



## Performance Report - State of Hawaii (DIA)

Organization: State of Hawaii	Program Type: Defense Industry Adjustment	Project Type: State Grants
GMS: Catherine Tiffner	PM: Sigmund Csicsery	Project Number : ST1603
Grant Number: ST1603-16-01	FAIN: HQ00051610178	Report Code: Quarterly
Authorizing Official: (b)(6)	Grant Start - End Date: 07/01/2016 - 06/30/2017	Delegated Authority: (b)(6)
Approved Amount: \$849,176.00	Total Paid: \$236,154.00	Balance Remaining: \$613,022.00
Obligated Federal Amount: \$763,856.00	Deobligated Federal Amount: \$0.00	

### Activity Details

<b>Reporting Period:</b>	3	<b>Date Due:</b>	04/30/2017
<b>Reporting Period Covered From:</b>	01/01/2017	<b>Reporting Period Covered To:</b>	03/31/2017
<b>Report Type:</b>	Quarterly		

### Objectives and Accomplishments

#### Compare actual accomplishments to the objectives established for the period.

1. The grant project schedule specified four (4) major tasks for Phase II, Prototype Development (November 1, 2017 thru January 31, 2017):
  - a. Develop prototype methodology. The prototype methodology and design work was completed slightly behind schedule, resulting in the delivery of the first prototype on February 14, 2017. The prototype design was based on using Federal Fiscal Year (FY) 2015 data, since it was expected that the data set should be complete.
  - b. Deploy with "beta" stakeholders. 12 beta stakeholders reviewed the data utilized and presented in the prototype. The beta stakeholders indicated that the most of the contract values for FY 2015 appeared to be accurate. However, several outliers were identified that were confirmed to be incorrect (see 1c, below).
  - c. Analyze preliminary data. Data analysis identified problems with the data. For example, the usaspending.gov data included negative obligation dollar value transactions due to de-obligations. As a result, a vendor's record reflected a -\$15M income in the data set. Also, sub-recipient data include multiple records for the same contract, resulting in an over-reporting of the funding if aggregated. As a result, one of the subcontractor vendors was showing \$78M in revenue, when all DoD contracts are estimated to be \$2B.
  - d. Improve methodology and tools. Additional data clean-up will be needed to more accurately utilize and characterize the data in order to develop version 2 of the prototype.

Because the problems identified with the prototype and data are requiring re-evaluation of the technical tools and data handling methodology, additional work is being done on the prototype design and functionality. A no cost extension to provide the consultant team with more time to address the scope of work is being requested.

The Phase III, Deployment (February 1 – March 31, 2017), tasks specified in the grant are as follows:

- a. Deploy methodology and tools across the state to collect data.
- b. Analyze results.
- c. Improve the methodology and tools

Due to the delay with phase II, these tasks are being deferred, pending the no cost extension, to give us more time to work with the consultant time to thoughtfully address the scope of work and deliverables.

2. (b)(6) the OEA-approved Key Person and Program Manager, for this project resigned effective March 15, 2017. Thus, the grant administrating office's Executive Director, (b)(6) engaged more actively in the project to enable a smooth transition. A replacement may be sought if the no cost extension is pursued and approved by OEA. Until a replacement Program Manager can be identified and approved, the State will propose that (b)(6) serve as the interim Program Manager.

3. A lag in expensing of non-federal match was identified in the program/financial reports. After consulting with our OEA PM, a revised accounting proposal has been developed and is now being reviewed by OEA. (See explanation in the "Project Expenses" section.)

4. (b)(6) participated in OEA's DIA Learning Community Convening even in Washington, DC. This event provided additional insight to inform the project.

### Provide reasons for slippage if established objectives were not met.

1. The prototype website presented by the consultant team in February 2017 was more problematic than expected. Problems with the data and technology used to present the data analysis were identified (see 1c in the section above). Thus, the consultant is improving the prototype prior to launch.

2. The resignation of the Program Manager required the project team to carefully assess project status to ensure that the project was transitioned smoothly. However, loss of the Program Manager contributed to the need for a time extension.

## Project Expenses

### Project Expenses

Provide an accounting of actual and projected quarterly expenditures by the budget line items approved in the grant. The amount of Federal cash on hand at the beginning and end of the reporting period must also be provided.

This Period Cumulative

a. Federal Share of Expenditures	\$224,038.31	\$388,189.31
b. Reimbursements requested:	\$373,468.00	\$388,190.00
Reimbursements received to date:	\$149,429.00	\$164,151.00
Reimbursements due:	\$224,039.00	\$224,039.00
c. Cash Receipts:	\$149,429.00	\$164,151.00
Cash Disbursements:	\$373,467.31	\$388,189.31
Cash on Hand:	\$0.00	\$0.00

The accounting of the expenditures by budget line item is based on a cash basis:

- Personnel and Fringe expenses are through the 2/28/2017 pay period as the State pays payroll 2 weeks later than when incurred.
- Contractual service expenses are through 2/28/2017 as monthly invoices are due 30 days after the completion of a performance month.

The attached quarterly expenditure report is consistent with the State's Invoice #5, which reflects all expenses paid as of 3/31/2017.

Personnel expenses for the PM increased slightly (\$79,992 to \$82,788) in January 2017 because of the union negotiated/State approved compensation increases. Because the PM resigned effective 3/15/2017 and the federally funded position will remain vacant until a replacement can be identified and hired. This increase is being managed within the overall personnel cost classification line item, and does not require additional federal funds

The actual non-federally funded expenses are lagging behind the 10 percent requirement. This situation is being assessed and an

action plan is being developed to ensure that the 10 percent requirement is met.

\* Please note that the budget worksheet below calculates the cumulative federal and non-federal expenses incorrectly. Please see the attached PDF for the correct budget worksheet.

Category	Approved - Federal	Approved - Nonfederal	Spent - Federal	Spent - Non-Federal	Cumulative Federal	Cumulative Non-Federal
Personnel	\$140,000.00	\$44,750.00	\$23,326.15	\$2,576.18	\$23,326.15	\$2,576.18
Fringe Benefits	\$69,356.00	\$22,169.15	\$11,555.37	\$1,276.84	\$11,555.37	\$1,276.84
Travel	\$4,900.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplies	\$2,400.00	\$6,400.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Costs	\$0.00	\$12,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual	\$547,200.00	\$0.00	\$189,156.79	\$0.00	\$189,156.79	\$0.00
Indirect Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Grand Total</b>	<b>\$763,856.00</b>	<b>\$85,319.15</b>	<b>\$224,038.31</b>	<b>\$3,853.02</b>	<b>\$224,038.31</b>	<b>\$3,853.02</b>

## Additional Information

**Provide additional pertinent information as appropriate.**

1. FSRS. In the 12/31/2016 performance report, the State reported that the FSRS report could not be submitted. We are waiting for this issue to be resolved in order to submit the required report.
2. No new procurements have been conducted this reporting period.
3. State of Hawaii is continuing to comply with grant terms and conditions.

### Additional File Attachments

#	File Name	Size	Date
1.	<a href="#">Q3 HI OEA Performance Report Financials.pdf</a>	72 KB	04/28/2017 16:43

**OEA Quarterly Grant Report**  
**Reporting Period Covered to 3/31/2017**  
**State of Hawaii**

Provide an accounting of actual and projected quarterly expenditures by budget line items approved in the grant. The amount of Federal cash on hand at the beginning and end of the reporting period must also be provided:

	This Period	Cumulative
a. Federal Share of Expenditures	\$224,038.31	\$388,189.31
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Cash on Hand:	\$0.00	\$0.00

Budget worksheet

Category	Approved - Federal	Approved Nonfederal	Spent - Federal (Q3)	Spent – Non-federal (Q3)	Cumulative Federal	Cumulative Non-Federal
Personnel	140,000	44,750.00	23,326.15	2,576.18	55,261.15	7,877.78
Fringe	69,356	22,169.15	11,555.37	1,276.84	27,376.37	3,902.65
Travel	4,900	0				
Equipment	0	0				
Supplies	2,400	6,400.00				
Other	0	12,000.00				
Contractual	547,200	0	189,156.79		305,551.79	
Indirect	0	0				
<b>Total</b>	<b>763,856</b>	<b>85,319.15</b>	<b>224,038.31</b>	<b>3,853.02</b>	<b>388,189.31</b>	<b>11,780.43</b>