

Introduction to the World of Grants for Facility Managers in the Public Sector

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Grants can help fill holes in your operating budget, but they come with lots of “strings” that can sometimes make the whole process of applying for and managing grants a real challenge. Being knowledgeable about grants and how to find and win them can help a facility manager subsidize deferred maintenance and capital renewal projects.

What is a Grant?

Generally, a grant is a type of financial assistance in the form of cash, equipment or property given to a grantee by a grantor for a specific purpose. Grants also come with what have become to be known as “strings” due to the conditions that are placed upon the grantee once the grantee accepts the grant award. These “strings” are nothing more than contractual obligations that the grantee accepts to be bound by once they accept and sign a grant agreement. Some grantors also include stipulations in grant applications that become binding if the grantor decides to fund the project, in an effort to reduce paperwork and assess the level of a potential grantee’s commitment and readiness. These contractual obligations can include provisions for cost share, which is commonly known as a match, property disposition, restrictions on allowable activities, eligible recipients, procurement rules, purchases, and compliance with national policies and laws, among others.

Surprisingly, there are many people who erroneously believe that grants are “free money,” and come without restrictions. A gift of money, equipment or property that is bestowed to an organization with limited or no restrictions is generally considered a donation and are not grants. The best way to think of grants is to think of them as contracts with a defined period of performance, where activities and purchases are restricted to what is considered allowable by the grantor. It is very important that the grantee realizes that with the contractual relationship comes the need for accountability to the entity that has provided the grant. Most grantors require quarterly financial reports, performance reports and may also come to the grantee’s location for a site visit or inspection to ensure that the grantee is doing what they said they were going to do.

Grantees should not view contractual obligations as restrictions that limit what they can and cannot do in a negative sense. Instead, the grantee should view themselves as an entity that is carrying out a particular program or project on behalf of the grantor that is funding it. And because the grantee is using the grantor’s funds, the grantee must abide by the grantor’s rules and restrictions. For example, the objectives of FEMA’s Hazard Mitigation Grant Program are: 1) to prevent future losses of lives and damage to property due to disasters; 2) to implement state or local hazard mitigation plans; 3) to enable mitigation measures to be implemented during immediate recovery from a disaster; and 4) to provide funding for previously identified mitigation measures that benefit the disaster area. When a grantee accepts grant funding from FEMA, either directly from the federal government or through a state or local agency, the grantee is participating in that program that accomplishes one or more of FEMA’s goals as listed. In other words, FEMA needs the grantee to carry out a portion of their federal program in order to successfully meet their objectives.

Grantors come in many shapes and sizes. Many people in the public sector are most familiar with grants awarded by governments — be it the federal government, a state agency, or a local municipality. However, there are also a host of private foundations which vary significantly in size and what they are interested in funding, which are commonly known as funding priorities. Corporations also provide grants that are tied to the company’s mission, marketing strategies, or the impact they want to make on the community, nation or world, much like a private foundation.

Common misconceptions about grants can be very negative, in that many people think that grants are difficult to write, are a stressful, last minute project, hard to understand, impossible to plan for and even harder to win! The truth is, questions on grant applications are very similar and expectations are established by the grantor in writing. And while there are deadlines, grants are cyclical in nature and generally come around about the same time every year, because that is how grantors operate — on a cycle. That cycle is called the lifecycle of a grant. The grant lifecycle is a predictable series of events focused on four phases: 1) pre-award, 2) award, 3) implementation and 4) closeout. From the perspective of the grantee, the pre-award phase deals with everything that goes into researching, writing and submitting a grant application. The award phase deals with the actual grant award or contract. The implementation phase deals with the actual implementation of the project within the timeline prescribed by the grantor. The closeout phase deals with closing out the grant, which generally includes final report submissions and final requests for payment.

How to Get Grants

Getting grants involves careful thought and consideration. First of all, one has to get used to the idea that the majority of grants are won through a competitive process. This may be difficult to get used to because organizations in the public sector are generally not used operating in a competitive environment. Once that hurdle is out of the way, one has to begin to think strategically about their organization, department, division or office, and to break down needs into bite-size projects that can be packaged neatly into grant applications that are appealing to grantors. Brainstorming may also be required to determine a project's unique characteristics that may make their project stand out with a grantor, giving them the competitive edge needed to win a grant. Still other thoughts involve selecting appropriate, and sometimes even necessary partners that may make the application more competitive. Once projects are identified, it is time to look for grantors that will fund your project.

How to Find Grants

There are many ways to find grants. One of the most useful tools to organizations within the public sector is Grants.gov <http://www.grants.gov> . This is the federal government's grants portal and search engine for all of the programs that are active in the Catalog of Federal Domestic Assistance <https://www.cfda.gov> , which can also be searched. Sometimes organizations must apply for federal funds through a state or other local government agency. State and local government agency websites are good sources of information about the grants they fund. Another great tool is accessing other local government's Schedule of Expenditures of Federal Awards (SEFA) reports on the web at their own website, or at the Single Audit Database <http://harvester.census.gov/sac/dissem/entity.html> . The information found on an organization's SEFA won't tell you what the grant did for them, but it will provide you with the name of the grant that they did win, that could then be researched further. Finally, State Chapters of the National League of Cities may also have grant resources available. For example, The Florida League of Cities, Inc. publishes an annual guide called *Financial & Technical Assistance for Florida Municipalities* which lists grants and technical assistance offerings by subject areas.

Other ways to find grants include searching for private foundations, community foundations, grantmaking public charities, and corporate giving programs in the Foundation Center's FC Search Database, which can be accessed in many communities throughout the country at locations that have agreed to become Cooperating Collections. These locations are listed on the Foundation Center's website <http://foundationcenter.org/collections/> . If a Cooperating Collection is located someplace that is too far for you to travel, try accessing the Foundation Center's Foundation Finder, a free database that is accessible on the internet <http://lnp.fdncenter.org/finder.html> . This database provides copies of the organization's tax return, which is called the 990-PF. The 990-PF usually contains information on operating guidelines,

funding priorities and lists the names of the organizations and types of projects it funded in that year. This information is useful when determining whether a fit exists between your project and what the grantor generally funds. Further information about a foundation's funding priorities may also be found on their website, if they have one.

When researching private foundations, keep in mind that many of them fund nonprofit organizations with a 501c) 3 status, which is different than government agencies, which are not 501c) 3 organizations. Sometimes, even if a grantor states that it only funds traditional nonprofit organizations, they may be open to funding a government agency, especially if your project interests them. Additionally, these types of grantors have more flexibility with their funding guidelines than federal or state agencies. In cases where getting funded by a private foundation is impossible without a 501c) 3 status, you may be able to find a community partner who might want to team up with your organization to apply for the grant, where getting the grant would benefit both organizations. For example, a nonprofit community redevelopment agency might be a good partner to help a city fund a playground for children where one does not exist.

Finally, your peers are a great resource and can tell you a lot about the grantors they are working with, which can prove to be invaluable. Even some vendors regularly research grant programs and provide lists of possible funding sources in their sales presentations or on their websites. But be careful and wary of vendors who offer to write the grant application for free! This is generally considered a conflict of interest which can create problems at the time of procurement. Think about it – why would a vendor be willing to write a grant application at no cost to you?

How to Write Grants

Grantor expectations are communicated in writing in the form of guidelines, or what is known as a Notice of Funding Availability (NOFA). Sometimes, the information is contained in the grant application itself. It is very important to read and thoroughly review all documentation to ensure a fit exists between what the grantor wants to fund and what the applying organization needs. It is also very important to determine if the grant is a good fit for the applying organization before time is spent on writing a grant application. For example, by reading the guidelines, one might find that the maximum time to complete a project is one year. One year may or may not be sufficient for your organization to complete the project. Or, you may find that a 50% match is required, and you may not be able to squeeze it out of your existing operating budget and have to wait until the next budget cycle to request the match.

The information needed to write a grant application should be handy and ready for writing. If you have identified multiple grantors and have multiple projects that you want to get funded, it may help to create a boilerplate document that can be used as the starting point of any grant application. Since the basic elements of grant applications are very similar, it is not difficult to create a boilerplate that can be tweaked for each grant that is written. *The Proposal Writing Short Course* <http://foundationcenter.org/getstarted/tutorials/shortcourse/index.html> offered at no cost online at the Foundation Center describes the common elements of grant applications, as does the *Catalog of Federal Domestic Assistance, Appendix VI: Developing and Writing Grant Proposals* https://www.cfda.gov/downloads/CFDA_writing.pdf .

How to Win Grants

To be successful at winning grants on a regular basis requires a methodology. Planning in the form of an annual grant seeking plan that lists the names of grants on the vertical axis and the dates on the horizontal axis is a simple way to keep abreast of upcoming deadlines. Grant plans are also useful for scheduling the necessary time for grant research and preparation. Ongoing grant prospect research

should also be a part of your regular routine. Prospect research is much easier if it is done continually, with new grants being added to the grant plan as new grant opportunities are found. Fit is also a factor and is considered the key to getting funded since grantors fund programs that fit or align with their funding guidelines.

The potential grantee must also think about what is the best strategy to get their grant application funded. For example, if your organization was considering a roof replacement of a city owned museum, what would be your strategy to convince the grantor why your project needs funding more than anyone else's project? And how would you explain your project to them in a way that would make sense for them to fund it? For example, you would be wasting your time trying to get a grantor who funds the arts to fund a fire alarm system for a city owned building, unless the city owned building is a museum that contained priceless pieces of art, where you might be able to justify the need for a new fire alarm system to replace an older, unreliable system that has become technologically obsolete and creates a risk to the art and the patrons. Finally, the writing is very important. Many people think that they need to hire a professional grant writer to write the grant application, but a professional grant writer is not necessary. All one needs is a grant application that is written in a style that clearly communicates what the grantor has requested in a persuasive way and in the format they have requested.

How to Lose Grants

The craziest thing that grant applicants do to lose their chance of winning a grant is to not complete grant applications in entirety! Most grantors will not consider a grant application if it is not complete. Some grantors will contact you to provide additional information, but this is a rare occurrence. Another sure fire way to not be considered for a grant is not doing what the grantor has asked. For example, if the grantor specifies that they want applications forwarded to them by email, why would you snail mail the grant application in a three-ring binder? That application is sure to wind up in somebody's trash can! Another problem can be grant writing that is too difficult to understand. Many grantors use selection committees comprised of people who may or may not have a specialty in the area that is under consideration. Grant applications should be written in plain, clear language that is easy for anyone to understand. Careful attention should be given to writing that provides enough technical information to effectively demonstrate need without overwhelming the reader. The final doozie is submitting a grant application late! Grantors generally do not accept grant applications after the deadline. The worst, most sinking feeling one can have after taking so much time to craft a great proposal is to find out their grant application could not be considered because it did not make the deadline!

Sadly, your organization can also lose a grant after it has been awarded to you, when the grantor terminates the grant agreement. This usually happens when the grantor has found that the grantee is not in compliance with the stipulations set forth in the grant agreement and has refused to adhere to the stipulations, or make corrections that the grantor has requested.

How to Manage Grants

The management capacity of the applying organization that will be receiving a grant if it is ultimately awarded should be considered at the time of application. This may seem a bit premature at the pre-award stage, but it is really the most practical way of approaching grant management. The reason is that when your organization is awarded a grant, there is no time to figure out how it's going to get done. You've got to hit the ground running so to speak, because the clock starts ticking as soon as the grant award has been signed by both parties. The time for figuring out if you can manage the grant should have happened way before the grant application was written.

It is wise to learn and follow the policies and procedures developed by your organization to manage grants, as well as the grantor's restrictions placed on activities and purchases, and any other guidance provided by the grantor to manage grants. For example, *OMB Circular A-87 - Cost Principles for State, Local, and Indian Tribal Governments* and *OMB Circular A-102 - Grants and Cooperative Agreements With State and Local Governments* are the guiding principles for federal grants http://www.whitehouse.gov/omb/circulars_index-slg/. It is also helpful to know who is knowledgeable about grants in your organization to provide technical assistance if it is needed. If the organization you work for does not have staff that can provide technical assistance, do your best to become knowledgeable before you begin applying for grants. Many grantors provide workshops on grant programs, where you can learn a great deal of information before taking on a grant funded project.

Other factors to consider at the time of application involve the impact your project will have on other departments in your organization and the impact on your own department. For example, will you need an attorney to review the grant agreement? Do you need clarification from the purchasing department concerning procurement provisions outlined in the agreement? Will the grant project impact other department staff or resources? Will this grant create additional operating or maintenance costs that need to be factored into your department's or another department's budget? Serious consideration as to whether or not your department can take on an additional project at this time is also important. If now is not the right time, determine when is the right time. Perhaps the most appropriate first step may be to create a management structure for grants that will make grants a normal part of your department's routine, and to invest in training staff that will be managing them instead of "winging it" while crossing your fingers hoping all will go well if you get it. Lastly, a capable and responsible person to manage the grant must also be selected. Assign grant management responsibilities to detail-oriented persons with project management skills. Use project management software, calendars or Excel spreadsheets to help you keep you on track and on time.

How to Avoid Grant Pitfalls

As the saying goes, "if you fail to plan, plan to fail." There are many pitfalls that can make dealing with grants difficult, and at the very worst, a complete nightmare! Poor planning, not reading and ensuring your organization can comply with the grantor guidelines and the grant award, not sending reports in on time, not having sufficient resources to manage the project and deal with the administrative requirements, and not complying with grantor expectations and the terms of the grant agreement can be grounds for termination of the contract by the grantor. There may also be penalties for non-compliance, such as having to give the money back to the grantor, fines, and even felonies. In short, it is best to take grants seriously, and to be prepared, so problems like these don't happen.

How to Learn More About Grants

As with learning any new skill, learning about grants does take time, and it is best to learn about them before you actually get one. Start small to get some experience, even if it is applying for and managing just one grant. When that one is complete, go for another, until working with grants becomes part of your everyday routine, and you are comfortable managing multiple grants. Following is a list of resources for continued education on the subject.

- American Association of Grant Professionals – the professional organization for grantwriters
<http://grantprofessionals.org/>
- National Grants Management Association – the professional organization for grant management
<http://www.ngma.org/>

- Foundation Center Cooperating Collections – offers the FC Search Database and a collection of “how to” books on grants at local libraries and community based organizations
<http://foundationcenter.org/collections/>
- Online educational resources about grants:
 - ⇒ Proposal Writing Short Course from the Foundation Center
<http://foundationcenter.org/getstarted/tutorials/shortcourse/index.html>
 - ⇒ Proposal Budgeting Basics from the Foundation Center
http://foundationcenter.org/getstarted/tutorials/prop_budgt/index.html
 - ⇒ Grant proposal.com <http://www.grantproposal.com/>
 - ⇒ Tips on Writing Grant Proposals from the Environmental Protection Agency
<http://www.epa.gov/ogd/recipient/tips.htm>
 - ⇒ Grants.gov applicant resources <http://www.grants.gov/applicants/resources.jsp> and Appendix VI: Developing and Writing Grant Proposals https://www.cfda.gov/downloads/CFDA_writing.pdf
- Sample Grant Proposals:
 - ⇒ The Idea Bank
<http://theideabank.com/onlinecourse/samplegrant.html>
 - ⇒ School grants
http://www.schoolgrants.org/proposal_samples.htm
 - ⇒ Proposalwriter.com
<http://www.proposalwriter.com/grantsamples.html#Samples>
 - ⇒ School grants
http://www.schoolgrants.org/proposal_samples.htm



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