Best Practices in Managing Government Grants

Dwindling funds have steadily created more competition for organizations in mine action and conventional weapons destruction. Given the current funding landscape in these fields, it is increasingly imperative for organizations to employ sound program-management practices to prove themselves worthy for continued funding. This article was adapted from several of the author's presentations on securing funding, managing grant funds and project risk management.

by Nicole Neitzey [Center for International Stabilization and Recovery]

Government entities remain one of the largest sources of funding for mine action and conventional weapons destruction programs. These funds typically come with strict rules on how they can and cannot be used, and organizations can face stiff penalties for mismanaging them. Additionally, as is often the case in the professional world, past performance is a strong indicator of future success. Thus, proper management of funds ensures the organization not only complies with required regulations but also has the best chance of continuing its work well into the future.

Before the Project Begins

Successful project management starts with an in-depth project plan. Typically, the process of applying for U.S. government funding begins with a detailed written proposal. Organizations that put a lot of thought into their proposals and provide specifics on project activities and costs will find initiating project implementation easier than those with proposals lacking in these details. In fact, project proposals without such information will likely not be funded in the first place. Government funders scrutinize submission materials to ensure enough thought was given to planning the project. Thus, elements that make up a winning proposal often make for a successful project when the time comes for implementation of activities. A few such components of the proposal submission include

- A clear statement of the project's goals and objectives (via SMART [specific, measurable, achievable, relevant and time-bound] language)
- A list of detailed activities and outputs (quantifying wherever possible, e.g., number of beneficiaries)
- A statement of broader outcomes and long-term, visionary effects of the project (e.g., revitalized communities no longer threatened by the presence of landmines)
- A plan for monitoring and evaluating project outcomes and impacts to compare them to projected benchmarks
- A line-item budget and detailed budget narrative explaining how funds will be spent

Getting Started

Once funding is in place, it is important to ensure the essential roles of the project are assigned to appropriate staff who understand their responsibilities. Often the proposal solicitation requires identifying key personnel roles, responsibilities and qualifications, in which case this step will be easy. In addition to in-house staff, the organization may need to designate partners or consultants to work on certain aspects of the project. Having a written agreement or contract containing specific requirements of these entities is essential for ensuring expectations are made clear and recourse is available if the necessary duties are not performed.

> **Best practice.** Meet at the project's start with all team members to ensure everyone knows what is expected within the given time frame and what the budgetary constraints are.

U.S. government contracts and grants come with sponsor-stipulated terms and conditions. Everyone working on the project needs to know these requirements and what the

Project Risk Management[1]

Every project has three main dimensions: time, scope and cost. These elements are interconnected, and there are constraints to each for any given project. Therefore, the team should prioritize these three dimensions to determine which takes precedence over the others. Here are a few questions to ask:

- Can you ask for more time to achieve your objectives?
- Is additional funding available if needed to complete the project?
- Would it be possible to scale back anticipated outcomes instead of spending more time or money?

In addition to thinking about what compromises you and your sponsor are willing to make related to the dimensions above, it is important to consider possible risks to completing planned objectives. A few questions to consider in this regard include

- Would these risks impact one or more of the project dimensions of time, scope and cost?
- How likely are these risks and how severe would the impact be? (See Figure 1.)
- What can you do to mitigate or prevent a risk or respond to its effects if it happens?

For each item identified as high risk, the team should identify who is responsible for taking action to prevent or respond to the issue. Additionally, these scenarios should be revisited regularly throughout the project's life to see if their probability or degree of impact has changed or if any new potential threats endanger the project.
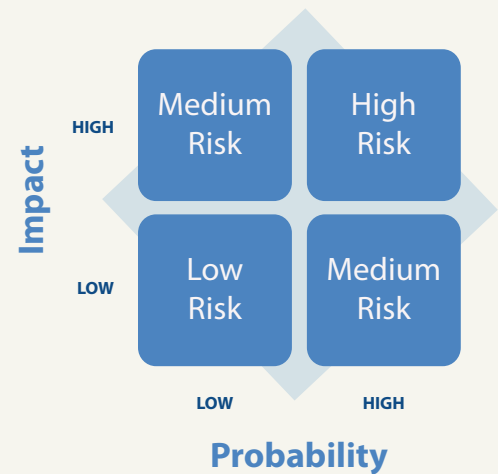

Figure 1. A matrix that assesses the level of risk in a given scenario, based on the high or low probability of a risk occurring and whether its impact on the project will be high or low.
Figure adapted from Business Continuity and Risk Management: Essentials of Organizational Resilience *(Kurt J. Engemann and Douglas M. Henderson).*[2]

sponsor does or does not allow. If the funder requires certain procedures or record keeping, the organization should develop policies or checklists for everyone to follow so that compliance is simple.

At the outset of a project, scheduling future activities, milestones and deliverables is also important. The schedule should contain some slack in case certain aspects take longer than originally anticipated. Additionally, the project's start is a good time to assess what issues could come up during implementation that might derail or delay the project. See the accompanying text box above on risk-management tips for projects.

Project Implementation[1]

As the project progresses, it is important to monitor the activities, budget and timeline to ensure things are going according to plan. The sponsor will likely require regular reports, which should be a formal recording of activities conducted and progress made toward completing objectives. Deadlines and report formatting requirements ensure that organizations maintain compliance. Report submissions are usually tied to release of funds, so it is important to be timely and thorough with this process. Additionally, informal communication with a designated point of contact within the sponsoring agency should be maintained on an ongoing basis.

Inviting the donor to visit the project while activities are ongoing is customary, especially for important milestones. Also, if donors require their logo or branding on material and event notices, it is best to ensure that these requirements are followed to avoid violations of the terms and conditions.

Best practice. Set up a schedule with milestones at the beginning of the project, and meet with the team periodically to make sure it is on track.

Regarding funds, anyone responsible for purchases or allocating funds for the project needs to know what is acceptable and what is not in terms of how funds are spent. As before, this is an instance when being familiar with applicable terms and conditions is vitally important. The organization could owe money back to the sponsor and jeopardize future funding if grant money is used for unallowable costs. Additionally, the budget narrative included with the submission will be very helpful and ideally specific enough that anyone can understand how costs were determined and how funds should be spent, eliminating ambiguities. The project's spending should be tracked and actual expenses compared to budgeted amounts in order to ensure it will not exceed or fall below budget by the end.

Best practice. Think: Will this purchase be used to support the work of this grant specifically? If the answer is "no," do not use project money for that expense.

Any major project changes, such as additional costs, significant budget revisions, an extension to the period of performance, changes to project objectives or activities, deviations to planned international travel, and changes in key personnel require sponsor preapproval. Sponsors are generally open to making reasonable modifications to a project if they have enough notice and good justification for the changes. Additionally, it is typically easier to ask for help with big changes when the organization has maintained close contact and a positive working relationship with the sponsor. Be sure to allow adequate time before the end of a project's period of performance for the sponsor to review and process the request. Sponsors are often more amenable to major changes if these concerns are brought to their attention earlier in the process.

Project Completion

When the project is complete, documentation of its success will be important. It is okay to admit if anything fell short of expectations, especially if there is context given as to why this happened. Additionally, the organization should treat these instances as lessons learned for how future projects can be improved. The final report to the sponsor should document the outcomes of the project as specifically as possible. Other funders will likely be interested in past organizational experience and particularly meaningful outcomes of such projects. As mentioned above, successful projects often lead to more funding; thus the promotion of project results (upon approval by sponsors) through press releases and social media is important as well.

Conclusion

Remembering that successfully managed projects do not happen by accident is important; they are carefully thought out, well-planned and faithfully executed. Organizations that make an effort to systematically approach the program-management process and think through elements of program management early in development of a project idea will be well-positioned to harness success in this arena. This article was written with U.S. government grants in mind, but most government funders will have similar guidelines to follow in projects they fund. Many of these tips apply to project management more broadly as well. ⊙

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