAL EXCELLENCE

\$541,530,000
+\$63,990,000 / 13.4%

Organizational Excellence Funding Summary

(Dollars in Millions)

FY 2015 Actual	FY 2016 Estimate	FY 2017 Request	Change over FY 2016 Estimate	
			Amount	Percent
\$448.83	\$477.54	\$541.53	\$63.99	13.4%

NSF's Strategic Plan for 2014-2018, *Investing in Science, Engineering, and Education for the Nation's Future*,¹ (released in March 2014) includes "Organizational Excellence" as an NSF core value. The plan defines Organizational Excellence as "investing the resources entrusted to us optimally and efficiently, and realizing the full potential of our people in managing a capable, motivated, inclusive, and positive work environment" – and directly links it to the new strategic goal of "Excel as a Federal Science Agency."

The portfolio of activities included in Organizational Excellence addresses the agency's operations and administrative functions, which underpin NSF's programmatic activities. These activities are critical to the accomplishment of the agency's other two strategic goals, "Transform the Frontiers of Science and Engineering" and "Stimulate Innovation and Address Societal Needs through Research and Education."

NSF's FY 2017 funding for Organizational Excellence is \$541.53 million, +\$63.99 million, or 13.4 percent, above the FY 2016 Estimate of \$477.54 million.

An overview of the various activities that are included in the Organizational Excellence portfolio is included in this summary. The table on the following page shows the major components of Organizational Excellence: Human Capital, Travel, Information Technology (IT), Administrative Support, NSF Headquarters Relocation, and support for the National Science Board (NSB) and the Office of Inspector General (OIG). This table also shows the funding sources for the major components and activities as several are funded through more than one appropriation.

Underlying the FY 2017 Request is NSF's ongoing commitment to increase agency efficiency while constraining administrative costs. NSF has made significant progress toward reducing certain administrative costs by identifying and implementing efficiencies, prioritizing work, eliminating or scaling back the scope of some activities, and by exploring new ways of getting the job done. Examples include investments in business intelligence and other tools that reduce the cost of contract support; and reduced costs associated with maintenance and support of the NSF website due to retirement of dated infrastructure and the conversion of content to modern platforms.

Annually NSF conducts Strategic Reviews of the objectives in the Strategic Plan in response to the requirement of the GPRA Modernization Act. In FY 2015, NSF identified opportunities for action or improvement closely aligned with the Organizational Excellence portfolio of activities.

There were two recommendations that resulted from the Strategic Review of the objective to "Build an increasingly diverse, engaged, and high performing workforce by fostering excellence in recruitment, training, leadership, and management of human capital." These recommendations, which focus on the recruitment and retention of program directors, are: 1) implement regular exit and stay interviews; and 2) develop mechanisms to better manage individual workload and minimize disparities in workload. The

¹ www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf14043

Organizational Excellence

Strategic Review of the objective to “Use effective methods and innovative solutions to achieve excellence in accomplishing the agency’s mission” recommended that NSF use the results of the upcoming customer service survey to develop and pilot new customer service goals.

NSF also has performance goals aligned with the Organizational Excellence portfolio of activities: Goal 5: Evidence-Based Management led by the Office of Information and Resource Management and Goal 7: Diversity and Inclusion led by the Office of Diversity and Inclusion in the Office of the Director. More detail on the Strategic Reviews and NSF’s performance goals can be found in the Performance chapter.

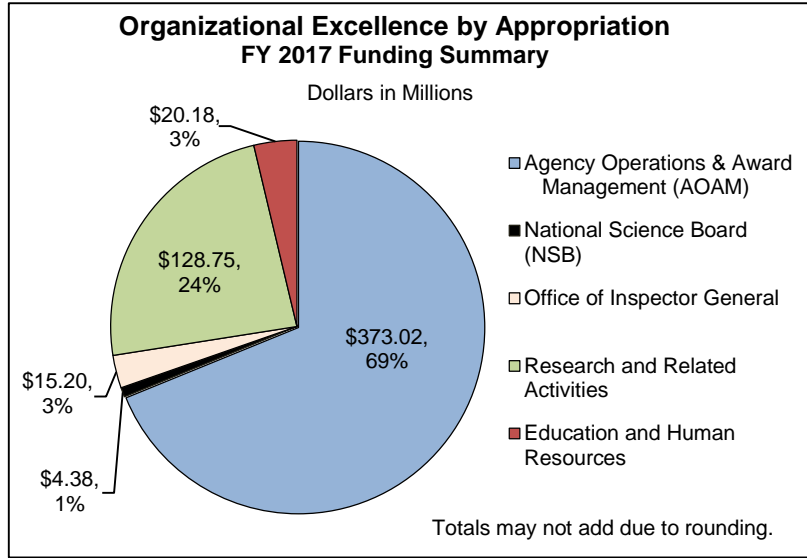
In FY 2017, NSF continues two key investments in efficiency: 1) Proposal Management Efficiencies (PME), which prioritizes improvements to the agency’s systems and processes for managing the merit review of proposals; and 2) Evaluation and Assessment Capability (EAC), which enhances the agency’s capability to operate from a basis of evidence in policy decisions. More information on PME and EAC can be found in the NSF-Wide Investments chapter.

An overview of the various activities that are included in the Organizational Excellence portfolio follows. Also included in this discussion is information on the E-Government Initiatives to which the agency contributes.

Organization Excellence by Appropriation

Organizational Excellence funding by account for the FY 2017 Budget Request is shown in the chart on the right and in the table below.

- Sixty-nine percent of Organizational Excellence is funded through AOAM.
- The R&RA account funds program support costs of \$128.75 million (24 percent) and the EHR account funds program support costs of \$20.18 million (three percent).
- The activities of the OIG and NSB are each funded by separate appropriation accounts. The FY 2017 Budget Request for the OIG of \$15.20 million accounts for three percent of the Organizational Excellence portfolio. The NSB FY 2017 Budget Request of \$4.38 million accounts for one percent of the Organizational Excellence portfolio.



Organizational Excellence by Appropriation

(Dollars in Millions)

	FY 2015 Actual	FY 2016 Estimate	FY 2017 Request	Change over FY 2016 Estimate	
				Amount	Percent
Agency Operations & Award Management (AOAM)	\$306.56	\$330.00	\$373.02	\$43.02	13.0%
National Science Board (NSB)	4.15	4.37	4.38	0.01	0.2%
Office of Inspector General (OIG)	14.60	15.16	15.20	0.04	0.3%
Program Support:					
Research and Related Activities	107.30	110.74	128.75	18.01	16.3%
Education and Human Resources	16.21	17.28	20.18	2.90	16.8%
<i>Subtotal, Program Support</i>	<i>\$123.52</i>	<i>\$128.01</i>	<i>\$148.94</i>	<i>\$20.93</i>	<i>16.4%</i>
Total	\$448.83	\$477.54	\$541.53	\$63.99	13.4%

Total may not add due to rounding.

Organizational Excellence by Major Component

The table below shows the major components of Organizational Excellence: Human Capital, Travel, Information Technology (IT), Administrative Support, NSF Headquarters Relocation, and support for the National Science Board (NSB) and the Office of Inspector General (OIG). This table also shows the funding sources for the major components/activities, as several are funded through more than one appropriation.

Organizational Excellence by Major Component

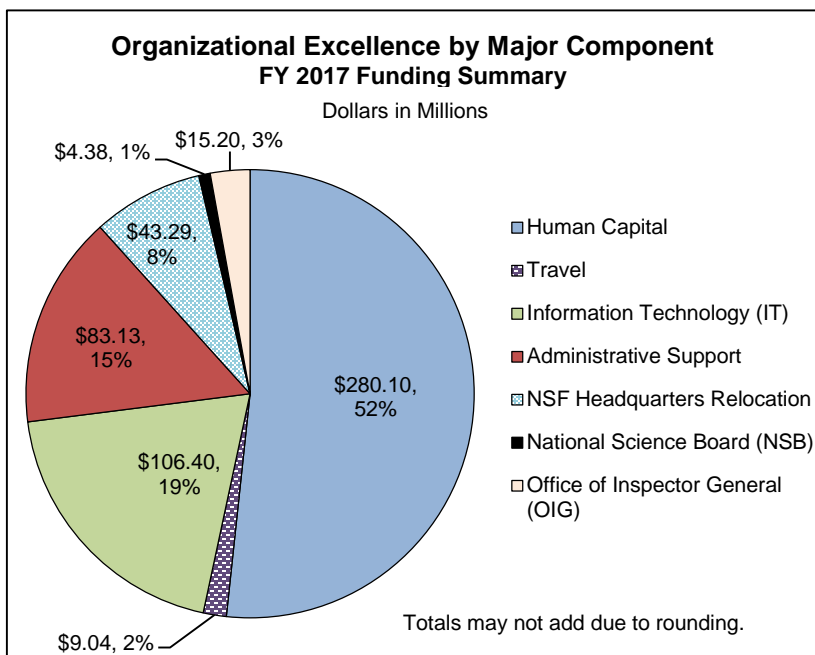
(Dollars in Millions)

	FY 2015	FY 2016	FY 2017	Change over		Funding Source
	Actual	Estimate	Request	FY 2016 Estimate	Percent	
Human Capital	\$249.58	\$271.04	\$280.10	\$9.06	3.3%	
Personnel Compensation & Benefits ¹	199.63	215.53	219.55	4.02	1.9%	AOAM
Management of Human Capital	8.08	10.00	10.20	0.20	2.0%	AOAM
IPA Appointments	<u>41.87</u>	<u>45.51</u>	<u>50.35</u>	<u>4.84</u>	<u>10.6%</u>	
Compensation	37.97	41.16	45.50	4.34	10.5%	RRA/EHR
Lost Consultant & Per Diem	3.90	4.36	4.85	0.49	11.2%	RRA/EHR
Travel	\$8.65	\$8.87	\$9.04	\$0.17	1.9%	
NSF Federal Employee Staff	5.51	5.45	5.45	-	-	AOAM
IPA Appointments	3.14	3.42	3.59	0.17	5.0%	RRA/EHR
Information Technology (IT)	\$95.17	\$85.39	\$106.40	\$21.01	24.6%	
Agency Operations IT	<u>27.18</u>	<u>21.99</u>	<u>25.60</u>	<u>3.61</u>	<u>16.4%</u>	
Administrative Applications Services and Support	6.86	5.11	6.73	1.62	31.7%	AOAM
Administrative IT Operations and Infrastructure	17.53	13.84	15.84	2.00	14.5%	AOAM
Administrative Security and Privacy Services	2.79	3.03	3.03	-	-	AOAM
Program Related Technology (PRT)	<u>67.99</u>	<u>63.40</u>	<u>80.80</u>	<u>17.40</u>	<u>27.4%</u>	
Mission-Related Applications and Services	51.15	45.99	56.99	11.00	23.9%	RRA/EHR
Mission-Related IT Operations and Infrastructure	13.90	14.44	19.84	5.40	37.4%	RRA/EHR
Mission-Related Security and Privacy Services	2.94	2.98	3.98	1.00	33.6%	RRA/EHR
Administrative Support	\$73.98	\$83.78	\$83.13	-\$0.65	-0.8%	
Space Rental	34.00	34.17	32.44	-1.73	-5.1%	AOAM
Operating Expenses	15.78	20.86	22.40	1.54	7.4%	AOAM
Building and Administrative Services	13.69	13.07	14.09	1.02	7.8%	AOAM
Other Program Related Administration	<u>10.51</u>	<u>15.68</u>	<u>14.20</u>	<u>-1.48</u>	<u>-9.4%</u>	
Evaluation and Assessment Capability	6.84	8.86	8.86	-	-	RRA/EHR
Proposal Management Efficiencies	0.35	0.34	0.38	0.04	11.8%	RRA/EHR
E-Government Initiatives	1.01	1.01	1.44	0.43	42.6%	RRA/EHR
General Planning and Evaluation Activities	2.31	5.47	3.52	-1.95	-35.6%	RRA/EHR
NSF Headquarters Relocation	\$2.70	\$8.93	\$43.29	\$34.36	384.8%	AOAM
National Science Board (NSB)	\$4.15	\$4.37	\$4.38	\$0.01	0.2%	NSB
Office of Inspector General (OIG)	\$14.60	\$15.16	\$15.20	\$0.04	0.3%	OIG
Total, Organizational Excellence	\$448.83	\$477.54	\$541.53	\$63.99	13.4%	

Totals may not add due to rounding.

¹ Funding levels for PC&B reflect direct appropriated funds only. In FY 2015, \$5.98 million in Administrative Cost Recoveries (ACRs) were received bringing the total PC&B obligation to \$205.61 million. Approximately \$5.82 million in ACRs are expected each year to meet the total PC&B requirement of \$221.35 million in FY 2016 and \$225.37 million in FY 2017.

The chart on the right shows the major components of Organizational Excellence and their percentage of the total in the FY 2017 Budget Request.



1. Human Capital: The FY 2017 funding amount for Human Capital is \$280.10 million, an increase of \$9.06 million, or 3.3 percent, over the FY 2016 Estimate of \$271.04 million. Support for NSF’s human capital activities is the largest component of Organizational Excellence, accounting for 52 percent of the total portfolio. The Human Capital component includes personnel compensation and benefits of NSF’s federal employees as well as support for NSF’s temporary employees hired through authority provided by the Intergovernmental Personnel Act, known as “IPAs.” NSF’s federal employee FTE (full-time equivalents) are funded through the Agency Operations and Award Management (AOAM) account while IPAs are funded through two programmatic accounts – Research and Related Activities (R&RA) and Education and Human Resources (EHR). The use of IPAs and Visiting Scientists, Engineers, and Educators (VSEEs, also funded out of AOAM), together commonly referred to as rotators, has been a defining characteristic of NSF since its inception in 1950, as it gives NSF a direct connection to the researchers and educators working at the frontiers of science and engineering.

The Human Capital component also includes support for the Management of Human Capital, which includes:

- Human resources systems accessed through shared service providers, including the Federal Personnel Payroll System, the time and attendance system (WebTA), eRecruit capabilities using USAJobs, and security investigations of incoming staff.
- Operational activities including recruiting, hiring, and on-boarding of permanent and rotating staff, as well as processing support for pay and benefits and awards.
- Workplace and career-life balance support for employees including the Health Unit, the Employee Assistance Program, and child care subsidy.
- Contracts that support training and development programs, on-line training capabilities, networking activities including the NSF mentoring program, executive and supervisory training, and program management training.

NSF Workforce:

The table below shows the agency’s total workforce for FY 2017.

NSF Workforce					
Full-Time Equivalents (FTE)					
	FY 2015 Actual	FY 2016 Estimate	FY 2017 Request	Change over FY 2016 Estimate	
				Amount	Percent
<i>AOAM FTE Allocation</i>					
Regular	1,310	1,310	1,310	-	-
Pathways Interns ¹	42	42	42	-	-
Subtotal, AOAM FTE Allocation	1,352	1,352	1,352	-	-
<i>AOAM FTE Usage (Actual/Projected)</i>					
Regular	1,255	1,310	1,310	-	-
Pathways Interns ¹	30	42	42	-	-
Subtotal, AOAM FTE	1,285	1,352	1,352	-	-
Office of the Inspector General	68	75	68	-7	-9.3%
Regular	68	75	68	-7	-9.3%
National Science Board	18	19	19	-	-
Arctic Research Commission	3	3	3	-	-
Total, Federal Employees (FTE)	1,374	1,449	1,442	-7	-0.5%
IPAs (FTE)	171	189	202	13	6.9%
Detailees to NSF	3	3	3	-	-
Contractors (est.)	449	449	449	-	-
Total, Workforce	1,997	2,090	2,096	6	0.3%

Totals may not add due to rounding.

¹ The Pathways Intern program was established by Executive Order 13562, Recruiting and Hiring Students and Recent Graduates. The internship program offers part- or full-time paid internships in federal agencies to qualifying students (students in high schools, community colleges, four-year colleges, trade schools, career and technical education programs, and other qualifying technical education programs).

- NSF’s FTE allocation and utilization for FY 2017 are held flat with the FY 2016 Estimate of 1,310 FTE.
- A number of visiting staff – roughly 40 people annually – are employed through NSF’s own Visiting Scientist, Engineer, and Educator (VSEE) program. VSEEs count as regular federal FTE and are included in the regular AOAM FTE totals.

A discussion of NSF’s FTE allocation and usage is included in the Personnel Compensation and Benefits section of the AOAM chapter. A more detailed discussion about IPAs is included in the Program Accounts: R&RA and EHR chapter. The OIG, NSB, and Arctic Research Commission chapters include a discussion of their respective workforces.

2. Travel: Support for NSF staff and IPA travel accounts for two percent of NSF’s Organization Excellence portfolio. For FY 2017, the request for staff and IPA travel is \$9.04 million, \$170,000 above the FY 2016 Estimate of \$8.87 million. Staff travel accounts for about 60 percent of this total; a request of \$5.45 million in FY 2017. Travel for IPA appointments, which is supported by the R&RA and EHR accounts, is \$3.59 million. For more detailed information about NSF staff and IPA travel funding, see the

AOAM and Program Accounts: R&RA and EHR chapters, respectively. Based on current trends, AOAM funded travel is estimated to account for approximately 25 percent of NSF’s FY 2017 total travel estimated cost.

3. Information Technology (IT): IT investments are the second largest component of Organizational Excellence, accounting for 19 percent of the portfolio. For FY 2017, IT investments total \$106.40 million, a \$21.01 million, or 24.6 percent, increase above the FY 2016 Estimate of \$85.39 million. The increase in FY 2017 supports the following information technology priorities:

- +\$7.40 million to support the expansion of infrastructure capabilities that support the modernization of mission-centric merit review systems and processes. Additionally, this increase allows for the preparation of NSF’s IT systems for relocation to the new NSF headquarters, enables parallel infrastructures to be run during the relocation, as services and staff are transitioned from the current headquarters to the new location, and further increases the security of NSF’s infrastructure in response to the ever-evolving threat landscape.
- +\$5.56 million for NSF’s Enterprise Data Warehouse, a centralized data repository that streamlines access to NSF data for NSF staff and provides analysis capabilities that inform NSF portfolio management, evaluation, and assessment. The requested increase will allow NSF to move more NSF data sets into the warehouse, implement additional reporting tools, and support requirements of the Digital Accountability and Transparency (DATA) Act.
- +\$2.0 million to modernize NSF.gov and support NSF efforts to provide the general public with high quality digital information and services.
- +\$2.05 million for iTRAK, NSF’s financial management system, to fund high priority change requests, implement electronic invoicing, and support requirements of the DATA Act.
- +\$1.0 million for administrative applications services to make high priority changes to administrative systems to ensure the continued effective operation of NSF’s legacy property and procurement applications, and upgrade to the current version of SharePoint to ensure continued operation of collaboration sites and their continued interoperability with NSF’s desktop services.
- +\$1.0 million for security and privacy services to enhance continuous monitoring capabilities, reduce NSF’s cybersecurity vulnerabilities, and better position NSF to respond to cybersecurity threats.
- +\$1.30 million to support legacy mission related applications and ensure they change apace with changes to iTRAK.
- +\$700,000 for Proposal Management Efficiencies (PME) to continue the modernization of applications and services that support the merit review process, including services to increase automated compliance checking of NSF proposals and to upgrade proposal submission services.

Funding for NSF’s IT investment is provided from Agency Operations and Award Management (AOAM), the Research and Related Activities (R&RA), and Education and Human Resources (EHR) accounts.

IT Investments by Appropriation

(Dollars in Millions)

	FY 2015 Actual	FY 2016 Estimate	FY 2017 Request	Change over	
				FY 2016 Request Amount	Percent
Agency Operations & Award Management (AOAM)	\$27.18	\$21.99	\$25.60	\$3.61	16.4%
Program Related Technology (PRT)	\$67.99	\$63.40	\$80.80	\$17.40	27.4%
Research and Related Activities (R&RA)	57.47	55.16	70.30	15.14	27.4%
Education and Human Resources (EHR)	10.53	8.24	10.50	2.26	27.4%
Total	\$95.17	\$85.39	\$106.40	\$21.01	24.6%

Totals may not add due to rounding.

Organizational Excellence

- Agency operations IT investments funded through the AOAM account support the agency's operations to ensure high quality, reliable, and secure administrative applications and associated IT infrastructure support and services to meet the needs of the Foundation. This funding accounts for about 24 percent of NSF's total IT investment in the FY 2017 Budget Request. Additional detail regarding the AOAM funded IT investments can be found in the AOAM chapter.
- Program Related Technology (PRT) investments support NSF's programmatic activities and associated services and are funded through the R&RA and EHR accounts. PRT investments are mission-related IT investments that support the merit review process, including pre-award planning and activities; receipt of proposals; processing proposals; reviewing proposals; award decisions, documentation, and notification; funding awards; post-award oversight; dissemination of award results; and award close-out. PRT investments account for 76 percent of NSF's FY 2017 Request for IT investments. More information on PRT can be found in the Program Accounts: R&RA and EHR chapter.

4. Administrative Support: Funding for Administrative Support accounts for 15 percent of the total Organizational Excellence portfolio in FY 2017. FY 2017 funding for Administrative Support is \$83.13 million, a \$650,000 (0.8 percent) decrease below the FY 2016 Estimate of \$83.78 million. Included in this amount are funds for agency implementation of sustainability goals outlined in NSF's Strategic Sustainability Performance Plan, in association with meeting the goals of E.O. 13693. The activities that comprise Administrative Support are detailed below.

- The largest component of Administrative Support is Space Rental at \$32.44 million – a decrease of \$1.73 million below the FY 2016 Estimate of \$34.17 million. Space rental includes services provided by the General Services Administration related to rent, utilities, taxes, and security services provided by the Federal Protective Service. NSF currently occupies 665,000 square feet of space primarily in two adjoining, leased office buildings located in Arlington, Virginia. The current leases for the two buildings have been replaced by interim occupancy agreements that extend occupancy until the upcoming move of NSF to Alexandria, Virginia. The FY 2017 Budget Request includes 12 months of rent at the Arlington location and one month of rent at the Alexandria location. More detailed information about Space Rental can be found in the AOAM chapter.
- Operating Expenses (+\$1.54 million to a total of \$22.40 million) include funding for supplies and equipment, training, communications devices, and printing, which are necessary for the accomplishment of NSF's mission. In addition, various financial and award management and leadership activities are supported, such as post-award monitoring; contract close-out activities; large facility oversight; improper payments, financial statement, and internal controls reporting; CEOSE (Committee on Equal Opportunities in Science and Engineering) activities; and the Enterprise Information System. A detailed discussion about Operating Expenses can be found in the AOAM chapter.
- Building and Administrative Services (+\$1.02 million to a total of \$14.09 million) includes administrative contracts that support NSF's facilities and business operations such as the mail center, loading dock, supply and warehouse management; conference room and merit review panel support including audiovisual and virtual meeting support; printing, digital scanning and imaging; travel management support; NSF intranet operations and maintenance; and the visitor information center. Funding for administrative services, equipment, and supplies support NSF's infrastructure and include activities such as security system maintenance, ID issuance, public announcement system maintenance, the NSF Alert System, continuity of operations support services, and Federal Register notices for panels and advisory committees. Funding for government goods and services include support of core business activities such as records storage and relocation administration. A detailed discussion of these activities can be found in the AOAM chapter.
- Other Program Related Administration (PRA) decreases \$1.48 million to a total of \$14.20 million to support general Planning and Evaluation activities, which are agency-wide efforts such as the

verification and validation of performance information; certain IPA costs; some American Association for the Advancement of Science (AAAS) fellowships costs, and E-Government efforts. Ongoing support also is provided for two management improvement efforts—Evaluation and Assessment Capability (EAC) and Proposal Management Efficiencies (PME). Detailed information about both EAC and PME can be found in the NSF-Wide Priorities chapter. A detailed discussion about Other PRA can be found in the Program Accounts: R&RA and EHR chapter.

5. NSF Headquarters (HQ) Relocation: In June 2013, GSA awarded a 15-year lease for NSF’s new headquarters to be located in Alexandria, Virginia. The FY 2017 Request is for \$43.29 million, and is about eight percent of the Organizational Excellence portfolio. This provides support for HQ Relocation program management costs, technology costs, furniture, fixture, and equipment costs, and move costs to relocate NSF staff, furniture, equipment, and other materials to the new location. More detailed information about NSF HQ Relocation can be found in the AOAM chapter.

6. National Science Board (NSB): The staffing and operations of the NSB office are supported through a separate NSB appropriation representing one percent of the Organizational Excellence portfolio. Details about the NSB FY 2017 Budget Request can be found in the NSB chapter.

7. Office of Inspector General (OIG): The staffing and operations of the OIG are supported through a separate OIG appropriation representing three percent of the Organizational Excellence portfolio. Details about the OIG FY 2017 Budget Request can be found in the OIG chapter.

NSF FY 2016 Estimate and FY 2017 Request Submission Funding for E-Government Initiatives

The tables below show NSF's contributions and service fees for various E-Government initiatives. The FY 2017 Budget Request is increased \$441,246 above the FY 2016 Estimate. This level is consistent with the FY 2017 funding amounts provided by the initiatives' respective managing partners and reflects funding level changes for the following initiatives:

- Grants.gov changed its agency charging algorithm for FY 2017, decreasing NSF's service fee by approximately \$172,238;
- E-Rulemaking increases \$3,986;
- The Integrated Award Environment (IAE) initiative changed its agency charging algorithm for FY 2017, increasing NSF's service fee for IAE- loans and grants by \$603,666; and
- NSF's contribution to the Budget Formulation and Execution Line of Business increases \$5,000.

NSF FY 2016 Estimate Funding for E-Government Initiatives

Initiative	FY 2016			Appropriations Account	
	Agency Contributions	Agency Svc. Fees	NSF Total	AOAM	R&RA
Grants.gov	\$435,517	-	\$435,517	-	\$435,517
E-Travel	-	184,467	184,467	184,467	-
Geospatial LoB	25,000	-	25,000	-	25,000
E-Training	-	370,000	370,000	370,000	-
E-Rulemaking	-	10,374	10,374	10,374	-
USA Jobs	-	8,342	8,342	8,342	-
E-Human Resource Integration	-	24,634	24,634	24,634	-
Integrated Acquisition Environment (IAE) including Loans and Grants	-	253,544	253,544	18,079	235,465
Human Resources Management LoB	65,217	-	65,217	-	65,217
Financial Management LoB	139,094	-	139,094	-	139,094
Budget Formulation/Execution LoB	105,000	-	105,000	-	105,000
E-Payroll (incl. Shared Services)	-	314,640	314,640	314,640	-
Total	\$769,828	\$1,166,001	\$1,935,829	\$930,536	\$1,005,293

LoB: Line of Business; Totals may not add due to rounding.

NSF FY 2017 Request Funding for E-Government Initiatives

Initiative	FY 2017			Appropriations Account	
	Agency Contributions	Agency Svc. Fees	NSF Total	AOAM	R&RA
Grants.gov	\$263,279	-	\$263,279	-	\$263,279
E-Travel	-	184,467	184,467	184,467	-
Geospatial LoB	25,000	-	25,000	-	25,000
E-Training	-	370,000	370,000	370,000	-
E-Rulemaking	-	14,360	14,360	14,360	-
USA Jobs	-	9,174	9,174	9,174	-
E-Human Resource Integration	-	24,634	24,634	24,634	-
Integrated Acquisition Environment (IAE) including Loans and Grants	-	857,210	857,210	21,000	836,210
Human Resources Management LoB	65,217	-	65,217	-	65,217
Financial Management LoB	139,094	-	139,094	-	139,094
Budget Formulation/Execution LoB	110,000	-	110,000	-	110,000
E-Payroll (incl. Shared Services)	-	314,640	314,640	314,640	-
Total	\$602,590	\$1,774,485	\$2,377,075	\$938,275	\$1,438,800

LoB: Line of Business; Totals may not add due to rounding.