

# **Focus Group Report on State of Minnesota Grants Management Practices**

**Minnesota Council of Nonprofits  
State of Minnesota Office of Grants Management  
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## **Introduction**

This document contains recommendations from three focus groups that were conducted by the Minnesota Council of Nonprofits and the State of Minnesota Office of Grants Management on December 19, 2007 and January 7 and February 4, 2008. Two of the focus groups took place in St. Paul and one was held in Mankato. 38 nonprofit organizations participated in the sessions; many of them have received grants from multiple state agencies.

The purpose of the focus groups was to gather recommendations from State of Minnesota grantees to incorporate into the work of the Office of Grants Management, which was created in 2007 to standardize, streamline and improve state grants management practices and to increase public access to information about state grant opportunities.

Focus group participants worked in small groups to respond to four questions. The subject headings in this document were created after the focus groups in order to better organize the responses. A number in parentheses after a recommendation indicates the number of times it was mentioned. Recommendations without a number after them were mentioned once.

Please contact Kristin Batson, Director of the Office of Grants Management at 651-201-2525 with questions about this report.

## **Focus Group Feedback**

### **1. What are the key characteristics and qualities of state and nonprofit relationships in grants and other partnerships?**

Relationships:

- Clarity, openness, transparency, dialogue (14)
- Mutual trust, respect and recognition of the other's expertise (12)
- Promptness, the state treats the grantee like a customer (8)
- Clarity of guidelines, standards and expectations with consistency across different state agencies and grant programs (8)
- Mutual power and accountability (5)
- Supportive, the state advocates for the nonprofit's success (6)
- Both parties have shared interests and goals to serve the public (6)
- There is flexibility and adaptability throughout the relationship (4)
- There is equal opportunity to access money and the process is fair (3)
- Mutual learning and training (2)
- The opportunity for ongoing relationships via e-mail, Facebook and face-to-face (2)
- Continuity of funding (2)
- A system that promotes collaborations at all levels
- The state has a willingness to learn and to revise expectations
- The state appreciates the uniqueness of different nonprofits—the state wins because of nonprofits' efficiencies and expertise
- The state agency needs to understand how grantees actually operate services
- Keep what works and don't add unnecessary bureaucracies

- Work on cultural competencies at all levels
- Relationships are important—please keep us informed of staff changes
- It is not an equal partnership; one party holds the funds and the other is dependent, one party is a generalist and the other is a specialist
- The relationship differs depending on what state agency you work with
- It is helpful to have a liaison or particular contact

#### Reporting:

- Consistent reporting guidelines that don't change mid-contract (2)
- Flexibility in reporting, so grantees can tell the whole story, not just the numbers
- Reporting requirements are appropriate for the size of grant
- Grants should provide enough administrative money to cover the reporting requirements
- Shared values around reporting quantifiable outcomes
- The grantee agency has an opportunity to tell its story and talk about its success
- There is better use of technology for reporting

#### Program Planning:

- The state takes a big picture view of topic areas—how do we improve the entire system of services for the state or region?
- The state convenes think tanks to solve problems
- Provide funding for emergency situations and clear criteria for nonprofits to respond
- Research, evaluation and forecasting should be done collaboratively
- Grantees should be involved in the development of guidelines and RFPs
- Best practices should be communicated to all parties—state, grant seekers, grantees

#### The Application Process:

- Feedback for applicants who aren't funded so that they can improve next time (2)
- Limits on admin/operations/overhead are not realistic or consistent. Some costs are necessary to carry out the contract (2)
- Consistent and clear expectations regarding affirmative action, equal opportunity, and federal expectations and requirements
- A reliable process regardless of who manages it
- State should make a distinction between nonprofit grantees and larger grantees like city, county, or the U of M

## **2. Describe qualities that you would like to see in a state grant application process**

### Application Process

- Adequate lead time and clear deadlines (6)
- An even playing field through a transparent and open process (5)
- Clear, consistent and weighted criteria for proposals so we don't waste our time if we're not qualified (5)
- Clear directions about the application process (2)
- Simplify and reduce redundancy (i.e. ask for general statistics that everyone must provide for the region or area) (2)

- Nonprofits should be involved in creating the RFP (2)
- Publish FAQs (2)
- Keep it simple (2)
- Consider using the processes that foundations use (2)
- Something like the Minnesota Common Grant format one-page appendix for each different grant program (2)
- Grant applications should have standardized and consistent sections (administrative capabilities, budget formats, assurances) (2)
- Provide more lead time for applications that require collaboration
- Balance criteria weight on special population services/cultural competency and good grant-writing skills
- Have a clear and enforced conflict of interest policy for decision-makers and those involved in peer reviews
- Grant applications should list the expectations and have applicants sign off that they'll meet them rather than having applicants describe their programs
- Application forms should provide adequate space for response
- A detailed presentation of grant opportunities that is consistent
- Consistency throughout departments

#### Relationships

- Good, easy-to-access technical assistance to answer questions(7)
- Streamline the application process without excluding small nonprofits (3)
- Help sessions for applicants led by proposal evaluators (3)
- Post-award access to state staff for both winners and losers
- Pay attention to the grant applicant's track record and existing infrastructure
- Planning sessions, including a collaborative needs assessment, that occur pre-RFP where both grantees and non-grantees are invited

#### Technology

- Create a user friendly online application and reporting system (4)
- Have a web-based means of finding out what grant opportunities are available (2)
- One-stop website that contains all state grant opportunities (2)
- Online database of past proposals, audit reports, insurance, 501c3 letters
- There are issues with online stability and lack of people contact
- Provide adequate tech support and test applications before release
- Online application programs should have a save feature and the forms should be downloadable in a word format, not just as a PDF
- Model yourself on grants.gov
- WEGO works well
- An electronic process with basic information plugged in for repeat grantees
- Applicants receive confirmation that their electronic submission was received
- Technology requirements for grantees are made clear
- Hold audio/online bidders conferences and make Q and A available afterwards

#### Scale

- The RFP should be doable for smaller nonprofits (2)
- State should spell out the administrative capacity needed to carry out the grant
- State should provide money for infrastructure and capacity building
- Small nonprofits feel like they are in jeopardy because larger nonprofits can address an RFP more easily
- Reduce competition between small and large nonprofits by allocating a certain percentage of grant funds for small nonprofits

#### Grant Requirements

- Regulations should not be so strict that the grantees cannot do the work once they get the grant
- Provide clear definitions of direct vs. indirect/admin costs
- Establish pre-qualifications for eligibility to avoid making grantees re-prove it
- Be green; don't ask for more paper copies than you really need
- Consistency in timelines and formats once the grant is awarded
- Timing of proposals and reports needs to match the grant service period
- Funds need to be approved before the beginning of the FY, we can't start until the contract is signed and the state is too slow!
- Reports should not be due when there are other grant deadlines; we don't want to miss funding opportunities because we're writing grant reports
- Spell out whether the grant award requires additional federal audit requirements

#### Application Review/Selection:

- Fund promising practices and innovation, not just evidence-based work (2)
- Take risks with grants
- There is community involvement in the selection process, using both peer review and service recipients to review proposals
- Review meetings should be open to public and applicants
- Consider using site visits as part of the application process
- Rate performance on evaluation and don't require excellent performers to re-bid
- State should demonstrate continuity and a commitment to funding the program

### **3. Describe how you would like to be informed of state grant opportunities and what information they should include.**

#### Notification Methods:

- A centralized searchable website (like the Federal Register) where all state grant RFPs are posted two months before the application is due (9)
- E-mails and listservs (grants.gov and MHFA are good examples) (6)
- From multiple sources and formats, including culturally sensitive ones (3) (MHFA uses a variety of means)
- A paper bulletin with changes, updates and due dates (2)
- Continue notices coming from specific agencies and on their websites (2)

- A website that lists grant opportunities by subject area, provides e-mail alerts, provides a brief description of what is required, a description of currently funded programs, and lists/opportunities for collaboration, partnering and networking (2)
- E-mail notification that the website has been updated
- Something like the MCN grants alert
- Website should link to RFP
- Once single website for all government and foundation grants
- A real (hard copy) letter
- Publish on the Minnesota Council on Foundations and Minnesota Council of Nonprofits websites, including information on who you have funded in the past
- Clearly communicated and on a regular schedule
- A monthly newsletter from the Office of Grants Management
- Provide advance notification before the RFP is issued

#### RFPs

RFPs should be detailed and include:

- Clear expectations for nonprofit capacities and clear eligibility requirements (8)
- The name of a trained contact person for questions and technical assistance (8)
- Outcome expectations and the reporting data that will be collected (7)
- All deadlines and timelines (5)
- Total amount of money for distribution and how it will be allocated (5)
- Clear, weighted criteria (4)
- The date of issue and date of each stage in the process, especially when and how the money will be delivered (4)
- The size of the allowance for administration (be consistent!) (3)
- State's priorities (legislative intent) in making these grants (3)
- A bidder's conference with adequate notice on when it will be held (3)
- Short-, medium-, and long-term state commitments to the effort (2)
- The review process and who will be involved in it (2)
- Eligible activities, payment terms and methods, and maximum up-front payment amount (2)
- Application length and format
- State agency/department funding this grant
- CFDA#
- A statement on whether collaboration is needed, welcome or not allowed
- Clear and consistent definitions of terms like indirect costs
- Information on whether a match is required
- Major requirements (date, funding area, and criteria) should be at top of RFP
- Minimize requests for repetitive or extraneous information

#### Reporting:

- Reporting requirements should relate back to legislative intent
- Use universal reporting formats, based on the Federal Service Clusters

Selection:

- Provide more multi-year funding; it's more cost-effective, better addresses community needs, and provides more accountability (2)
- Please provide reasons when a grant is not approved
- Use grant reviewers who are not in government but who have topical expertise
- A percentage of the grant should be directed to build the grantee's capacity and bigger nonprofits should act as a mentor, with or without state money
- Please provide training on how to write better grants and a list of grant writers that we can hire
- Require less for smaller grants
- It is ok to have preferred vendors, but make that clear in the RFP

**4. Describe how you would like the State of Minnesota to work with your organization after the grant has been awarded.**

Relationships:

- Invite grantees to help with program planning and the grant-making process by sharing their expertise(7)
- Collaborate and communicate clearly (4)
- Do site visits outside of audits and at program functions, if possible (4)
- Provide feedback to applicants who did not get funded, provide a list of grantees to all who applied, and provide state staff contact information (3)
- Widely share research and results of funded programs (3)
- Be flexible on outcome expectations, timelines and payments (3)
- Provide more technical assistance (2)
- Learn about what you have funded (2)
- Create a list or listserv of all of your grantees so that we can communicate with each other on best practices, etc. (2)
- Use the expertise of grantees (2)
- Connect funded agencies to each other so that they can work together (2)
- Provide ongoing education/support, especially on required reports and forms (2)
- State agencies should understand the geographic area and create a community advisory committee (2)
- Grant-making is all about relationships (2)
- Collaborate on media, public service announcements, etc.
- Don't be metro-centric
- The state should provide a mentor for each region that grantees could go to for follow-up, questions, problems, face-to-face visits, monitoring and evaluation
- Sometimes the people who are best at building and maintaining relationships are not the best at the regulatory side
- All department personnel should provide a consistent message
- Provide more support for staff and collaboration throughout the grant process
- Clarity is a must
- Don't make changes midstream

- Be helpful, not punitive
- Be transparent
- Be responsive, not rigid, to achieve the same goals
- Provide realistic timelines
- Herald the accomplishments of grantees
- Understand grantee staff transitions and other constraints
- Convene occasional forums to share information, perhaps across departments, population area or region
- Do not hold mandatory grantee meetings to train us on forms when they haven't changed and we've been a grantee for many years
- Tell us how you will use the data you collect
- Be open to new and emerging needs and provide money to new agencies
- Recognize that a team of grantee staff will be working to implement the grant and interact with more than just the executive director

#### Application Process and Review:

- Provide advance instructions and guidance on upcoming RFPs (3)
- If a county is the pass-through, clarify their role
- Provide written best practices and guidelines
- Provide more multi-year funding
- There should be greater uniformity about board resolutions
- Don't require board chair to sign applications
- Provide funds for operational expenses and equipment
- We need greater uniformity about whether the organization can own property
- Make the signature requirements on state contracts more consistent
- Reporting should not be excessive and should match the required outcomes
- Use single audits rather than additional audits if funds are passed through the state
- Ask for lessons learned and feedback on how the workplan matches reality
- Strengthen the sense of partnership between the state and grantees
- Do not prioritize new and exciting program ideas over ongoing effective services
- Be open to increasing or supplementing mid-cycle grants
- Reporting forms should be included with the RFP or with the grant award so we know what will be expected
- The state should advocate to legislature on the work we do
- Reporting requirements should be balanced
- Evaluate programs efficiently/effectively without burdening grantees
- Train grant managers
- Send reminders one month before program and financial reports are due
- Conduct a survey/evaluation after the grant closes
- Forecast when RFPs will be available
- There should be greater consistency in budget line items and budget categories



#### Reporting/Monitoring:

- Streamline financial auditing and have trained staff do it (2)
- Consider more and bigger advances and pay monthly rather than quarterly (2)
- The state should create greater consistency in audit standards, explain exactly what they are looking for, and use it as a consistent monitoring tool (2)
- Understand the impact of your rules/requests on our operations
- Provide feedback on reports
- Spread information about best practices currently being used in state agencies
- Renegotiate when changes occur
- Provide one staff contact for grantees to work with
- Do a site visit around six months into the grant period
- Acknowledge costs that are associated with reporting and auditing
- Streamline all grants processes, especially payments and financial audits
- The state should make more advance payments
- Be more liberal with grant extensions
- Develop uniform reporting requirements
- Reports should be based on the completion of goals
- Do not micromanage, provide a clear understanding of the level of supervision attached to the money
- Allow for grantees to pay staff bonuses

#### Technology-

- Don't rush an electronic system until all of the bugs have been worked out or run parallel systems
- A one-stop website is exciting, but it needs a search engine and a sort feature
- Create a data collection system

#### Office of Grants Management:

- We are glad that OGM exists, but it should not be another level of bureaucracy (2)
- Convene a group like this annually to ensure implementation, strategic direction, planning. We want OGM to resolve issues and recommend improvements. (2)
- Don't drop the focus on grants, it is much needed and wanted
- Don't reinvent the wheel and pay attention to other best practices in funding
- Which state agencies make grants?
- What is the organizational structure for Drive to Excellence?
- How does the grants management process fit with the state's priorities?

**Participating Organizations:**

ARC of Greater Twin Cities  
Amherst Wilder Foundation  
Committee Against Domestic Abuse  
Courage Center  
Children's Theatre Co.  
Corner House  
Dispute Resolution Center  
Domestic Abuse Project  
Guild Incorporated  
Guthrie Theatre  
HIRED  
Immigrant Law Center  
La-Mano, Inc.  
Life-Work Planning Center  
Learning Disabilities Association  
Listening House  
The Loft Literary Center  
Lutheran Social Service of Minnesota  
MACC Commonwealth  
Metropolitan Area Agency on Aging  
Minneapolis YMCA  
Minnesota AIDS Project  
Minnesota Coalition Against Sexual Assault  
Minnesota Youth Intervention Programs Association  
Minnesota Valley Action Council  
Nicollet County Historical Society  
Merrick Community Services  
La Oportunidad  
Mid-Minnesota Legal Assistance  
Neighborhood House  
Open Door Health Center  
Planned Parenthood of Minnesota, North Dakota and South Dakota  
RESOURCE  
Second Harvest Heartland  
Southern Minnesota Independent Living Enterprises and Services  
Tubman Family Alliance  
Twin Cities Habitat for Humanity  
Women Venture