



NATIONAL ENDOWMENT FOR THE HUMANITIES

WASHINGTON, D. C.

December 31, 2012

SUBJECT: Service Contract Inventory – FY 2011 Analysis of Special Interest Functions

NEH is a small, independent agency of about 160 FTE. Because of its size, NEH has limited funds for general acquisition purposes. As a result we only reported three contracts in FY 2011 that fall into two of the Special Interest Function PSC's. Since there are so few, we are providing an analysis of both of the PSC's.

D302 ADP SYSTEMS DEVELOPMENT SERVICES

We originally reported one contract under this Special Interest Function as an Interagency Agreement in the amount of \$28,460 for ongoing development, management, and support of the Federal eGov initiative Grants Management Line of Business [GMLoB].

All applications for Federal grants must come through this single Government portal. We have utilized this program quite successfully and have tied the GMLoB application submission into the internally developed and managed NEH Grants Management System for a seamless flow of grant application processing.

However, during FY 2012 this charge to all agencies was dropped and most of the amounts paid were refunded so this obligation is no longer applicable.

D307 AUTOMATED INFORMATION SYSTEM SVCS

Under this Special Interest Function there were two contracts.

1. The first in amount of \$36,000 was for services that provide a subscription to legal, news, company, financial, and public records databases. In addition, the service provides an advanced content delivery tool that offers an easy way to distribute key, targeted information designated audiences.

We have determined there is simply no other alternative for obtaining the information that is available through this service in order for NEH to continue to meet its business requirements.

2. The other contract in the amount of \$345,000 was for web hosting and support services for the NEH Financial Management System. NEH financial data is housed in secure servers at the vendor's data processing center and is accessed by NEH staff via secure web portals.

- In FY 2003, after investigating numerous options to replace its legacy accounting system, NEH decided that hosted [cloud] services would provide the most cost-effective and efficient means of managing the NEH acquisition and accounting processes.
- The services meet all FISMA and NIST requirements and the vendor maintains all appropriate certifications.
- The vendor's support staff performs no federal functions. Their activities are limited to managing web access and providing functional and technical expertise and support, system maintenance and upgrades, as well as license support. The support staff are all US Citizens with security clearances.
- Utilization of the hosted services means that NEH has eliminated the need for expensive hardware and special staff expertise that are required to manage other types of systems. The system has been hugely successful for NEH.

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