

STRATEGY

PARTNERSHIP

ACCOUNTABILITY

STEWARDSHIP

LEADERSHIP

2018

OFFICE OF FINANCIAL RESOURCES
FISCAL YEAR ANNUAL REPORT

RESOURCES

COMMITMENT TO EXCELLENCE



**Centers for Disease
Control and Prevention**
Office of the Chief
Operating Officer

OFR's work demonstrates our commitment to engage in best business practices and to find solutions to critical business issues. The Annual Report provides a forum to share our work and accomplishments.

In FY 2018, OFR:

- Processed over **22,000 contract/grant actions** and provided over **\$11.4 billion for public health programs.**
- Awarded over **\$598 million in Prevention and Public Health Funds** that support core public health programs.
- Successfully planned for and transferred the **Division of Strategic National Stockpile** to the HHS Office of the Assistant Secretary for Preparedness and Response.
- Coordinated responses to **60 Freedom of Information Act requests** and **18 Government Accountability Office and Office of the Inspector General evaluations and audits** and **lead/co-lead for 11 engagements.** For all the audits closed in FY 2018, there were no findings for OFR.
- HHS received a **clean audit for the 20th consecutive year** in the FY 2018 Agency Financial Report.
- HHS received the fifth consecutive **Certificate of Excellence in Accountability Reporting Award** from the Association of Government Accountants.
- Conducted over **450 briefings, hill announcements, events, and visits** to educate key appropriations offices and Congressional staff.
- Trained over **260 international staff** on funds management, internal controls, and the Integrated Resources Information System for international program funds.

Director's Letter



The Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry (CDC/ATSDR*) strives to support meaningful public health initiatives around the globe and provide for a common defense of the country against health threats. OFR supports CDC's domestic and international public health efforts with expertise in financial management. Our specialized assistance and acquisition knowledge and experience afford the agency with resources to efficiently and effectively support response and prevention activities. We continued to demonstrate financial excellence by helping the Department of Health and Human Services (HHS) receive a clean audit opinion on the overall HHS annual fiscal year (FY) 2018 financial audit, for the 20th consecutive year.

The past several years have required intense response efforts from CDC, and FY 2018 was no exception. CDC was appropriated \$476 million to address the country's current opioid epidemic—a \$350 million increase from FY 2017. OFR executed 188 financial actions, including 147 grants and cooperative agreements, 35 acquisitions, and six interagency agreements to provide resources to support opioid overdose prevention and response. OFR also supported response efforts to areas affected by the devastating hurricanes and tropical storms.

In addition to response efforts, OFR also successfully planned for and transferred the Division of Strategic National Stockpile to the Assistant Secretary for Preparedness and Response. The transfer required coordination across the Department and OFR helped guide the process for a smooth transition. We are also supporting the Department's Relmagine HHS initiative with OFR's Relnvent Grants Management and a move towards a single user experience for HHS grantors and grant recipients and BUYSMARTER, a project focused on optimizing economies of scale and leveraging HHS's annual contract spending.

OFR continues to invest in our staff with our talent management initiatives. In FY 2017 OFR launched the Aspiring Leaders Program, which hones participants' skills and develops customer-focused leadership and fiscal stewardship. OFR recently introduced additional staff development programs under the "What's on Your Horizon?" talent management program. The program offers professional development opportunities throughout an employee's career. In FY 2018, OFR hosted its first OFR Training Days, where OFR subject matter experts presented based on their unique knowledge and experience to create a shared learning forum. We plan to host our second OFR Training Days in spring 2019.

OFR partnered with CDC centers, institute, and offices to successfully implement the Advancing Budget Execution (ABE) initiative and place day-to-day budget execution tracking responsibilities in the hands of programmatic decision-makers. ABE also emphasizes OFR's role in CDC's financial oversight and control to enhance accountability, efficiency, and effectiveness of budget execution. Year three of the Planning for Execution Project (PEP) was successfully completed. We listened to feedback, made adjustments, and incorporated changes for PEP's third year. Moving forward, we are again reaching out to stakeholders for FY 2019 PEP development, as we are committed to addressing our customers' needs.

As the OFR Director, I am fortunate to work with talented and dedicated staff who are committed to supporting CDC's public health mission. It is my pleasure to share some of OFR's many FY 2018 accomplishments. We look forward to partnering across CDC going forward to support CDC's activities at home and abroad.

Sincerely,

Christa Capozzola
Chief Financial Officer
Director, Office of Financial Resources

*CDC/ATSDR will be referred to as CDC throughout this document.

The Office of Financial Resources Joins the Fight Against the Opioid Overdose Epidemic

Every day an average of 130 Americans die from an opioid overdose. In 2017, the number of overdose deaths involving opioids was six times higher than in 1999. The United States is in the midst of an opioid overdose epidemic and CDC has been charged with contending with and preventing opioid overdose.

In March 2018, Congress appropriated \$476 million in multi-year funds for CDC to address the opioid overdose epidemic, a \$350 million increase from FY 2017. CDC moved rapidly to put these funds to work. With strong support from OFR's grants and contracts teams, the agency obligated \$420 million by September 30, 2018.

OFR worked closely with CDC's National Center for Injury Prevention and Control (NCIPC) and their Opioid Response Coordinating Unit and quickly aligned available funding mechanisms and implemented a coordination structure to manage the process. OFR established a system to track opioid actions, funding, and clearance. The coordination structure efficiently resolved issues and ensured timely execution of funding actions, ultimately helping those on the front lines fighting the epidemic with essential resources.

Through coordination across CDC, innovative approaches, and hard work, OFR significantly reduced the processing times for opioid funding awards which enabled funds to be quickly obligated.

OFR was able to support nationwide opioid education, prevention, and intervention efforts through cooperative agreements, grants, interagency agreements, and contracts. The Public Health Crisis NOFO, provided millions of dollars in funding to jurisdictions to help advance the understanding of the opioid overdose epidemic. This NOFO also provided resources to promote the use of state Prescription Drug Monitoring Programs data, improve opioid overdose data collection, surveillance, and systems.

In addition, OFR supported other CIOs to prevent opioid overdoses and other opioid-related harms in CDC programs addressing public health laboratories, vital statistics, maternal and infant health, and infectious disease, as well as research. Opioid research projects will build the scientific base for the primary and secondary prevention of opioid overdose and investigate patterns of prescription opioid use and misuse. Opioid awareness and education campaigns, also for the opioid epidemic response, will have an invaluable and lasting public health impact. OFR is committed to supporting CDC in its fight against the opioid crisis.



CDC's Approach: Opioid Overdose Prevention.



Dr. Debra Houry, Director of CDC's National Center for Injury Prevention and Control (right) joined OFR's June 28th All Hands and shared the latest updates on CDC's work to combat the opioid epidemic.



OFR Director, Christa Capozzola (first row, second from right) and the OFR Opioid Coordination Team were recognized by CDC's Office of the Chief Operating Officer with a 2018 Honor Award for their work helping CDC address the opioid overdose epidemic.

Looking forward, in FY 2019 OFR will:

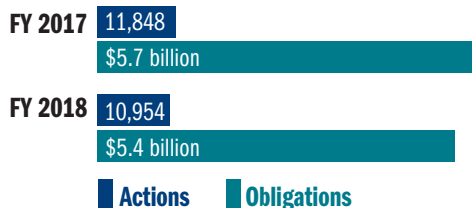
- Ensure the Department of Health and Human Services' (HHS) policies are followed and maintain dedicated response resources for financial assessments and grants management activities.
- Continue to support ReImagine HHS projects to streamline and optimize assistance and acquisition processes through data-driven decisions and emerging technologies.
- Implement strategic priority activities in FY 2019 and plan beyond OFR's three-year strategy conclusion in 2020.
- Prepare to respond and adjust to emerging public health threats or priorities in support of CDC's critical public health mission.

FY 2018 Grants At-A-Glance

Grants

In FY 2018, OGS supported 4,548 grant awards to 1,305 recipients. These 4,548 awards generated 10,954 actions OGS processed and put more than \$5.4 billion into public health programs and research around the world. OGS also published 136 new Notice of Funding Opportunities (NOFOs) and had 1004 active NOFOs.

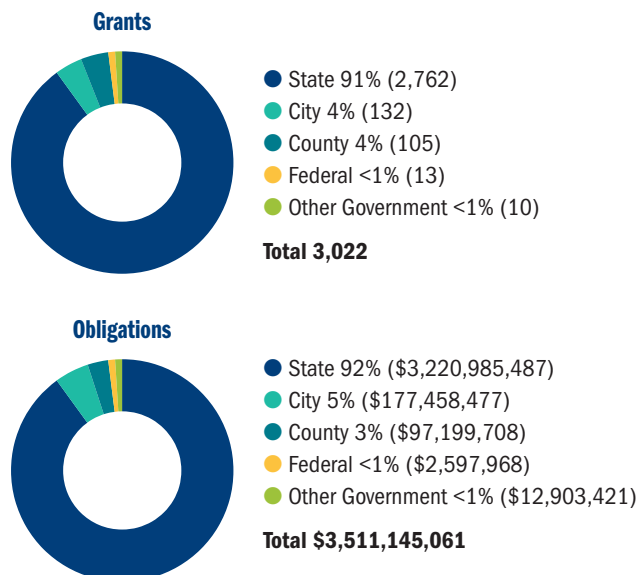
Comparison of FY 2017 and FY 2018 Total Grant Actions and Obligations Processed by OGS



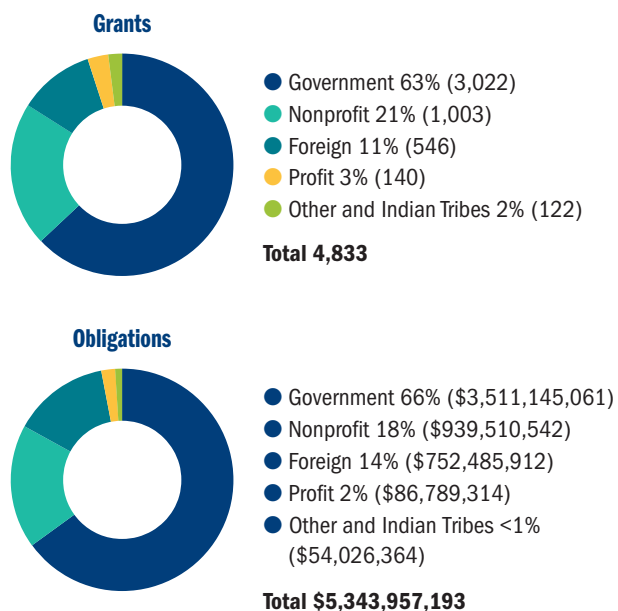
CDC FY 2018 Grant Funds Obligated Through Centers, Institutes, and Offices (CIOs)

| CIO | NOFOs | Grants | Actions | Obligations |
|--------------|-------------|-------------|--------------|------------------------|
| ATSDR | 11 | 42 | 100 | \$18,392,574 |
| CGH | 489 | 720 | 2069 | \$1,337,458,873 |
| CSELS | 13 | 49 | 123 | \$43,509,568 |
| NCBDDD | 43 | 269 | 568 | \$64,164,647 |
| NCCDPHP | 113 | 1093 | 2455 | \$712,416,682 |
| NCEH | 35 | 189 | 446 | \$84,267,101 |
| NCEZID | 48 | 159 | 543 | \$233,999,724 |
| NCHHSTP | 104 | 795 | 2304 | \$745,472,340 |
| NCHS | 2 | 4 | 7 | \$694,500 |
| NCIPC | 47 | 320 | 786 | \$197,957,873 |
| NCIRD | 56 | 257 | 409 | \$386,295,541 |
| NIOSH | 34 | 229 | 395 | \$115,445,406 |
| OD | 4 | 13 | 21 | \$4,721,192 |
| OPHPR | 6 | 168 | 374 | \$1,071,089,376 |
| OSTLTS | 10 | 241 | 354 | \$396,013,170 |
| Total | 1004 | 4548 | 10954 | \$5,411,898,567 |

CDC FY 2018 Percentage of Grants Awarded by the Type of Government Recipient



CDC FY 2018 Percentage of Grants Awarded by Grantee Type



Grant and action counts are based on the organization that administers the grant. Dollars are based on the organization providing funding, regardless of which organization administers the grant.

Data for these charts are from <http://taggs.hhs.gov>. Manual transactions may cause system totals to not match FY 2018 amount in other charts.

FY 2018 Contracts At-A-Glance

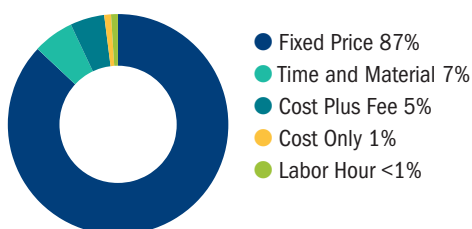
Contracts

In FY 2018, OAS processed 11,222 contract actions that totaled \$6 billion supporting public health programs and research around the world.

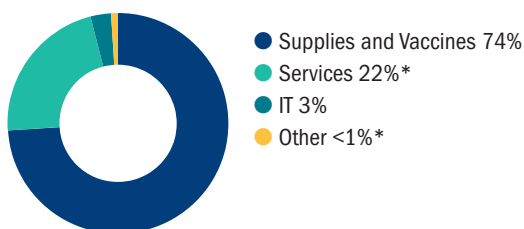
Comparison of FY 2017 and FY 2018 Total Contract Actions and Obligations Processed by OAS



CDC FY 2018 Percentage of Contract Obligations by Type



CDC FY 2018 Percentage of Contract Obligations by Category



*Services includes some IT services. Other includes Equipment and Furniture, Construction, and Architect and Engineering services.

CDC's FY 2018 Allocation of Contracts Through Centers, Institutes, and Offices (CIOs)

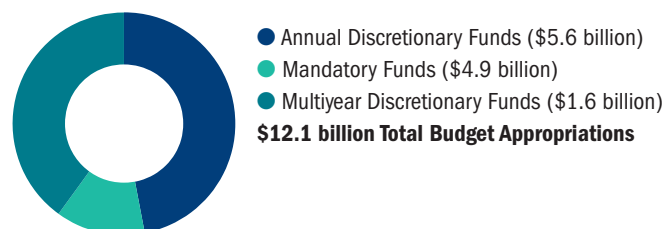
| CIO | # of Actions | Sum of Contract Dollars |
|--------------------|---------------|---------------------------|
| ATSDR | 117 | \$25,088,332.83 |
| BISM | 20 | \$1,160,367.85 |
| CGH | 734 | \$59,431,506.07 |
| CSELS | 304 | \$46,970,773.40 |
| HRO | 78 | \$5,434,087.37 |
| NCBDDD | 106 | \$20,380,040.75 |
| NCCDPHP | 361 | \$161,806,209.63 |
| NCEH | 614 | \$46,713,876.84 |
| NCEZID | 1696 | \$107,796,679.32 |
| NCHHSTP | 598 | \$93,273,939.33 |
| NCHS | 464 | \$108,710,048.50 |
| NCIPC | 167 | \$38,503,219.83 |
| NCIRD | 1232 | \$4,416,006,028.74 |
| NIOSH | 2087 | \$236,249,678.75 |
| OFR | 143 | \$22,377,936.92 |
| OCIO | 631 | \$190,864,109.19 |
| OD | 419 | \$54,763,537.00 |
| ONDIEH | 7 | \$450,607.27 |
| OPHPR | 774 | \$248,895,593.83 |
| OPHSS | 35 | \$10,550,064.18 |
| OSSAM | 617 | \$115,988,736.00 |
| OSTLTS | 18 | \$9,803,240.39 |
| Grand Total | 11,222 | \$6,021,218,613.99 |

Contract dollars data in this table do not reflect auto-closeout actions.

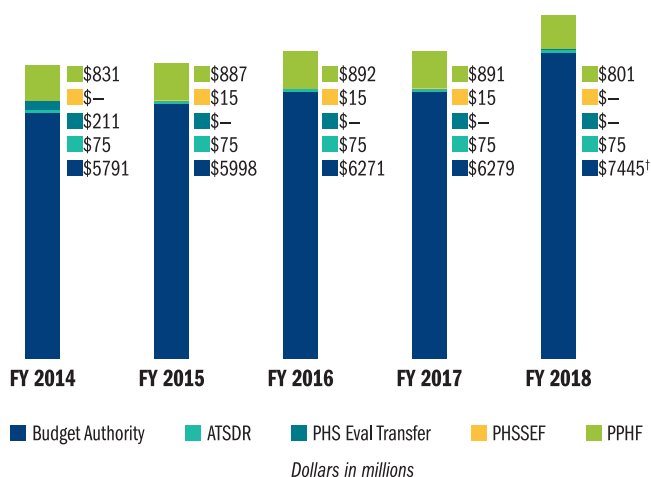
FY 2018 Budget and Appropriations At-A-Glance

In FY 2018, the Office of Financial Resources (OFR) facilitated over 450 Congressional Staff interactions supporting public health programs and research around the world.

CDC FY 2018 Budget (by Type of Authority)



CDC Program Level FY 2014–2018



Agency for Toxic Substances and Disease Registry (CDC/ATSDR), Public Health Service Evaluation Set-Aside (PHS Eval Transfer), Public Health and Social Services Emergency Fund (PHSSEF), Prevention and Public Health Fund (PPHF)

[†] FY 2018 budget authorities includes \$240 million in one-time funding from the Nonrecurring Expenses Fund.

CDC FY 2018 Discretionary Funding (by Mission)



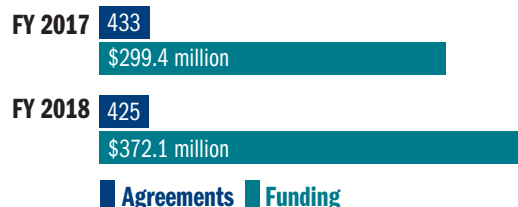
Total \$8,319,000,000

Totals have been rounded.

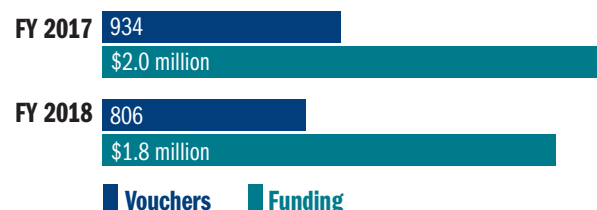
FY 2018 Finance At-A-Glance

In FY 2018, the Office of Finance and Accounting Services (OFAS) collected \$89.8 million in accounts receivable* and processed \$372.1 million in reimbursable agreements supporting public health programs and research worldwide, of which CDC obligated \$275.7 million.

Comparison of FY 2017 and FY 2018 Reimbursable Interagency Agreements



Comparison of FY 2017 and FY 2018 Permanent Change of Station Vouchers



Comparison of FY 2017 and FY 2018 Transportation Vouchers



*Outstanding invoices CDC has or the money that is owed to CDC.

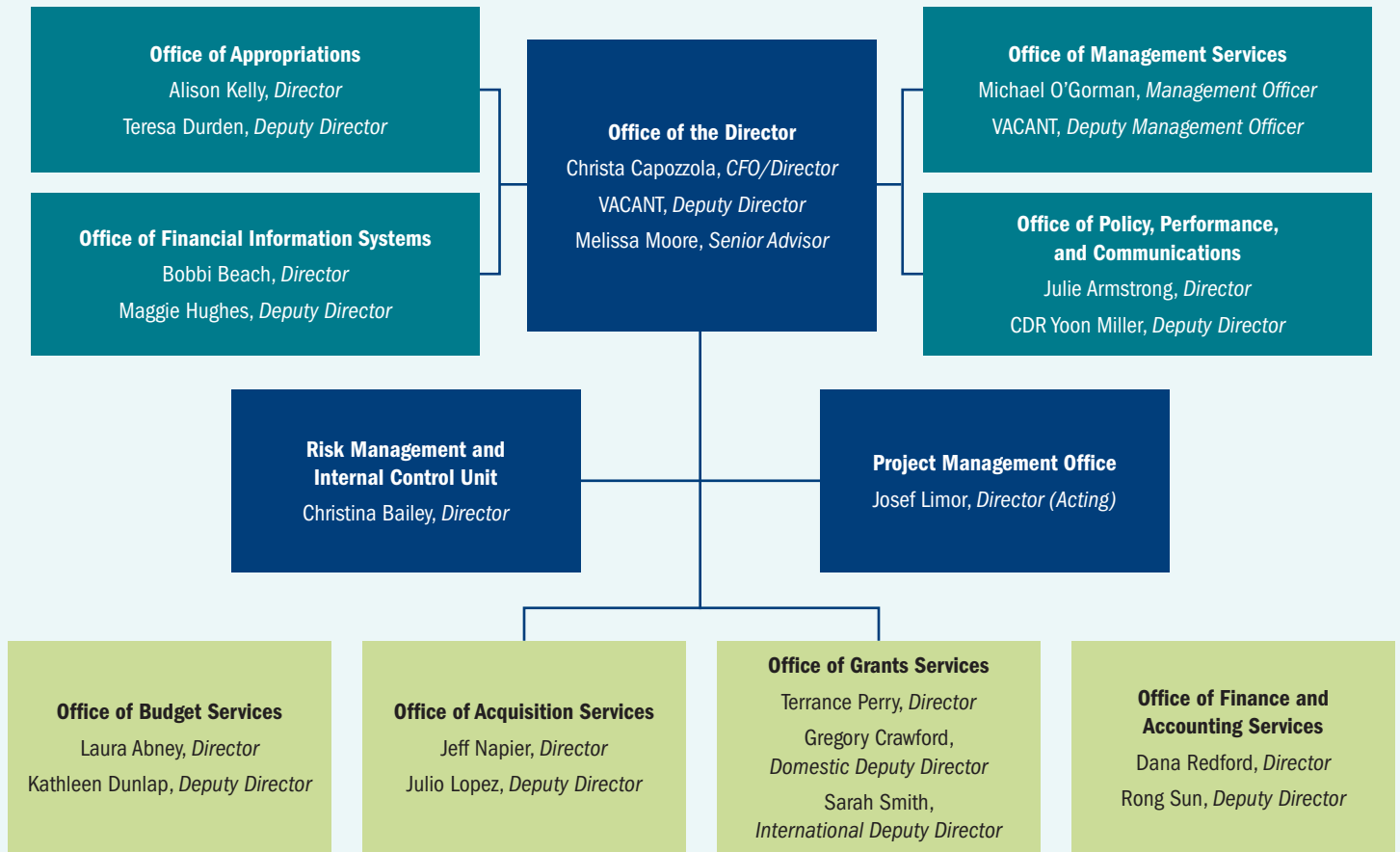
Domestic grant programs with the largest total funding amounts

Forty-nine percent of CDC's grant spending supports these top ten domestic public health priorities.

| | | | |
|---|---|------------------|------------------------------|
|  | Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Cooperative Agreements* | 62 Recipients | 846,383,899 Obligations |
|  | Integrated HIV Surveillance and Prevention Programs for Health Departments | 60 Recipients | \$392,547,253 Obligations |
|  | Immunization and Vaccines for Children Program | 64 Recipients | \$326,524,182 Obligations |
|  | Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response | 56 Recipients | \$224,455,491 Obligations |
|  | Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations | 83 Recipients | \$214,043,344 Obligations |
|  | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)—Building and Strengthening Epidemiology, Laboratory and Health Information Systems, Capacity in State and Local Health Departments (PPHF) | 64 Recipients | \$160,688,236 Obligations |
|  | Prevention Health and Health Services Block Grant | 61 Recipients | \$158,441,093 Obligations |
|  | Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health | 39 Recipients | \$131,947,612 Obligations |
|  | Diabetes and Heart Disease & Stroke Prevent Programs-Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke | 51 Recipients | \$90,000,002 Obligations |
|  | Technical Assistance for Response to Public Health or Healthcare Crisis | 13 Recipients | \$85,929,224 Obligations |

*HPP is a program of the Department of Health and Human Services (HHS)/Office of the Assistant Secretary for Preparedness and Response (ASPR). CDC administers a combined PHEP and HPP award to 62 Recipients.

Office of Financial Resources Organization Chart



OFR's Vision and Mission

VISION

Excellence and innovation in the investment and management of public funds for public health through the proud contributions of a talented and diverse workforce

MISSION

The Office of Financial Resources contributes to the achievement of positive public health outcomes at CDC by providing exemplary customer-focused leadership and fiscal stewardship in appropriations, acquisitions, assistance, and financial management with accountability and sound business practices