



Grants Innovation Exchange Session

“Smarter Use of Audit Data to Drive Change”

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Federal Emergency Management Agency

July 25, 2019





Session Overview

- **Welcome**
- **Speaker Introduction**
- **Innovation Exchange**
- **Results-Oriented Accountability for Grants
Cross Agency Priority Goal**
- **Q&A**
- **Stay Informed**





Speaker Introduction

Speaker: Gary McKeon

Gary joined OPPA in November 2012 as the Director of the Audit Liaison Office (ALO). ALO provides oversight, monitoring, and coordination of the Department's responses on audits, inspections, and reviews, primarily by the DHS Office of Inspector General (OIG) and Government Accountability Office (GAO). ALO assists in the implementation of the OMB Circular A-50 Requirements, promotes long-term viability of Federal Emergency Management Agency (FEMA) by facilitating transparency of the Agency to the Department of Homeland Security Secretary (DHS) and the Congress in accordance with law. The Audit follow-up is an integral part of good management and is a shared responsibility of agency management officials and auditors. Corrective action taken by management on resolved findings and recommendations is essential to improving the effectiveness and efficiency of Government operations.



Prior to becoming Director, Gary was ICE PMO Branch Chief, where he coordinated projects and programs to address high-visibility and mission-critical financial and program performance deficiencies, develop sustainable solutions, and report the status of OCFO and related program operations. Gary has more than 30 years of diverse experience in Business, Construction, Project Management, and Business Process reengineering and military background. Gary is a former Naval Intelligence Officer, Business Entrepreneur and holds a bachelor's degree in Business Administration from Hofstra University and a Management Certificate from University of Virginia (Darden School). Additionally, Mr. McKeon is certified in Project Management Principles (PMP), Risk Management (RSM), and holds a Green Belt in Six Sigma.



Smarter Use of Audit Data to Drive Change

The Truth, the Whole Truth and Nothing but the Truth about Audit Data



Today's Topic:

How FEMA's Audit Liaison Office standardized processes, executed data preparation, and developed its staff in order to deploy business intelligence dashboards that aggregate grant audit data across the entire agency.

Getting to the Truth using Audit Data

Disaster Grant Audits: the Truth, the Whole Truth & Nothing but the Truth



Discussion Areas

Audit Liaison Office (ALO) Approach: Getting to The Truth



**Vision &
Capability
Model**



**Crawl,
Walk, Run
Strategy**



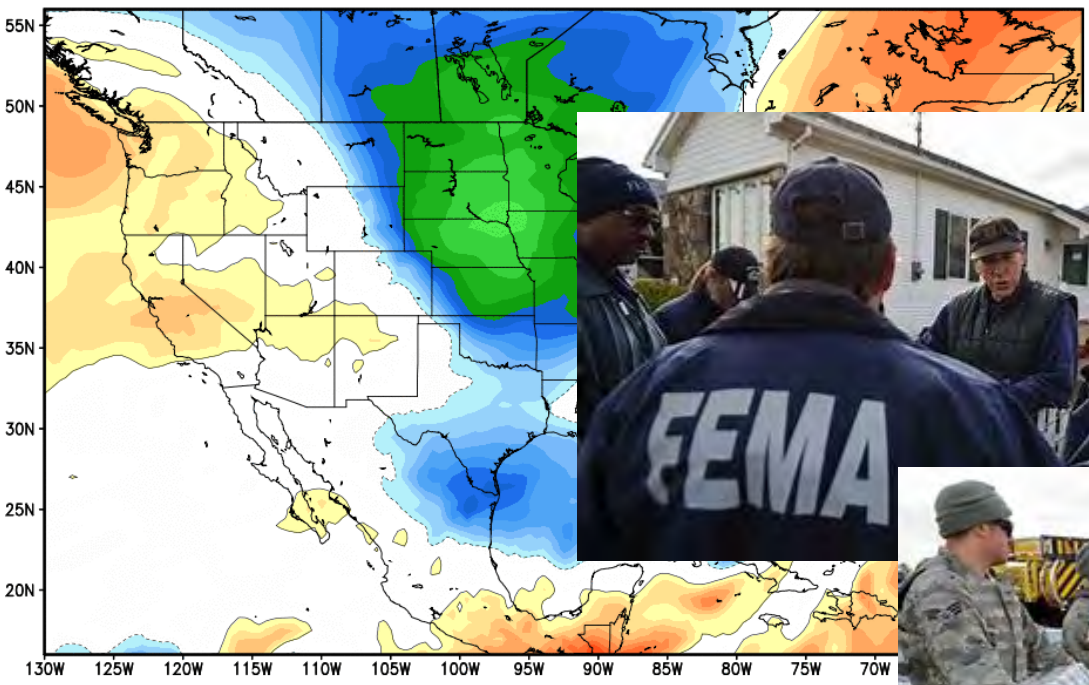
**Analytics
in Action**

November 2012

Hurricane Sandy: Formed 10/22/2012, Dissipated 11/2/2012

NCEP GFS 500 hPa Temperature Normalized Anomalies
Init: 00Z28OCT2012 -- [0] hr --> Valid Sun 00Z28OCT2012

Min: -2.6 | Max: 4.8



Units are sigmas or standard deviations from climatology
GFS 720x361 0.5°x0.5° Forecast Grid | Climatology 1981–2010 NCEP CFSR Reanalysis



Where We Were...

Unstructured and Fragmented Audit Data Everywhere

“So many duplicates, which one is correct?”

“Why can't I find it on SharePoint or the Shared Drive?”

“How many different spreadsheets are there?”

“What do you mean it's lost?”



“Why is my cheat sheet different from yours?”

“When did the process change?”

“Why can't everything be in the same place?”

“We need a Single Source of Truth!!”



FEMA

Where We Are Today...

The image displays a collage of screenshots from the FEMA Performance Audit Dashboard, illustrating various data points and visualizations:

- Performance Audit Dashboard (Top Left):** Shows overall audit metrics, including 'Open Audits' and 'Total Recommendations Issued' (185 in 2017, 140 in 2018).
- Map of Recurring Findings in OIG Regional Audits (Top Right):** A map of the United States showing the geographic distribution of findings, with a legend for 'Repeat Finding Pts' (1-7) and 'Map View' options.
- Repeat Findings by State (Middle Left):** A table listing findings by state, such as 'General Procurement Dashboard' and 'Disaster Relief Audit Findings'.
- Disaster Relief Audit Findings (Middle Right):** A bar chart showing the 'Cost of Audit Findings: FY 2012 - 2018', with a significant increase in 2018.
- Potential Monetary Findings Ranked (Bottom Left):** A bar chart ranking findings by 'PMB Finding' amount, with 'Eligibility' being the highest at over \$2,000,000,000.
- Monetary Findings Detail (Bottom Right):** A table providing specific details for findings like 'Eligibility' (\$2,491,795,102) and 'Stafford Act Section 406' (\$2,132,014,839).
- Other Visualizations:** Includes a 'Next Step to Up To...' section with a checklist, a 'Number of Aged Recommendations Awaiting Closure' bar chart, and a 'Total Number of ECO Changes on Open Recommendations' bar chart.



1. Start with Vision and Capability Assessment



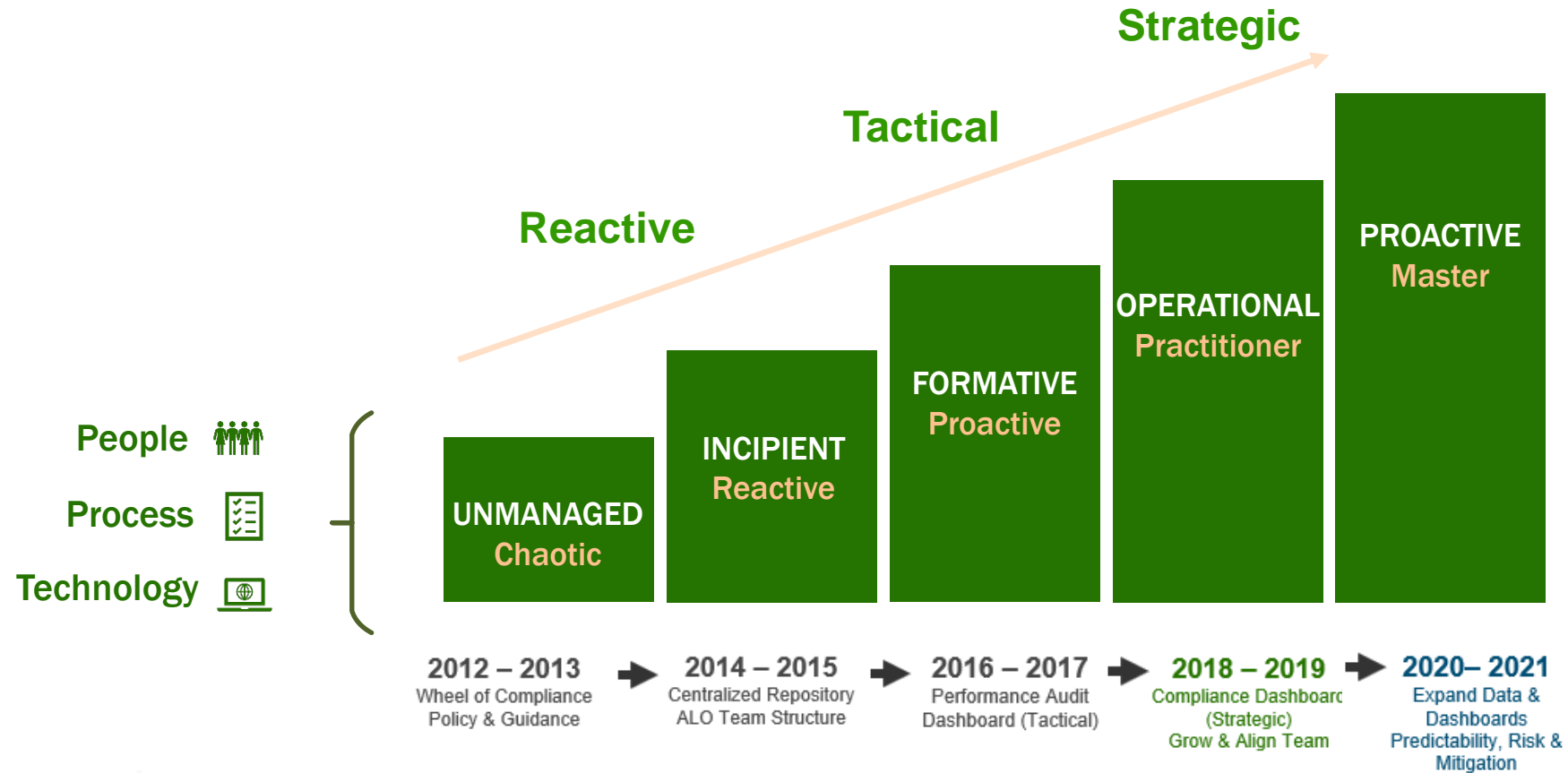
Vision: ALO Wheel of Compliance

Iterative Approach



Capabilities Assessment

Assess Where Are You on the Continuum & Address Key Gaps



Step 2: Align with Drivers for Change

External & Internal



Step 3: Develop a “Stepped” Execution Strategy



First you
crawl...



Then you
walk...



Then you
run...

Crawl

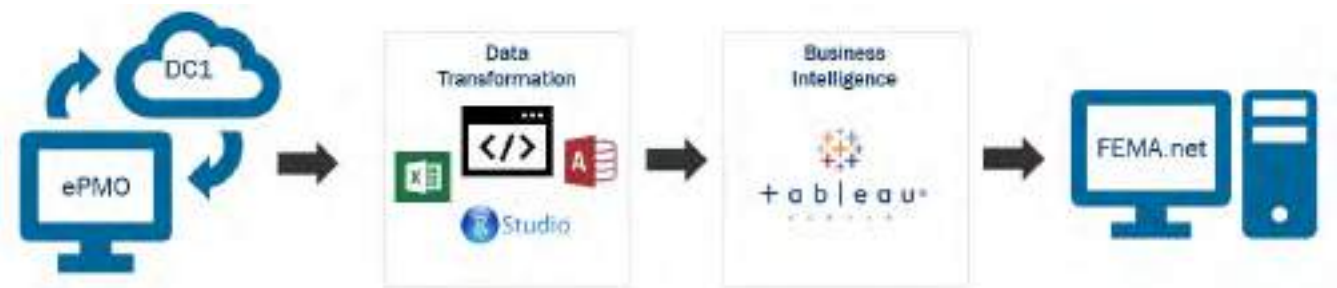
1. Create a Single Source of Truth

System of Record for Performance Audits



Established a single source for Performance Audit Information for the Agency by leveraging DHS's System of Record (ePMO)

Transformation Tools & Tableau Server



Increased efficiencies by reducing duplication, reduced level of effort and eliminating need for static reporting

Crawl



2. Tactical Dashboard Focused on Performance Audits (GAO & OIG)

Audit and Recommendation Tracking:

- Provides agency-wide visibility to upcoming and past due Audit Follow-Up items
- Used by Audit Community and Senior Leadership for Monitoring and Reporting



Open Audits: Audit Lifecycle Activity Tracking and Trends

- Visibility to audit inventory and lifecycle activity
- Year-over-year trending
- Open vs. Closed Backlog



Open Recommendations: Tracking and Trends

- Aging of Recommendations
- Next Steps and Recommendations Awaiting Closure
- Planned Corrective Action Completion Dates and Number of Revised Dates



Analytics in Action



Aged Recommendations Greater than 2 Years: Tracking and Trends

- Aging Detail by Program/Region
- Next Steps and Recommendations Awaiting Closure
- Open Aged Recs Over Time



Analytics in Action



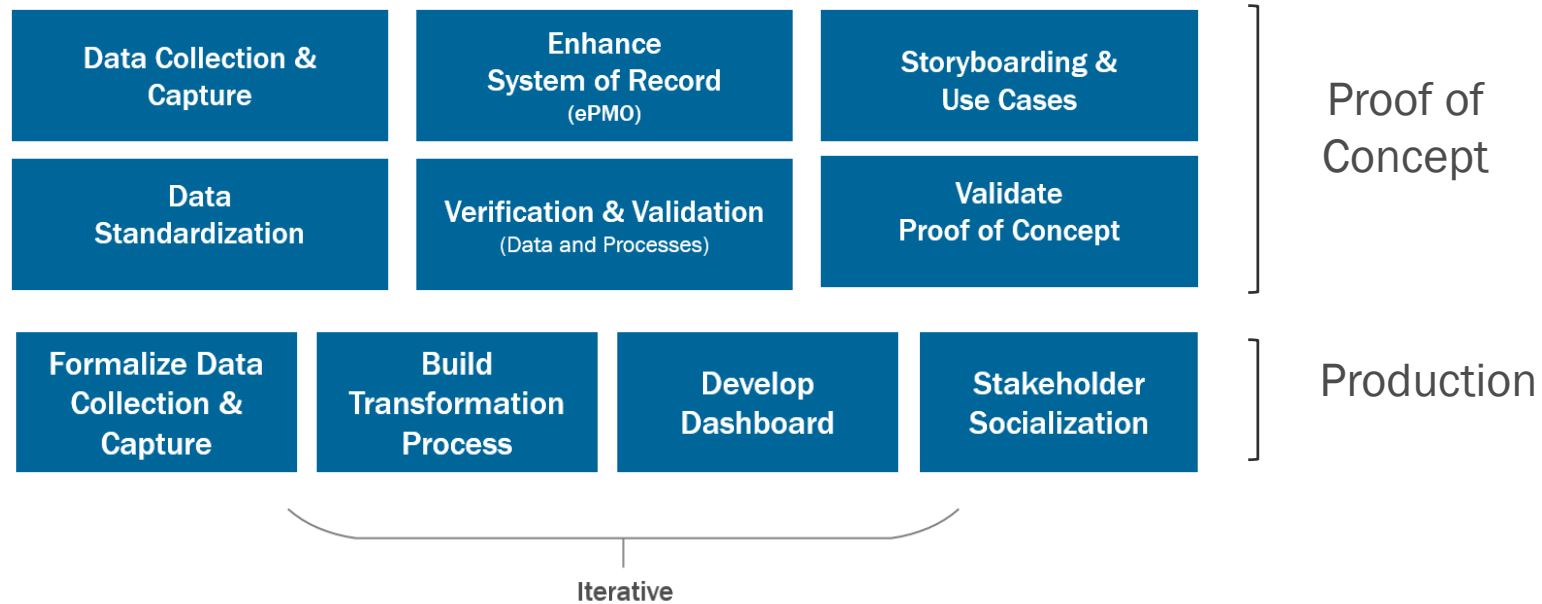
Walk



1. Strategic Dashboard focused on Compliance Data

Objective:

- ✓ Capture Questioned Costs and Compliance Data from Unstructured Data (OIG Reports & Other Audit Artifacts)
- ✓ Surface Recurring Compliance Issues Geographically by Region, State, and County



Fast Walk



2. Incorporate Single Audits (A-133)

Objective:

- ✓ Capture Questioned Costs and Compliance Data from the FAC & Unstructured Single Audit Data
- ✓ Surface Recurring Compliance Issues Geographically by Region, State, and County



Potential Monetary Findings



Analytics in Action

- Disaster Relief Audit Findings
- Map of Recurring Findings
- Status of Funds at Audit Closure

Potential Monetary Findings Ranked by Citation - Questioned Costs & Funds Put to Better Use

Number of Items to Show

25

Highlight these PME

Top 50%

Highlight Color

50% of PME



Potential Monetary Findings

- Disaster Relief Audit Findings
- Map of Recurring Findings
- Status of Funds at Audit Closure

Potential Monetary Findings Ranked by Citation - Questioned Costs & Funds Put to Better Use

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Top 50%

Highlight Color

50% of PME

Remainder of PME

FEMA Component

Region IV

State

(All)

PMB Type

(All)

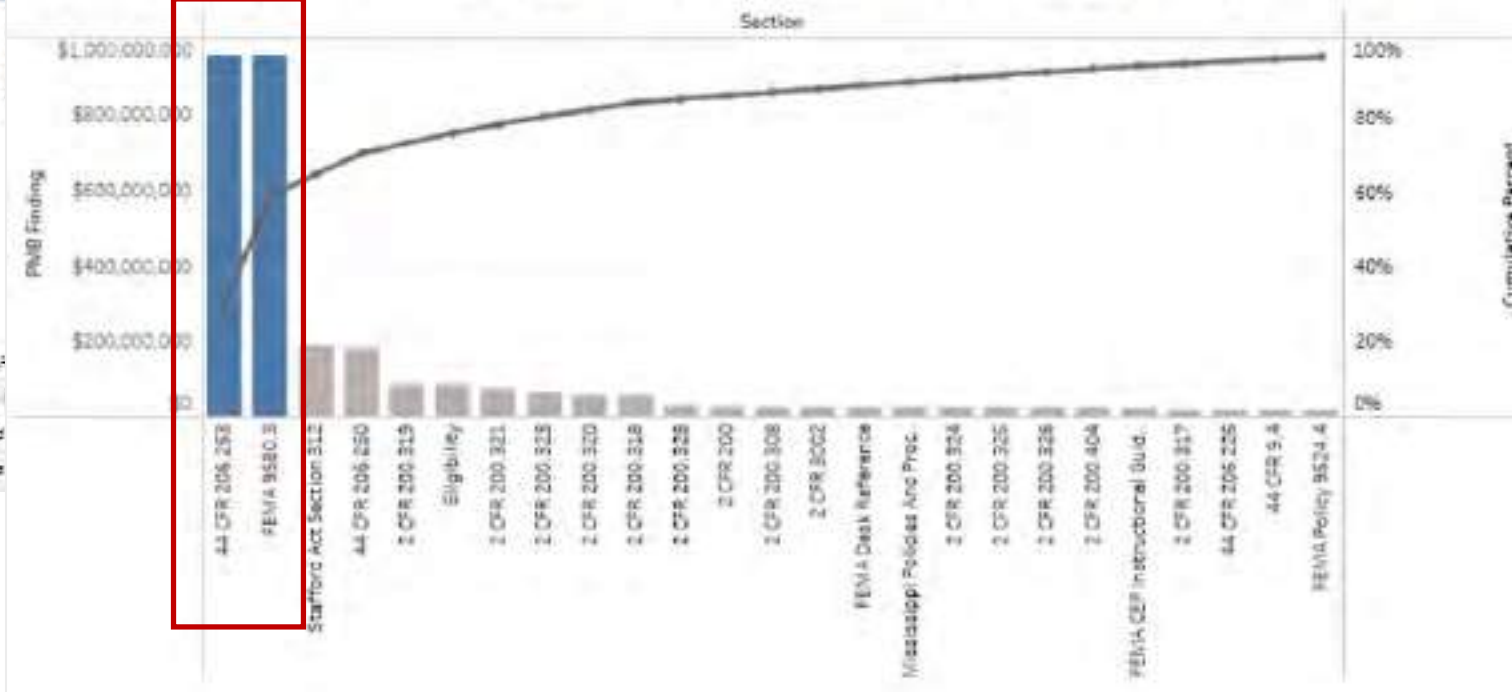
Grant Type

(All)

Incident Type

Hurricane

Help



Monetary Findings Detail

Section	Section Description
Eligibility	Eligibility (FEMA Public)
44 CFR 206.223	General Work Eligibility
Stafford Act Section 406	Repair, Restoration, and
44 CFR 206.253	Insurance Requirements





Analytics in Action



Performance Audits Only



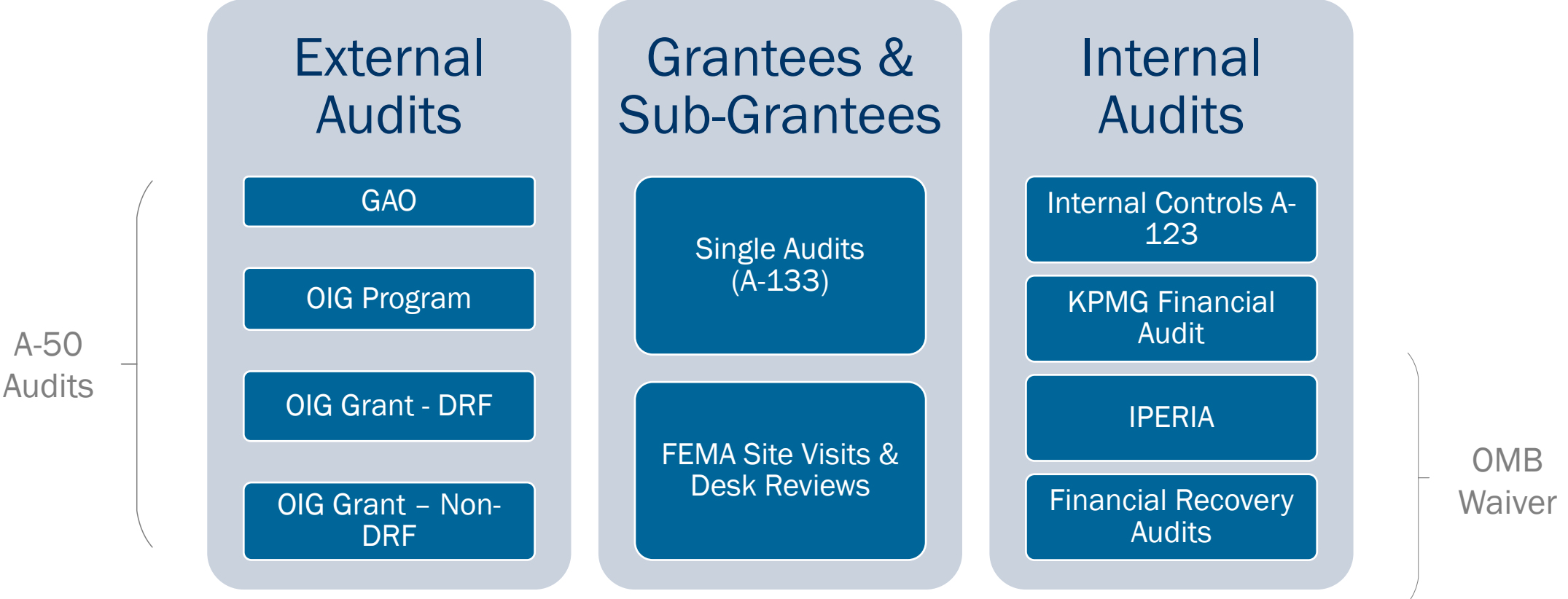
Performance Audits & Single Audits



Run – What’s Next



1. Complete Remaining External & Internal Audits



Run – Future & Beyond

2. Expand to other FEMA “Audit-Like” Inputs



Run – Future & Iterative



3. Extend into Grants Modernization Effort

Integrate with Current Grants Portal

Integrate with FEMA GO

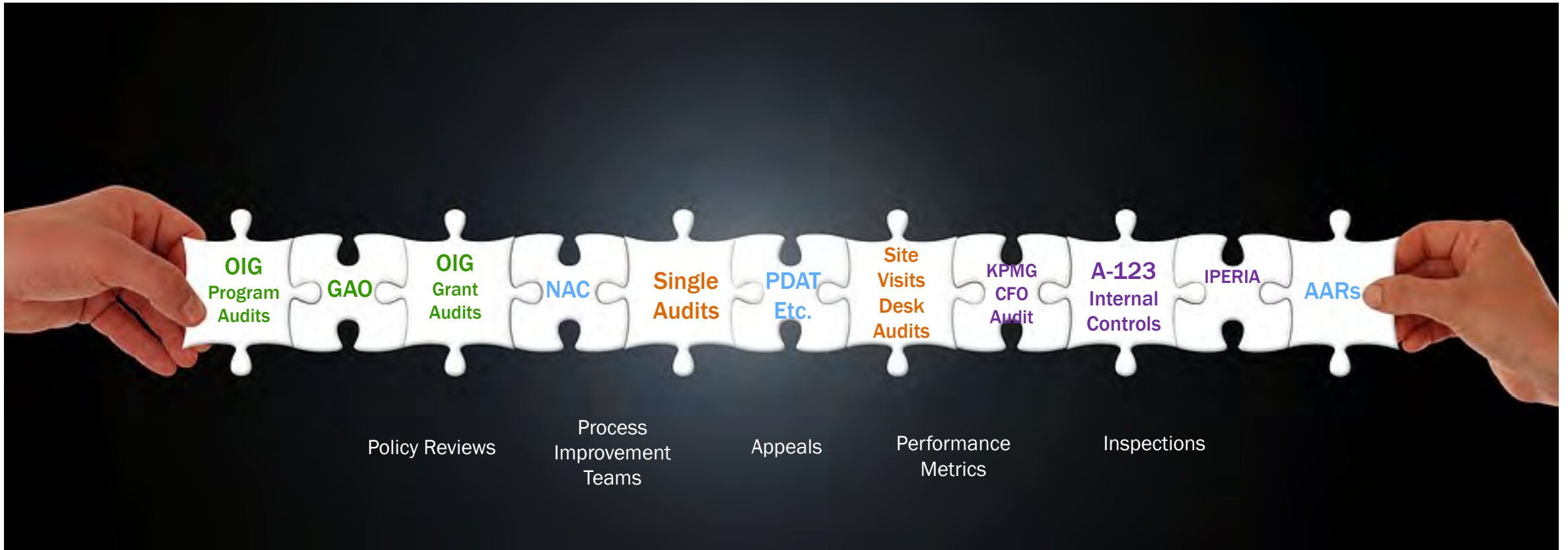


Integrate with
FEMA.gov



In Summary: Continuing the Truth Puzzle

Consolidation of all Audit Types into a Single Source of Truth





Results-Oriented Accountability for Grants Cross Agency Priority Goal (Grants CAP Goal)

Maximize the value of grant funding by applying a risk-based, data driven framework that balances compliance requirements with demonstrating successful results for the American taxpayer.

GOAL STATEMENT





Grants CAP Goal Strategies

Hold recipients accountable for good performance practices that support achievement of program goals and objectives; & streamline burdensome compliance requirements for those that demonstrate results.



Achieve Goals and Objectives



Manage Risk

Leverage data, including data from annual audits, to assess & manage recipient risk.



Build Shared IT Infrastructure

Use standard business processes & data to identify opportunities to build shared solutions that reduce burden & improve the user experience.



Standardize Business Processes & Data

Standardize grants management business processes & identify, operationalize, standardize, & link data.





Instructions:

Please enter your questions via the chat feature via Adobe Connect; OR

Email them to GrantsTeam@omb.eop.gov





Stay Informed

JOIN OUR COMMUNITY TODAY!

<https://www.performance.gov/CAP/grants/>

**Results-Oriented
Accountability for Grants**

NEWS & EVENTS RESOURCES **JOIN COMMUNITY**

INNOVATION EXCHANGE SESSION SCHEDULE:

July 25, 2019

September 26, 2019

October 24, 2019

Note: Sessions will not be held in August, November, or December

DO YOU HAVE AN INNOVATION YOU WOULD LIKE TO SHARE?

Please email the Grants Team at GrantsTeam@omb.eop.gov

