



Paving the Way

The Chicago Department of Public Health uses CA Clarity On Demand to make the most of grant opportunities.

Applying for and managing grants funding has emerged as a top priority for many state and local government agencies. With tax revenues declining in a “down” economy, grants associated with the American Recovery and Reinvestment Act of 2009 and other programs have become an important source of funds for government agencies. However, stiff reporting requirements and tight application deadlines attached to stimulus funding and other grants will require more sophisticated solutions for managing government funding streams, and tracking the requirements associated with them.

One forward-thinking government agency has already started down the path to more advanced grants management. The Chicago Department of Public Health (CDPH) launched an agencywide transformation that will help it take full advantage of available funding. The focus on efficient grants management is nothing new for CDPH — the department relies on grants for about two-thirds of its annual budget, so it’s critical that the agency maintain or increase the amount of grant funding it receives from year to year. As part of its overall effort to streamline operations, CDPH is integrating previously siloed processes and strengthening management of its grants portfolio.

To ensure the agency secures as much funding as possible, CDPH is now managing its grants like projects. CDPH uses Web-based project management software from CA to track critical timelines, spending levels and other requirements over the grant’s life cycle. The new approach helps the agency anticipate trouble spots and fix them before they impact funding.

“We deployed the CA Clarity tool because we needed a comprehensive tool to get control of our grants life cycle,” says CDPH First Deputy Commissioner and Chief Financial Officer Carlo Govia. “Whereas in the

past, it was sort of more functional, now we think about it as more project-driven.”

The new project management approach helps the department meet grant obligations and reduce the number of requests it makes to carry over unspent funds to the following year. Carryover requests are a problem because they can jeopardize future grant awards. If an agency doesn’t use all of its awarded funds one year, the award will likely be reduced the following year. As a grant moves through the five phases of its life cycle — ideation, application, award, implementation and closeout — a variety of factors can cause the agency to finish the grant year with funds unspent.

For example, a change in the award amount would require budget revisions. If not carefully tracked, those revisions can impact the procurement of necessary equipment, delaying the project and resulting in unfinished work and unspent funds at the end of the year. CA Clarity PPM On Demand provides a comprehensive view that allows the agency to predict these hang-ups and avoid them.

Maximizing Funds

CDPH’s grants management team consists of six staff members, who track the agency’s grants throughout the full life cycle. Until recently, CDPH’s approach to managing the grants was like many other agencies’ across the country.

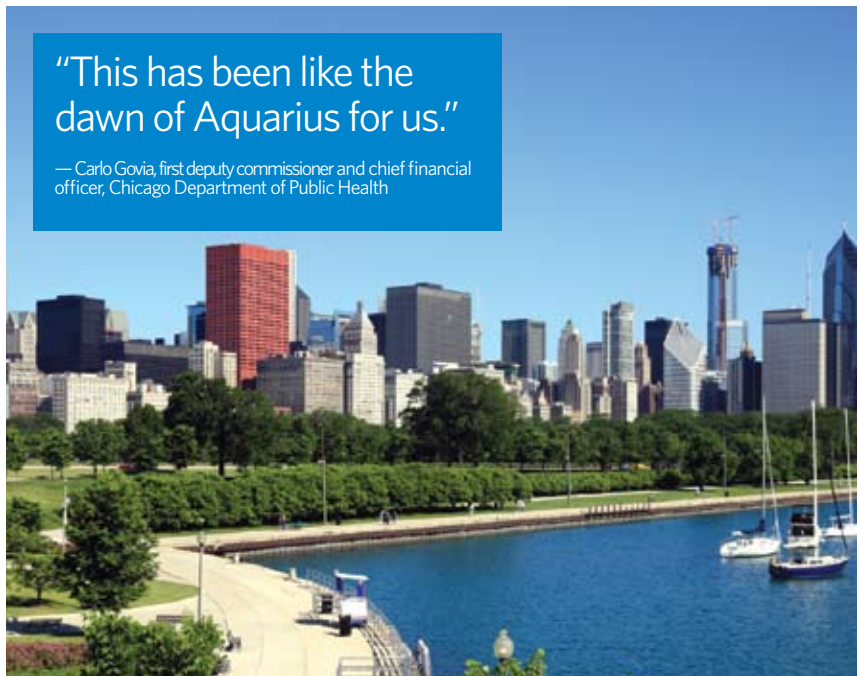
“We really were doing that on spreadsheets,” says Govia. At the time, the department was requesting carryover of about 10 percent of its grant funds annually.

The department began searching for a tool to better manage the 70 or so grants it typically administers, and eventually settled on CA Clarity PPM On Demand. Since deploying the solution, the department has reduced its carryover requests from 10 percent to 1 percent. Govia says the agency looked at other grant management tools, but they were geared more toward nonprofit entities, and CDPH needed a more robust solution that managed the full grants life cycle.

The agency can now put its grants into perspective, monitoring the

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— Carlo Govia, first deputy commissioner and chief financial officer, Chicago Department of Public Health



various phases of each grant and making decisions based on that information. This helps the agency respond with agility to changes in the project timeline, grant awards and resources available, rather than allowing the project to be delayed and needed funds left unspent at the end of the grant year.

In the past, the inability to view all of the grants in their various phases kept the agency from responding in a timely fashion to emerging issues. Govia says some of the biggest challenges to keeping grants on track are delays in procurement and hiring necessary staff to complete the grant objective. Using CA Clarity, the agency now acts quickly to circumvent delays of this type, and citizens benefit from the program funds as the grant intended.

"We can identify early in the grant life cycle those dollars that were originally budgeted at the beginning of the program year that are not going to be used due to procurement or hiring," says Govia. "We then redirect those dollars to more service delivery with our existing capability."

Stimulus funds will be managed with Clarity just like the other grants in the CDPH portfolio, Govia says. However, because of the special reporting requirements associated with the stimulus, the department will build regulatory and reporting requirements into the application. "All those rules will be built into the system."

The ability to customize Clarity was one of the things that impressed him about the solution, Govia says. "Its ability to be easily configured, to add the language and the workflow for the grants management project was a driver that allowed us to select CA Clarity."

Administrative Efficiency

In addition to helping CDPH maintain its grant funding levels from year to year, the solution is an important piece of an overall push toward greater

efficiency in the agency. Currently, staff in the finance division can access grant information in Clarity, but soon other managers in the agency will be able to view grant information, as well. An information dashboard will show budgets, actual expenses and other important data.

In addition, Govia says, data collected through Clarity already helps the finance staff target grant activities more effectively. "We're not just blindly sourcing the market for things we're never going to use because none of our program directors are interested in those kinds of awards."

The finance division can also keep better track of how much time it takes to manage a given grant, and allocate its human resources more effectively. And he says CDPH has already seen an increase in full-time equivalent productivity and efficiency.

The results are consistent with Chicago Mayor Richard M. Daley's vision of continually finding "new and better ways to manage government, provide city services and protect taxpayers" and embracing "new management practices, emerging technology and out-of-the-box thinking to deliver more efficiently the services that our people demand and our taxpayers support," as the mayor stated in 2008 when he accepted the 21st Century Commission's recommendations on improving government in the new millennium.

The results also are consistent with the guiding principles of the 21st Century Commission, including:

- **Operate with a vision for the future** that reaches beyond present-day issues and problems to identify and address challenges and needs for the future.
- **View service to residents as its principal goal**, and structure its operations to meet the needs of the people and businesses throughout Chicago.
- **Drive continuous improvement** in its internal operations.

"In the past, things were just siloed into paper all across the department,"



CDPH's Grant Life Cycle at a Glance

At the Chicago Department of Public Health, grants are managed in five phases:

Ideation — Finance staff finds and researches potential grants, querying program directors responsible for service delivery to find out which grants the program directors want to pursue.

Application — Once the decision is made to pursue a grant, the finance division develops a budget for and applies for the grant.

Award — When the application is approved and the award received, the budget is adjusted based on whether the award is more than or less than the application amount.

Implementation — During implementation, the division responsible for the delivery of the service carries out the grant objective, requisitioning the finance division for expenses.

Closeout — At the end of the grant year, the finance division gathers all of the details on outstanding requisitions, unspent funds and other details, and sends closeout reports to the grantor.

Govia says. "This has been like the dawn of Aquarius for us. It's a nice thing that we are able to see our data in one place and have better information to make better management decisions."

As the department improves its efficiency and decision-making by using integrated and automated tools, it is in a better position to secure more funding with which to carry out its mission of serving Chicagoans.

"If we can become more efficient," says Govia, "we can ask for more money because now we can justify that we are spending the money effectively during the grant year."

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