Optimizing Grants Management in State and Local Government

How workflow management platforms streamline processes and provide a single view of grant program effectiveness

The Monumental Task of Managing Major Funding Streams

Federal spending, which increased dramatically in response to the COVID-19 pandemic, will continue to pump trillions of dollars into state and local economies in the coming months and years. White House initiatives aimed at providing relief to a large portion of the country's 328 million residents amount to a total of nearly $6 trillion. In addition to significant funding for testing, vaccine development, and paycheck protection, the three largest funding streams have been the $2.2 trillion CARES Act, passed in March 2020, the $920 billion Consolidated Appropriations Act passed in December 2020, and the $1.9 trillion American Rescue Plan, passed in March 2021.

Managing and accounting for these funds at the federal, state, and local levels is a monumental task. It involves a complex series of steps for disbursing the money, keeping track of how it is spent, and making sure the myriad programs aimed at COVID relief accomplish their goals. Done correctly, the distribution process enables state and local governments, and ultimately U.S. residents, to gain access to the funds in an efficient, user-friendly way with an easily auditable digital "paper trail." Key to making all this happen is choosing the right platform.

Federal grants take many forms, and the process for managing those grant funds must be tailored to the program requirements and funds must be distributed in compliance with those requirements. Some grants, for example, are competitive, meaning a scorecard is used to determine who best meets the criteria for the grants and ultimately receives the funds. Other grants are formula-based, meaning certain criteria must be met but there is no competition involved. Grants known as continuation grants are contingent on past performance, and pass-through grants, which are intended for counties and cities, are disbursed based on demographic data such as income, the number of unvaccinated people in a designated area, or some other criteria.

Workflow Management Platforms: A Single Pane of Glass

The variables are numerous, and management of these grants involves tasks that must move across a large number of people from various constituencies, including grant applicants and recipients, multiple levels of government, and even external agencies or affiliated nonprofits.

This is where workflow management platforms come into play. At their core, these platforms are all about completing tasks and coordinating an array of moving

Workflow management platforms were designed to whittle complexities down to a "single pane of glass" — a one-stop shop where users can find everything they need to know, including the parameters of a grant, applications requirements, if and when the grant has been approved, and more.

parts to accomplish a given goal. They are designed to remove the friction in business processes. Combined with a portal where you can showcase your grant portfolio, you can create that elusive "single pane of glass," or a one-stop shop where users can find everything they need to know, such as the grant parameters, application requirements, if and when the grant has been approved, if the work has been completed, and if the funds are being used for their intended purpose. That single pane of glass, coupled with the consolidation and aggregation that takes place behind the scenes, allows for all grant programs in any given governmental agency to be managed efficiently.

A Central Hub in Montgomery County

Such is the case in Montgomery County, Ohio, where local leaders initially launched a workflow management platform to track $92 million the county

received from the CARES Act in the spring of 2020. While county offices had the ability to distribute information about individual grants and receive applications, they could not coordinate or manage the data from a central hub. Their process, which was largely reliant on email, was clunky, inefficient, and easily overwhelmed by the sheer volume of new grants and grant applicants, especially given that the $92 million was just the beginning. Montgomery County would receive another $108 million from the CARES Act alone.

After county leaders implemented a workflow management platform, residents and business owners can now log on to a central hub, locate the grant they need, submit an application, and engage in two-way online communication with the county to track the approval process and funds disbursement. In addition, county leaders can use the same platform to track the flow of money, compile data on the grants for compliance purposes, and to inform both county commissioners and other constituencies about the ground-level effectiveness of federal relief efforts in their community.

Insight — the "Secret Sauce"

First and foremost, workflow management platforms are business process and financial management tools, but as with Montgomery County, they can do so much more. The scoring of competitive grants, for example, can be automated, thereby eliminating the need for manual tabulations. That, in turn, allows grant applications to be automatically ranked and ensures those who most deserve the grant will automatically rise to the top of the distribution list. The same kind of automation comes into play with formula-based grants. In this case, once

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the formula and grant limit is added to the software, all applicants need to do is plug in their application information and they will know immediately whether or not they qualify.

In addition to financial and process automation, workflow management platforms provide users with a benefit that some refer to as the "secret sauce" — an ability to collect demographic and psychographic data and present it in a user-friendly way that maintains transparency and accountability and ensures the funds are being properly used. These insights empower program managers and government leaders to make data-driven decisions.

For example, one might want to know how many grants were applied for and received by certain groups of people or in a specific Congressional district. Workflow management platforms can collect that information and segment the data in ways that allow for deep analysis. Auditors, for example, will have easy access to information that will help them determine if the money was used for its intended purpose; lawmakers will be able to see how their constituents benefited from federal expenditures; and taxpayers will know whether their tax dollars were well spent. In short, the ability to create

results-oriented dashboards for specific program objectives is key to providing real-time metrics that can be used for data-driven decision-making.

That very same results-oriented dashboard is not only empowering in the aggregate, but it's empowering for individuals who wants to know where they stand with regard to a given application. Conceptually, it's like logging on to Amazon, which, with a few clicks, provides its customers with information about the availability of products on its website, including the size, shape, color, and cost, as well as the opinions of other people who have purchased the same product. Once individuals make a purchase, they receive status updates about the delivery of that product and options for canceling or returning unwanted items.

Agencies can maintain greater transparency and accountability — ensuring that funds are properly used — by collecting demographic and psychographic data and presenting it in a user-friendly way.

In the same vein, workflow management platforms serve as the connective tissue that provides consumers with information and status updates that allow them to know in real time where they stand with crucial decisions about a loan or a grant. It could come down to knowing whether or not they can pay their rent, or whether their business stays afloat. In short, workflow management platforms provide the fastest, most frictionless way to assist government agencies in channeling federal funds to those in need.