



Saying Yes to Grant Funding



Grants are critical sources of revenue for many nonprofits, but they carry with them a high burden of monitoring and accountability. Proper allocation, tracking, and reporting are essential to ensure your organization receives ongoing funding.

A handful of grants can be housed in your head and managed on a spreadsheet, but this approach is unsustainable. Some organizations even turn down grant money, because they don't have a system in place to manage the increased accounting burden.

If managing grants is key to your success, true fund accounting™ software is essential to your nonprofit. A segmented account structure means you can track every grant down to the penny, and customize your reports to meet the requirements of each grantor.

Grant Management in Fund Accounting

Audits and Compliance

Grants often carry complex rules, stringent compliance requirements, and a high likelihood of audit. Failure to spend grant funding as specified, or even failing to spend the entire grant amount, can put future funding at risk, or even trigger a requirement to return money.

True fund accounting™ software ensures compliance every step of the way:

- Every dollar of grant expenditure is fully traceable in the event of an audit
- Ongoing internal monitoring means no surprises later
- Budget-to-actual reporting ensures you're optimizing the funds allocated to each program

Multi-Year Grants

Multi-year grants come with tight rules around cash versus accrual. For example, the full amount of a three-year grant might be recorded in year one, but accrued over the course of three years. It cannot be spent in advance.

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True fund accounting™ software is designed specifically to support multi-year grants:

- Use specific general ledger codes for each grant, including layers of codes to track nuances of the requirements
- Create segments to allocate grant dollars across multiple fiscal years, reflecting the way money is actually being spent
- Report on funding according to your unique general ledger structure, avoiding risky manual processes outside your accounting system

Government Grants

It's no surprise that government grants are even more complicated and carry a greater compliance burden than most grants from private entities.

True fund accounting™ software can handle the unique challenges of government grants:

- Audits are virtually guaranteed on government grants, especially large grants that automatically trigger separate audits
- Government grants carry additional risk, because they're typically reimbursed rather than paid in advance; if any compliance issue is found after the fact, the expenditure is not repaid
- 100 percent compliance with the terms of the grant and 100 percent accuracy in reporting are critical to safeguarding your funds

How MIP Fund Accounting™ Can Help

The chart below outlines the challenges and problems nonprofit organizations commonly face in accounting management. Browse the issues below and compare them to what you see every day – they may not be problems you face now, but you need to ensure your accounting solution has the features and scalability to meet these challenges as you grow.

Your organization...	Which means...	Abila MIP Fund Accounting™ solves these issues with...
Relies on multiple grants and/or grants that span multiple fiscal years for funding	Requirements are complex and difficult to track, and must be carefully managed down to the penny	A specialized system which allows you to manage complex grants as needed, including across fiscal years
Has been challenged by a funder or auditor with regard to a given grant	System or manual controls failed and reporting is cumbersome	<ul style="list-style-type: none">• Reports that simplify funder reporting• Controls that avoid unapproved spend
Can't effectively manage the grants you have; or, has grants with unusual restrictions	Your organization may have to turn down grants	Reports, budgets, and controls designed to streamline and manage grants, enabling growth
Accepts government grants	Compliance failures can put your organization at risk	The ability for complex government grant regulations to be managed and tracked

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Abila MIP™ is designed especially for the fund accounting needs of nonprofits. If your organization offers fee-for-service or grant-funded programs, MIP™ gives you the solid foundation you need to help your organization thrive.

The MIP™ Advantage

- ✓ Accurately categorize grants using segments
- ✓ Target grants to specific general ledger codes
- ✓ Apply grants across initiatives and fiscal years
- ✓ Customize reports for every grantor
- ✓ Face audits with confidence

Don't say no to grant funding just because it carries additional complexities. MIP Fund Accounting™ can help you manage these complexities with confidence.

Abila MIP™:

The right choice to keep grant-based accounting on track.

Contact us today for more information on how we can help.

About Abila

Abila, a member of the Community Brands family, is the leading provider of software and services to associations, nonprofit organizations, and government agencies that help them improve decision making, execute with greater precision, increase engagement, and generate more revenue. Abila combines decades of industry insight with technology know-how to serve nearly 8,000 customers across North America. For more information, please visit www.abila.com.

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