Effective Strategies for Managing Grant Recipients of Federal Funding:

Peer Roundtable

Procurement Excellence Network (PEN)

April 26, 2023



Welcome to the Procurement Excellence Network (PEN) Peer Roundtable!

Icebreaker

POST IN THE CHAT!

- Share Your Name
- Government
- What is a new grant program your government has launched in the last year? What outcomes were you trying to achieve?

Agenda

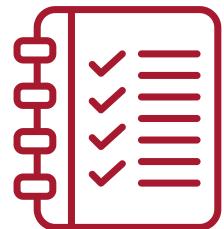
















Session Objectives

How can governments establish effective grant programs and set up subrecipients for success?

- Share common challenges that governments and subrecipients face when managing grants towards successful outcomes.
- Discuss strategies to foster programmatic excellence and financial transparency.
- Highlight promising practices and examples of governments implementing effective grant management practices.

Look out for the Community Pulse Check!

When you see the **blue pulse** across your screen, please join the conversation!

Feel free to come off mute or share feedback in the chat!

We want to hear from you!!

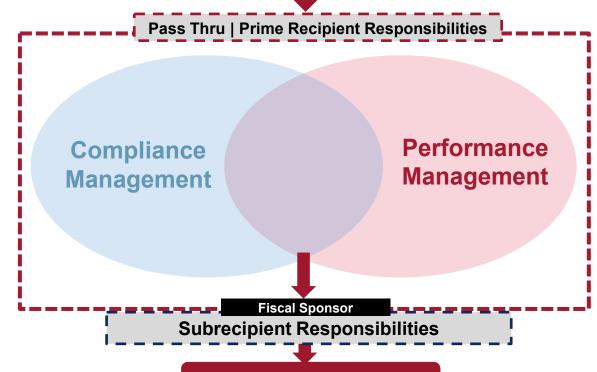
Framing (5 min)

Fiduciary Duties of Prime & Subrecipients

Federal Funding & Requirements e.g., CARES | CSLFRF | HUD | CBDG | IRA | ESSER | IIJA

Compliance Management

How well are recipients following rules and requirements?



Performance Management

How effectively are recipients meeting goals and solving the problems residents face?

Residents

Are residents receiving equitable, tangible, & impactful services from the funding?

What is Active Grant Management (AGM)?

Defined, rigorous process, communication of expectations, and consistent engagement to build excellent subrecipient/grantee performance that fosters community outcomes.

Compliance Management Performance Management

Track grant lifecycle, grant amendments

Reporting requirements

Track federal & state guideline adherence

Track spending & budgeting

Payment processing

Track progress on key metrics

Data collection & verification

Track grantee's overall organizational health

Benchmarking

Track staffing & attrition changes

Track systems

Track changes in outcomes

Monitor participation and changes to programs and practices

Analyze and visualize data

Challenges with Grantee/Subrecipient Management (15 min)

Governments face challenges across these stages

PRE-AWARD

AWARDING

CONTRACT __PERIOD

Planning, RFP Design/Outreach

Understanding guidelines & requirements

Managing increased funding with limited staff capacity

Misalignment of program goals & funding source parameters

Designing inclusive & equitable grant application processes (RFPs)

Building support programs & resources to upskill grantees

Evaluation and Contract Negotiation

Developing evaluation processes that are equitable & bias-free

Selecting qualified & diverse subrecipients

Awarding first-time recipients with operational challenges but strong value potential

Drafting result-driven grant agreements that also enforce compliance requirements

Inefficient, manual grant application and administration processes

Grant Management

Monitoring compliance with federal, state, & municipal rules/guidance

Assessing performance and developing risk-based noncompliance policies

Managing spend-down %/\$ & invoicing in alignment with grant agreement/contracts

Navigating, preparing for & passing audits

Managing supplement vs. "Supplant" spending

Community "Pulse Check"

What challenges has your government experienced across these stages?

SPEAK or POST IN THE CHAT!

Active Grant Management (AGM) Formula

Defined, rigorous process, communication of expectations, and consistent engagement to build excellent subrecipient/grantee performance that fosters community outcomes.

Engagement Communication Execution **Process** Start of the Award: **During the Award:** Clear, documented Implementing interpretation of rules "Subrecipient Kickoff meetings & "Low stakes" and guidance orientation **Monitoring** Meetings **Action Plan**" **Review grant** Defined internal **Monthly Invoicing** agreement and financial policies and Issue resolution & clarify guidance procedures Progress reports management Review baseline Confirm internal data and key Desk reviews & Reviewing & roles and performance site visits revising protocols responsibilities measures **Group convenings** Risk assessment. Offer continuous **Achieving** & 'Community of learning curriculum evaluation & scoring outcomes! Practice' meetings protocols Listening forums (or Risk mitigation surveys) strategy plan

Are recipients following requirements?

Subrecipient Procedures

Collection of resources, processes and protocols that outline how an organization intends to guide, support and oversee subrecipient compliance through pre-award, awarding and contracting period stages.

Risk Assessment Questionnaire & Scoring Classification Matrix





Risk Mitigation Monitoring Strategy Decision Tree

Roles & Responsibilities Matrix





Contractor v. Subrecipient Determination Checklist

Fiscal Documentation Monitoring Checklist





Noncompliance
Correspondence Templates

NOFO/Grant Contract Templates

Pre-award Risk Assessment Questionnaire Bank

Compliance Management	Performance Management
Assessing how well recipients can demonstrated their ability adhere to contract rules and requirements?	Analyzing how impactful and effective recipients may be in meeting goals and solving community problems?
□ Does the subrecipient have any experience as a grantee (especially federal)?	☐ In the past (or for similar grants), has the subrecipient's performance met or exceeded contract requirements?
□ Has there been staffing or personnel changes in critical departments (finance, accounting, C-suite)?	☐ How experienced and qualified are the staff to lead, execute, and achieve the program goals?
☐ Does the provider have sufficient operational and fiscal controls?	☐ How many beneficiaries or residents does this organization engage with regularly in the scope of their programming?



Imagine you have a newly established nonprofit applicant with strong value potential but no previous gov't grants history. What questions would your government ask to assess risk?

SPEAK or POST IN THE CHAT!

Government Promising Practices (20 min)

AGM "Promising Practices" in Action



Program "Decision Trees" used to clarify guidelines

Increased equity in RFP processes

Long Beach, CA



Building Technical Assistance (TA) supports to improve grantee readiness

Long Beach, CA



Empowering grantee compliance by using "pay for performance" structures

Saint Paul, MN



Data management & community performance management convenings

Glendale, CA

Challenge: Understanding rules/guidance and monitoring compliance with federal, state, & municipal guidelines (internally and externally)



Designed
"Decision Trees"
to clarify federal
rules and
guidance

Long Beach, CA

Why this was important?

Program design process folded in financial and compliance staff to collaborate on program design and financial processes required for grant management.

How does this help manage grantees?

Provided guidance to program/department staff to understand all requirements and share those with grantees.

Lesson Learned/Advice

Consolidated & streamlined documentation increased consistency!

Led to clear understanding, communication & application of rules!

Examples of Decision Trees



Program Design & Documentation for ARPA-COMPLIANT PROGRAMS

This program will deliver money directly to individuals or organizations with goal of providing direct relief.

See List 1.1 for Direct Relief program components

- 1 Will a third party administrator be involved in administering program? (See List 1.2)
- 2a Will third party administrator assist in making selections/decisions around who receives grant?
- 2b Will third party administrator assist in processing payments?
- 3 Direct relief/cash assistance programs must be based on negative economic impact *(per Interim Final Rule). Which ARPA Expenditure Category does your

This program will be providing an essential service to the community, and it will be managed or overseen by

4 Will the program require a good or service above \$25,000? *for programs with multiple vendors, the total amount is determined by the totality of the scope

Department staff must use regular City procurement policies and procedures when making vendor selections Documentation: All procurement docum CITY OF If planning to use any procurement meth Documentation: Justification for non-co



5 Will participation in the program be limited?

no

Care should be taken to verify that no me As part of Program Design, CM Recovery

Program Design & Documentation for OTHER GRANT PROGRAMS

This program will deliver money directly to individuals or organizations with goal of providing direct relief.

See List 1.1 for Direct Relief program components



Will a third party administrator be involved in administering program? (See List 1.2) Program Design must account for Department resources administering all aspects of the direct relief program (List 1.1), including demonstrate appropriate internal controls for a direct relief program, Department staff must identify eligibility and selection criter Documentation: Program Design with eligibility and selection criteria identified. All applicant materials and decision-making r

1. Department staff must use RFP process to select vendor(s), and selection criteria for vendors must be approved by FM.



- 2. FM must participate in evaluation/selection committee for the RFP.
- 3. Scope of Work for vendor contract must be approved by FM 4. Department staff must monitor and approve vendor service delivery before paying invoices.

Challenge: Increasing contracts with small, community-based organizations



Designing inclusive & equitable grant application processes (RFPs)

Long Beach, CA

Why this was important?

Building accessibility to funding and partnership with the City, to include first-time recipients/non-profits with strong value potential

How does this help manage grantees?

Helped invite re-thinking of accessibility of contracting processes and forms which have downstream impacts.

Lesson Learned/Advice

- Spend time analyzing processes and documents upfront!
- Consider adjusting the length of application, number of proposals allowed, focus on simplified response types/questions; data management processes are also simplified this way)

Challenge: Building support programs & resources to upskill grantees



Building Technical
Assistance(TA)
supports to
improve grantee
readiness

Long Beach, CA

Why this was important?

Complex compliance regime associated with high dollar grants typically preclude first-time recipients/non-profits with strong value potential to be grantees.

How does this help manage grantees?

Supporting the capacity building of these grantees promotes compliance and partnership with the agency, as well as build valuable skills in the local community for years to come.

- Piloting a small program with TA, with goal of building in future years (\$5M out of \$250M total ARPA)
- Contracted out technical assistance (finding ways to support local TA/operations excellence with federal funding)

Challenge: Drafting result-driven grant agreements to enforce compliance



Empowering grantee compliance by leveraging "pay for performance" structures

Saint Paul, MN

Community Gun Violence Prevention Grant

Increased access to funding for public safety programs that disrupts/prevents situations of violence.

\$1M, 5-10 awards 2-year contracts \$87,450-\$174,900

Performance-based measurements being tied to funding is proactive method to increase compliance!

- ☐ Fixed payment structure built into grant agreements and fueled by grantee workplan activities:
 - ✓ **Program Attendance per event:** \$40/per attendee
 - ✓ Community Education Sessions: \$1725/per event
 - ✓ Public Safety Campaigns: \$12,700/per campaign
 - ✓ Gun Safe Commitments: \$285/per agreement

Glendale using data for compliance

- City of Glendale's Continuum of Care (CoC) mitigates housing insecurity to the 63K people experiencing homelessness in neighboring cities & across LA County.
- Manages \$10M in federal, state and municipal grant funding annually. (increase from \$2M budget pre-COVID)
- 5-8 consistent network providers working together in Coordinated Entry System (CES) to streamline homeless services and quick re-housing of the homeless population.
- CoC Membership is open to any stakeholders willing to actively participate in community wide strategies to prevent housing instability.

Current Organizational Challenges

Lack of strategic planning or alignment on program goals

Managing increased funding with limited staff capacity

Managing spend-down %/\$ in alignment with grant agreement/contracts

Assessing performance and developing risk-based non-compliance policies

Building support programs & resources to upskill grantees

Monitoring compliance with federal, state, & municipal rules/guidance

Within the CoC, there is a renewed strategic focus on metrics and outcomes to drive funding decisions and grantee compliance.





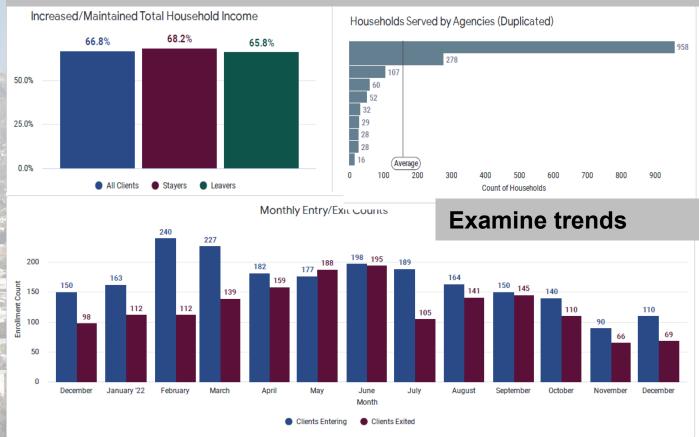
- Data-driven performance management meetings with providers to build accountability "across the aisle."
- Collectively, workshop best practices to inspire improved outcomes from subrecipients → funding is based on collective performance.

Promising Practice:

Glendale, CA

Piloting Community Performance Management Convenings

CoC dashboard created to identify metrics across service providers to build transparency and accountability





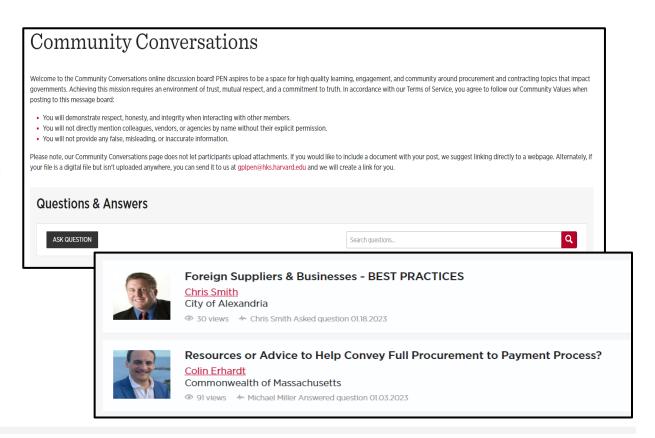
What is one promising practice your government has implemented to manage & encourage grantee and/or subrecipient compliance?

SPEAK or POST IN THE CHAT!

Community Conversations Workshop (5 min)

Community Conversation Workshop

The Procurement Excellence Network (PEN) has a *Community* Conversations online discussion board to create a platform for learning, engagement, and community around procurement and contracting topics that impact governments.



How can governments remove the inherent inequities and bias from subrecipient evaluation and risk monitoring for diverse communities seeking grants?

Key Discussion Questions

- □ Have any governments considered releasing RFPs or accepting applications in languages other than English?
- □...or considered accepting responses to RFPs in multimedia formats for accessibility?
- □...or considered using an oral presentation (possibly with an interpreter) as a substitute for a written response to an RFP?

What is the risk/reward of implementing these changes?



Feedback Poll

Upcoming PEN Events

Surveying Internal Customers to Identify Procurement Pain Points

May 25, 2023 1- 2 pm EDT

This event will discuss and share practical ideas for governments to incorporate surveys into their best practices toolkit, including:

- Gaining internal buy-in for conducting the survey
- Designing effective surveys that include questions that will assess satisfaction and pain points
- Encouraging honest feedback from survey respondents and framing the importance of the survey
- Analyzing, sharing, and acting on the survey results

Open Data: A Powerful Tool for Governments Looking to Transform Procurement

June 6, 2023 1- 2 pm EDT

Posting procurement data publicly is a powerful tool for governments looking to transform their procurement processes. In this workshop we will explore how the principles of the open data movement—which aims to make government data available to the public, free of charge, with no restrictions on use, and easy to access—apply to procurement data.