



A LIFE CYCLE APPROACH TO GRANTS MANAGEMENT

Using project management at every stage of grant administration can maximize funds now and for the future.

GOVERNMENT ORGANIZATIONS RELY ON GRANTS

to fund some of their most important initiatives. But governments on the receiving end of federal grants will be under the gun to manage these funding streams carefully as the economy slows.

Numerous challenges keep governments from getting the most out of grant prospects. And many of the factors that affect whether a grant will

or government. Although those who secure grants sometimes end up managing them once they are won and it's time to put the grant money to use, in many cases other agency functions will be responsible for execution. For this reason, agencies should have a centralized, project-management solution in which the various parties can manage the entire grant portfolio and access historical

Agencies and departments must view grants management as an entire life cycle, from assessing prospects to completing grant objectives.

be awarded or renewed fall outside of the application process, such as how funds were used previously, whether the organization can effectively carry out the grant's objective and whether the organization has met the objectives and reporting requirements of previous grants.

View the Entire Life Cycle

Because each phase of the grant process — application, meeting the goal and measuring the results — is interdependent with other phases in the process, agencies must manage the entire grant life cycle, starting with assessing potential grants to pursue, then applying for them and finally seeing the grant's objective through to completion. In addition, grant recipients are obliged in many ways to prove — to grantors and the community — the value provided for the funds they receive, and this will only become more important as the current economic downturn causes both grantors and grantees to tighten their purses.

Grant management, however, often changes hands several times throughout its life cycle. Often the responsibility for securing grants falls within the finance department of an agency

information about the grants and their associated projects. A solution that helps automate the management based on rules and procedures set by the organization will save time for administrators and standardize procedures across divisions.

Assessing and Applying

When an agency begins considering new grant possibilities, it must prioritize grants based on how well the grant's objective aligns with its mission. The agency also must determine how many of its own resources can be committed to meeting the grant's objective.

Timelines must also be considered. If the agency has only one year to complete its obligation, for instance, it must ensure that it has time to secure any additional resources. All of these factors should be researched before a grant is applied for and considered against other potential grants.

Once an agency decides to pursue a grant, it should have an easy way to track the necessary elements in the application process and identify bottlenecks quickly so potential grant money is not lost.

Because of the significant resources required to apply for and win grants,



a realistic determination of the risk associated with not securing a grant is an important element of the assessment process. For a variety of reasons, despite their best efforts, agencies don't receive all the grants for which they apply. Competition can be fierce, with many local entities — schools, nonprofits and others — vying for the same funds and making strong cases for being chosen. Agencies must make an informed determination of not only which grants align with their missions and goals, but also which ones they have a realistic chance of winning.

Meeting the Objective

Once a grant is awarded, the project may be overseen by someone who was only minimally involved in the grant application process. It's now time to use the funds to meet the grant's objective. This phase of the grant life cycle shouldn't be considered separate from the grant procurement process because how the objective is executed is a big factor in whether grant funds will be returned unused, whether the grant will be renewed at the same funding level, or whether the grant will be renewed at all.

Having a centralized, project-management solution allows all of the factors that were determined during the assessment and application phase to carry forward to the person now responsible for meeting the objective, meaning the execution phase proceeds more smoothly. For instance, if a county health agency is using a grant to provide vaccinations for a certain number of children during the next year and it has been

should have a way to measure its use of funds and resources against the desired result. There are many reasons why results should be measured as an agency works to meet a grant's requirements, including gauging operational efficiency, planning and improving accountability. By tracking results as the project progresses, the agency can learn early on whether it's on track to meet its deliverables. If the grant's goal is to provide vac-

The grant procurement process should not be considered separate from the project implementation; how a grant is executed can affect future funding.

determined during the assessment phase that staff must be increased by a certain date to meet the grant's timeline, that information should carry forward to the official now in charge of the program. In fact, if possible, those responsible for execution can begin preparing resources based on planning that took place during the assessment phase.

Measuring Results

The agency in charge of carrying out the project or program

cinations for 500 children during the year, for example, then the agency should have a system in place that will let program management see if 40 percent of its resources have been spent within the first three months and only 100 kids have received vaccinations. This not only helps the agency plan the rest of the year accordingly, but also helps the agency plan for future years. If, based on this information, the agency determines it cannot meet the objective with the funds provided by the grant, it may choose not to renew the grant the following year or may decide to ask for more money.

Furthermore, a solution that tracks results as the project or program progresses can be a tool for officials to prove to the community or grantors that a program is working. It can also show if it isn't, and officials can plan to pursue different objectives and grants the following year.

Auditability and accountability are also important. A centralized solution used to manage a project from start to finish, while tracking results, can help prove that the funds were used as intended and that promised benchmarks are being met.



Chicago Department of Public Health Gains a Clear View of Its Entire Grant Process

The Chicago Department of Public Health (CDPH) has a huge role to play in the well-being of Chicago residents. Among the department's responsibilities are educating the public and health-care professionals about health matters, providing clinical services, ensuring food safety and preventing environmental health hazards.

Approximately 65 percent of the department's operating budget comes from grants. Even though the CDPH is one of the country's most successful departments at securing and using grants, it wanted to manage the process more efficiently. The CDPH needed to reduce the amount of funds unspent at the end of each grant cycle because of project delays. It also wanted to spend the funds more wisely — aligning them with overall organizational goals, rather than funding siloed projects.

For its grant management needs, the department enlisted CA to configure its CA Clarity™ Project and Portfolio Management software. Because it manages from beginning to end — starting with the search for opportunities through to project completion or grant renewal — the software helps manage the process as it transitions from grant administration to a working project. Everyone who touches the grant process can see the project's progress and performance measures.

"From an organizational perspective, we are a very siloed organization," explained Carlo Govia, first deputy commissioner and chief financial officer for the CDPH. Until now, he said, the organization couldn't manage grant processes across the organization, which has created challenges. "One, we can't align our demand with what we're actually doing; and two, we need to spend the grant funds in a timely manner."

The centralized solution will help the CDPH plan for and use grants in a manner that benefits the entire organization. Assessing and planning across the organization also helps the department understand ahead of time the resources required by each grant commitment, so future holdups are avoided.

The ability to measure performance helps the CDPH see early on where it must make adjustments to meet benchmarks and spend funds. The measures also help the CDPH assess whether the grants are paying off in terms of fulfilling the department's mission.

"It allows us to move away from emotional decision-making," said Govia, "to a metric-based decision-making."



Viewing the Entire Portfolio

Because many agencies rely on grants for a large portion — and in some cases most — of their operating budgets, it's also important to manage across the entire portfolio of grants.

When assessing grants to pursue, the agency should be able to view how each grant will affect its resources and measure that against other potential grants and grants already in its portfolio.

able to gauge deliverables for each grant, see how resources are being spent for the program and ensure that all of the money granted is being used without overspending. Any money left unspent must be returned; any shortfall will have to come from the agency's own funds.

Conversely if the agency is using a grant from the CDC to vaccinate children and provide health screening to uninsured residents, the agency

Managing across an entire portfolio of grants can help track resources and ensure grant objectives' alignment with the agency mission.

Once the grant funds have been distributed, the person or group responsible for execution should be able to weigh the need for resources across numerous grants or projects. For instance, if the agency uses grants from both the Centers for Disease Control and Prevention (CDC) and the Health Resources and Services Administration to vaccinate children in the community, those responsible for managing the program should be

able to see how resources are stacking up across both programs and whether it aligns with the funding available.

The agency should also be able to track metrics across grants and programs, as this will assist with the assessments required for accountability reporting and future grant applications and renewals.

Using a project and portfolio management approach can help agencies

maximize the funds needed to meet their missions by helping them more efficiently manage the funds and associated projects. It also frees up resources to apply for more grants. And by using a solution that ensures accountability and efficient project management, agencies can better make the case to grantors that they can meet potential grant objectives.



For more information call: 1-800-225-5224 or 1-800-CALL-CAI
www.ca.com/stateandlocal