

#### **Grants Innovation Exchange Session**

"Smarter Use of Audit Data to Drive Change"

Gary McKeon Director, Audit Liaison Office Office of Policy and Program Analysis Federal Emergency Management Agency

July 25, 2019



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





#### Speaker: Gary McKeon

PRESIDENT'S

MANAGEME

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

Min: -2.6 | Max: 4.8

NCEP GFS 500 hPa Temperature Normalized Anomalies Init: 00Z280CT2012 -- [0] hr --> Valid Sun 00Z280CT2012



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# Where We Were...

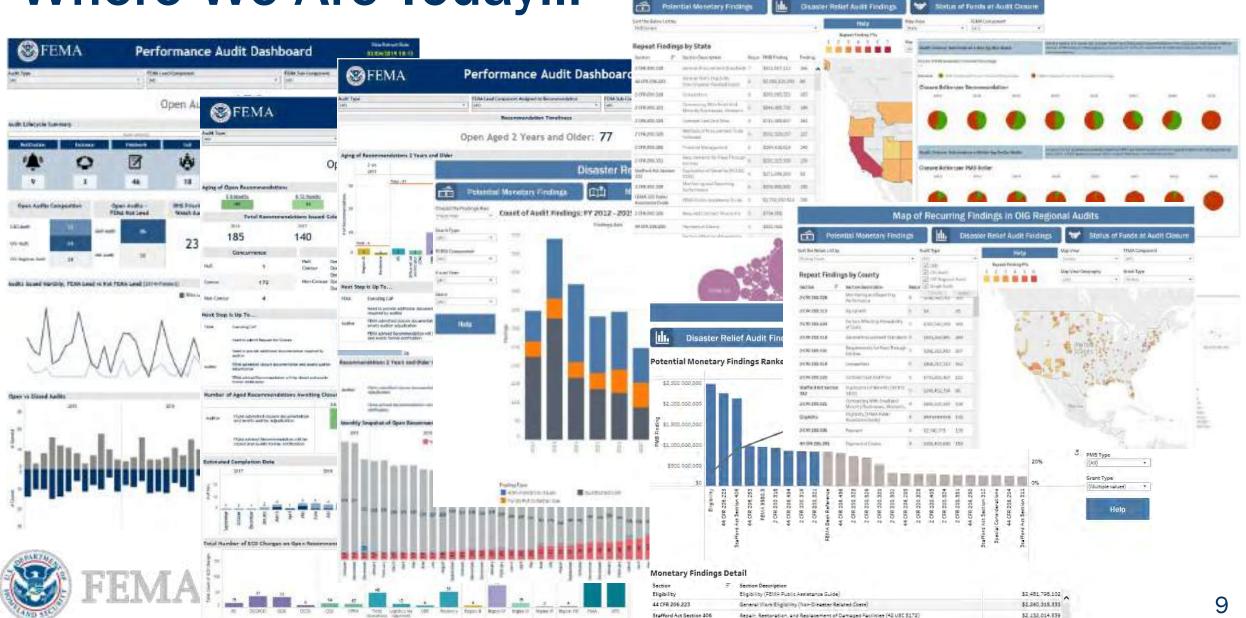
### **Unstructured and Fragmented Audit Data Everywhere**





FEMA

# Where We Are Today...



44 CFR 206.253

Map of Recurring Findings in OIG Regional Audits

Insurance Requirements for Facilities Damaged by Disasters Other Than Flood

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## **1. Start with Vision and Capability Assessment**







# Vision: ALO Wheel of Compliance

### **Iterative Approach**

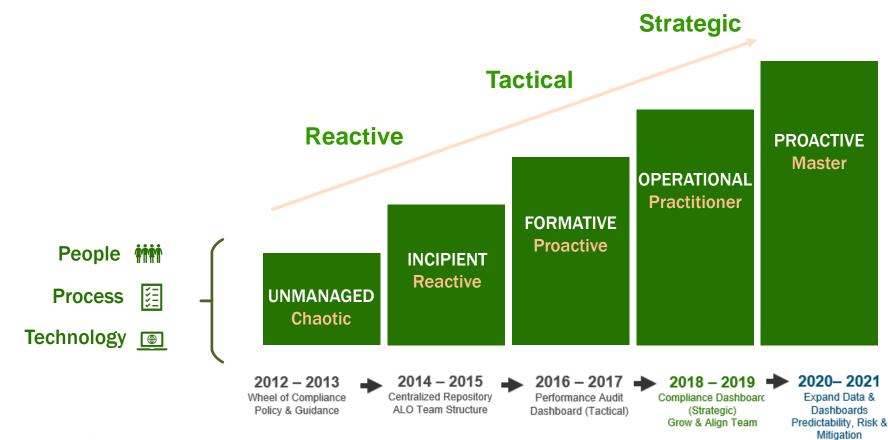


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# **Capabilities Assessment**



### Assess Where Are You on the Continuum & Address Key Gaps





# **Step 2: Align with Drivers for Change**

### **External & Internal**



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Vision & Capability Model

# Step 3: Develop a "Stepped" Execution Strategy





First you crawl...

Then you walk... Then you run...







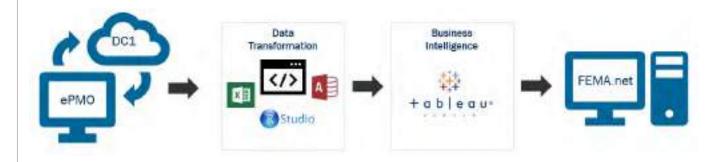
### **1.** Create a Single Source of Truth

#### 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:

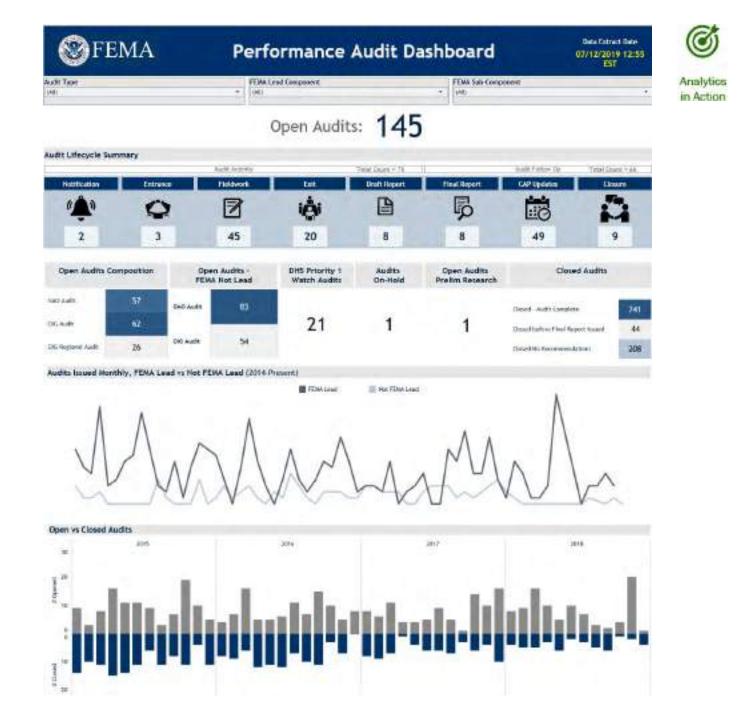
- Provides agency-wide visibility to upcoming and past due Audit Follow-Up items
- Used by Audit Community and Senior Leadership for Monitoring and Reporting



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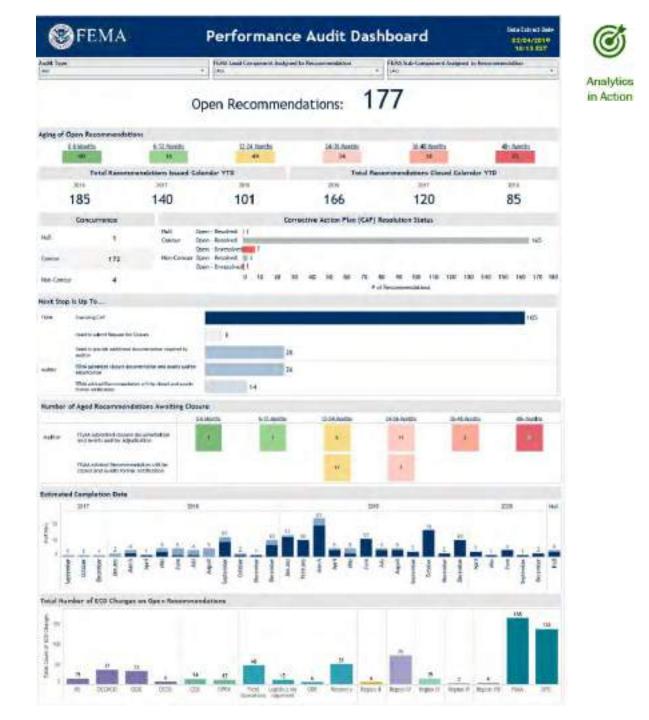
## Open Audits: Audit Lifecycle Activity Tracking and Trends

- 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





### 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





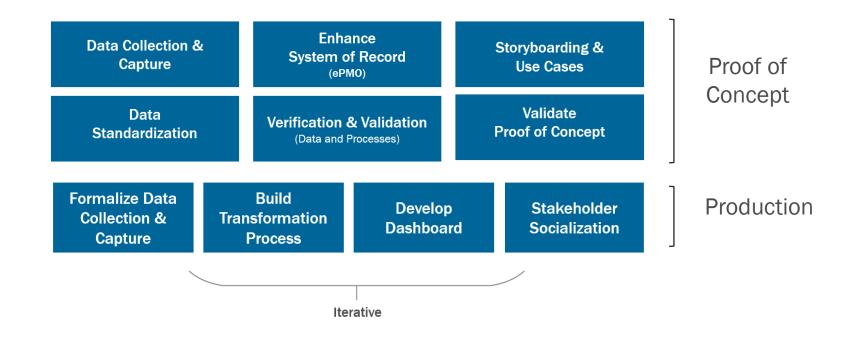




### **1. Strategic Dashboard focused on Compliance Data**

#### **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 <u>FAC & Unstructured Single Audit Data</u>
 Surface Recurring Compliance Issues Geographically by Region, State, and County

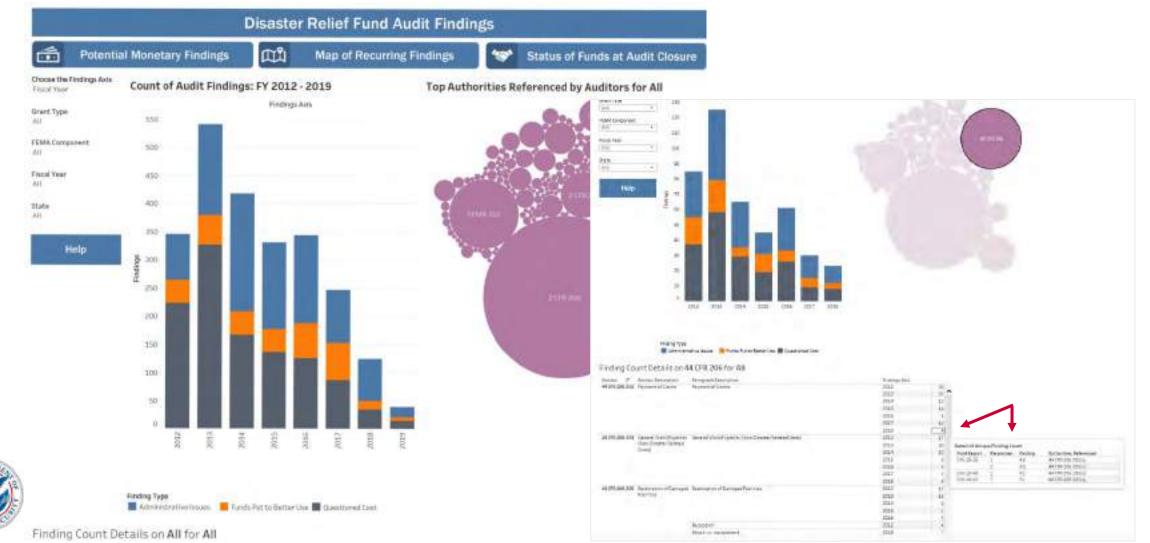
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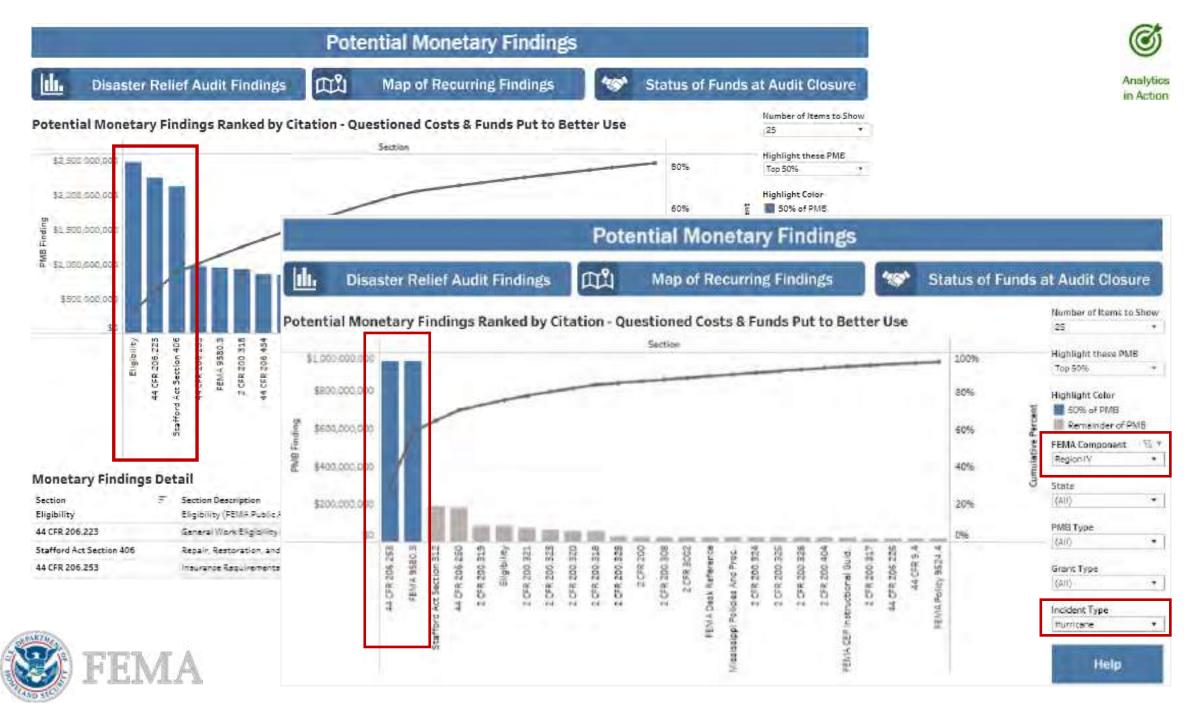


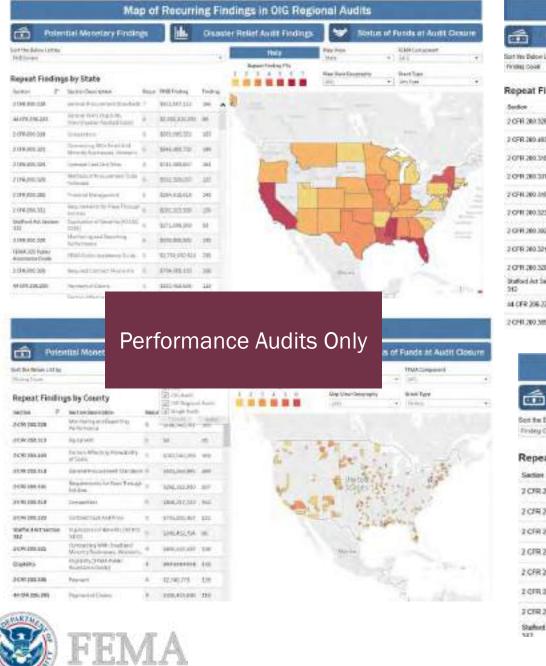
## **Fast Walk**



### **3. Compliance Dashboard**





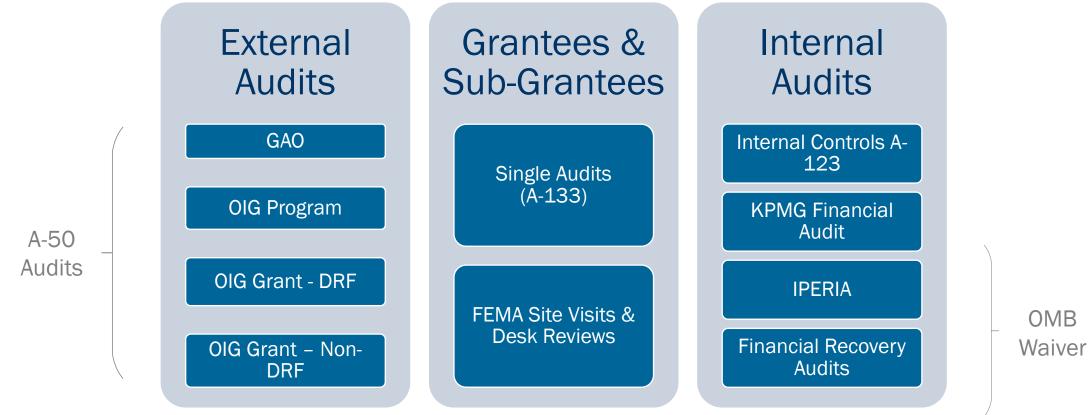


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# Run – What's Next



### **1. Complete Remaining External & Internal Audits**





# Run – Future & Beyond



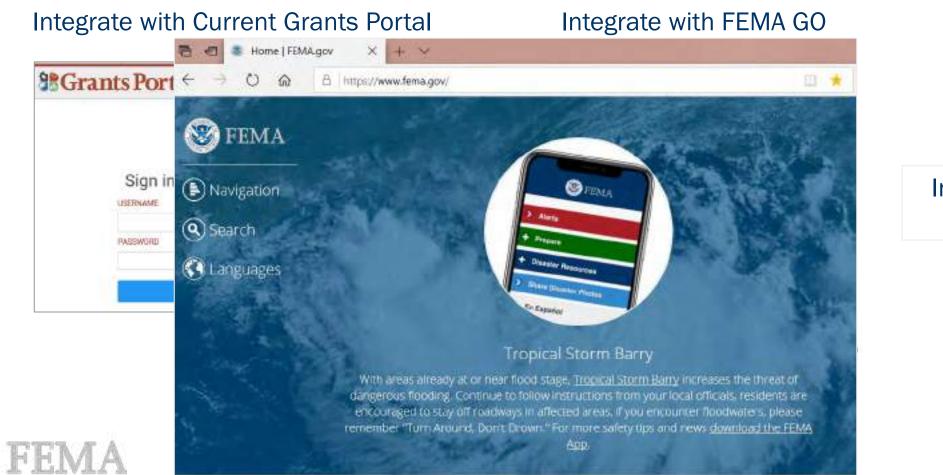
### 2. Expand to other FEMA "Audit-Like" Inputs





# **Run – Future & Iterative**



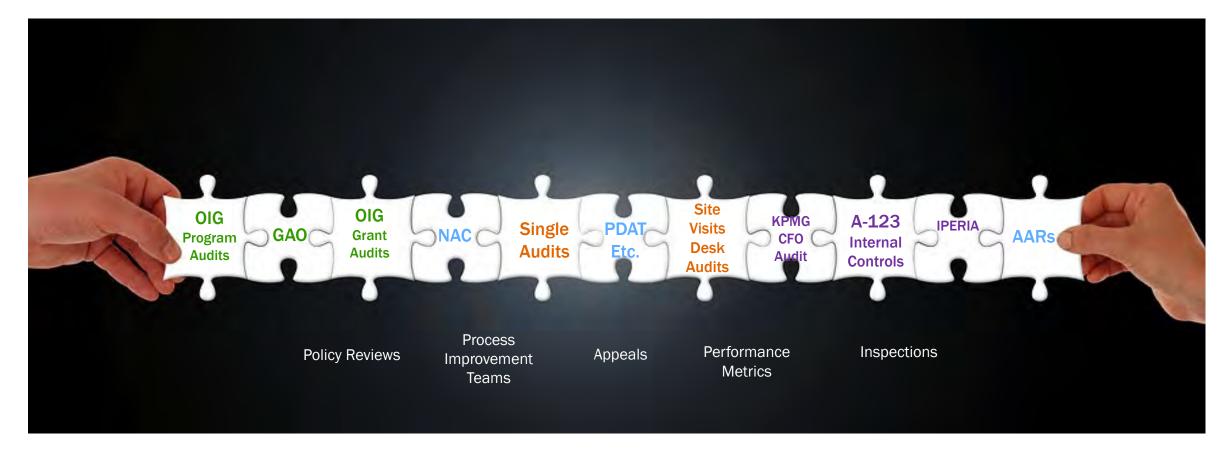


Crawl, Walk, Run Strategy

Integrate with FEMA.gov

# In Summary: Continuing the Truth Puzzle

### **Consolidation of all Audit Types into a Single Source of Truth**







PRESIDENT'S MANAGEMENT

GENDA

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



PRESIDENT'S

MANAGEMENT

#### **Standardize Business**

#### **Processes & Data**

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



#### Build Shared IT Infrastructure

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



#### Manage Risk

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





#### **Instructions:**

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

Email them to <u>GrantsTeam@omb.eop.gov</u>

Q&A





PRESIDENT'S

MANAGEMENT

#### JOIN OUR COMMUNITY TODAY!

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



#### **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

