



# 2026

## FGFOA

### Annual Conference

**June 13-17, 2026**

Loews Sapphire Falls Resort  
at Universal



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**June 13-17, 2026**

Loews Sapphire Resort at Universal Orlando

# Speaker



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Government Finance Officers Association



# A thought experiment...

If I asked you to do everything in your power to make sure that your organization failed at implementing every aspect of its grant programs, what would you do?



# How to guarantee grant failure

- Work in silos and do not communicate
- Compete with other departments
- Duplicate effort across the organization
- Apply for every grant that you become aware of
- Don't apply for any grants
- Ignore required reporting
- Miss grantor deadlines
- Others?



# How can we prevent these outcomes?

- Develop clear grant policies and processes
  - Focus on defining roles and responsibilities
  - Consider a cross-department working group
- Communicate policies and processes
  - Train
  - Practice
  - Review and update



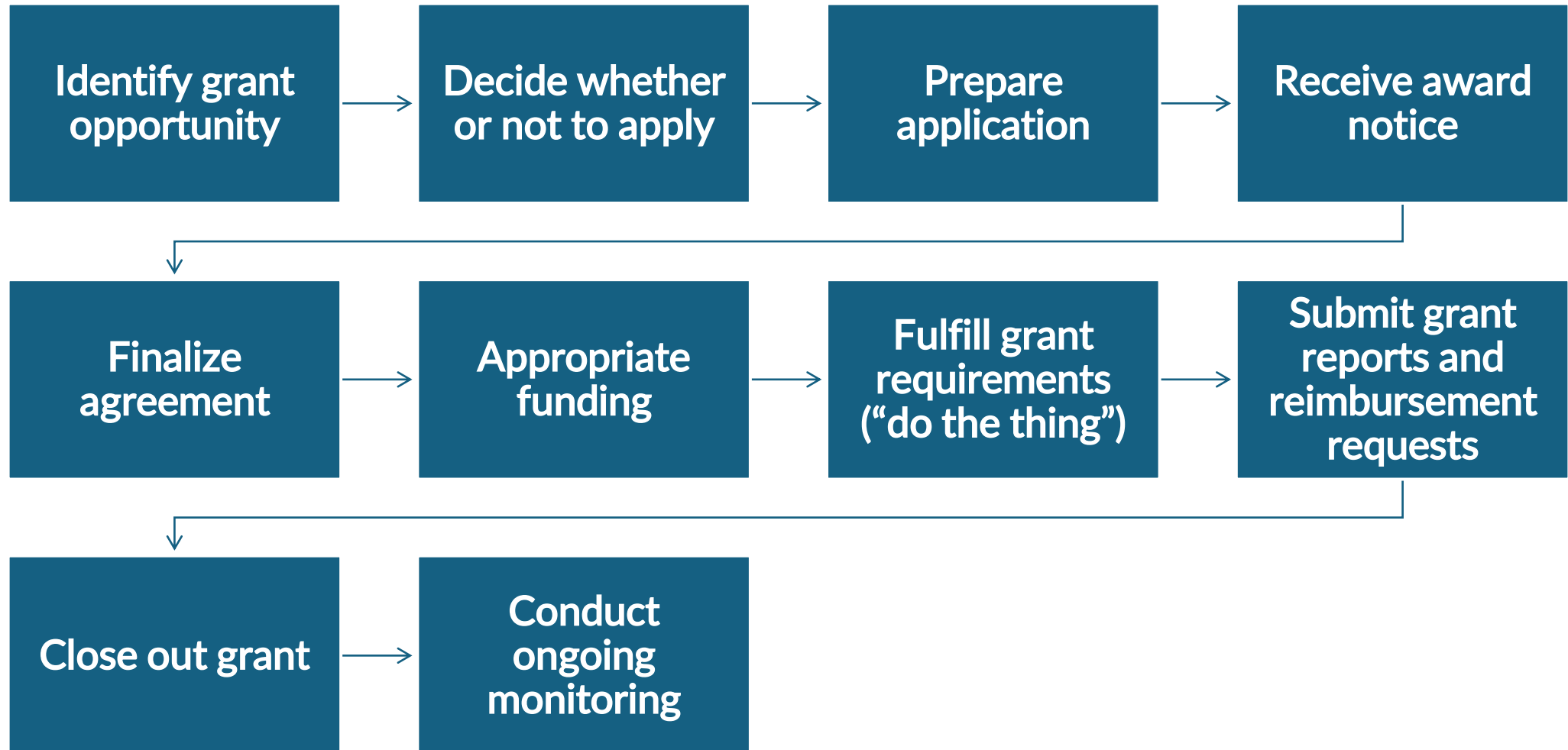
# GFOA recommends a formal grant policy

Policy should address steps to take prior to applying for or accepting grants and should (at minimum) include the following components:

- Grants identification and application
- Strategic alignment
- Funding analysis
- Evaluation prior to renewal or grant continuation
- Administrative and operational support

Source: <https://www.gfoa.org/materials/establishing-an-effective-grants-policy>

# Grant process overview



# Require advance notice

- Policy should require that the department or agency seeking a grant provide advance notice to the appropriate authority, such as the Finance Department or Budget Office.
- **Why?** So that the effects on the government, such as budget, cash flow, procurement requirements, financial reporting, or compliance requirements, can be reviewed and understood beforehand.

# Assess the grant's strategic alignment

- Policy should include a requirement for assessing the extent to which a grant is consistent with the government's mission, strategic priorities, and/or adopted plans.
- This could be a formal strategic analysis, including the creation of outcome measures, or simply a statement of the way in which the grant would further the organization's mission or strategic vision followed by a review by the Finance or Budget Office, strategic planning staff, or legislative staff.

# Conduct a funding analysis

Matching  
funds?

Other direct  
costs

Overhead costs

In-kind  
contributions

Audit and close-  
out costs

Costs to be  
incurred beyond  
the grant period

Cash flow  
concerns

# Evaluate prior to renewal or continuation

- Policy should address the overall approach to grant renewals and require an evaluation of the impacts of the grant-funded program or asset prior to deciding whether to continue a grant at the end of the initial grant period
- Creating outcome measures before receiving a grant will help determine the extent to which the grant program or asset has produced desired benefits

# Review all grant terms and conditions

- Policy should include a requirement that the government obtain a detailed understanding of grant terms and conditions and specify how the grant will be monitored.

# Establish procedures to address:

- Developing a project plan that would include how new programs or activities would be implemented and who would be responsible for implementation
  - Ensure proper resources are available to support the grant
- Providing training for those responsible for the grant
- Terms and conditions for grant-funded personnel
- Charging expenses against the grant and obtaining reimbursement

# When to appropriate the grant?

- Having a grant award is not the same as having legal authority to spend the grant dollars
- Your organization needs to obtain appropriation authority for the grant

Three options:

1. During the budget process
2. At the time the grant is awarded
3. At the time the funds are actually received

# Appropriate during the budget process

- Pros
  - Spending authority and revenue already accounted for
  - With the adoption of the budget, governing board giving tacit approval to proceed with the grant application
  - One less budgetary step/amendment to process
- Cons
  - Spending authority granted without grant in hand
  - Could lead to a budget gap if grant is not awarded

# Appropriate when the grant is awarded

- Pros
  - You know that the funding will be available
  - Controls “inappropriate” spending/use of funds
  - Provides governing board with specific decision- making opportunity
- Cons
  - Extra budgetary step

# Appropriate when the funds are received

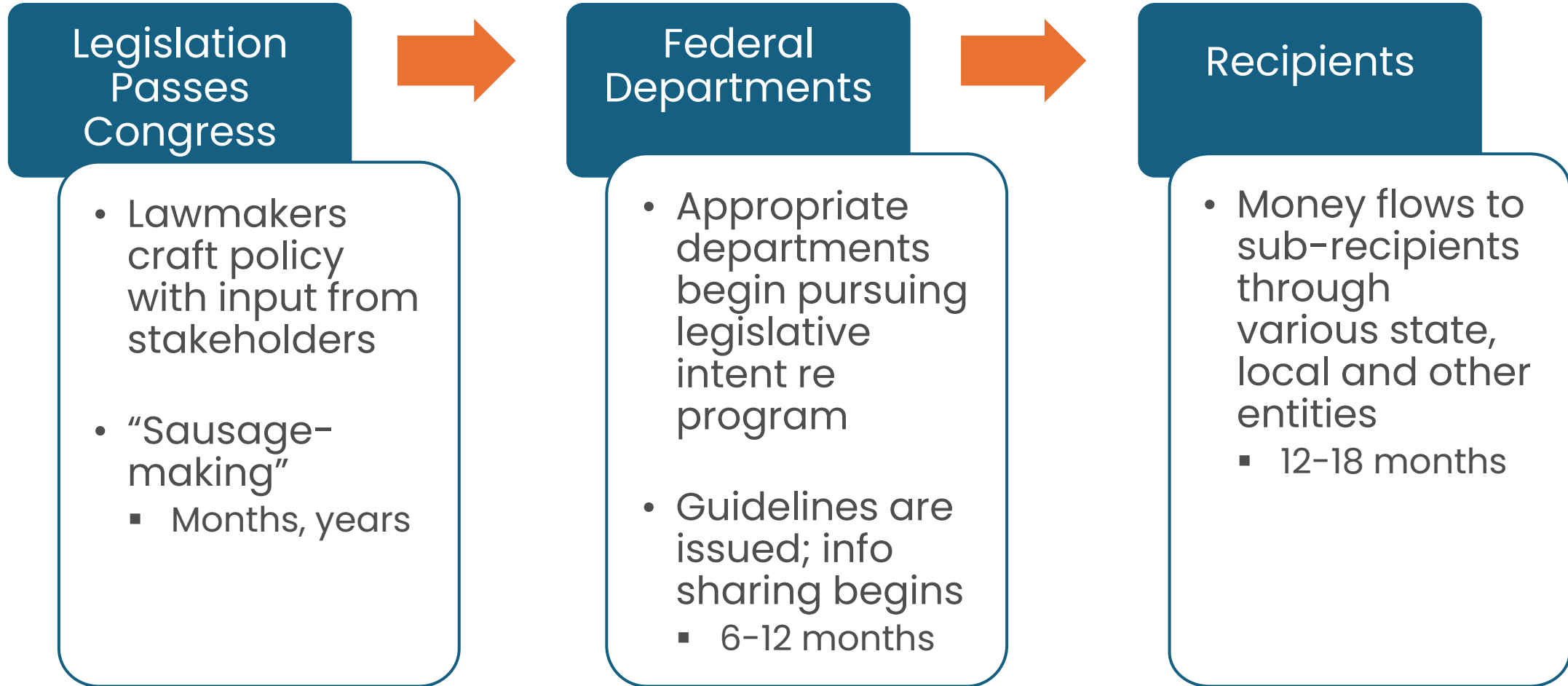
- Pros
  - You know that the funds are available
  - Controls “inappropriate” spending/use of funds
  - Provides governing board with specific decision-making opportunity
- Cons
  - Only works if grant funds are received in advance
  - Extra budgetary step

# Types of Grants

- Who's providing the funding?
  - Federal, state, local government
  - Private sector: foundation, business, individual
- How do you get the money?
  - Competitive vs. non-competitive
  - Reimbursement vs. up-front payment
- What's it for and how much discretion do you have?
  - Defined project or program
  - Broad program category
  - General operating support



# Federal Grant Process: Legislation to Deliverables

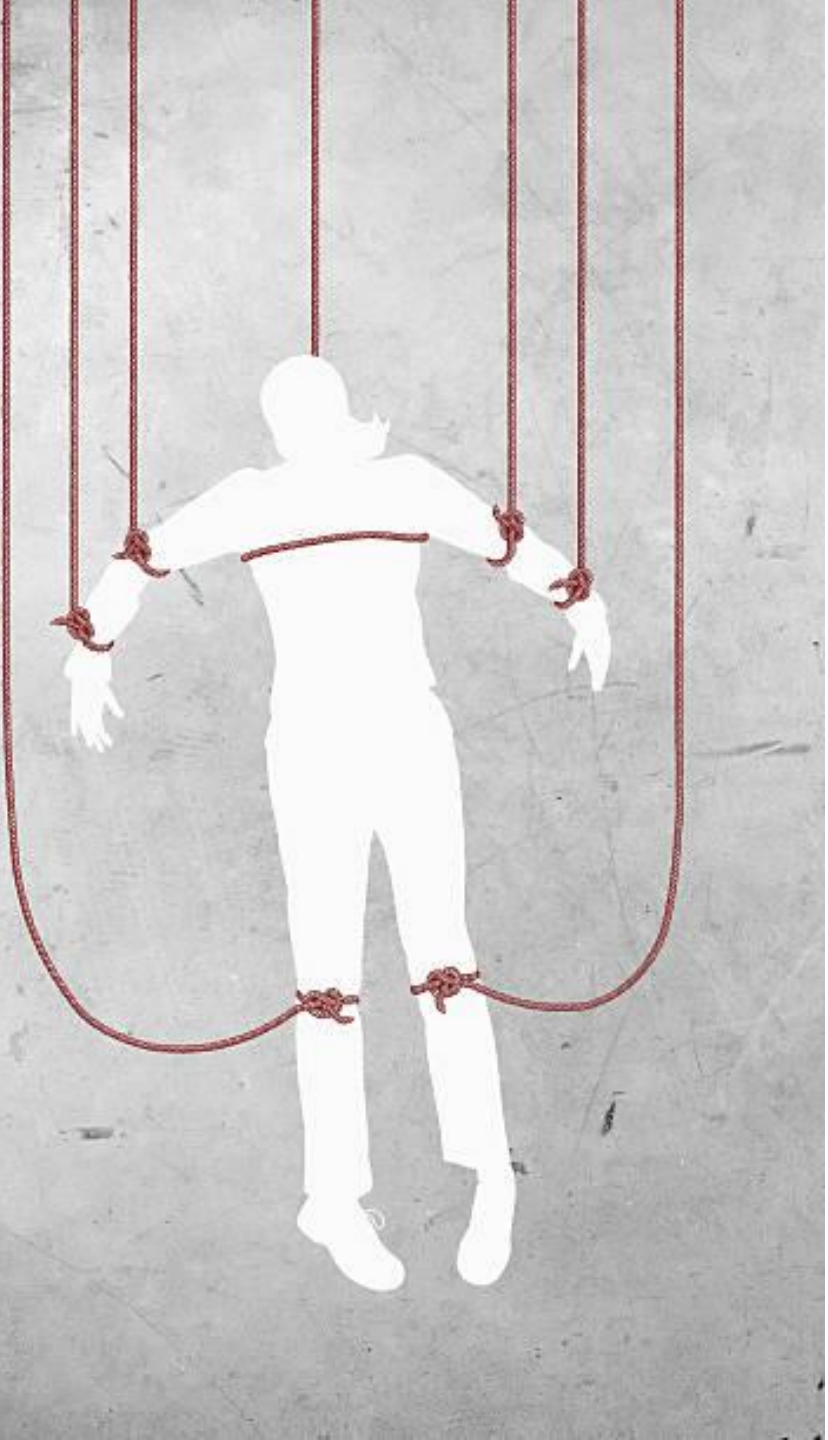


# Federal Grant Process: What You Need To Do

- Prerequisites to apply for Federal grants:
  - SAM.gov registration
  - Receive Unique Entity Identifier (UEI)
  - Grants.gov registration
- Award stages
  - Pre-award: searching for opportunities, completing registrations, and applying for funding
  - Award: notice of award, working on projects, and meeting requirements
  - Post-award: Financial and administrative reporting, and potential audits

# Federal grants come with lots of strings attached!

- Uniform Grant Guidance (UGG): 2 CFR, Part 200
- <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>
- Guidelines for management of all federal grants



The background features a large, faint, light blue graphic of a dollar sign (\$) overlaid on a gear-like circular pattern. The text is centered in the foreground.

# **Tracking Grants in Your Financial System**

# What is a project?

- A project is a group of related activities with a defined purpose/outcome that occur over a defined period of time.
  - A project is assumed to have a “beginning” and an “end.”
- “Projects” can be used to track many different types of activities your ERP/Financial System
  - Projects are flexible. They can track activities across funds, organizations, accounts, and fiscal years.

# Financial Systems Use Project Ledger

- Most (if not all) modern systems utilize a project ledger for tracking projects
- Project ledger allows for tracking additional detail outside of the chart of accounts
  - Allows for user defined segments specific to each project/use

# Chart of Account Components



- Fund (General Fund)
- Organizational unit (Police Department)
- Program/activity (Patrol)
- Account classification (Salary)
  - Expense
  - Revenue
  - Balance Sheet
- **Project**

# What do governments track as projects?

- Capital investments (i.e., large construction projects)
- Grants
- Operating projects with defined start and end dates (grants)
- Events (Disaster clean-up)
- Activities / Events that require high levels of detail
- Unique department by department tracking needs (project segment can typically be set differently project by project)

# Characteristics of Projects

- Require detailed tracking of expenses
- Can occur over multiple years
- Can occur with multiple departments or funds
- Can have multiple funding sources
- Costs are either tracked for reimbursement, capitalization, or analysis

# Grants can be tracked as projects

- Tracking expenses for a grant is easily tracked as a “project”

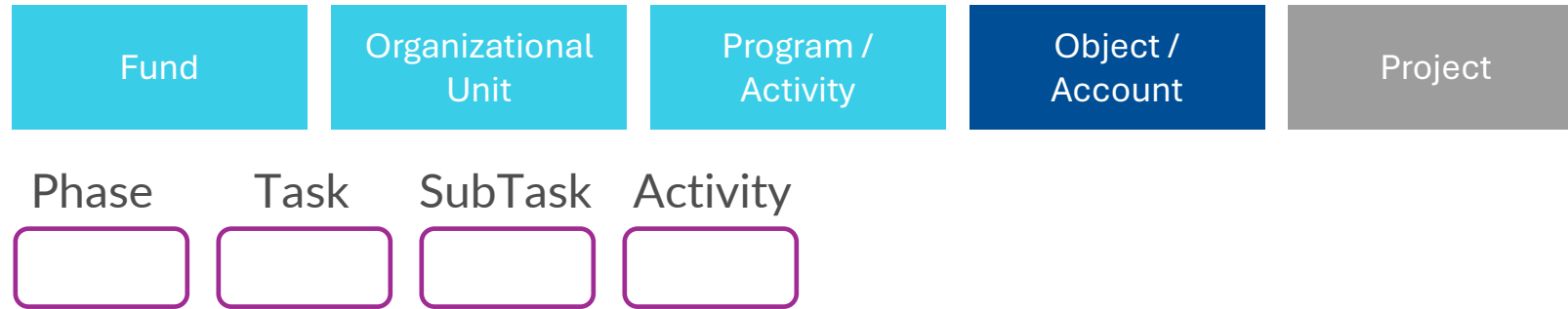
Phase	Task	SubTask	Activity
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- Examples of sub-ledger details
  - Phases of a grant / years of funding
  - Eligible for reimbursement/ not eligible
  - Specific expenditure categories

# Projects in a system replace need for Excel shadow systems

- Many organizations will use MS Excel to track projects and grants
  - Redundant data entry
  - Risk of data that is inconsistent / not reconciled
  - Detail not in financial system – no single version of truth
  - Limited reporting features
  - Difficulty in tracking reimbursements (no AR)
  - Delay in getting timely information
  - Need to develop complicated excel spreadsheets

# Setting Up a Project



- Identify types of information to track as
  - Phase, Task, SubTask, Activity
- Determine values for each “segment”
  - Identify any eligibility rules for expenses
    - Budget for funding sources
    - Eligibility dates
    - Overhead / Indirect costs
- Create structure within your financial system

# Communicating Project Accounts

- Project accounting in your financial system requires that staff use project codes during initial transactions
  - Purchase requisitions
  - Invoices
  - Time entry
  - Contracts
- Need to ensure that all staff have necessary security permissions to access project
  - Staff from multiple departments



# Final Thoughts on Grants

# Make Sure You Understand...

- Terms and conditions for grant-funded personnel, such as severance and unemployment costs related to employees who are terminated upon expiration of the grant
- Terms and conditions for operating and maintenance costs for assets that are acquired through grant funds
- Applicable uses of grant funds – What hours worked and what materials can be charged to the grant?
- Is it tied to performance?
- Are there increased pension contribution costs for grant personnel?
- Who in your organization reports on the grant to the granting agency?
- Who is responsible for requesting reimbursement?

# Cost-Benefit Issues to Consider

- Matching funds (and whether or not they will need to be set aside)
- Other direct costs associated with a grant
- Overhead costs and the extent to which they will be covered
- In-kind contributions
- Audit and close-out costs
- Potential costs beyond the grant period (e.g., on-going staffing and/or equipment needs)
- Any general revenues, line of credit, grant anticipation notes, etc. to cover lag between when funds will be expensed and when reimbursement will be received



**Exercise:  
Should We Apply?**

Your City Council has established the following priorities:

- Increase walkability
- Decrease pedestrian accidents
- Increase biking as a means of transportation

You have recently been made aware of a federal grant program for bike path construction. Your city investigated the possibility of building a bike path through a large park that would connect the downtown area to a car-centric residential subdivision. As of five years ago, the rough estimated cost of this bike path was \$2 million. The maximum grant award is \$1 million, and the grant requires a 100% local match. You need to make a recommendation about whether or not the city should apply for this grant.

- **What additional information, if any, would you need to make a decision about whether or not to apply for this grant?**
- **Who else should be included in the decision-making process?**
- **What's your initial recommendation? Why?**



# Questions and Answers

# Thank you!

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Connect with me on LinkedIn!