



# NEXT GENERATION GRANTS MANAGEMENT SYSTEMS

*Required Capabilities to Address Future Challenges and Opportunities for  
State and Local Governments*

March 2016



[www.reisystems.com](http://www.reisystems.com)

# The Dual Role of State and Local Governments: Grantee and Grantor

TABLE OF CONTENTS

The Dual Role of State and Local Gov'ts ..... 2

Ten Common Grants Mgmt Challenges ..... 3

Defining the Path Forward: A Comprehensive Solution ..... 4

GovGrants – A Modern Grants Mgmt Solution..... 8

Who is REI?..... 10

GovGrants Success Stories ..... 10

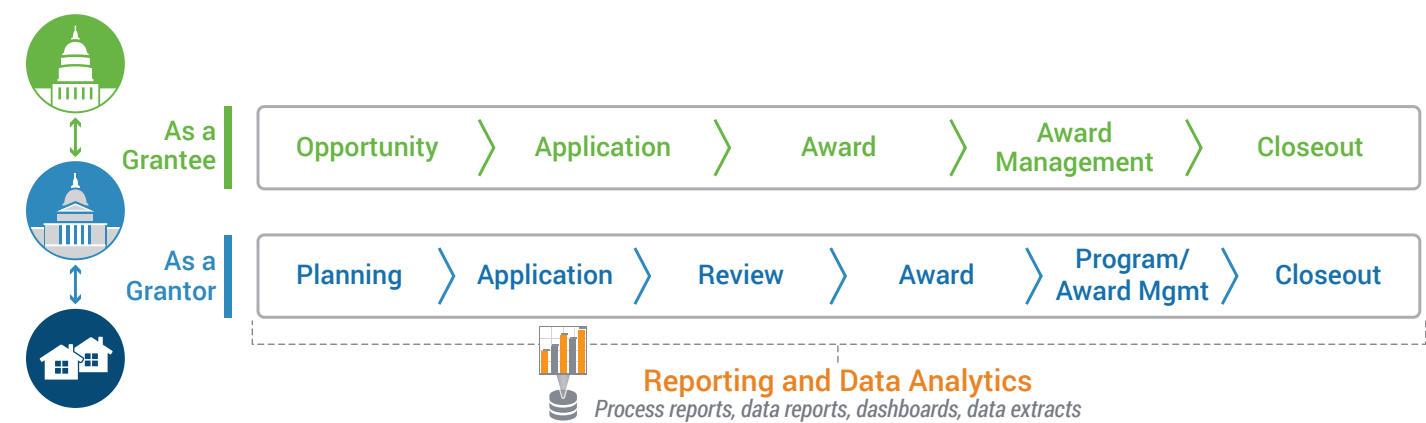
About the Authors..... 11

*State and Local Governments act as both grantees and grantors of funds – this creates coordination, management, and reporting challenges.*

When it comes to effectively and efficiently managing grants, State and Local Governments face a complex, disjointed, and dynamic set of processes. Grant-making agencies often face the dual challenge of being both a grantee and a grantor. Agencies must not only identify, apply for, and receive grant funding, but also solicit grant applications, review possible recipients, and accurately track the use of funds. As seen in the figure below, there is a structured lifecycle for each role, Grantee and Grantor. When serving in both roles, as State and Local Governments do, additional challenges and complexities emerge. Even with the substantial advancements in IT systems and management tools in recent years, a surprising amount of the grant tracking effort is still performed in heavily manual ways. This introduces both unnecessary errors and non-integrated data.

## The Grant Management Lifecycle for State and Local Governments

*The dual, interconnected roles of grantee and grantor give rise to complex challenges and unmet reporting gaps for State and Local Governments.*



# Ten Common Grants Management Challenges

*Today, most State and Local Governments encounter many obstacles. These obstacles are exacerbated by a rapidly changing regulatory and compliance environment.*

Grant-making agencies are responsible for achieving their missions through grantees. This is difficult when grantors do not have real-time visibility into grantee performance, compliance, and outcomes.

Through data collected from numerous grant managers, a common set of challenges emerged. The ten most common challenges that State and Local Governments face are:

1. Easily tracking and reporting grant lifecycle data in real time to enable timely interventions and corrective actions.
2. Tracking the flow of grant dollars, terms and conditions, and amendments from federal awards to sub-awards.
3. Identifying and prioritizing federal and non-profit grant opportunities in which to invest and pursue.
4. Mitigating the inefficiencies and traceability issues arising from predominantly manual, paper-based business processes.
5. Consistently applying governance, compliance, and risk management principles across programs and sub-grantees to manage fraud, waste, and abuse.
6. Effectively managing and coordinating the required activities and tasks associated with the pursuit of grant opportunities.
7. Facilitating collaboration, negotiation, and information exchange among sub-grantees and internal users without the effects of email inbox overload.
8. Managing increasing numbers of grants, awards, and sub-grantees with decreasing support budgets.
9. Compiling, tracking, and reporting on structured data to comply with the Federal Data Act standardized data requirements.
10. Complying with the White House Office of Management and Budget's (OMB) new federal regulation: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.



# Defining the Path Forward: A Comprehensive Solution

*To address these challenges head-on, State and Local Governments need an effective IT solution to support any policy or protocol changes.*

The next generation of grants management solutions should make the lives of program and fiscal staff better and those of IT staff easier.

While a plethora of grants management tools exist, the optimal solution would meet several key factors:

- ✓ Centralized Grants Data
- ✓ Native Reporting / Deep Business Intelligence
- ✓ Business Process Orientation
- ✓ Auto-Generating Notifications / Reminders / Tasks
- ✓ In-Context Collaboration
- ✓ Anytime / Anywhere Accessibility
- ✓ Configuration without IT support
- ✓ Interfaces with Third Party Systems
- ✓ System Scalability
- ✓ Evergreen Functionality
- ✓ Structured Data
- ✓ Compliance and Monitoring Support
- ✓ Data Security and Backups

## Centralized Grants Data



Grants management is a paper rich domain. A typical grants manager will have countless applications, award notices, progress reports, and financial documents cross her desk. Having a single repository of all grants related data from all existing sources transforms grants management. With a single, aggregated data set, information that was once held in silos can be easily shared, analyzed, or updated throughout an agency with minimal coordination. A centralized and easily searchable repository of emails, applications, evaluations, awards, budget data, and reports is critical to the modern grants management system. Having this information spread across silos including emails, spreadsheets, assorted databases, and stacks of paper files is no longer viable in today's information age.

## Native Reporting / Deep Business Intelligence



Traditionally, legacy grants management applications have kept grant staff from accessing the key data they need without engaging a team of analysts or developers. A modern grants management solution allows every business user to explore any combination of data, get answers instantly, and share these answers with his or her team. The goal of data centralization with native reporting is to deliver insights from business operations at the speed of business thinking.

The transformation of data into information often comes through business intelligence and analytics. In this manner, in-depth dashboards that unify data from multiple sources can unlock insights that may not have been evident. For example, a map-based dashboard can depict at a community level where grant funded services are being provided and the resultant impact on agency-wide performance outcomes.

## Business Process Orientation

**“An effective solution will... empower staff to work on the highest value activities”**

The best grants management software unburdens grant staff from managing business processes, intelligently enforcing the necessary tasks and activities for administering the grant lifecycle automatically. Completing step one of the process should seamlessly generate a necessary downstream task, generally via an automated workflow. Once a solution is mapped to the existing business processes, grant staff should be free to focus on working with sub-grantees and driving successful programmatic outcomes.

Automated workflows check records as they are created and updated in adherence to established business logic and validations. This logic determines if actions need to be taken by grant staff or can be automated. In this manner, workflows constantly monitor progress that would be otherwise needed via reports, dashboards, or views. An effective solution will eliminate the need for grant staff to micromanage the process and instead empower staff to work on the highest value activities. For example, if a sub-grantee is repeatedly delinquent in submitting a progress report, the optimal grants management system will alert the grant manager prior to the rise of federal reporting compliance issues.



## Auto-Generating Notifications / Reminders / Tasks

The ideal grants management system provides work management related notifications, reminders, and tasks. These alerts should be delivered through multiple media including email and potentially mobile messaging. When work requires attention, a task is created and a corresponding notification is generated. In this manner, both internal staff and sub-grantees no longer have to maintain their own to-do list outside of the system. This feature not only creates a streamlined process, but also leaves an audit trail of the work completed. For example, when an application is assigned to a reviewer for assessment, that individual should receive a task notification and repeated deadline reminders to ensure timely completion.



## In-Context Collaboration

At a mission level, grants are intended to foster and support communities. Achieving this goal requires not only disbursement of funds, but also collaboration across multiple stakeholder groups based in different geographies. Modern grants management platforms will connect stakeholders directly with one another with relevant content, data, and business processes. Today's technologically evolved citizenry expects to interact with their government, share experiences with other citizens, and find the information they need online in real-time. In the context of grants management, the best example of this dynamic is the collaboration that must occur during the award finalization period. These are multi-step, negotiation centric processes where there is an intensive exchange of emails, documents, and ideas. Effective technology can greatly facilitate this process, thereby shortening the negotiation period and improving performance outcomes.



## Anytime / Anywhere Accessibility

Today's IT systems are not limited to desktop computer use. Being able to access data through whatever device an end-user chooses is imperative to successfully managing an agency's grants. Creating an easy way for users to enter data and complete tasks while on the go helps improve data accuracy, currency, and availability. It also enables users to have access to the data they need, when and where they need it. An effective grants management system for the current user must naturally work on smartphones and tablets.



## Configuration without IT Support

The days of multi-year software deployments and multi-million dollar upgrades are over. In today's more agile, cloud-based technology world, software must be easily configurable to adapt any solution to a customer's needs without technical support. Data fields, element names, workflows, and other similar settings must be modifiable and creatable without writing software code. Configurations should also allow the addition and removal of drop-down menus and buttons to align the solution to an agency's grants management processes. An effective system will make it easy to add or modify custom fields and tailor specific application package needs. In this way, a configuration-driven solution aims to provide built-in flexibility without the exorbitant cost of on-going maintenance or IT support.

## Readily Interfaces with Third Party Systems

**“A grants system is only as valuable as the data that resides within it.”**

A grants management system is only as valuable as the data that resides within it. For most agencies, the ability to use a grants management tool to aggregate data from disparate systems is critical to visualize the comprehensive state of affairs. This holistic end-state can be achieved through data migration (one-time) or system integration (on-going data transfer). The ideal grants management solution will provide the necessary connectors to financial, HR, and other third party systems to insert, update, delete, or export records. It will also have flexible APIs to programmatically address more advanced integration needs. In this way, the tracking of payment from agency accounts to sub-grantees in the context of a reimbursement request is visible through a single system.



## System Scalability

Today's IT systems are not monolithic. They allow an agency to start as small as needed, but grow as rapidly as required without substantial new investment in IT infrastructure. At the same time, an agency need only pay for what is used thereby limiting unnecessary costs and providing a predictable ongoing cost budget item. A grants management solution architected to be scalable allows agencies that are unsure of their exact growth plans to scale up and down their system usage in line with total grant funds distributed, sub-recipient community size, and ongoing work requirements.





## Evergreen Functionality

There is an increasing trend toward delivery of software over the cloud instead of on proprietary servers within government owned data centers. The reasons for this trend include substantial total cost of ownership savings, but also easier and lower cost maintenance. When software is delivered over the cloud, updates and upgrades are effortless for the end-user. There is no new software to install, no migration process, and no substantial system downtime. From the end-user's perspective, the software is always current and always up-to-date. This factor is especially salient to grants management in light of the rapidly shifting regulatory and compliance protocols being mandated by the federal government. Any tool that agencies use to manage their grants should adhere to the latest policies from OMB.



## Structured Data

Grants management is a data-intensive business. There are countless applications, forms, documents, and emails. However, data housed in paper-based applications and forms cannot be used to run reports. Information manually entered into a PDF document cannot be used to generate a dashboard. Thus, the optimal grants management system will offer electronic applications and forms to ensure that data is efficiently collected in a structured manner. When all grant data is electronic and associated at a field-level in a database, unlimited numbers and types of reports and dashboards can be developed. This factor is especially important with the recent passage of the Federal Data Act.



## Compliance and Monitoring Support

Seeking approval for final grant decisions is commonplace throughout government. Very few decisions are made without oversight and compliance checks. As a result, routing reams of paper documents between offices for approval is time consuming, error-prone, and inefficient. Moreover, such tactics do not leave a sufficient audit trail if questions around the validity of a decision arise. For this reason, an optimal grants management system will offer electronic approvals that are 100% traceable. For full auditability, any grants management tool will also track modifications during the review process.

Encryption and protection of personally identifiable information, adherence to FISMA, FERPA, and HIPAA all create significant requirements for state and local entities.

## Data Security and Backups

The confidentiality, integrity, and availability of grants management information is vital to business operations. Given the often sensitive nature of the data collected, a multi-layered approach to protect key information is prudent. As a granting agency, there are multiple issues to consider, including secure data centers, access control and physical security, environmental controls, network protection, disaster recovery, backups, and security monitoring. Instead of trying to cultivate these capabilities in-house which requires exorbitant time, capital, and resource investment, it makes sense to have data center experts provide them through shared computing services.

# GovGrants – A Modern Grants Management Solution

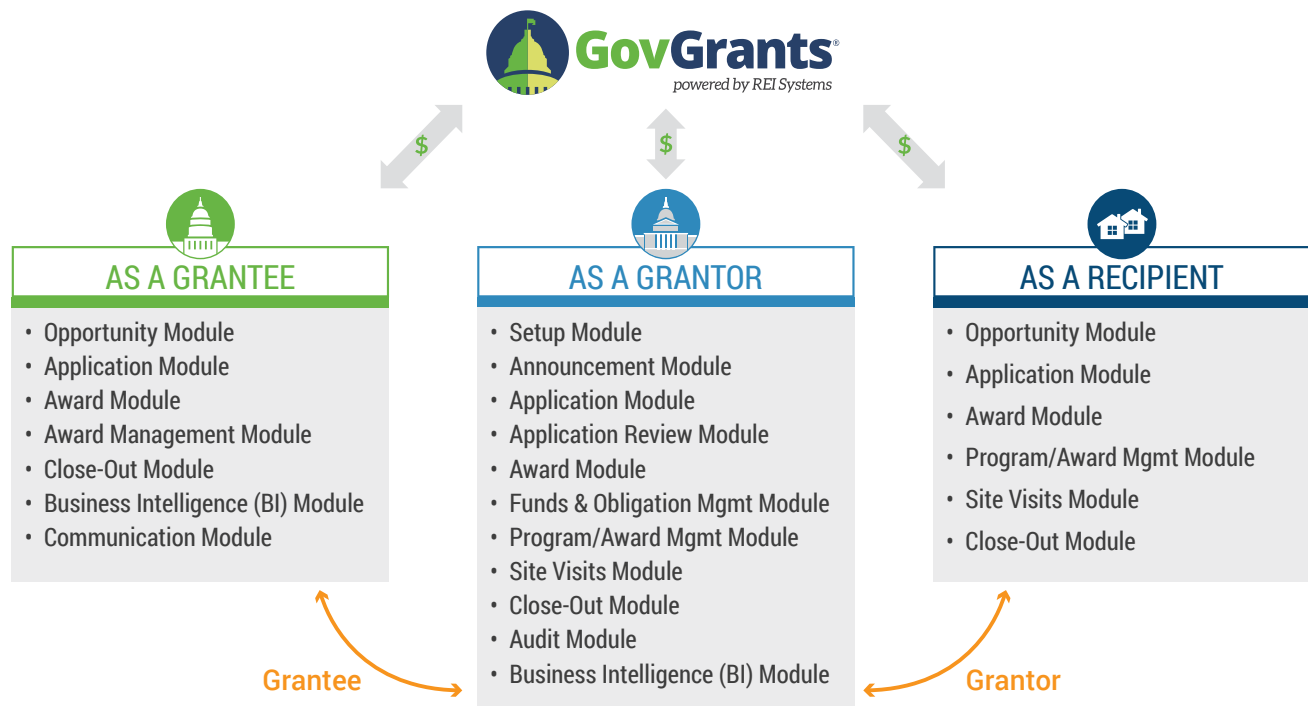
*GovGrants addresses each of the ten grant administration challenges enumerated earlier and all of the characteristics of an effective grants management solution.*

**GovGrants has several modules that are used to enable grants automation, data centralization, and enhanced tracking/reporting.**

Building on nearly 20 years of supporting government institutions to modernize their grants management processes, REI Systems has developed GovGrants, a cloud-based, software-as-a-service (SaaS) solution. GovGrants addresses the challenges that State and Local Governments face across all phases of the grants management lifecycle. Accessible through any device, anywhere, GovGrants provides a highly intuitive user interface for managing grants. Key grant business processes are automated and centralized through a series of configurable modules and through an intuitive user interface for managing grants.

## GovGrants is a Modular, Configurable Solution

*GovGrants' modules enable State and Local Governments to perform all of the necessary functions across the entire grants management lifecycle.*





## GovGrants Meets All Key Characteristics of a Comprehensive Grants Management Solution

Key Characteristic	GovGrants Features
Centralized Grants Data	Single point of data storage for all genres of grants data: emails, applications, evaluations, awards, budget data, and reports.
Native Reporting / Deep Business Intelligence	BI embedded throughout via multiple canned and scheduled reports, robust ad-hoc reporting capabilities, and easily customizable dashboards.
Business Process Orientation	Configurable, modular business processes, workflows, validations, and approvals standardized through an intuitive UI to reinforce governance.
Auto-Generating Notifications / Reminders / Tasks	Event and task reminders within the system, via email, and to the mobile device whenever a user is required to perform a time-sensitive action.
In-Context Collaboration	Mobile and social collaboration-ready solution that offers superior user coordination, communication, and engagement best practices.
Anytime / Anywhere Accessibility	Completely unified mobile experience across a variety of mobile devices, including iOS and Android smartphones and tablets.
Configuration without IT Support	Ability to create and modify grant programs, announcements, applications, and awards through easy point and click configuration forms.
Interfaces with Third Party Systems	Native APIs offer simplified interfaces with financial, HR, and other back-office systems to synchronize key data elements.
System Scalability	Built to accommodate growth in grant programs, numbers of users, and sub-awardees without additional deployment or infrastructure costs.
Evergreen Functionality	Updates are automatically and seamlessly pushed without affecting users, substantially reducing the burden to manage upgrades and patches.
Structured Data	All data from all aspects of the grants lifecycle is stored in a database to allow for connecting data across phases with unlimited reporting.
Compliance and Monitoring Support	Real-time visibility into sub-recipient performance and reporting is augmented by automated system checks, validations, and alerts.
Data Security and Backups	HIPPA, FERPA, and FISMA compliant. Automated data back-up feature augments business continuity through database redundancy.

## Who is REI?

*REI is an established leader in providing and implementing grants management solutions.*



REI Systems delivers results every day as we help clients manage their grant programs. We provide turnkey, web-enabled solutions to manage complex business processes – an approach we customize to fit your needs. We have more than 350 staff focused on grant-making systems and processes, with domain grants expertise in health and social programs, science and technology, homeland security, and business/economic development.

REI has built automated grants systems for ten federal and state agencies during the past 20 years. In 2015, our systems disbursed more than \$20 billion in 41,000 grants for 1,700 programs. We are members of the Industry Advisory Council, the Grants Center of Excellence, and the National Grants Management Association. Our track record of success in helping agencies achieve their mission through grants has led to long-term client relationships with REI for 20+ years.

## GovGrants Success Stories

*REI has developed enterprise grants management solutions for a number of state and federal clients.*



### US Agency for International Development (USAID)

USAID required an online platform accessible from 193 countries to support proposal intake, detailed reviews, and selection of winners for multiple grant types. GovGrants for USAID was fully launched in four months supporting approximately 1,300 users registered worldwide, receiving 871 proposals, and selecting and inviting 106 Applicants for Stage 2. As a result of GovGrants, it takes less than one full-time employee to manage reviews along with his other day-to-day responsibilities.

### District of Columbia's Department of Health (DOH)



The District of Columbia's DOH required a grants management system to track the end-to-end flow of grants. REI's GovGrants provides the DCDOH with user-friendly forms, templates, workflows, ease-of-use dashboards, and management tools for oversight and quality control. GovGrants will eliminate tedious manual processes and standardize operations across five DOH administrations, resulting in a 50% efficiency gain.

## About the Author

---

### Wagish Bhartiya

*wagish.bhartiya@reisystems.com*



Wagish Bhartiya is a seasoned technology executive with extensive strategy and product development experience. Wagish leads REI's Software as a Service Business Unit in both the public sector (federal and state/local) and commercial sectors. In his leadership role, Wagish oversees the development, marketing, and support of the GovGrants product. Wagish has more than ten years of experience taking new software products to market, managing functional and technical teams, and successfully leading customer engagements. He earned his MBA with highest honors from Wharton Business School. He is also a contributing member of the National Grants Management Association (NGMA).