

# Grant Readiness

## PART 1: FOUNDATION & ACCOUNTING BEST PRACTICES

### Building a Strong Foundation

Core Capacities: Rate elements on the 1-5 scale to find your strengths and identify any gaps:

- **People and Roles:** Do you have a named grant lead, a finance lead, and backups? Do these staff members have the capacity to complete the requirements?

1 2 3 4 5

- **Budgeting:** Can you build and justify budgets by the needs of the organization and stated goals?

1 2 3 4 5

- **Cash management:** Are funds drawn through clean reimbursement processes, including excellent internal controls?

1 2 3 4 5

- **Procurement:** Do you follow clear thresholds, obtain competitive quotes, and use standard contracts?

1 2 3 4 5

- **Time and effort:** Are payroll and time sheets linked to specific grants?

1 2 3 4 5

- **Data and reporting:** Do you have defined outcomes and data sources?

1 2 3 4 5

- **Document management:** Is everything centralized and audit-ready?

1 2 3 4 5

- **Training and knowledge:** Do staff understand federal regulations like 2 CFR 200?

1 2 3 4 5

- **Technology and risk controls:** Can you produce reports on demand and manage risks proactively?

1 2 3 4 5

### Baseline Application Elements

- Obtain Unique Entity Identifier(UEI) from SAM.gov; full registration not required
- Non-profit status
- Written core policies
- Conflict of Interest forms signed
- Accounting system by grant/project

### Accounting Best Practices

*Time and Effort Tracking:* Employees' paid time must align with grants funding their work. Use one of the following:

- Timekeeping software that can track hours by grant and generate after-the-fact reports with supervisory approval. OR
- Personal Activity Reports (PARS) including:
  - Employee name and period covered
  - Distribution of time by grant/department
  - Signed certification confirming accuracy
  - Reconciliation with payroll and general ledger

*Internal Controls:*

1. Map how grant funds move through organization.
2. Identify risks, then mitigate each risk with a control.
3. Define roles clearly, no one person should initiate and approve the same action.
4. Add compensating controls if needed in small schools.
5. Document everything, train staff, and revisit controls regularly.