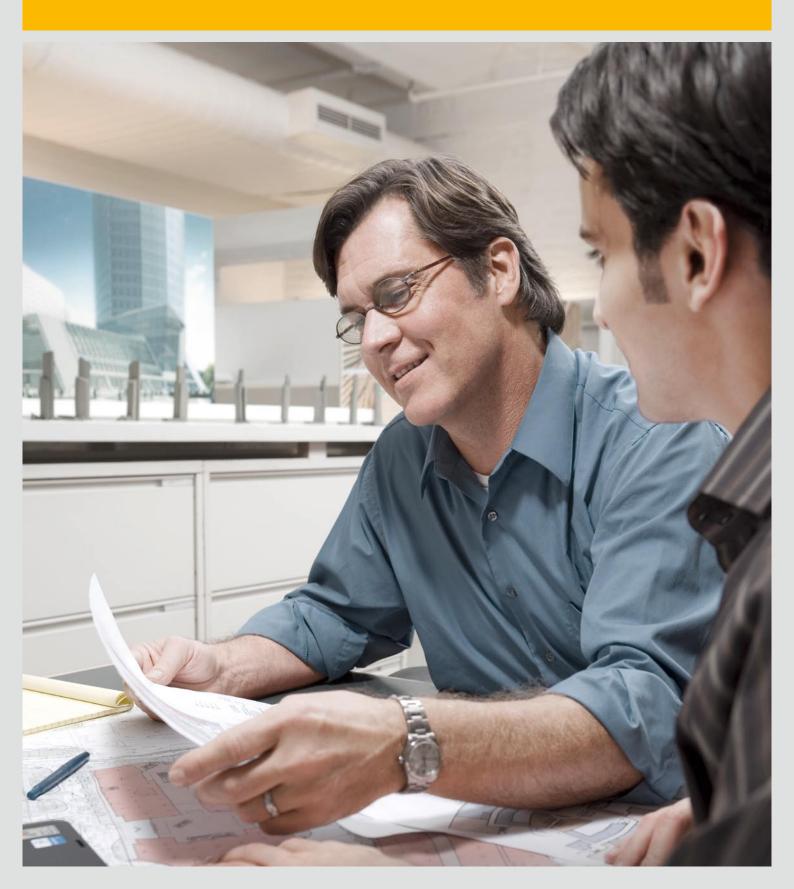# AUTOMATING STIMULUS FUND REPORTING
HOW NEW TECHNOLOGIES
SIMPLIFY FEDERAL REPORTING

Now organizations can automatically compile information, centrally store it, and create instant reports. Not only does this lessen the pressure on CIOs facing tight ARRA reporting deadlines, it also gives organizations much greater agility in decision making without high costs.

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EXECUTIVE SUMMARY

SAP offers comprehensive automated solutions for ARRA reporting that help organizations comply with regulations while keeping costs down.

Properly tracking and reporting stimulus fund spending are Herculean tasks for CIOs. For many government agencies and organizations that are spending U.S. American Recovery and Reinvestment Act (ARRA) funds, the accountability demands of the federal government mean scrambling to collect and analyze floods of data.

Faced with tight deadlines, organizations must consolidate spending information from many different sources and link spending to job creation. However, compiling, formatting, analyzing, and reporting data from disparate systems often require months of work – and come with significant costs. Add the prospect that reporting could extend beyond existing requirements, and organizations are facing significant challenges.

How can CIOs cost-effectively analyze ARRA spending and its impact on job creation? Is there an automated way to meet evolving federal mandates?

Fortunately, new technology is now available to overcome these complex reporting obstacles. Automated ARRA reporting systems greatly speed the reporting process by extracting and analyzing structured and unstructured data from all relevant sources, greatly simplifying the reporting process.

Now organizations can comply with federal reporting requirements in just days – without excessive labor costs and data management headaches. This paper explores the reporting challenges faced by organizations and examines the many benefits of automated ARRA reporting systems.

TRENDS IMPACTING STIMULUS RECIPIENTS
DEMANDS FOR ACCOUNTABILITY, REGULATIONS, AND COMPLEXITY

U.S. taxpayers are demanding accountability in federal spending like never before, and organizations receiving federal funds are feeling the squeeze. The ARRA guidelines released by the federal Office of Management and Budget demand highly detailed information from public and private sector recipients.[1]

Under these new regulations, agencies and organizations will not only be required to track how and where stimulus money is spent, but must also measure the economic impact of that spending. This means accountability controls must be in place across all systems, including enterprise resource planning, financial, procurement, contracting, and capital project systems.

Aggressive reporting schedules will pressure CIOs to deliver more complex information on shorter deadlines; however, few tools exist to simplify ARRA reporting. A recent Gartner report explains, "Most financial management and performance/compliance reporting applications – especially business intelligence tools – will be challenged to address changes in the expected time frames of weeks, not months or years."[2]

The Office of Management and Budget also declared that more detailed reporting requirements will be issued in the future. Fluctuating rules and uncertain future requirements only create more uncertainty for CIOs seeking to manage already complex requirements. Organizations often find that existing reporting tools do not meet the mark.

These trends are just the tip of the reporting iceberg. Public pressure for fiscal responsibility in government spending continues to rise. According to a Gartner report, the current administration intends broad and deep transparency to be applied well beyond stimulus funding.[3] "Soon, the near-real-time tracking of funding, spending, and outcomes will be expanded to the [entire federal] budget process," said the report.

To meet today's stimulus fund reporting requirements and be ready for future initiatives, CIOs need faster, more efficient tools for collecting data and measuring outcomes.

Challenges Collecting and Analyzing Stimulus Spending Data

Tracking the spending of stimulus monies across departments and agencies is a massive undertaking. Large organizations must pull information from many different systems, such as financial, procurement, contract, and capital management systems. Because these enterprise applications typically do not interface with each other, manual procedures must be implemented to make sense of all of the data.

Complicating the process even further, transactional information must also be combined with unstructured data. Gathering and sorting all of this information from a variety of sources can quickly become overwhelming.

Compressed Time Requirements
The time constraints built into ARRA legislation put tremendous pressure on CIOs looking for a quick solution. Typically, mining and aggregating data from varying information silos are laborious processes that take weeks or months of manual interpretation. With ARRA reports due on short and regular timelines, organizations often must reallocate key resources or hire additional temporary staff to deliver timely reports, pushing up costs and decreasing efficiency.

More Complex Rules
Another challenge is analyzing and formatting data into ARRA-compliant reports. Without the right tools, combining structured and unstructured data into a holistic view can be a logistical nightmare, and ARRA complicates the task even more by requiring new economic impact measurements. If dollars are spent before tracking and accountability controls are in place, CIOs face difficulties constructing the required reports.

A brief examination of the history of data management for federal reporting provides further insight into today's challenges.

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1. Office of Management and Budget, Initial implementing guidance for the American Recovery and Reinvestment Act of 2009. Memorandum, February 18, 2009.
2. McClure, D., Gartner, Research: Stimulus spending reporting will challenge U.S. agencies, February 20, 2009.
3. McClure, D., Gartner, Industry Research: Q&A: How to seize opportunity from the U.S. Economic Stimulus Plan, April 3, 2009.

A Brief History of Data Management in Reporting

Before the 1990s, organizations manually combed through a myriad of systems and created complex spreadsheets to manage data needed for reporting. Even during the Clinton administration's stimulus funding initiatives of the mid-1990s, manual processes slowed response times.

Data management technologies would not mature enough until after 2000 to allow reliable automated mining of information. By the mid-2000s, analytic technologies finally started catching up. For the first time in history, business intelligence tools began to emerge that enabled automated consolidation, management, and analysis of structured and unstructured data.

Today, organizations can collect, track, and measure any type of data regardless of its source – without reliance on spreadsheets. The future involves even further honing of data management functionality for faster, more efficient reporting.

Faced with tight deadlines, organizations must consolidate spending information from many different sources and link spending to job creation. However, compiling, formatting, analyzing, and reporting data from disparate systems often require months of work – and come with significant costs.

THE SOLUTION: AUTOMATED ARRA REPORTING SOLUTIONS

STREAMLINING DATA MANAGEMENT

Designed to streamline data management, automated ARRA reporting solutions are new business intelligence applications that automatically extract, consolidate, and format structured and unstructured information from multiple sources into ARRA-compliant reports. Using a single, integrated application to automatically gather data into a centralized universe, these solutions allow users to collect and report information effortlessly – no matter how many data sources are involved.

Providing organizations faster access to information and more flexibility in tracking funds, automated reporting solutions can measure outcomes more accurately than ever before. These tools enable faster communication of data between reporting entities and automatically populate predefined federal reports. For example, state and local agencies can use automated reporting solutions to quickly and easily manage ARRA funds across interagency and partner organizations, and deliver timely reports with the touch of a button.

A centralized data universe allows easy access and better visualization of information for ad hoc reporting. A graphical interface gives stakeholders more decision-making power.

For instance, a governor might use a geographic dashboard interface to find out instantly how an ARRA-funded education initiative is affecting each county and individual community in the state. The same software can enable a program manager to design reports to

view predicted versus actual job growth from one month to the next. These solutions provide flexibility that would have been impossible just a few years ago.

Now organizations can automatically compile information, centrally store it, and create instant reports. Not only does this lessen the pressure on CIOs facing tight ARRA reporting deadlines, it also gives organizations much greater agility in decision making without high costs.

Benefits of Automated ARRA Reporting

Automated ARRA reporting provides organizations with many unique benefits:

- Extracts data from multiple sources, such as contracting and procurement, financial, federal grant, and service/utility sourcing systems
- Aggregates data into a single data universe using off-the-shelf configurations, reducing elaborate custom configuration
- Eliminates time-consuming manual interpretation and consolidation of unstructured data from sources such as Open SQL, text, Microsoft, Oracle, and Microsoft Excel files
- Maximizes the power of visualization with simple, easy-to-use dashboards
- Increases data reliability by eliminating the human error that results from manual processes
- Generates ARRA-compliant reports in a day rather than weeks or months
- Helps organizations monitor, adjust, and enhance funding allocations to better meet policy objectives

- Enhances organizational transparency and accountability while improving public trust
- Streamlines information evaluation so organizations can decisively act on intelligence

What to Look for in an Automated ARRA Reporting Solution

When seeking an automated ARRA reporting solution, consider the following important requirements:

Independent technology platform – Seek a company that has an open, agnostic technology that works with any operating system and doesn't require enterprise applications.

Underlying data schema – The ideal solution should include a data model that satisfies the analysis requirements needed to support your organization's business processes. Working with a company that provides comprehensive data modeling as part of the package saves many weeks of development time.

Business intelligence expertise – Look for a company that is a market leader in providing business intelligence based on complex data and has industry-specific expertise across multiple ARRA-funded recipients, such as public sector, healthcare, industrial, utilities, and educational organizations.

Ad hoc reporting flexibility – Work with a company whose solution enables single power users to drill down through information to construct easily shared ad hoc reports that leave an impeccable audit trail. Also, look for a solution that allows multiple, real-time views for a variety of users and ties performance to objectives for any organizational initiative – not just ARRA reporting.

A single-vendor solution – Look for a single vendor that provides ongoing support as ARRA requirements evolve.

Automatic XML feed – Choose a solution that not only populates ARRA requirement forms but automatically feeds XML reports to the proper government Web sites.

Enhanced audit functionality – Look for a solution that provides quick access to historical reports to prove that reported data is based on factual data.

Under these new regulations, agencies and organizations will not only be required to track how and where stimulus money is spent, but must also measure the economic impact of that spending. This means accountability controls must be in place across all systems, including enterprise resource planning, financial, procurement, contracting, and capital project systems.

This approach cuts costs and saves effort with one point of contact, one data model, and one set of maintenance tools.

Visual dashboards – The solution should include highly visual, easy-to-use dashboards. These dashboards should provide an enterprise view of ARRA funding that is easily interpreted by various stakeholders such as executives, program managers, legislators, and audit bodies.

THE SAP ADVANTAGE

EXTENSIVE EXPERIENCE, HIGHLY TRUSTED SOLUTIONS

SAP® BusinessObjects™ solutions can support management and reporting of ARRA funds, and represent the clear choice for any organization seeking to automate its ARRA reporting process. SAP is widely recognized as an industry leader in business intelligence solutions and has extensive experience in this area. SAP BusinessObjects solutions have been placed in the Leaders Quadrant in Gartner's Magic Quadrant for Data Quality Tools.[4]

The time constraints built into ARRA legislation put tremendous pressure on CIOs looking for a quick solution. Typically, mining and aggregating data from varying information silos are laborious processes that take weeks or months of manual interpretation. With ARRA reports due on short and regular timelines, organizations often must reallocate key resources or hire additional temporary staff to deliver timely reports, pushing up costs and decreasing efficiency.

These highly trusted solutions serve more than 4,000 organizations worldwide, including all U.S. federal agencies and 60 of the nation's largest healthcare providers.

SAP software is designed to provide the foundation for a fully integrated business intelligence platform, and as such, offers several major advantages:

- **Open architecture supports all applications and database software** – Designed for ease of use and quick startup, the solutions do not require an installation of SAP enterprise software or any other enterprise software to operate.
- **All-inclusive data intelligence** – The solutions reconcile both structured and unstructured information from virtually any source into a single, quality-checked data universe. From data extraction to finished report delivery, every aspect of ARRA reporting is automated.
- **Strategy management tools** – Intuitive dashboards and scorecards help businesses instantly measure progress against goals. Power users can drill down and view data at highly granular levels, such as per investment or awarded contract.

- **Economic impact measurement** – Measuring how stimulus investment impacts job creation is a high priority in ARRA legislation. The high-quality data analysis functionality of SAP BusinessObjects software helps users project the economic effect of any initiative with unprecedented detail. Now organizations can measure their spending impact on job creation – and the economic value of those jobs – in real time.
- **Created for ARRA and beyond** – SAP offers comprehensive automated solutions for ARRA reporting that help organizations comply with regulations while keeping costs down. Prepackaged. predefined reports meet today's Office of Management and Budget guidelines, and the solutions are designed to be fully extensible and adaptable to future ARRA requirements with no additional cost or investment.

Find out more about how to streamline the ARRA reporting process and optimize operations with SAP BusinessObjects solutions. **For a complimentary product demonstration, contact your SAP representative or visit** www.sap.com/usa/economic_recovery.

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4. Friedman, T., et. al., Gartner, Report: Magic Quadrant for Data Quality Tools, June 9, 2009. The Magic Quadrant is copyrighted 2009 by Gartner, Inc. and is reused with permission. The Magic Quadrant is a graphical representation of a marketplace at and for a specific time period. It depicts Gartner's analysis of how certain vendors measure against criteria for that marketplace, as defined by Gartner. Gartner does not endorse any vendor, product, or service depicted in the Magic Quadrant, and does not advise technology users to select only those vendors placed in the "Leaders" quadrant. The Magic Quadrant is intended solely as a research tool, and is not meant to be a specific guide to action. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

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