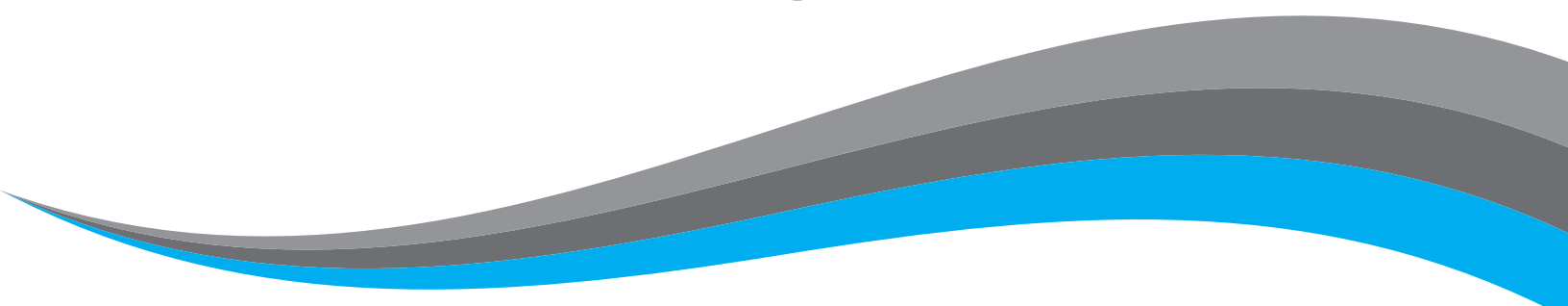




# The 2016 State of Grant Management Report



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## Executive Summary: The State of Grants

Government grants continue to be a primary revenue driver for nonprofits and public sector organizations, yet grantees are wrought with new administrative and reporting requirements. Federal agencies will be required to standardize grant-spending data according to specifications outlined in the Digital Accountability and Transparency Act (DATA Act) by May 2017. With this comes a call for greater spending transparency and performance accountability of all federal funds awarded.

In response, government grantees need to prepare for compliance with data-driven grant management strategies, and technology that can centralize and automate financial and performance reporting.

Yet, this year's survey shows little action from grantees to position their organizations to meet the demands of our evolving federal landscape. Though post-award performance and measurement has been cited as the biggest grant management frustration three years in a row, the majority of organizations continue to manage their grants via in-house solutions (spreadsheets, email, document sharing, etc.)—a process filled with the potential for manual error and inefficiencies. And almost three-fourths of respondents still feel changing regulations are creating more work for their organizations.

As open, machine-readable data becomes the norm for the exchange of federal information, don't get left behind. Now is the time to revolutionize your grant management processes to align with tomorrow's requirements.

I hope this report provides some insight into how you can better prepare your organization. Thanks to all who participated in our annual survey.

Sincerely,

**Adam Roth**

Founder & CEO, StreamLink Software

## Methodology

StreamLink Software conducted a nationwide survey to better understand the grant funding landscape and challenges today's grant professionals face.

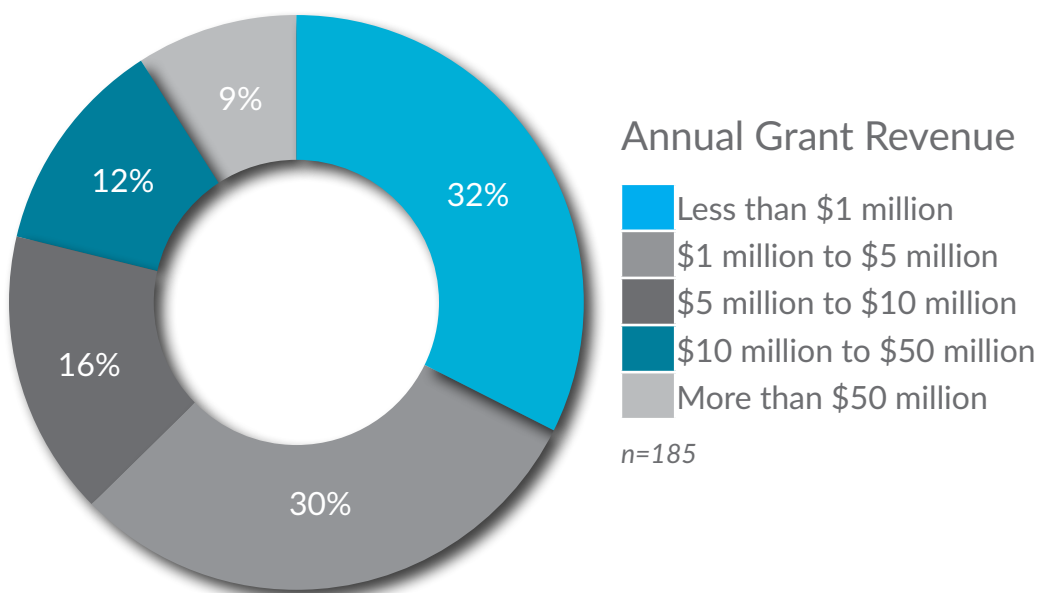
The survey consisted of 17 multiple-choice questions collected via SurveyMonkey in April 2016. Responses were solicited through the StreamLink Software website, email and social media, National Grant Management Association (NGMA) email and social media, and Grant Professionals Association (GPA) email and social media. A total of 185 grant professionals responded to the survey.

Responses are compared to the 2014 survey conducted by StreamLink Software, which was published in August 2015. Download [The 2015 State of Grant Management Report](#) to view the report in its entirety.

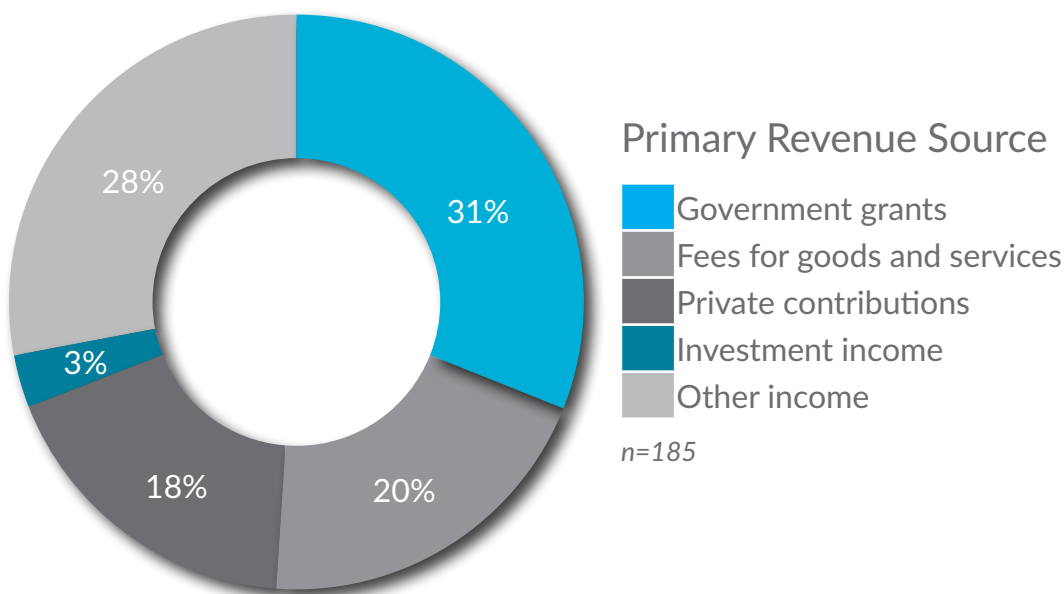
## Section 1: Continued Reliance on Government Grants

Nonprofits receive funds from many sources, including: grants, fees for goods and services, investments, private contributions and other income sources. **Grants, however, continue to be a critical revenue driver for nonprofits and public sector organizations.**

Sixty-eight percent of survey respondents (n=185) cited annual grant revenues of more than \$1 million (up from 67% in the previous year, n=223), and 37% received more than \$5 million in grant revenue (down from 38% in the previous year).



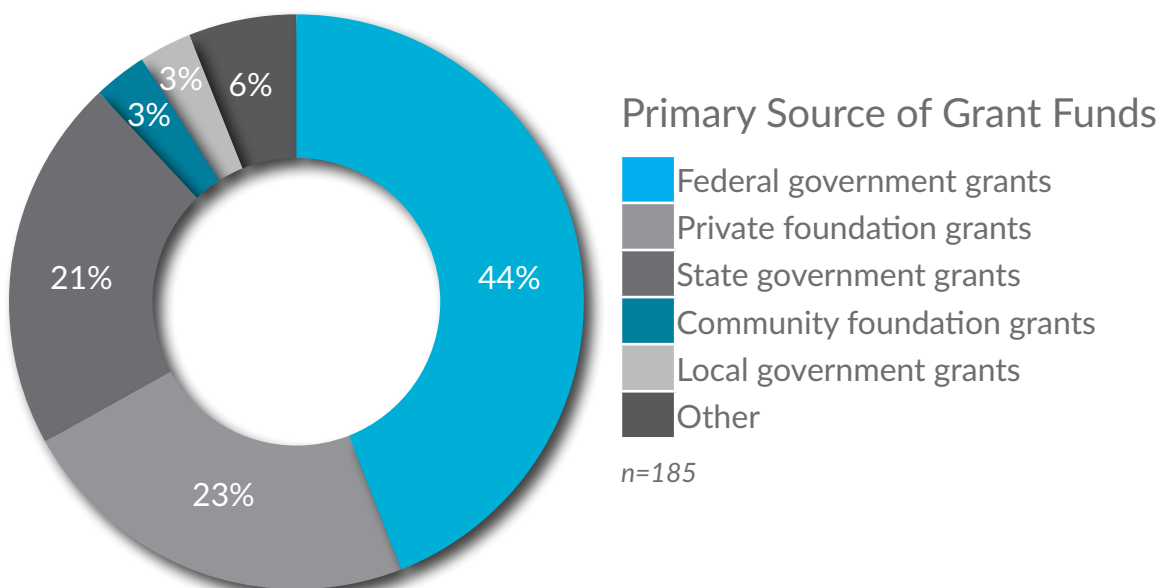
Likewise, when asked their primary revenue source in 2015: government grants was the most popular response at 31% (n=185)—up slightly from 27% in 2014 (n=223).



## Primary Sources of Grant Funds

A strong reliance on government grants, particularly federal grants, remains a leading means to fuel educational, cultural, health and wellness, environmental and community initiatives led by nonprofits and public sector organizations.

In diving deeper into the primary sources of grant funds, we found that 44% of respondents (n=185) rely primarily on federal grants. This has been consistent for the past two years—44% in 2013 (n=206) and 45% in 2014 (n=223).



If we look at all government grants—federal, state and local—68% of respondents (n=185) rely on these as their primary grant sources. This has also been fairly consistent for the past two years—67% in 2013 and 69% in 2014.

The importance of federal funding is further supported in that 33% of organizations (n=173) receive more than half of their grant funds from federal grants, and 80% receive at least some of their grant funds from federal grants.

To continue to win government funds, nonprofits and public sector organizations need a solid [grant management and reporting strategy](#) in place that is rooted in transparency and performance accountability. This is especially important with new federal grant compliance requirements taking shape.

## Section 2: The Evolving Federal Landscape

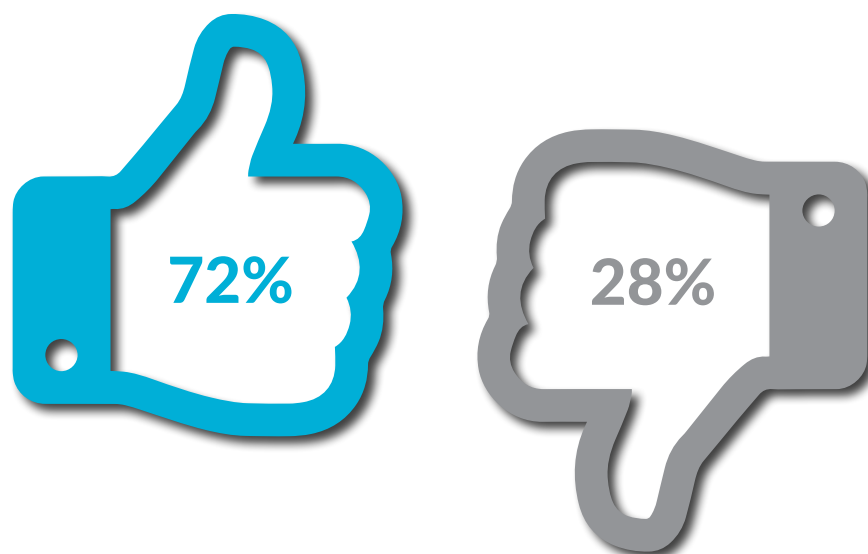
The [Digital Accountability and Transparency Act \(DATA Act\)](#) seeks to standardize federal spending data across agencies, so that it can be consolidated, analyzed and published. With increased transparency into where money is going, the federal government can better pinpoint waste, fraud and abuse of funds; allocate money to maximize impact and performance; and cut down on duplicative grantee and contractor reporting.

Though the DATA Act became law in April 2014, the [Treasury just finalized data standards, definitions and timelines](#) and [Health and Human Services \(HHS\) just began to collect test pilot program data](#) in May 2016. Agencies will be required to comply with the new requirements starting May 2017.

DATA Act progress is complemented by the [OPEN Government Data Act](#), which was introduced in April 2016. If passed, this bill expands upon the DATA Act and President Obama's 2013 open data policy by requiring all federal information collected (not just financial data) be published in [machine-readable, open data formats](#).

With the federal compliance landscape ripe with change, **72% of survey respondents who receive federal funding (n=141) believe new federal funding requirements are creating more work for their organizations.** This is comparable to last year, in which 71% (n=170) claimed changes were creating more work.

## Are Changes in Federal Funding Requirements Creating More Work for Your Organization?



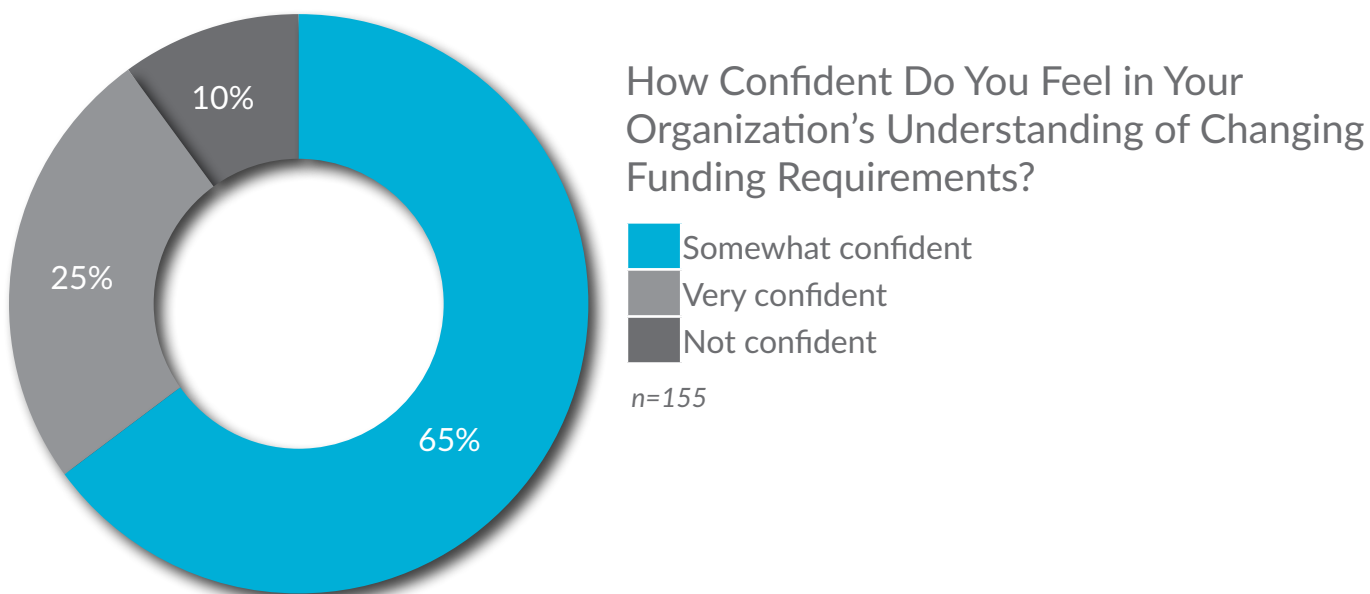
These government reforms are being felt by nonprofits and public sector organizations across the board—but sentiments are particularly high among those that receive government funding and/or manage sub-recipients.

- Seventy-seven percent of those who receive federal grants as their primary grant source (n=75) agreed that federal funding requirements are creating more work for their organizations.
- Seventy-five percent of those who receive federal, state or local grants as their primary grant sources (n=109) agreed that federal funding requirements are creating more work for their organizations.
- Seventy-three percent of lead recipients (n=108) said federal funding requirements are creating more work for their organizations.

Yet, with the proper processes and technology in place, new regulations shouldn't create more work, but rather alleviate the administrative burden faced by many grant recipients today. By standardizing how federal agencies collect grant information, grantees will no longer need to submit duplicative data or reformat information to meet specific agency submission requirements. Standards also open the door for automated report generation and submission, which could further improve efficiencies.

## Confidence in Changing Requirements

Like last year (n=188), 90% of respondents who receive federal funding (n=155) are somewhat or very confident in their organization's understanding of changing federal requirements. This means that 10% are not confident.



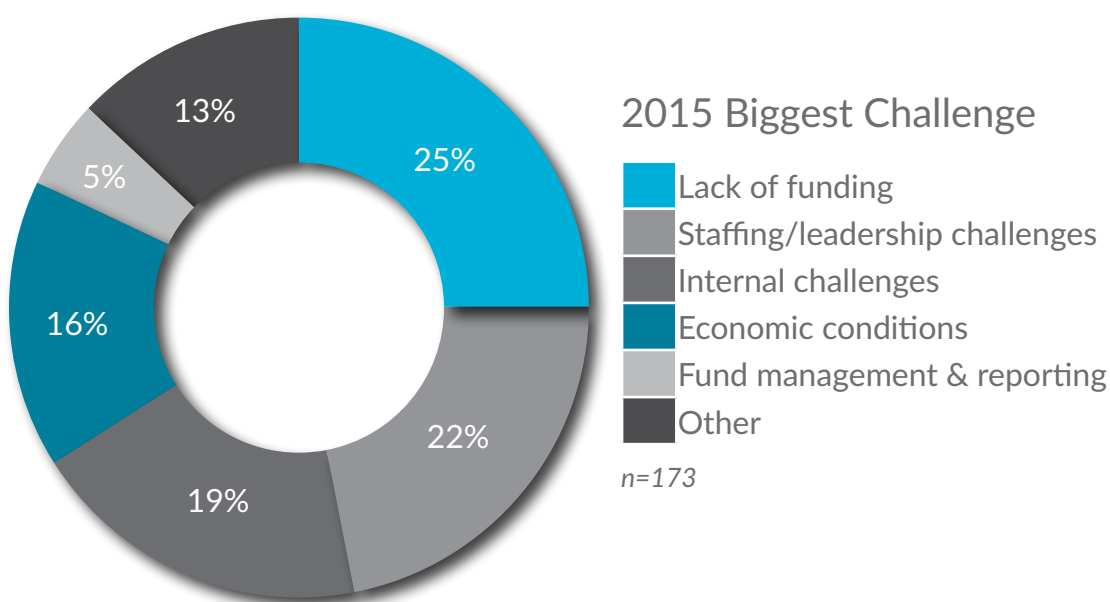
Confidence varied based on the types of funds an organization primarily receives and the tools they use to manage grants.

In general, **organizations that receive less federal grant funds are less confident.** When organizations receive less than 50% of their current grant funds from federal grantors (n=98), 88% are somewhat or very confident in their understanding of changing federal requirements. When they receive more than 50% from federal grantors (n=57), 95% are somewhat or very confident.

Similarly, **grant management software users are more confident in their understanding of requirements.** Of respondents who receive federal funds and use grant management software (n=36), 94% are somewhat or very confident, versus 89% of respondents who receive federal funding but do not use grant management software (n=119).

## Section 3: Challenges and Frustrations

Despite changing federal regulations, “fund management and reporting” was less of a challenge in 2015 than anticipated. In our [2015 State of Grant Management Report](#), 11% of respondents (n=206) had cited this as their biggest anticipated 2015 challenge, whereas only 5% cited it this year.



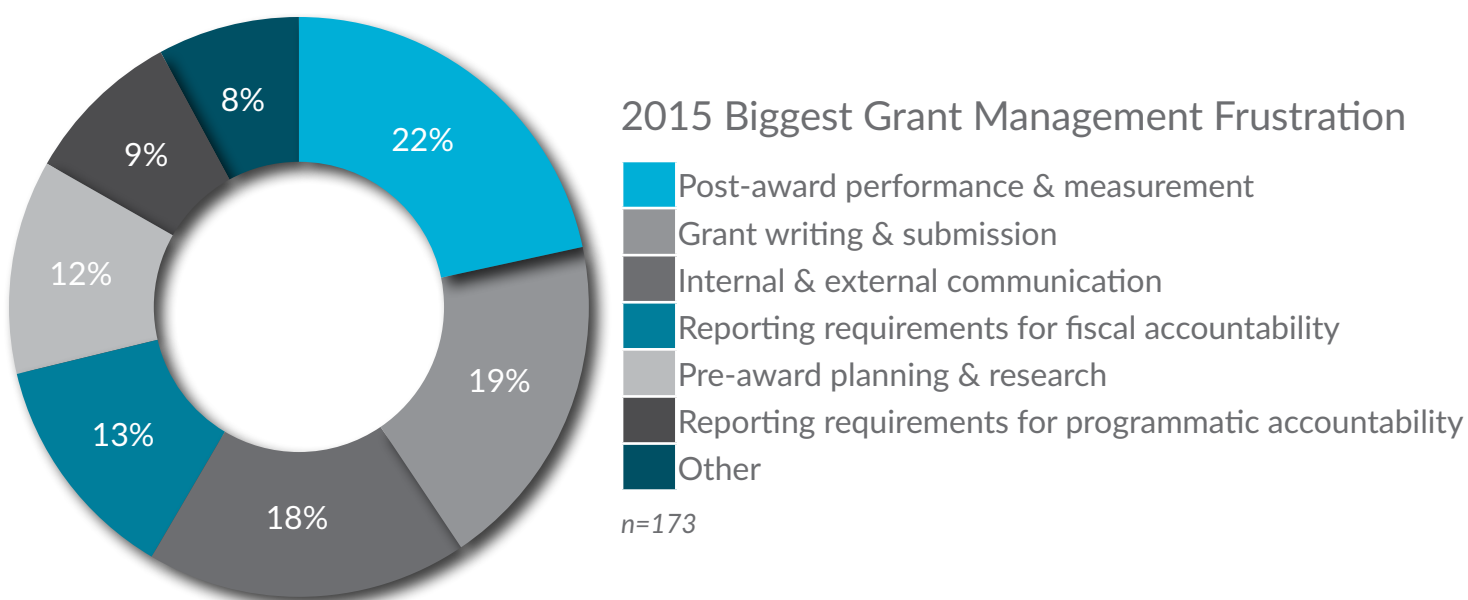
This change in perception could be in part because many of the new requirements stemming from the DATA Act and other federal legislation have yet to fully come to fruition and impact grantees. Organizations aren't likely to feel the full effects of reform efforts until the May 2017 compliance deadline, when federal agencies will be required to implement data standardization and reporting mandates.

Relatedly, lack of funding was the biggest overall challenge in 2015, yet many organizations continue to leave money on the table.

More than half of respondents (58%) (n=165) failed to drawdown some of their awarded funds in 2015, and 19% failed to drawdown 10% or more of their awarded funds. [Noncompliance, missed deadlines and unorganized processes are usually to blame](#) when funds are forfeited.

## Grant Management Frustrations

Looking specifically at grant frustrations, **post-award performance and measurement has led the pack for the past three years**—in 2013 (21%, n=206), 2014 (25%, n=206) and 2015 (22%, n=173). **Despite this, organizations have yet to take action to remedy**, as the majority of respondents (64%) (n=205) still use in-house solutions (spreadsheets, email, document sharing, etc.) to manage grants.



[These ad-hoc processes lack core functionality and organization](#) needed to efficiently run real-time performance snapshots, and leave room for errors due to manual data entry and inconsistent formats.

Software that automates post-award performance and measurement could help alleviate grant manager frustrations, while positioning organizations for data-driven grant reporting that will trickle down from federal mandates.

## Section 4: Tools and Technology

Despite the benefits it affords, **only 19% of respondents (n=205) use grant management software**. As mentioned previously, the majority of respondents (64%) use in-house solutions to manage grants. This includes spreadsheets, email and document sharing. Other commonly used tools include: financial and accounting tools (48%), donor databases (21%) and research tools (18%).

Disparate formats (spreadsheets, email, document sharing, etc.) make it difficult to gain a 360-view of how funds are allocated and used across the organization, result in cumbersome internal workflows, and can make internal knowledge share difficult if an employee transitions from the organization.

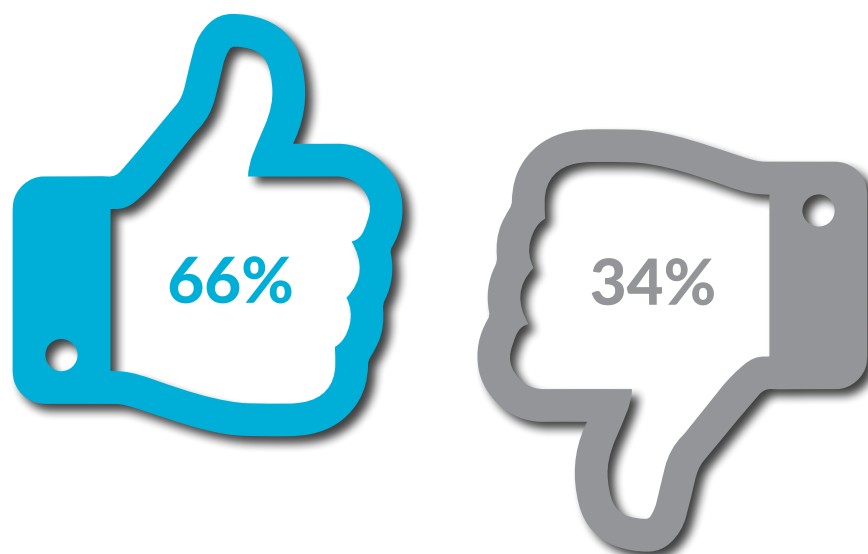
[Grant management software](#), on the other hand, ensures data is centrally housed and managed, consistently formatted and available to all users. It also makes compliance with federal reporting requirements easier, as [internal status reports can be run at any time](#) and data can automatically be structured in a machine-readable, open format.

This is likely why organizations that receive more than 50% of their grant funds from federal grantors are more likely to use grant management software. **Of those that receive 50% or more of grant funds from federal grantors (n=57), 32% use grant management software compared to 18% of those that receive less than 50% of grant funds from federal grantors (n=116).**

### Grant Management Software Use Cases

But it's not just federal grantees that can benefit from grant management software. **Of those survey respondents who don't use grant management software (n=128), 66% believe that they could benefit from it.**

## Do You Feel Your Organization Could Benefit from Grant Management Software?



In addition to federal grantees, grant management software can especially benefit:

### ***Those who have historically failed to drawdown all awarded dollars***

Of those who thought they could benefit from grant management software (n=79), 58% didn't draw down all the grant revenue they were awarded last year, and 22% lost more than 10%. Grant management software ensures that recipients meet program objectives, reporting requirements and deadlines through centralized document and workflow management, easily accessible status and performance reports, and calendar reminders. (For more on how to maximize grant drawdown, [download our fact sheet.](#))

### ***Those who are the lead recipient on grants***

[With grant management software](#), assign sub-recipients both financial and programmatic performance expectations, consolidate communications and data, and automate sub-recipient reporting. Of those who thought they could benefit from grant management software (n=84), 73% were the lead recipient on one or more grants.

### ***Those who struggle managing the entire grant lifecycle***

Grant management software provides oversight for the entire grants lifecycle from pre-award planning to post-award reporting in one comprehensive hub. Of those who thought they could benefit from grant management software (n=84), 20% cited grant writing and submission as their top frustration, 19% post-award performance and measurement, and 18% internal and external communication.

For more on the benefits of grant management software and how it can help your organization meet federal compliance requirements,

**Schedule a Demo Today. →**

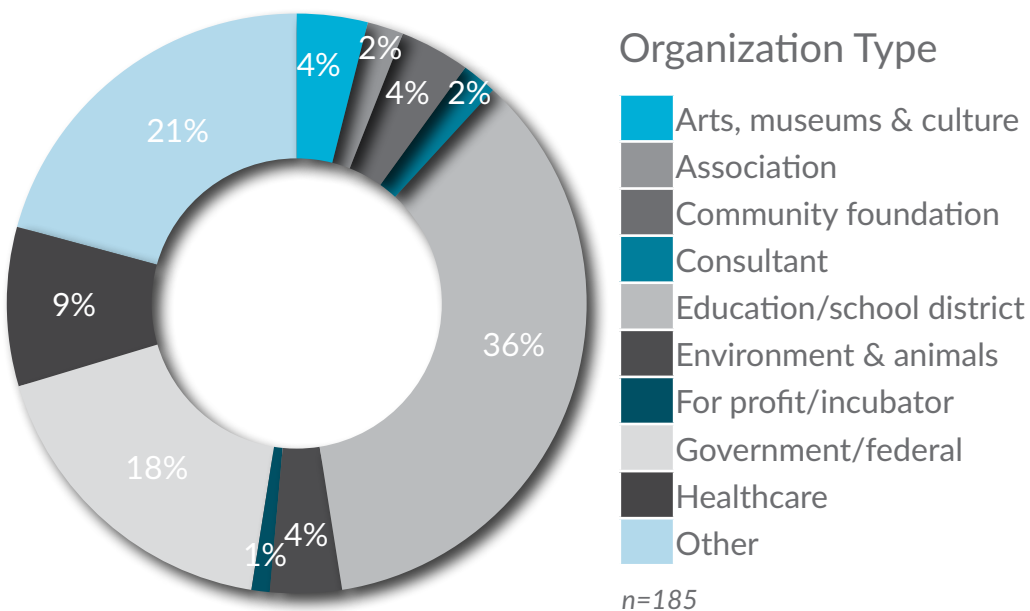
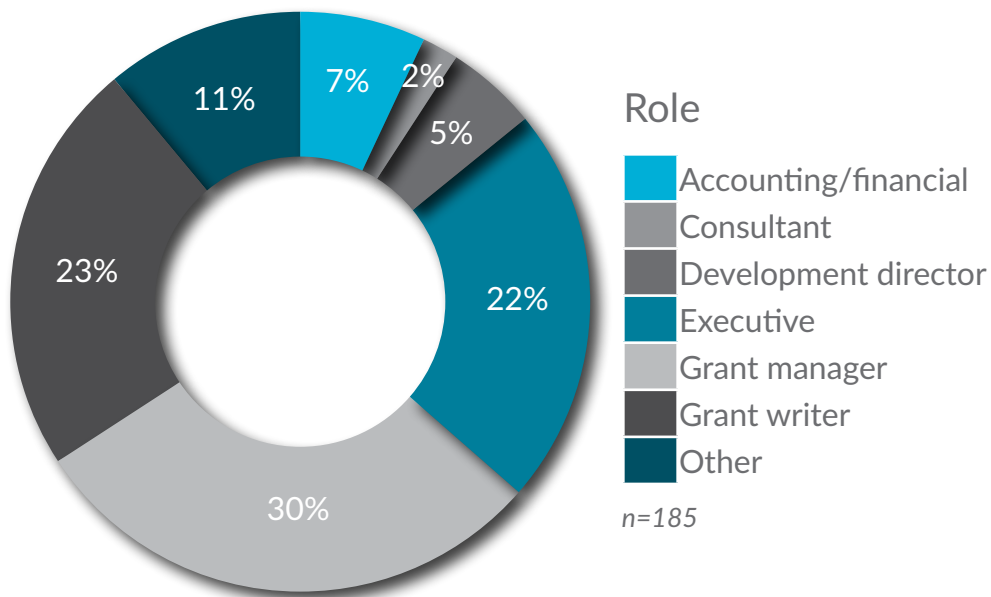
## About AmpliFund

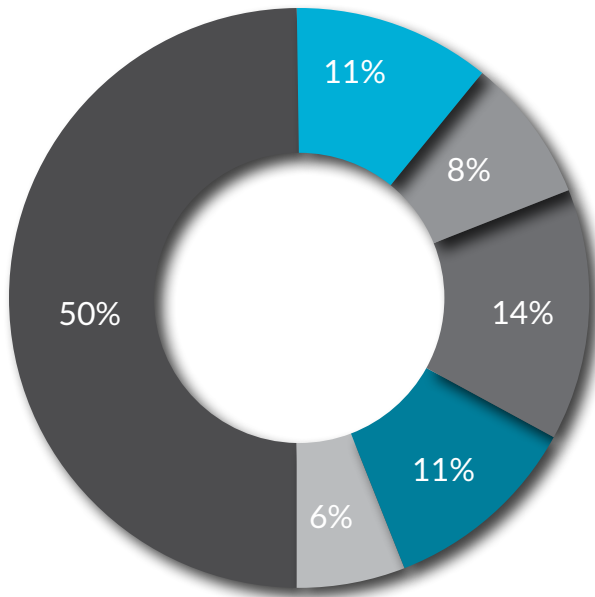
Founded in 2008, StreamLink Software ([StreamLinkSoftware.com](http://StreamLinkSoftware.com)) is the leading board and grant management software-as-a-service technology provider for nonprofit and public sector institutions.

The company's flagship grant management solution, [AmpliFund](#), was built to simplify the growing complexities of grant management. It creates a comprehensive, yet intuitive, hub where grant managers can efficiently oversee the entire grant lifecycle. As a result, nonprofit organizations and public entities can drive additional revenue and capacity through more streamlined processes, and easily ensure regulatory compliance with advanced reporting functionality.

Connect with StreamLink Software on [Facebook](#), [Twitter](#), [LinkedIn](#), [YouTube](#) and on [our blog](#).

## Demographics

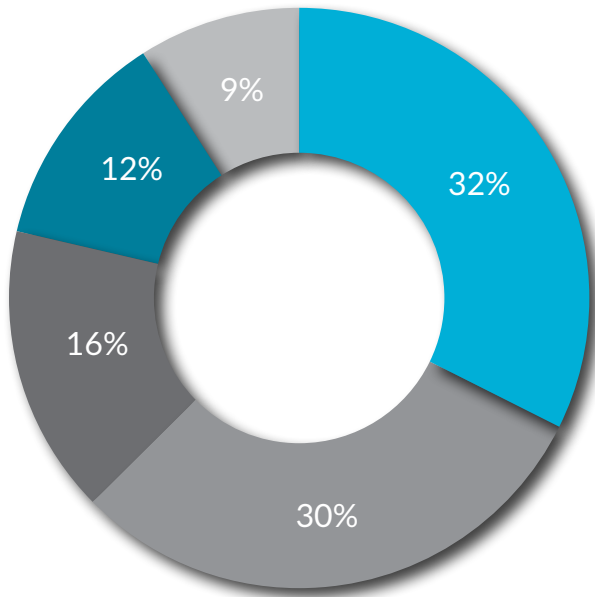




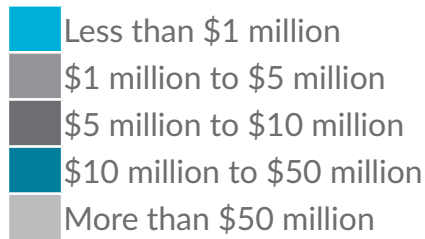
### Operating Budget



n=185



### Annual Grant Revenue



n=185