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 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 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 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.

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.

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

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

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 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 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.

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