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3 Grant Reporting Tips

Posted on October 9, 2013 by [Adam Roth](#)
Nonprofit Partner Blog



How to Prepare for Upcoming Changes in Grant Reporting

The [Digital Accountability and Transparency Act \(DATA Act\)](#) is designed to increase public visibility into government spending, eliminate fraudulent activities, and instill fiscal responsibility among award recipients. The result is smarter, more trackable spending, in which agencies are held responsible for funds used and distributed.

[Currently under consideration by the House and Senate](#), implementation of the DATA Act would have drastic implications for grant recipients when passed. For the federal government to standardize data collection and dissemination, a complete overhaul of grant reporting requirements would be required.

Moving forward, funders will want to see a tie between money received and performance metrics. As a result, grant recipients must provide detailed insight into how federal funds are spent, and the impact achieved.

Gone are the days of arbitrary feedback on spending. We're entering an era in which data will drive funding decisions. Is your nonprofit prepared to handle these changes? Below are some steps to help your organization make the transition.

1. Track Against Measurable Objectives

When writing grant proposals, set clear, measurable objectives for what you want to achieve with funding. Then, develop an internal process to efficiently track spending against those goals. In doing so, collect both quantitative and qualitative data from those in the field that you can report back to funders to prove effectiveness.

For example, if funds are to be used to feed 2,000 hungry children in Ohio, it's your job to know how many meals were supplied, where they were distributed, who received them and when. Couple this information with solid qualitative feedback from the community, and you have a winning performance assessment on your hands.

2. Make Every Penny Count

Greater transparency into spending means that every penny counts. Funders don't want to pay for your organization's inefficiencies or extravagances.

Audit past projects and expenses to see where process bottlenecks lie, money was wasted and performance suffered. Are there ways to improve processes to maximize efficiency, and get more done for less?

Uncover those areas now internally, then proactively work to improve them before funders pinpoint and penalize you for them later.

3. Maintain Detailed Records

In order to prove compliance, nonprofits will need to be able to pull appropriate files quickly. Get ahead of the game with consistent naming conventions and file structures for items like cost allocation plans, vendor invoices, travel logs, timesheets and receipts.

For time-efficient reporting, a grant management system can help you stay organized, track activity and performance across sub-recipients and departments, and quickly compile necessary spending and outcome reports.