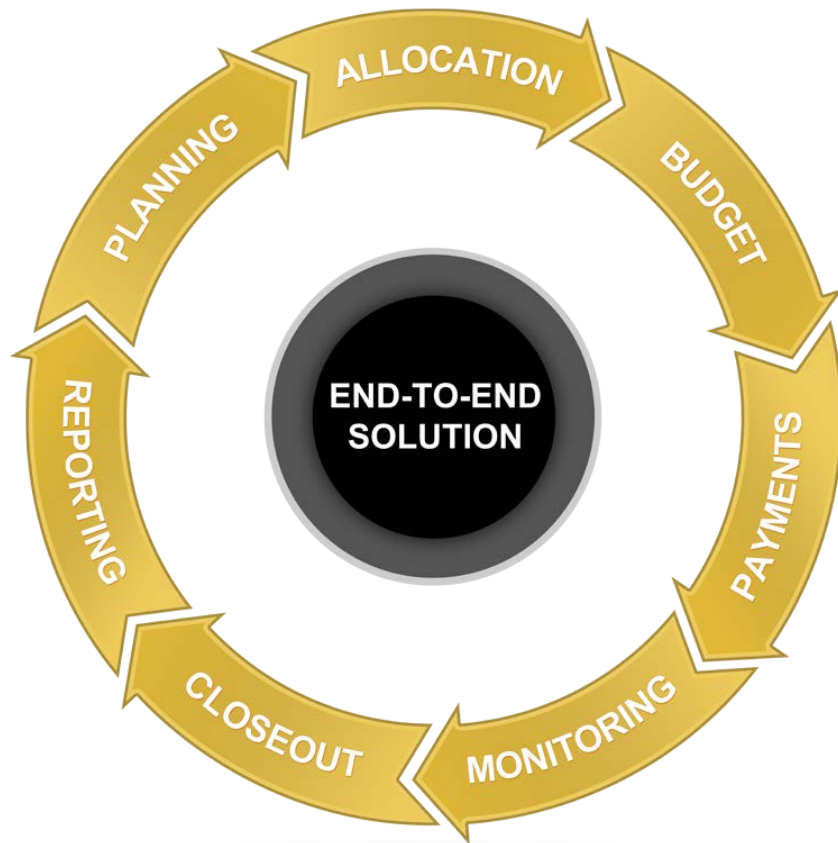**Automation: The Future of Tennessee Board of Regents' Grant-Making and Management**

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Introduction

The Tennessee Board of Regents (TBR) currently provides funding to support initiatives such as the Completion Initiative Support Program which is designed to provide funds to support institutional efforts towards increasing the educational attainment level of all citizens of the state of Tennessee, with a primary focus on underrepresented and other targeted student populations. This initiative is specifically designed to assist campuses to implement programs that align with the system and campus completion, Access to Success, and diversity planning efforts as well as with the TBR's efforts to contribute to the goals of Tennessee's Complete College Act of 2010 and the Drive to 55, both of which aim to increase the number of Tennesseans earning college credentials. Funding made available under this program is intended to enhance an institution's opportunity to explore promising best practices and new initiatives to determine whether the results are such that the campus should invest in the program going forward. The TBR Completion Initiative Grant Program is coordinated through the Office of Effectiveness and Strategic Initiatives at the TBR system office.

This project primarily focuses on assessing the current TBR processes regarding the funding and management of the grants coordinated through the Office of Effectiveness and Strategic Initiatives and the relevant future needs of the institution. As such, the objective is to improve grant-making and management processes by providing recommendations for an efficient grants management system that supports the institution's mission, centralizes its grant-making processes, improves it's communication with grantees and makes it compliant with program, accounting and institutional grant requirements.

In considering the complexities that are involved in grants management processes, the need for electronic systems that provide seamless integration of all tasks, user-friendly interface,

flexibility in developing forms, ability to collect, track and archive data, develop reports, manage budgets, provide efficient communication, and a host of other services is self-evident. According to Pope, Andrei, and Quinn (2013), institutions that award funds could benefit significantly from automating their services especially if their processes involve multiple people in the management and review process, award grants in more than a single payment, require progress reports from grantees, or wish to develop reports that summarize information about their funding. Not only does automation support improved efficiencies but it also aids institutions in establishing compliance within their funding processes by providing better internal controls.

Review of Grants Management Processes

Werner (2014) and Grants Manager Network (2013) suggest that before an institution begin considering automating its grant processes, it should conduct an extensive review of its current procedures, resources, systems, and personnel. The results of this review will aid the institution in gaining a clearer picture of where the gaps and potential needs are seen. Additionally, Werner (2014) and Grants Manager Network (2013) provided the following questions as a guide for beginning the review process:

- Does your request for proposal (RFP) requirements align with your organizational priorities?

- Do you meet regularly with executive leadership to address short-term and long-term strategic goals for your grant programs?

- Does financial and programmatic staff meet regularly to ensure that grantees are meeting all of the requirements stipulated in your award agreement?

- Do you monitor and evaluate your grantees' progress?

- Do you maintain records of each grantee should additional compliance and/or audit issues arise?

- Do you hold periodic meetings with grantees?

- Are there standard operating procedures (SOPS) and systems in place to create a compliance framework within your organization?

- Does your organization's grant-making align with its intentions?

- Are the grants structured to be successful?

- Is your organization efficient in its internal processes?

- Is your organization communicating effectively?

- Does your organization grant-making process strengthen and support grantees?

In reviewing TBR's current grant-making processes, the RFP requirements are aligned with the institutions mission and programmatic goals. The administrative staff members meet annually to discuss the grant programs, recommend any needed changes, review the proposals received, select proposals to be awarded, and discuss the grantees' progress toward meeting their goals. All grantees are required to submit a final technical and financial report. Although, TBR staff does maintain records of the proposals and awards, they are not organized in a systematic manner and easily accessible by all staff. During the RFP process, meetings are not held with potential proposers to provide guidance on the application process and answer potential questions. Resources such as Frequently Asked Questions (FAQs), sample proposals, standard reporting formats, etc. are not readily available to grantees. TBR does not solicit input from grantees as to services provided or the efficiency of the grant making process. However, after the funds are awarded, face-to-face meetings are held with grantees. Additionally, meetings with grantees during the project period are only occasionally held. The majority of the awards made to grantees are not multi-year but rather annual awards which require the grantees to complete their project and submit all reports within a 12 month period. In reference to SOPS, currently there is not a formal set of procedures used for the grant-making or management process.

The Grants Managers Network (2015) provides further guidance on grants management best practices as well as a helpful tool or survey for use in reviewing or assessing a funder's grants management processes and a detailed report of findings. This tool is known as the Streamlining Assessment Survey and Report which was originally developed by the Center for Effective Philanthropy in collaboration with Grants Managers Network and Project Streamline. Development of this tool was a collaborative effort between grant-making and grant-seeking organizations working to improve grant application and reporting practices. The survey and report are intended to provide funders with a better understanding of the costs of their grant-making procedures with respect to finances and time of their own organizations, their applicants, and their grantees. The survey and report also focus on potential inefficiencies in grant-making processes. As a result of completing the survey, an institution receives a full streamlining assessment report of its grant management processes. The Streamlining Assessment Report shows individual funders the results of their self-assessment relative to the results of other funder respondents who have taken the survey. First, the report generates a grant-making cost analysis based on information provided by survey respondents and by national data sources. These grant-making cost figures are then compared to those of the median funder in the database. Secondly, the report includes overall scores for each of the following four core principles suggested for grant-makers to adopt to streamline their grant-making:

1. Take a Fresh Look- focuses on due diligence in the overall grant-making process

2. Right-Size Grant Expectations- considers whether grant-making information and due diligence requirements are proportionate to the size of the grant, appropriate to the type of grant, and take into consideration prior relationships with grantees.

3. Relieve the Burden- considers the administrative burden, paperwork burden, financial reporting burden and implementation of online systems.

4. Clear Communications- focuses on improving communications and obtaining feedback from grant-seekers to support and help direct your streamlining efforts.

Table 1 below presents a summary of TBR's grant-making rankings according to the Streamlining Assessment Report.

Table 1

Streamlining Assessment Report Results

Core Principle	TBR's Ranking
1. Take a fresh look	50th percentile
2. Right-size grant expectations	50th percentile
3. Relieve the burden	50th percentile
4. Clear communications	Below the 25th percentile

Additionally, the report provided a cost analysis of TBR's grant-making and management processes. This analysis can be useful to help in reducing the resources utilized in application and reporting processes which allows both TBR and grantees to focus more time on mission-related activities. The cost figures calculated in the report are based on standard, non-loaded salaries and have not been adjusted for geographical context. As such, the estimated cost of TBR's grant-making and management processes is approximately $3,086 or 15.43% of the size of the average grant, compared to $1,171 or 3.92% for the median funder. The calculated cost of TBR's grant-making and management, as a proportion of grant dollars awarded, is higher than that of the typical funder.

Table 2

Cost Analysis

Typical Costs	TBR's Cost	Median Funder's Cost
Funder cost per applicant	$1,882	$ 579
Grantee organization cost	$1,204	$ 475
Total cost per grant	$3,086	$1,171

The Streamlining Assessment Report revealed the following weaknesses in TBR's current grant-making processes:

- Higher than average administrative burden on funder and grantees

- Informal review, selection and reporting requirements

- Accountability and compliance required from grantees

- Small amount of continuation awards

- Communication with awardees

- Lag in updates to RFP and application materials and processes

- Varied award periods

- Transparency in the review and funding process

- Available resources such as FAQs, sample proposals, guidance and formats for reports, etc.

Recommendations

As a result of a comprehensive review of TBR's current grant-making and management processes, it is recommended that the institution consider implementing an automated grants management system which will significantly improve efficiencies, improve internal controls, eliminate the stated weaknesses, and reduce costs. Additionally, it is

recommended that TBR, in conjunction with the automated grants management system, consider using an online web conferencing system for hosting meetings with grantees such as WebEx, GoToMeeting, iMeet, AnyMeeting or MyTrueCloud which would significantly reduce time and travel cost, improve collaboration and communication, and improve outreach.

Automation

It takes considerable time and paperwork to fund and monitor grants, which is where a grants management system can help enhance organizational effectiveness. According to Vozar (2012) "Automation really allows grant-giving organizations to focus more on the actual content and performance of the grant rather than get bogged down in the administrative and manual tasks of the grant process" (p.1). Along with the many potential benefits of automation comes potential challenges.

What are the benefits of automated grants management?

The most significant benefit of using an automated grants management system is the ability to provide quality services to their grantees. Also, institutional staff would be better able to focus more efforts on the performance and monitoring of grantees as opposed to spending considerable time on administrative tasks, such as paper management, and manual verification and validation. Additionally, other benefits include timely completion of the grant life cycle process; comprehensive repository of grants data which could provide timely and effective information retrieval, analysis and reporting; accuracy and consistency in the application and review process; transparency within all processes; improved communication and responsiveness; validation and cross-verification of financial data and processes.

What are the challenges faced by grantors in automation of grants?

The most common challenge is identifying a grants management system that meets all of an institution's needs. Most funders may have multiple grant programs with different requirements for each program. Therefore, a grant automation system would need to be flexible enough to manage the needs of each program. Another challenge is finding a system that is cost effective and doesn't require extensive training or time in implementation.

Grants Management System

According to Pope, Andrei, and Quinn (2013) Consumers' Guide to Grants Management Systems, in choosing an electronic system, consumers must first consider their needs and select a grants system that offers features to adequately support those needs. The following list of features were suggested as common for supporting efficiency and compliance within grants management:

Data Management/Tracking: A grants management system should store and group easily retrievable data about grant projects as well as track the project's status as it moves through your organization's process.

*Proposal Submissions***:** A grants management system should have proposal submission functionality such as save, complete and submit on-line applications; upload and attach documents; send confirmation emails; integrate with internal interface; monitor status of applications.

*Proposal Reviews***:** A grants management system should allow the institution to successfully manage the process of reviewing and selecting applications including the ability to review applications from any location.

*Emails/Notifications***:** A grants management system should provide an option for users to create and send automated notifications to grantees regarding the status of their application, status of award, reviewers' comments, or due dates for deliverables.

*Communication Management***:** Grants management systems should assist in tracking communications within the institution such as communications regarding applications, reviews, awards, and evaluations as well as aid in providing efficient interaction between staff.

*Reporting and Evaluation***:** Once an award is made, the system should allow the grantees to submit progress reports and financial reports as well as allow grantors to track and monitor these deliverables.

*Financial Management***:** A grants management system should incorporate budgeting features that allows users to define the amount of money you plan to allocate for each grant program or category, define the amount for each award, and compare the initial award budget amounts to the amount of funds expended during a given period.

*Functionality***:** A grants management system must be user friendly and provide ease of use for grantors and grantees allowing them to complete tasks quickly and efficiently with little to no training.

Most importantly, a grants management system is only useful if it fits an organization's needs. It should make the jobs of busy staff easier and more efficient, allowing you to focus on your organization's mission.

In considering the results of the Streamlining Assessment Survey and Report as well as the stated needs of TBR regarding grant-making and management, here are a list of electronic grants management systems that most closely align with the needs:

Amplifund (Streamlink)

Amplifund gives nonprofit and public sector grant managers complete control over every step of the grant management life-cycle. It serves as an intuitive control panel for its users and automatically captures important data that can be used to generate a comprehensive report with just a few clicks. This system provides the following services:

- *Grant Finder*-Provides access to a continuously updated database of more than 4,000 federal, state, corporate and foundation funding opportunities.

- *Financial Management*- Track budget performance for all distributions in one place. Funders can easily track cash coming into and leaving an account, providing detailed insight into how money is being used and performance achieved.

- *Grant Management*- allows one to get more out of grants with more efficient workflows. Streamline grant research, planning, activity management and reporting processes in one central hub.

- *Award Management* -Standardize application collection and internal review processes for a simple, consistent submission evaluation workflow. Funders and lead grant recipients can better manage the competitive bid process for funding initiatives.

- *Workflow* -Enable structured review and approval processes, and automate tasks and notifications with a customizable workflow engine.

- *Project Management* -Segment grants into multiple projects for more powerful financial tracking tied to individual project goals.

- *Sub-Recipient Management* -Manage grant sub-recipients and vendors. Easily delegate responsibilities, collect feedback and review performance.

- *Time & Effort Certification* -Enjoy simple time entry by supervisor or staff with built-in approval processes which includes digital certification for an eco-friendly paperless process.

Regarding the cost effectiveness of Amplifund as it relates to TBR's current funding, an annual subscription cost for AmpliFund CAM would be $5,495 with a one-time setup fee of $1,000. There is an additional cost for the individual sub-recipient licenses. If there are 21-40 sub-recipients, the cost is $245 per license or for unlimited sub-recipient licenses the cost would

be $10,000 which includes an unlimited number of users as well as ongoing/unlimited training and support for the life of our relationship.

Link to video: https://www.youtube.com/watch?v=cC3bW60c2vc

Grants Network (eCivis)

Grants network offers a grants management system that focuses on improving efficiency, reducing costs, and improving compliance. It allows grantors to centrally manage and store grant documents, review key grants data at a glance, create groups and tasks to manage the grants activities, set up approval workflows and reminders, review automated and ad hoc reports, track programmatic outcomes, and conduct sub-recipient monitoring. Additional key features offered include:

- Ability to create RFPS or solicitations
- Accept applications
- Review and evaluate applications
- Improve communication and transparency internal and external to grantor
- Manage funding outcomes
- Conduct risk assessments

In considering the cost of Grants Network, there are different options offered to grantors based on the number of administrator and user licenses needed. For example, a 3 administrator license would have an annual subscription cost of $8,700/year, 5 administrator license $11,505, and a 10 administrator license $16,610. Additionally, for user licenses the costs are $100/user. If the grantor wanted to transition its current or archived data into the system, there would be a one-time fee of $3,000. To integrate the system with the grantors' financial systems, a one-time set-up fee of $6,000 is required.

Fluxx

Fluxx is a grants management system that offers a flexible, powerful automated workflow facility that supports grants review and payment approval accesses. In addition, reminders for grantees and staff can be set, and tasks assigned to users based on schedules and events. Other features offered are:

- *Proposal Submission-* support on-line grant application creation, submissions, views, and reviews. The grantee can easily create an RFP and a grant application on-line with little training. Once the grantee verifies eligibility, the applicant is sent an email with a link to complete the application process. The grantee also has the ability to save applications, view applications, and upload supporting documentation.

- *Review Process Management-* supports assignment of reviewers to applications, scoring of applications, tracking of reviews as well as video capability.

- *Data Management* -With Fluxx, everyone in the organization has access to the data they need – anywhere, any time – allowing more people to work collaboratively throughout the grant-making process in real time.

- *Communication-* Fluxx allows grantees to track the status of applications and receive notifications from the grantor. The system also allows grantor staff to communicate concerning proposals, reviews, awards, budgets and reports.

- *Reporting-* Fluxx allows the grantees to create technical and financial reports and submit them via the system. It also allows grantors to send alerts or reminders to grantees about reports, track progress of reports, and evaluate the grant program as it relates to goal achievement and financial management.

- *Financial Management*- Fluxx has the flexibility to create and track multi-tiered awards and budgets. It allows grantors to receive, monitor, evaluate, and pay invoices to ensure compliance.

- *Training and Support* – on-going training and support is included in the cost of the system.

Fluxx offers different pricing options to grantors based on the needs. The Fluxx Grant-Maker Enterprise system provides comprehensive grants management features, is highly configurable (multiple forms, custom workflows, advanced reporting & budgeting) and can include end-to-end implementation services, including full discovery, data migration, and advanced features and integrations. The pricing of Enterprise starts at $800/month but the final estimate is determined after the company completes a more comprehensive analysis of the organization's configuration needs. The Enterprise system includes training but depending on how much one-on-one training is needed, there may be an increase to the monthly cost. Grant-maker Streamline is an out of the box solution with little configuration and implementation and has many of the services of Enterprise excluding the ability to customize workflows and notifications, establish a reviewer portal, and develop multi-tiered and multi-year budgets. The cost of Streamline is $450/month which includes1 hour of training, along with monthly webinars and access to a Knowledge Base and Community Site. Fluxx also offers another system called Impact Intelligence which can be used in conjunction with both Enterprise and Streamline. This system syncs the grants data from Grant-maker into the Impact Intelligence system for continuous tracking of program progress at any level and over any period of time to support better decision making. Impact Intelligence is an additional $495/month.

Web Conferencing

According to Frost and Sullivan (2010) "Web conferencing technology lets participants meet online to share documents, deliver presentations, ask questions, partake in sidebar chats, answer polling questions, and share information in real time" (p. 3). As such, it is recommended that TBR consider using a virtual meeting space which would enable staff to work smarter and more productively while reducing travel time and costs, increasing collaboration, increasing outreach, reducing project completion time, and improving communication. The information listed in table 2 below provides an overview of the pricing plans for four recommended web conferencing systems. Each of the systems offer user-friendly capabilities such as document sharing, screen sharing, video conferencing, post meeting surveys, outlook integration as well as other services.

Table 3

Web Conferencing Services

Pricing	AnyMeeting	GoToMeeting	iMeet	MyTrueCloud	WebEx
Up to 3 Users	Free (up to 4 users)	$24/month (up to 5 users)	$9/month (up to 5 people)	$14.99/month	Free
Up to 10 Users				$19.99/month	
Up to 25 users		$39/month		$32/month	$49/month
Up to 30 users	$18/month		$29/month (up to 35 people)		
Up to 100 users	$78/month	$49/month	$49/month (up to 125 people)		$69/month

Conclusion

Managing grant-making processes can be time-consuming, labor-intensive and often costly for funders. Traditionally, this process involved extensive paper work, data entry and inefficient processes due to the use of manually developed forms, spreadsheets and databases.

Along with the many other challenges presented, this process also limited collaboration, communication, reporting and evaluation. With the use of technology, funders can now automate their processes from the RFP stage to the closing of each award which would not only improve inefficiencies and compliance but centralize tasks, improve the tracking of funds, increase grant program communication, and improve collection and dissemination of accurate information for reporting and decision making.

As the Tennessee Board of Regents endeavor to improve its grant-making and management process, it will be paramount for the institution to consider engaging in the use of a comprehensive automated grants system as well as web conferencing services.

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