

How to Optimize Government Grants Management

Acquiring grant funding is essential in government: It enables agencies to foster sustainable development, deliver services, and improve community outcomes, among other concerns. However, managing grant funding can be a challenge.

When grant opportunities are followed by administrative management and compliance burdens, technology often comes to the rescue. “We are seeing a lot more interest in internet-based electronic submission portals, new ways to submit reports, access grant information, put in a grant application,” said Mindy Lee Collier, Senior Customer Success Manager with Euna Solutions.

In a [recent GovLoop event](#), experts from government and the public-sector industry offered insight into how government agencies can streamline the grant management process to allocate funds effectively in support of their constituencies.

UNIFY SYSTEMS

At the Federal Emergency Management Administration (FEMA), a unified grant system has helped to streamline and simplify grantmaking, ensuring that aid gets to people as quickly and efficiently as possible.

Prior to 2020, “FEMA did not have a centralized approach to grants management. We did not have a unified approach to grants policy,” said Stacey Street, Director of FEMA’s Office of Grants Administration.

Thoughtful leadership is a must when seeking to align previously fragmented grant management systems. “Building out a singular grant system, especially with 40 separate grant programs that are all very individualized, is challenging,” she said.

In FEMA’s experience, “it requires really robust project planning and engagement between the developers and the subject matter expert staff,” Street said. “It requires a lot of engagement with the [FEMA] stakeholders that are managing these programs historically, where they have a chance to provide their input and be user testers for us as well.”

It took several years for FEMA to ramp up its unified system, and the effort “has been worthwhile,” Street said, with money moving out to impacted communities more smoothly and easily.



GO DIGITAL

It may seem self-evident that paper processes cannot adequately manage the complex financial flows and regulatory requirements that come with grants distribution. Some agencies still live in a world of manual processes, and that needs to change.

Forward-looking government agencies have begun to digitize. "People are trying to go to more cloud-based platforms," Collier said. Cloud makes that grant-management information available to anyone, anywhere. It supports remote work, and it's critical in times of natural disaster.

With cloud-based management tools, "you can have somebody, say, in Washington looking at it, and you can have somebody in Fort Myers looking at it at the same time, working on it together and doing the compliance work," she said. When Hurricane Ian came through Florida, those platforms were a crucial support: "If you didn't have anything cloud-based, then you didn't have it."

EMPHASIZE AGILITY

In government grant-management efforts, a big challenge now is dealing with the late arrival of funding. The wheels turn slower than ever in Washington, "and I don't know if we're ever going to be back in a routine where we're going to get on-time appropriations," Street said.

With this in mind, planning and preparation become extremely important. "When the notices of funding opportunities are going to come out very late, you're going to have a very short application window," she said.

In such a situation, agencies must plan for agility and organize their efforts expecting a last-minute scramble. "You're going to get the awards issued very late: It's a very frenetic environment in that respect," Street said. "The more that people plan accordingly, the better postured they are for when those funds finally do hit the street."

MIND THE BUDGET

Ineffective grants management can have a significant budgetary impact. Compliance comes at a cost, and it's important to factor that in to maximize the funds available. At a minimum, you need to ensure "that the requirements aren't going to be something so extreme that it's going to cost you more than what you get," Collier said.

To avoid that risk, "get your policy and procedures fixed, get your internal controls in order," she said. And be proactive. "Get grant-ready: Read that OMB circular, understand what's coming down the pike that you're going to have to deal with."

A grant may come with caveats that have financial impact, whether that's an environmental impact assessment or an obligation to hire under the rules of the Davis-Bacon Act, regarding contractor and subcontractor wage rates. When faced with requirements that potentially increase the cost of programming, "make sure these things are included in your budget," she said.

Indeed, speakers agreed that, with a mix of the right technologies, and thoughtful planning and processes, agencies can improve their grant-management capabilities. This eases the burden on government staffers and helps to ensure that grant monies are delivering the greatest impact in support of designated mission outcomes.



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