

# **DUNS NUMBER MANAGEMENT SURVEY**

## **Executive Summary and Survey Results**

**September 2006**

**Prepared by the National Grants Partnership's DUNS/CCR Committee.**

### **Committee Members**

Merril Oliver, Chair, Maryland Governor's Grants Office  
Contact: moliver@gov.state.md.us

Cornelia Chebinou, National Association of State Auditors, Comptrollers, and Treasurers  
Denise Francis, Texas Governor's Grants Office  
Marlene Jefferson, District of Columbia Mayor's Office of Partnerships and Grants Development  
Doris Lee, State of Ohio  
Dave Ryker, State of Maryland  
Ron Splittgerber, Federal Demonstration Partnership  
Sandra Swab, KPMG

## **Executive Summary**

To address concerns raised by its constituents, the National Grants Partnership (NGP) created the DUNS/CCR Committee. The committee was comprised of Merrill Oliver, Maryland Governor's Grants Office; Cornelia Chebinou, National Association of State Auditors, Comptrollers, and Treasurers; Denise Francis, Texas Governor's Grants Office; Marlene Jefferson, District of Columbia Mayor's Office of Partnerships and Grants Development; Doris Lee, State of Ohio; Dave Ryker, State of Maryland; Ron Splittgerber, Federal Demonstration Partnership; and Sandra Swab, KPMG.

The committee's first charge was to gather information to determine the nature and extent of problems resulting from the federal requirements that grant applicants file electronically via Grants.gov in order to register with the Central Contractor Registry (CCR) and that they include a DUNS (Data Universal Numbering System) number on all federal grants (including combination loan-grant) and cooperative agreement applications on or after October 1, 2003.

The committee was also to analyze the information and formulate recommendations to the federal government on the policy and implementation requirements imposed on federal grant applications and subsequent federal grant payments.

A survey instrument was created to help the committee determine the impact of the federal requirements on grant recipients. The survey was broken into three main focus areas: (1) DUNS number management; (2) the CCR/DUNS registration process; and (3) processing information. The sections were designed to determine both the root and the scope of the problems experienced in registering with Dun & Bradstreet (D&B) and the CCR, and to better understand how various organizations are prepared to deal with the rapidly changing grants management environment.

It is important to note that the survey revealed that further data gathering and analysis is necessary to fully assess the impact of the registration requirements on grant applicants before making any recommendations for solutions to the federal government. Therefore, the following summary of the survey results is only the first step toward identifying barriers and recommending potential solutions to help improve the business processes of federal grant applications, awards, and payments.

### **Background**

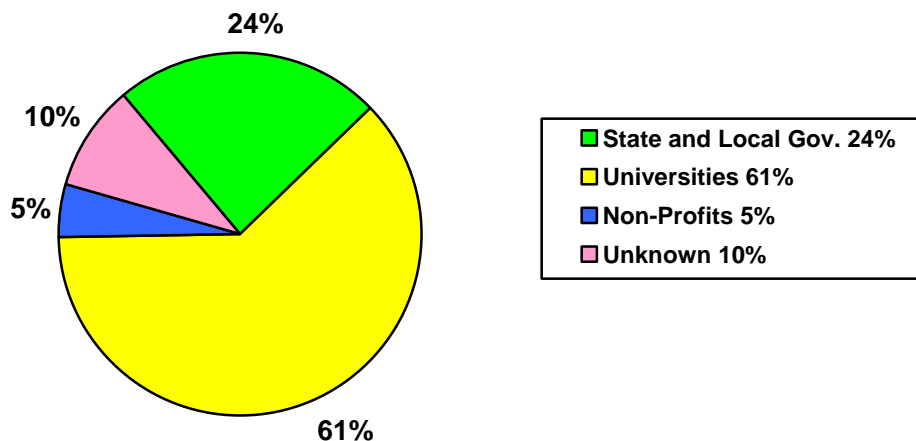
In June 2003, the U.S. Office of Management and Budget announced that a DUNS number would be required for all grant applications. Additionally, grant applicants applying electronically through Grants.gov are now required to register with the CCR, which requires a DUNS number to complete the registration process. Both the CCR and D&B use a validating process to ensure the CCR

registrant is using the correct DUNS number affiliated with its address as registered in the CCR. While this was designed to be a simple three-step procedure, several organizations have expressed problems with the registration process, the most serious of which have resulted in the failure to submit an application prior to the closing date of a grant application period.

## Summary of Results

The survey involved four unique groups of participants. In order to better evaluate the responses of the various groups, it is important to first identify each group's representation in the pool of survey participants. Figure 1 details the survey participants by group.

**Figure 1: Survey Participants**



Clearly the majority of participants in the survey represented universities. As such, one might expect that because many universities have been dealing with DUNS numbers longer than some of the other participants, including them might skew the data and suggest a greater strength in DUNS number management than actually exists. The data, however, suggests otherwise.

The survey suggests that while many of the participants do not have formal policies in place, they are implementing policies of one sort or another to manage DUNS numbers. According to the survey, it appears that these policies are a reaction to problems that exist with organizations' current DUNS number management processes. For example, the relative simplicity of the process to request a new DUNS number has generated multiple DUNS numbers per organization in many cases, thus creating logistical burdens. Additionally, it was stated that D&B's policy of creating numbers of their own accord and assigning them without consulting the relevant organization was particularly problematic.

Survey participants reported having quantities of DUNS numbers ranging from one to nearly 1,500, with the heaviest concentration of multiple numbers occurring in state and local governments. However, it should be noted that state and local governments reported using fewer than 50 of their assigned DUNS numbers for federal reporting purposes.

The survey results further indicate that problems exist with the current DUNS/CCR registration process. Two distinct issues that arose were (1) the lack of guidance and (2) the fact that the CCR system was originally designed for commercial entities. Furthermore, the lack of knowledge by the grant applicant of data contained in Grants.gov, D&B, and CCR caused significant burden for the applicant to reconcile the data between systems.

Survey responses also indicate that a central data warehouse for all grant applicant data would be beneficial. Central access to all award and payment data could assist federal grant making agencies and grantees with more efficient management of grant information.

# SURVEY RESULTS

## DUNS NUMBER MANAGEMENT

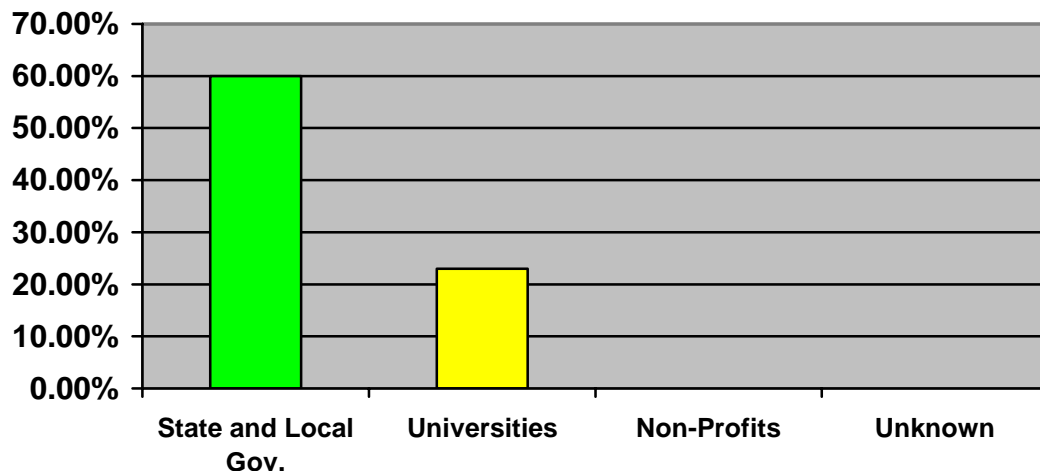
### I. *Do You Have a Plan?*

The first survey question, and perhaps the most telling, asked the following:

*Does your state/locality/organization have a policy on the establishment or use of DUNS numbers?*

This question was generally answered directly with either a positive or negative response, and in cases where the respondent did not have knowledge of a formal policy it was assumed that one did not exist. In the one case where a respondent was in the process of developing a policy, it was determined that the action of developing a policy would be counted as a positive response. Figure 2 represents the responses.

**Figure 1 - PERCENTAGE OF PARTICIPANTS WITH A POLICY ON THE ESTABLISHMENT/USE OF DUNS NUMBERS**



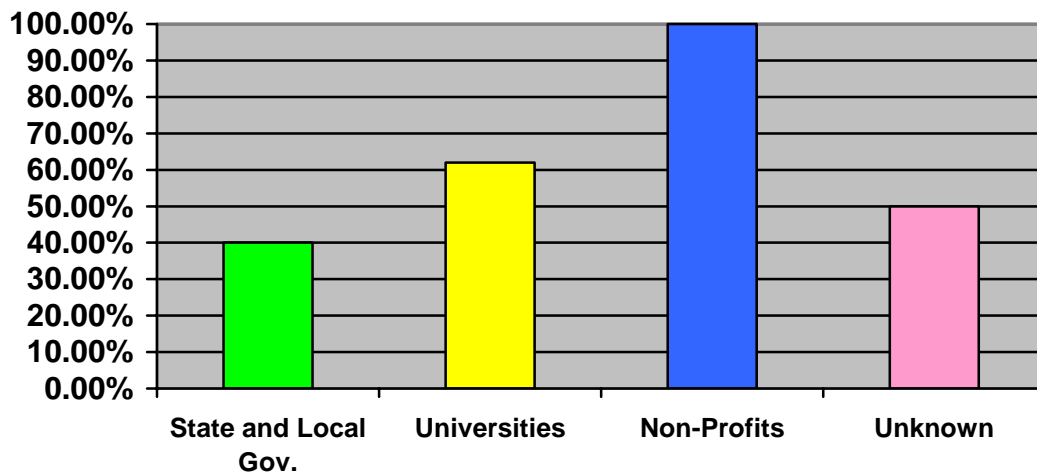
As this chart clearly shows, none of the participants in the non-profit and unknown categories had policies. Furthermore, only 3 of the 13 university participants stated that they had established policies. However, it is interesting to note that while far fewer government entities responded, 60% of the state and local government entities that did respond reported having, or being in the process of completing, a formal policy.

The data suggest that while universities have most likely been using DUNS numbers far longer for various purposes other than applying for grants, the relatively recent introduction of DUNS numbers to state and local governments has resulted in the creation of management policies by many of these entities. Furthermore, with existing DUNS numbers in place, universities were probably much better prepared for the changing Federal requirements. As state and local governments struggled to catch up, the creation of multiple DUNS numbers for the same governmental entities led to the creation of policies that were intended to mitigate or prevent problems.

## II. *Points of Contact*

While the first question of the survey seemed to suggest that many of the participants were not managing their DUNS numbers, several of the responses to the ensuing questions suggested otherwise. Some participants wrote of “unwritten policies,” while others suggested that to date they had not experienced any problems with the number of DUNS numbers in place at their organization. However, the most telling responses were those that involved the coordination of information. More specifically, while the majority of survey participants responded that they did not have a formal policy regarding DUNS numbers, a smaller majority, but still a majority, also responded that they did have a central point of contact to manage DUNS numbers.

**Figure 2 - PERCENTAGE OF PARTICIPANTS WITH A CENTRAL POINT OF CONTACT TO MANAGE DUNS NUMBERS**



As Figure 2 clearly shows, the majority of participants did have a central point of contact for managing DUNS numbers. As this is rapidly becoming a necessary step to the efficient use of DUNS numbers in grants management, this data suggests that while many of the participants do not have formal policies in place, they are implementing informal policies of one sort or another to manage DUNS numbers.

This conclusion is supported by a closer inspection of the universities. While only 23% of the universities that responded stated that they had a formal policy on the establishment or use of DUNS numbers, 62% responded that they had a central point of contact for managing DUNS numbers.

Additionally, while the only non-profit to respond stated that it does not have a formal policy there is a central point of contact for the management of DUNS numbers.

Ironically, the state and local government participants seemed to deviate from the trend shown by the other organization types. While 60% of the government entities responded that they had a formal policy on DUNS numbers, only 40% had a central point of contact. It should be noted however, that no central points of contact existed in those government entities that did not have a formal policy. This is a clear break from the university standard, which appears to be the existence of a central point of contact without a formal policy.

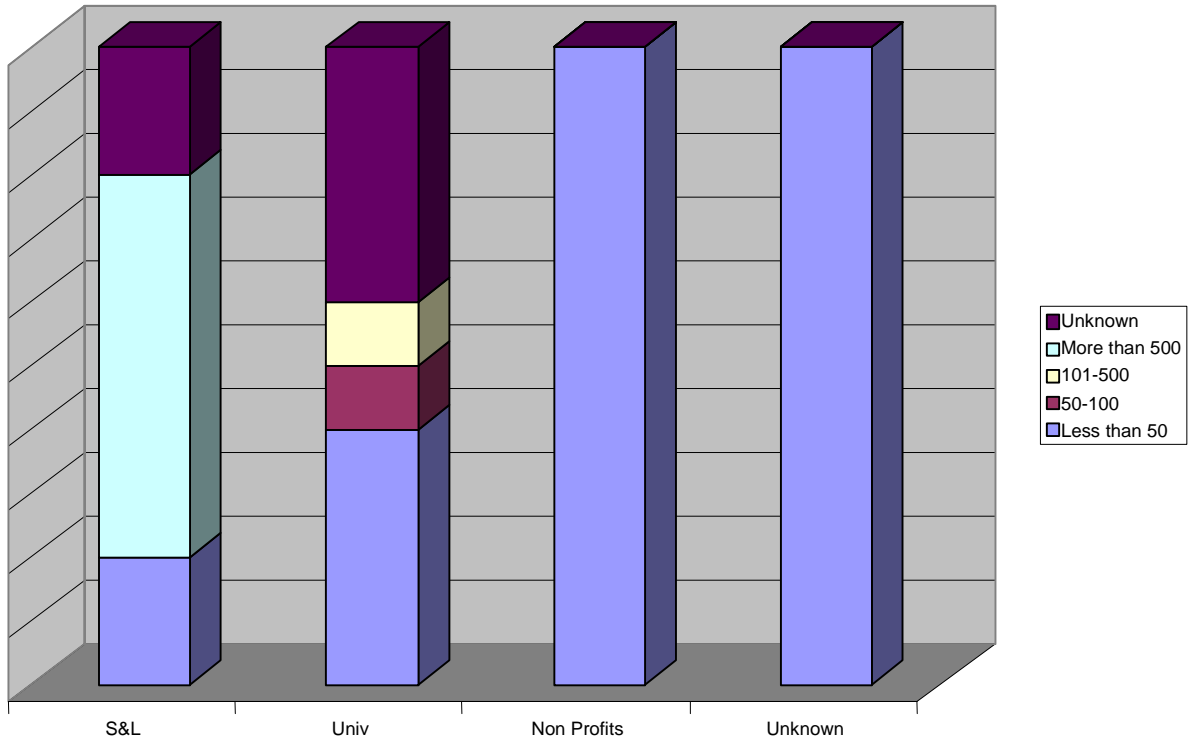
### III. *How many Numbers?*

The participants' responses about the amount of DUNS numbers varied greatly, from 1 to approximately 1500. Many participants knew the amount of DUNS numbers it had been assigned by Dun & Bradstreet (D&B), but some did not. The participants with the greatest amount of assigned DUNS numbers were state and local governments. The average amount of known DUNS numbers assigned to state and local government participants was approximately 857.

**Table 3 – ASSIGNED DUNS NUMBERS**

	<u>State &amp; Local Governments</u>	<u>Universities</u>	<u>Non Profits</u>	<u>Unknown</u>
Less than 50	1	4	1	3
50-100	0	1	0	0
101-500	0	1	0	0
More than 500	3	0	0	0
Unknown	1	4	0	0
<b>Total</b>	<b>5</b>	<b>10</b>	<b>1</b>	<b>3</b>

**Figure 4 - ASSIGNED DUNS NUMBERS**



S&L = State and Local Government  
 Univ = Universities

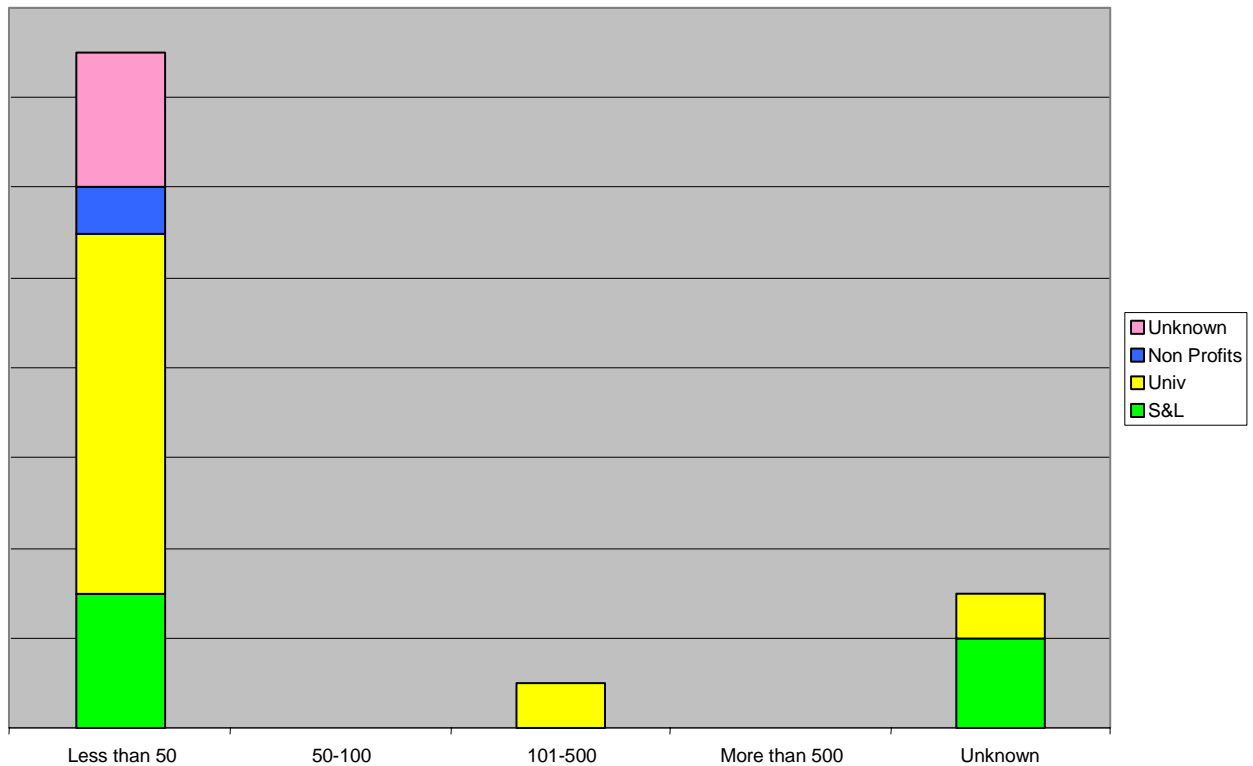
#### IV. Numbers Actually in Use

Among the group of participants with more than one-assigned DUNS number, far fewer numbers assigned were actually used for federal reporting purposes. For example, the state and local government participants used less than 50 of their assigned DUNS numbers for Federal reporting purposes.

**Table 5 – DUNS NUMBERS USED FOR FEDERAL REPORTING**

	Less than 50	50-100	101-500	More than 500	Unknown
<b>State &amp; Local Gov't</b>	3	0	0	0	2
<b>Universities</b>	9	0	1	0	1
<b>Non Profits</b>	1	0	0	0	0
<b>Unknown</b>	3	0	0	0	0
<b>Total</b>	<b>16</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>

**Figure 6 - DUNS NUMBERS USED FOR FEDERAL REPORTING**



## **V. Problems with DUNS Numbers**

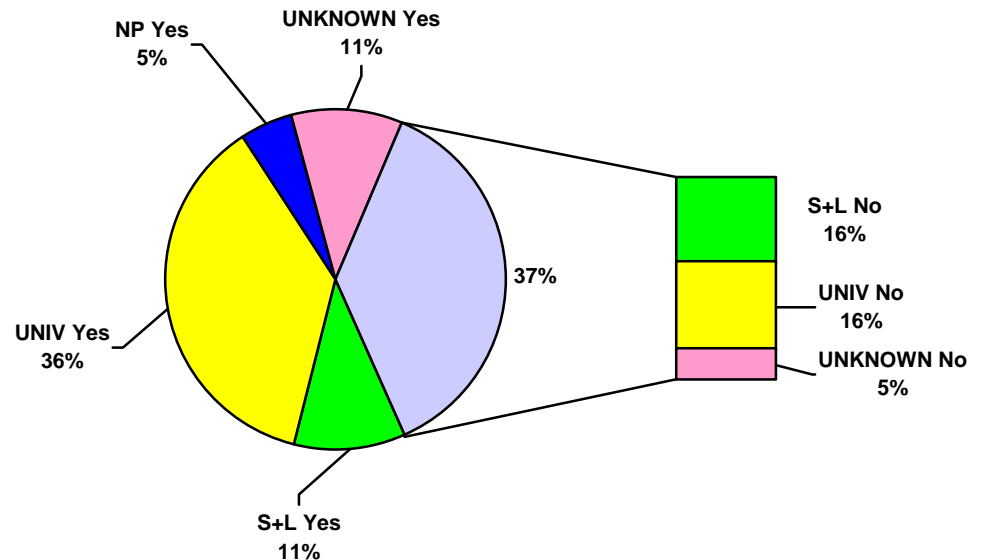
The survey included questions regarding interactions with D&B and if participants had encountered problems with the DUNS numbers themselves or with D&B (Questions 3 and 4.5). Overall, the answers to the questions did not specify a particular problem, but were more general answers in the positive or negative. However, each question elicited at least one response that identified a particular problem. More important is what was revealed in the differences between the ranges of responses to the two questions.

*Have you experienced a problem with the DUNS number?*

The responses to this question were overwhelmingly in the affirmative. As seen in Figure 7, 63% of participants responded that they had experienced a problem with the DUNS number. It is interesting to note however, that the state and local participants group was the only group with a majority that had not experienced a problem. To put the responses in context, 3 out of the 5 state and local participants responded that they had not experienced a problem with the DUNS number. This is in contrast to the 3 out of 10 University participants with the same response. The only non-profit response to the question was in the

affirmative, and two of the three participants from unknown organization types responded that they also had experienced a problem with the DUNS number.

**Figure 7 - Have you experienced a problem with the DUNS number?**



While the scope of the question was fairly broad, the detailed responses do indicate some specific problems that the participants had experienced with the DUNS number(s). Several individual problems ranging from difficulty keeping track of an organization's numbers to not knowing which number to tell an agency to use resulted from the most common complaint regarding the numbers: D&B's policy of creating numbers of their own accord without consulting the organization in question is problematic.

The problem appears to be the direct result of the application of a numbering system with a unique purpose, to a process completely independent of that original purpose. As D&B has stated on several occasions, they keep their records as up to date and as robust as possible by searching the Internet and creating new records when they encounter organizations and entities for which they do not have records. While this may be good business practice for D&B, it creates administrative burden for individuals within the organizations that are trying to manage these numbers for the purpose of applying for grants.

Additional responses indicated that not only did organizations have difficulty keeping track of numbers that had been created by D&B, but also the creation of new DUNS numbers by members of their own organizations are causing problems for some survey participants. The responses suggest that the relative simplicity of the process to request a new number has led some grant applicants

who were unfamiliar with their organization's existing DUNS numbers to simply call and request a new one.

## **VI. Problems in Conversations with Dun and Bradstreet**

As previously stated, perhaps the greatest problem lies in the fact that many of the participants reported they had experienced a problem with the DUNS number did not indicate that they had been in contact with D&B.

*Did you experience any problems in your conversations with Dun and Bradstreet?*

Question 4.5 did assume that most of the participants in this particular survey would have, at some point in time, contacted D&B. However, while 100% of the state and local participants indicated they had contacted D&B, the lack of responses among the other groups indicates that those participants had not conversed with D&B. Seven of the 12 participants who did respond to this question stated that they did not have any problems in their conversations with D&B. Of the five who responded that they had experienced a problem, only three related specifically what problems were encountered.

However, from the three detailed responses, five complaints were identified:

- One participant responded that a D&B representative had relayed the wrong web-site address to apply for a new number, which led to a significant waste of time on the part of the survey participant.
- Another identified issue was that the "contact person" listed in D&B's records has often left the organization, therefore is not available to verify the identity of the person contacting D&B to update the information.
- The third issue was the inconsistency that many respondents said they encountered when talking to D&B. One respondent stated that the answer to a particular question depended on who at D&B was providing the answer.
- A fourth issue raised was that D&B would not inform a caller who was requesting a new DUNS number that a number for his or her entity already existed. As such, D&B was, to some extent, complicit in the creation of duplicate records.
- The final, and possibly the most frustrating, complaint was from an organization who said they have contacted D&B repeatedly with a particular question and have yet to receive a response.

## CCR/DUNS REGISTRATION PROCESS

This section identifies barriers to the Central Contractor Registry (CCR) registration process.

### **I. Electronic Grants Application and CCR Registration**

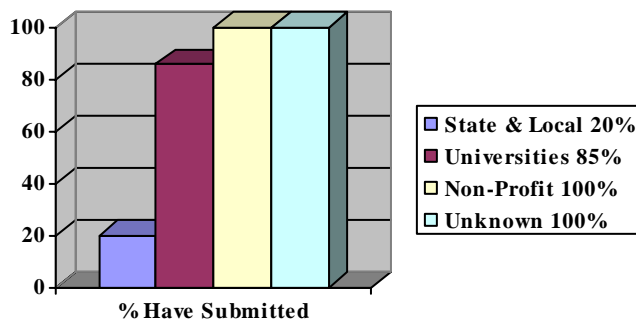
The first question of this survey section asked the following:

*Have you applied for Federal grants electronically? If so, did you register in the CCR to apply for a grant electronically?*

In general, state & local government agencies have not submitted grant applications electronically, but were anticipating doing so. State and local government participants indicated some discomfort with the CCR registration process as a new requirement of Grants.gov (one respondent noted that "some agencies do not know what the CCR is.") While some had previously obtained a DUNS number, the Grants.gov submission requirement for CCR registration added complexity not understood by most in this category.

Most other respondents in the university, non-profit and unknown categories indicated that they have previously submitted electronically, and had previously registered with D&B and the CCR. However, the comments indicated that this registration process came about for reasons other than the requirement for electronic grant application submission; one participant noted, "we have been registered in the CCR for years, and did not need to register when electronic applications began requiring it." Another participant responded, "We were already registered in CCR before electronic submissions."

**Figure 2 – Percent of Survey Participants Already Applying Electronically**



The survey demonstrated a wide variance for the purpose of registering in the CCR by participant group. Given that 7 of the 12 participants responding ‘Yes’ to the first question **did not** answer this question as requested, and 3 Universities responded that they previously registered for reasons other than applying for a grant electronically, the results underscore the disconnect between the electronic application and CCR registration in the existing business processes of respondents.

The survey results highlight two distinct issues with the registration requirement for electronic grant application submissions:

1. Those who had not previously registered (mostly state and local governments) were not given sufficient guidance, particularly in registering with the CCR.
2. Those who had previously obtained a DUNS number and registered with the CCR had done so for reasons other than submitting electronic grant applications, and in many instances the registration was not appropriate for this purpose (DUNS and CCR information did not match, or DUNS was controlled by another financial office.)

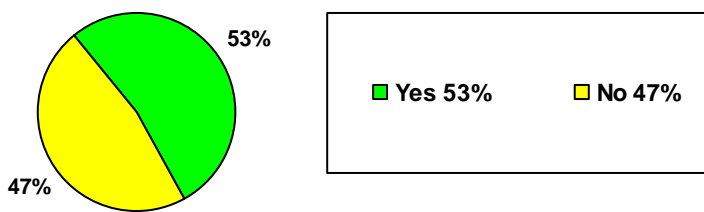
## II. **DUNS vs. CCR: Discrepancies?**

This section of the survey was designed to examine the impact to the registration process when data associated with a DUNS number did not reconcile to data contained with the CCR. The first question was direct.

*Did the information associated with your current DUNS number and your CCR information match?*

As this chart clearly depicts, almost one-half of those responding to this question found that identifying information associated with their organization’s DUNS number did not match the identifying information contained in the CCR. Three respondents indicated that corrections were necessary before they could answer ‘Yes’ to the survey question. The full degree of discrepancies could not be extrapolated as 26% of the participants did not respond to this question, or have yet to register.

**Figure 3 – Percent of Survey Participants (of those responding to this question) Finding Matching Information in DUNS and CCR**



The next question was designed to determine the extent of outreach efforts to reconcile discrepancies. Participants were asked if they were contacted by the awarding agency to change the information.

None of the 8 participants answering 'No' to Question 2 was contacted. However, participants commented on their interaction with the CCR:

- “We initiated the communication.”
- One agency said, “[it]...was a nightmare. The CCR people didn't explain what was needed. “Another responded, “no, - I contacted CCR.”

*Were you told what you had to do to change the information?*

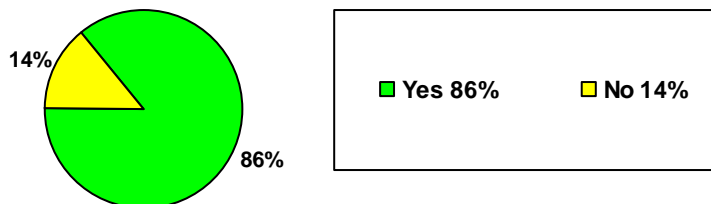
Since the only contact with the CCR was initiated by the respondents, this question has little validity in our analysis and few responded to the question. Some of the comments were as follows:

- “Currently the CCR is investigating a resolution.”
- “The agencies with problems were told what to do.”
- “Yes, after contacting them.”

*Were you told that the organization contact was the only person who could change information in the CCR?*

This question assumes that the respondent had a problem with the CCR information that prompted a request to initiate changes. Tallying only such responses, 6 answered 'Yes', 1 answered 'No'.

**Figure 4 – Percent of Survey Participants Finding a Problem with CCR were Told, “Only the organizational contact can change the CCR.”**



Five of the 6 participants answered 'yes' to this question. One thought it was appropriate that only the organizational contact be allowed to make changes. The other participants did not think this was appropriate for their organizations. For example, one participant reported that their designated contact was a contractor no longer working for their organization.

*Did you change the DUNS number?*

Eleven of the 12 participants responding to this question said ‘no’,” they did not change their organization’s DUNS number.

*If ‘Yes’ to question 2, was there any additional difficulty with the CCR registration?*

Exactly one-half of the participants experienced other problems with the CCR registration process. The primary complaint targeted timeliness in responding to questions and problems. Participants indicated delays of 3 days for verification of changes and delays in establishment of the registration. One simply noted, “it took forever...”

Exactly one-half of the participants considered the notices from Grants.gov insufficient to be assured that the application was received.

Again, one-half of the participants indicated that they received notification directly from the awarding agency. The comments indicate that this is a ‘quick win’ policy change... that is, asking the agencies to acknowledge receipt would be a benefit to most applicants.

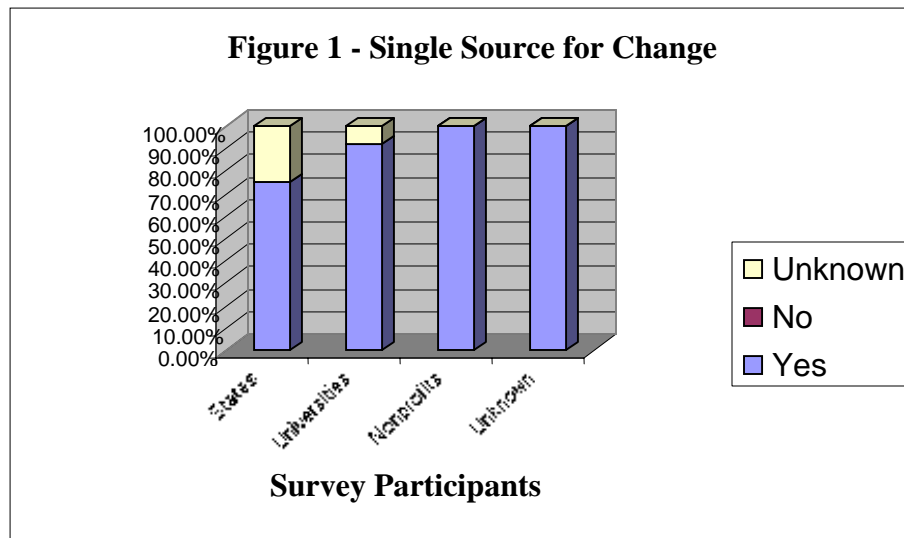
## **Processing Information**

### ***Centralized Data Warehouse***

I. The first question presented to the participants in the area of ***Processing Impact*** was:

*If you, as a recipient, had one place to change any or all information regarding your organization profile, rather than notifying different agencies, would this be helpful to you? (The CCR is to be the one source.)*

As presented in Figure 1 (page 15) 75% of those responding from the state and local government category indicated that a single repository to update and/or change data would be helpful, while 92% from the university category and 100% from both the nonprofit and unidentified categories indicated that a centralized processing location would be useful. It should be noted that although the response from the state and local government category yielded only a 75% ‘yes’ response, the remaining 25% responded ‘unknown.’



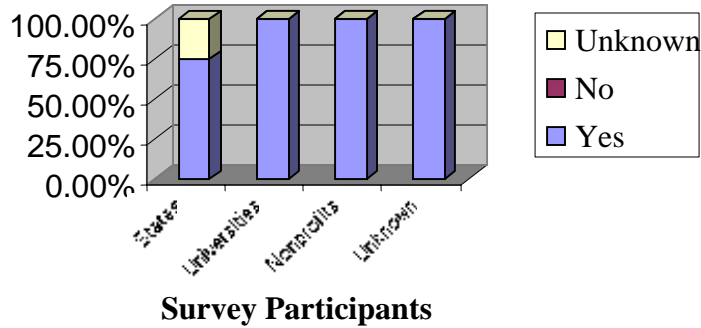
One participant from the university category noted that if the CCR is the standard, the screens should be easier to navigate and understand. Another participant liked the idea of the CCR as the central repository because the data appears accurate and institutional authority is required to make changes.

**II.** To address the desired *frequency* of updating information, the participants were asked:

*If you were notified once a year to update your information in one location, would this be helpful?*

As presented in Figure 2 below, 75% of those responding from the state and local government category responded that this would be helpful and 100% from the university, nonprofit, and unidentified categories cited that this would be helpful. These results indicate that most recipients would indeed like to be notified annually that their information might need to be updated.

**Figure 2 - Annual Update Notification**

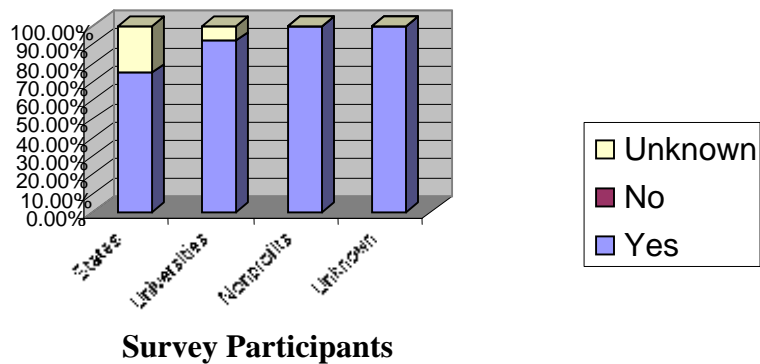


III. The final question was posed to determine whether a **centralized database** of applicant identifier information would speed the award process for Federal agencies.

*If Federal agencies used a central source for obtaining information on your organization for grant applications and awards, would it enhance your receipt of timely information from the Federal government?*

As presented in Figure 3 below, the responses indicated that if Federal-awarding agencies used a centralized data warehouse containing applicant identifier information, the applicant’s receipt of information from the Federal awarding agencies would be timelier.

**Figure 3 - Central Source for Obtaining Information for Grant Applications and Awards**



Comments received:

- “DoD already uses CCR to this purpose.” (University category)

- “Yes, and would help us eliminate "lost notifications" that go directly to PI's, etc. (University category)
- “In theory, yes. In our experience, however, some federal agencies do not actively check the CCR for updates. They rely on old data (in some cases, printed from the CCR), which means they are not updating their records for changes in our bank information, even when we have promptly made the changes in the CCR.” (University category)

- End -

## **Addendum to DUNS and CCR Survey**

Over the course of the last year, two Federal initiatives were established that will have an impact on areas covered in the DUNS/CCR Survey. The two areas are:

- Use of the CCR as a central point for vendor information for payments; and
- Use of a central point for posting grant award data and associated information.

Fundamentally, the Federal government is starting to focus on central points to gather information on recipients and also use a central point to inform the public of the grant awards made to those recipients.

### **CCR as a Central Point for Vendor Information**

The Federal government has issued policies to Federal agencies requiring them to use the CCR for their vendor file information when making payments to vendors including payment of invoices. This may also affect grant recipient payments. Staff from the agency payment systems will be working with staff of the CCR to ensure the appropriate information is included in the CCR.

The survey indicates that the grant recipients responded favorably to having one place to manage their information rather than dealing with a different location for each Federal agency. Recipients can update their information and will be reminded once a year to make sure the information is reviewed and confirmed accurate.

### **Central Point for Grant Award Information**

Over the course of this past year, there has been a concerted effort by grant recipients, in particular state governments, to have grant award information posted in one place within a specified time period after award. The need also has been stipulated in the U.S. Congress through Senate Bill 2590 and House Bill 5060. Both bills require the Federal government, through the Office of Management and Budget (OMB), to establish the capability for providing award information. The bills have different approaches, but the overall intent is the same.

The information gathered from the survey indicates that a central point for award information would be beneficial for the public. Since the CCR is a repository for recipient information, the same idea for a central location for grant award information is a likely outcome of these two initiatives.

-end-