

GRANT

MANAGEMENT




**WORLD ASSOCIATION
OF GIRL GUIDES
AND GIRL SCOUTS**



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And to all who in one way or another have shown their support to CB Finance team, our warmest thanks!

FOREWORD

We know that funds play a significant role in an organization to run its operations, achieve implementation of programs and projects, and remain stable. This resource material was designed to give guidance to organizations on how to effectively and efficiently manage grants, like any other form and source of funds. Some information were also sourced from discussions and guides on the topic grant management.

We hope you will find this useful and be encouraged to aim for more grants as a result of successfully managing grants. More grants will help MOs to become more and MOs will reach more girls and young women.

WAGGGS Capacity Building Finance Team

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INTRODUCTION

It is usual for not-for-profit organizations or voluntary movements (e.g. charities, foundations, associations or institutions, referred to as “organization/s” in this document) to raise funds responsibly in order to carry out their programs and projects, and sustain their operations in the long-run. These funds may come in the form of legacies, endowments, income from charitable or trading activities, and the most common are donations and grants.

A quick refresher to differentiate between grants and donations is presented in the table below.



Grant	Donation
The grantor (giver) is a specific party. (e.g. institutions, businesses, corporations, government)	The donor (giver) can be anyone.
The funds are restricted.	The funds are unrestricted. It becomes restricted when the donor wishes the donation to be used for a specific purpose.
The grantee (receiver) shall use for a specific purpose with specific term/s and condition/s.	The donee (receiver) may use for any purpose (e.g. for “charitable purposes” and to benefit a cause).
It requires an application via a grant proposal or application (“grant writing”).	With or without a letter of request. Usually given wholeheartedly.
It undergoes a process of approval and acceptance before it is given.	It doesn’t need to undergo any process of approval and acceptance. It is up to the donor if it will or will not give.
It is formalized by a contract / agreement.	Generally, it is not formalized in writing. An exception would be if the donor wishes the donation to be used for a specific purpose.

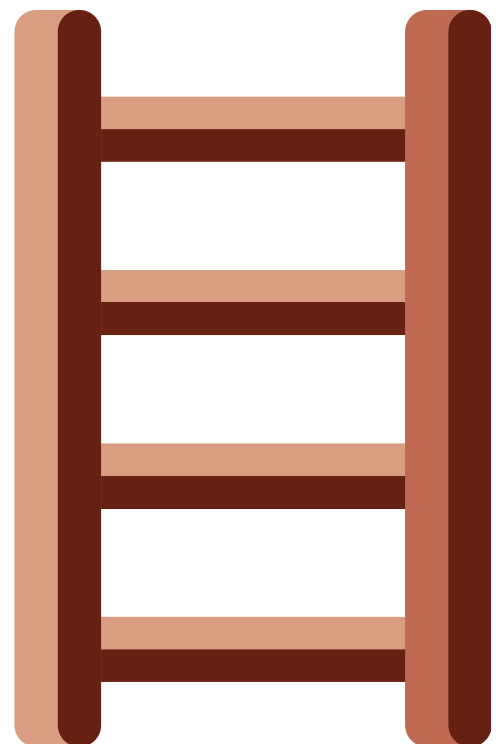
Both are forms of giving/fundraising.
(e.g. event donations are contributions that donors make during a fundraising event)

There are many types of grants that organizations receive, including capital (infrastructure) grants, operating grants, and program or project grants. With any type of grant, there are best practices that assist in reaching a successful grant outcome. These are collectively referred to as grant management. Grant management is defined as all of the administrative work that is necessary to use and fulfill the requirements of a grant. Grant management includes the processes and methods organizations go through to oversee grants.

The best practices for grant management can be divided into three categories:

- 1 Pre-grant** - what to do during the granting process, or before accepting a grant
- 2 During grant** - how to successfully monitor progress so that reporting is efficient
- 3 Post-grant-** reporting and follow-up after the grant is completed

Following these grant management practices will not only result in successful completion of a grant; they also create a positive relationship with the grantor by demonstrating that you are competent and a deserving grant recipient, and sets you up for further success with the grantor.



PRE-GRANT

The following are pre-grant considerations for an organization:

1

Know Your Funder

Understand the funder's mission and priorities so that you can ensure that your project is aligned with them. Also, understand their rules and policies around what expenses are allowable under the terms of the grant. Ensure that you know the eligibility requirements for the grant. Some require that you are a registered charity, or have a certain tax status.

2

Secure Contract/Agreement

Every grant should be made official through a contract or agreement process. Large funders often have their own contracts, while smaller funders or smaller projects might have a less formal mechanism.

In any case, ensure that the contract/agreement includes the following:

- The **amount of the funding**. A budget should be prepared for the proposed fund and breakdown of category of corresponding expenses. A funder may also ask for the organization's other sources of funding and these should be included in the budget;
- Any **restrictions on what expenses or types of expenses are allowed/not allowed**. Also, is it permissible to move expenses between categories if necessary for project completion;
- An understanding on **when the funds will be received** – at the beginning of the project, in installments, or after completion;
- A clear explanation of **the work/project to be completed**;
- The **timeline** for project completion;
- Interim and final **report requirements**;
- What to do with **unused funds**. Will the funds be returned to the funder or kept by the recipient?
- Any legal liability or responsibility of the organization should it fail to comply with the contract/agreement; and
- Other conditions.

Check the contract to ensure that it does not contain any condition that goes against your organization's beliefs or tenets. If it does, you will need to remove that from the contract or negotiate with the funder. A signed contract/agreement should be in place for the grant.

3

Be Clear Who Is Involved

The people involved may be:

- Senior leaders
- Grant manager
- Program staff / Delivery teams
- Finance staff / Budget holders

During Grant

Tracking grants is an important part of the grant management process. The relevant persons involved should be fully aware of the grant conditions. During the implementation period, the organization must set-up or adapt a system to account for and monitor the progress of the project or activity and the corresponding fund. This will also show your funder that your organization is financially responsible. Here are the considerations:

1. Meet Project Targets

- Deliver the project activities as described in the contract/agreement – within the agreed timeframe and budget.
- Request for revision of timeframe and budget if targets will be missed or becoming unrealistic. It is possible to negotiate with funders.

2. Maintain Regular Communication

- This is to avoid encountering problems among the organization's staff involved with the grant, and the organization with the funder.
- Conduct regular meetings.
- Keep funders informed of variations to the plan.

3. Observe Accurate Accounting and Recording

- Maintain project accounts. Ensure accuracy of account coding structures.
- Monitor and record the grant funds that you receive as a part of your organization's income. Remember that a grant is a restricted fund, with the purpose outlined in the contract.
- Set up the accounting codes to match the categories in the project budget as agreed in the contract. This will make reporting at the end of the project efficient.
- Monitor and record expenditures for the activities carried out. Make sure the activities covered in the project proposal match the activities carried out and the amount of money spent.
- Observe project start and end dates for spending. Don't make payments or enter into commitments before the agreed contract start date. All invoices must be dated between the official start and end dates.
- Compare the budget and actual flow of grant funds as you use them. This will help you analyze your use of the funds and to see how much is left.

4. Keep Grant Files

- Ensure that the contract/agreement, correspondences and supporting documents (e.g. receipts, invoices) are intact and readily available. It is suggested to get things in writing.

5. Review Progress

- Set-up reminders for the significant dates and reporting requirements. Provide financial and narrative progress reports to funders.

Post-Grant

A formal way to update the funders and a proof of what the organization accomplished with the grant is through a grant report. Many funders have some grant reporting guidelines, but some funders have no guidelines. Additionally, documentation should remain on-file in case there is an audit or other reviews.

To close off the grant, the following are the considerations:

#1 Finalize the Accounts

- Accurately record expenses and any valid adjustments that need to be made.
- Ensure maximum usage of any remaining fund on meaningful, beneficiary focused activities, if allowed.
- Arranging for proper disposition of assets such as equipment and supplies.
- Double-check the totals to ensure accurate reporting.

#2 Understand and Identify the Funder's Reporting Requirements

#3 Prepare Reports

Ensure accurate and complete reports. The type of reports may be:

- **Narrative Report/Project Report.** This may contain:
 - Cover letter to express gratitude to the funder
 - Grant activities, with pictures if possible
 - Outcomes and impact to organization and to girls
 - Changes to the grant, if any
 - Challenges and lessons learned
 - Future plans and sustainability
- **Financial Report** – may include budget report to track the proposed and actual amounts. Explain variations from budget, if any.
- **Monitoring and Evaluation Report**
- **Testimonials from Users**
- **Survey Results from Participants**

#4 Prepare Files and Reports in Case of a Funder Audit

An important thing to remember is that grant projects may be subject to an internal or external audit. Grantees must ensure that the files and reports are adequate, readily available and retained for a period of time.

#5 Reports Should Meet the Deadlines

Coordinate submission of reports to the grantor.

#6 Maintain Communication and Establish Network with the Grantor

Keeping the line open and establishing a good relationship between the grantor and the grantee is an ingredient to a successful grant management. Who knows, there may be another project funding from the same grantor or open the gate for new grantors.

TOOLS FOR GRANT MANAGEMENT

To effectively and efficiently perform grant management, here are some tools that can help the organization:

- **Grant Management Planner** – helps you keep track of the schedule of activities, monitor different deadlines, and identify and plan for critical points. An example is shown in **Annex A**.
- **Funding Grid Tool and Budget Worksheet** (also called “Grant Schedule or Budget Allocation Grid”) – a tool for managing the grant and a number of different sources of funding or income to the corresponding expenses or project activities. This also tracks the proposed budget compared with the actual. See **Annex B**.



A **Sample Grant Narrative Report Content** and **Sample Grant Financial Report** are presented as **Annex C** and **D**, respectively.

ANNEX A

Grant Management Planner

The table below lists the key tasks in grant management with recommendations for who should take the lead responsibility and provide additional support when required. The practice in your own organization may be different and you might like to go over the list and assign roles accordingly, including when will the task be performed (e.g. monthly, quarterly, annually, others). Make sure that every task is assigned to someone and that the timeline is clear so that nothing slips through the net.

Compass Organization

Community Workshop Project

Legend:

S = Senior Leaders; G = Grant Manager; P = Program Staff; F = Finance Staff

M = Monthly, Q = Quarterly, A = Annually, O = Others (Define)

TASK	PERSON RESPONSIBLE		FREQUENCY (M,Q,A,O)	DETAILED FREQUENCY												REMARKS	
	LEAD	SUPPORT		QUARTER 1			QUARTER 2			QUARTER 3			QUARTER 4				
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Review grant contract and assess conditions.	S, G	P, F															
Negotiate specific grant conditions.	S, G																
Sign contract /agreement.	S, G																
Set up financial systems to manage contract/agreement obligations.	G, F	S, P															
Establish lines of communication with grantor/representative. Conduct meetings with the grantor.	S, G	P, F															
Conduct organization's meetings. Ensure new and existing staff are aware of the grant conditions. Prepare reporting framework and timetable.	S, G	P, F															
Manage the grantor's budget. Monitor income & expenditure, including commitments. Ensure all purchases are made according to grantor procurement requirements.	G, F	P															
Write narrative grantor reports as per schedule.	G	P, F															
Prepare project financial reports as per schedule.	F	P															
Submit reports to donor as per reporting schedule.	S, G	P, F															
Review whether a contract amendment is needed (budget change, activity change or time extension). Submit change requests to grantor.	S, G	P, F															
Ensure project reports reconcile with the organisation's financial accounts.	G, F																
Close the grant ensuring all conditions have been met.	S, G	P, F															
Carry out a review to identify learning points.	S, G	P, F															
Secure the files and prepare in case of a funder audit.	G, F	P															

ANNEX B

Funding Grid Tool and Budget Worksheet

Below is a budget depicting the sources of funds and related costs of a project which was submitted as part of a grant proposal. A detailed breakdown or computation of the expenses may also be requested to support the budget. The actual amount received and incurred were also presented compared with the budget and a variance analysis/explanation was prepared. The format may vary depending on the requirement of a Grantor or format of the organization requesting the grant.

Compass Organization
Community Workshop Project

The Compass Organization spearheaded a Community Workshop Project. The budget, actual funds received and expenses incurred are presented below. Based on the Grant Agreement, any excess fund shall be returned to the Grantor. In this sample, the amount of \$30 was returned to the Grantor.

Organization Code	Budget		Funding		Actual		Variance	
	Amount (in \$) (a)	Purpose/Description	Funder	Status	Amount (in \$) (b)	Amount (in \$) (c = b-a)	Analysis/ Explanation	
	Income				Income			
7-001	Grant	1,380	Grantor	Granted	Grant	1,380	0	
7-002	Sponsorship	400	Sponsor	Confirmed	Sponsorship	400	0	
7-003	Fundraising Activities	200	Individuals	Completed	Fundraising Activities	200	0	
7-004	Donation	60	Donor	Confirmed	Donation	60	0	
	Total Income	2,040			Total Income	2,040	0	
	Expenses				Expenses			
8-001	Speakers' Costs	900	MO's Fund and Individuals	Readily Available	Speaker Costs	900	0	
8-002	Volunteer Costs	240	Grantor	Granted	Volunteer Costs	240	0	
8-003	Meals	400	Sponsor	Confirmed	Meals	400	0	
8-004	Venue Hire	200	Grantor	Granted	Venue Hire	200	0	
8-005	Equipment Hire	140	Grantor	Granted	Equipment Hire	120	-20	A discount was granted to the Organization.
8-006	Certificates, Gifts and Tokens	100	Grantor	Granted	Certificates, Gifts and Toker	90	-10	The organization was able to purchase items at a lower cost.
8-007	Workshop Materials	60	Donor	Confirmed	Workshop Materials	60	0	
	Total Expenses	2,040			Total Expenses	2,010	(30)	
	Surplus/(Deficit)	-			Surplus/(Deficit)	30	30	

Sample Grant Narrative Report Content

This is not an all exhaustive and may vary depending on the format or preferred reporting type or information required by the grantor or the Organization.

[Name of] Organization

Grant Report

A. LETTER TO GRANTOR / FUNDER

B. GENERAL INFORMATION ON GRANT ACTIVITIES

1. Name of the Project
2. Description of the Project
3. Project Implementor
4. Total Duration of the Project
5. Reporting Period
6. Budget of Project

C. OUTCOMES AND IMPACT

1. Number of Participants and Other Details (with pictures if possible)
2. Summary of the Project Outcomes/Impact to organization and to girls.
3. Attainment of Objectives
4. Observations
5. Challenges and Steps Taken to Address the Challenges
6. Learning
7. Any Changes Made

D. TIMETABLE AND FINANCIAL SUMMARY

1. Planned vs Actual Time
2. Budget vs Actual Grant and Expenses or Statement of Income and Expenses
(Please see separate Financial Report)

E. SUSTAINABILITY AND PLANS

1. Future Plans and Sustainability
2. Feedback and Suggestions

F. PERSON SUBMITTING THE REPORT

1. Name and Designation
2. Contact Details
3. Date Submitted

ANNEX D

Sample Grant Financial Report

a. Budget vs Actual

Compass Organization
Community Workshop Project

Organization Code	Budget		Actual		Variance	
	Amount (in \$) (a)	Purpose/Description	Amount (in \$) (b)	Amount (in \$) (c=b-a)	Analysis/ Explanation	
	Income		Income			
7-001	Grant	1,380	Grant	1,380	0	
7-002	Sponsorship	400	Sponsorship	400	0	
7-003	Fundraising Activities	200	Fundraising Activities	200	0	
7-004	Donation	60	Donation	60	0	
	Total Income	2,040	Total Income	2,040	0	
	Expenses		Expenses			
8-001	Speakers' Costs	900	Speaker Costs	900	0	
8-002	Volunteer Costs	240	Volunteer Costs	240	0	
8-003	Meals	400	Meals	400	0	
8-004	Venue Hire	200	Venue Hire	200	0	
8-005	Equipment Hire	140	Equipment Hire	120	-20	A discount was granted to the Organization.
8-006	Certificates, Gifts and Tokens	100	Certificates, Gifts and Toker	90	-10	The organization was able to purchase items at a lower cost.
8-007	Workshop Materials	60	Workshop Materials	60	0	
	Total Expenses	2,040	Total Expenses	2,010	(30)	
	Surplus/(Deficit)	-	Surplus/(Deficit)	30	30	

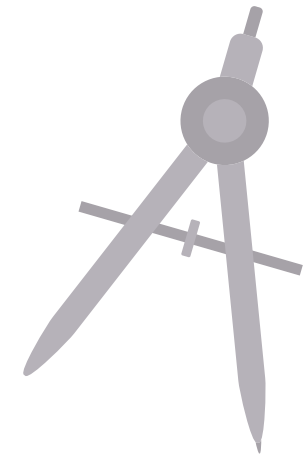
b. Statement of Income and Expenses

Compass Organization Statement of Income and Expenses

The Statement of Income and Expenses were approved by the Board of Trustees.

	Note	2020 USD
Grant and Other Funding Source / Support		
Grant	1	1,380
Other Sources	2	660
Total Grant and Other Funding Source / Support		<u>2,040</u>
Expenses		
Speakers Expenses	3	900
Volunteer Expenses	4	240
Meals Expenses		400
Venue Hire Expenses	5	200
Equipment Hire Expenses	6	120
Certificates, Gifts and Tokens	7	90
Workshop Materials		60
Total Expenses		<u>2,010</u>
Surplus/(Deficit)		<u><u>30</u></u>

This should be read in conjunction with the Notes to Statement of Income and Expenses.





WAGGGS

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