Management of Grants in The World of Education

Amiruddin Siahaan¹, Nurika Khalila Daulay², Suriadi Panjaitan¹, Mayasari¹, Mukthi Halwi¹

¹²³⁴Universitas Islam Negeri Sumatera Utara Medan, Indonesia

Received: 23-02-2022  Revised: 13-04-2022  Accepted: 02-07-2022

Abstract

Grants are the provision of money/goods or services from the regional government to other governments, regional companies, the community, and community organizations, whose designations have specifically been determined, are not mandatory and are not binding, and are not continuously aimed at supporting the administration of business affairs, government, or support the achievement of program targets and local government activities in mandatory and optional affairs. While the source of grant funds itself comes from the source of grants. Grants to local governments can be sourced from: a. Government; b. Other local governments; c. Domestic private agency/institution/organization; and D. Domestic community groups/individuals. Grants from the Government can be sourced from: a. APBN revenue; b. Foreign Loans; and/or c. Foreign Grants. Grants from Foreign Loans and Foreign Grants can be sourced from foreign government governments, foreign agencies/institutions, international agencies/institutions, and/or other donors. Grant funds can be a useful additional resource for educational purposes. District/city schools and schools are advised to develop skills in seeking and obtaining grants. But caution is needed so that grant applications are made wisely and strategically. Grants also have obligations to their recipients and these should be considered before applying. The best approach to establishing the grant-seeking process is to ensure that the grant program considered aligns with and supports the school's strategy or school district plan.

Kata kunci:
Manajemen, Dana Hibah, Pendidikan

Abstrak

INTRODUCTION

Indonesia is a country that is still developing today, while Indonesia itself has the wealth and potential of Natural Resources (SDA) which is very supportive but it is unfortunate because Human Resources (HR) in Indonesia is still lacking. This is what makes the number of unemployed and poverty a major problem for Indonesia. Although there have been many programs issued by the government to deal with and alleviate unemployment and poverty, these problems have not been completely erased. Unemployment and poverty in Indonesia from time to time continue to increase along with the increase in the Indonesian population which is widely spread in every region in Indonesia.

Several programs have been implemented by the Regional Government, one of which is by receiving grants from every region in Indonesia to be able to help the problems that exist in each region that receives the grant funds, which is expected even though it does not eliminate the existing problems as a whole but if managed properly and properly can help the lower-class community or those who need assistance from the local government.

The larger and more unequal population can result in a gap in the level of community welfare in addition to other factors that influence it. It is the responsibility of the City/Regency Government able to reduce these problems. Problems that must be seriously handled by the Government so that there is an increase in the standard of living of the people, and the community can feel the changes even though the changes are not implemented immediately but little by little the Government can feel them. The problem is whether the management, distribution, and distribution of grant funds are appropriate to the community. The management of grant funds will not work properly if aspects of planning, budgeting, procurement of revenues, and distribution are not by the guidelines in existing regulations.

Grant aid expenditure is one of the expenditure accounts in the Regional Revenue and Expenditure Budget (APBD) that attracts public attention and often makes headlines in the mass media. This is because many parties need the grant assistance and many interests can be accommodated, both for the benefit of public welfare and certain political interests.

RESEARCH METHODS

The research method uses library research by collecting data from writings (literacy) that are related to the topics discussed, namely Islamic Education in Era 4.0. The researchers took the data from documentation in the form of books, research journals, and supporting articles. The discussion method uses descriptive-analytical methods, namely explaining and elaborating the
main ideas related to the topics discussed. Then present it critically through primary and secondary library sources related to the theme. (Sugiyono, 2005; Sukmadinata, 2005; Trianto, 2011).

RESULTS AND DISCUSSION

Grants based on the definition contained in the Regulation of the Minister of Home Affairs Number 32 of 2011 Article 1 number 14 are the provision of money/goods or services from the regional government to other governments, regional companies, the community, and community organizations, whose allocations have been specifically determined, not mandatory and non-binding, and not continuously aimed at supporting the implementation of government affairs, or supporting the achievement of regional government program and activity targets in mandatory and optional affairs. (Regulation of the Minister of Home Affairs Number 32 of 2011 Article).

From this understanding, it can be underlined that grants are very important programs because they are used to help other parties and to support local government activities by taking into account the principles of justice, compliance, rationality, and benefits for the community by the Regulation of the Minister of Home Affairs Number 32 of 2011 Article 4 point 3: The provision of grants as referred to in paragraph (1) is intended to support the achievement of regional government program and activity targets by taking into account the principles of justice, compliance, rationality, and benefits for the community.

Grants are an important part of the financial resources available for education, although these funds tend to comprise a relatively small percentage of the total funds available in the school district or school. The importance of these funds stems from how schools can use the money, which can range from specifically targeted goals to broad school-based discretionary projects.

Types of Grants

Grant Formula

It is a funding program that distributes grant resources to predetermined recipients according to a defined allocation process. The most common formula grant found in schools is Part A of the Titles Primary and Secondary Education Act (ESEA), which was passed back in 2001 as the No Child Left Behind Act. More than $7 billion of these grants were distributed to states according to a formula included in enabling laws made by the U.S. Congress (Al Ramiez, 1947).

The law further determines how states distribute the money to individual school districts, and then to schools. Formula grants often target a specific population for services, for example, the disabled or poor. These grants seek to focus on education-related needs, with the hope that the grant funds will assist or promote locally funded efforts.

Money is usually allocated based on the number of eligible students in the population. So, in the case of Title I, states with a higher concentration of children from economically disadvantaged households will receive proportionately more money than states and their school districts that are less affected by poverty. Most government grants for pre-college education can be classified as formula grants.

Competitive Grants

Competitive Grants This is a funding program that distributes the source of grant funds to target recipients based on how well-qualified applicants demonstrate the ability to meet some predefined funding criteria and successfully meet the requirements of the grant, relative to other
applications. As the name implies, competitive grants presuppose the number of applicants will exceed the number of grants that are also awarded on a competitive basis.

Many grants are sector-based, and foundations are competitive grants. Competitive grants often have the objective of stimulating new educational practices or services to a new population that provides financial incentives to states, school districts, or schools. Therefore, the criteria for selecting grantees for competitive grants often include items such as the probability of success of the proposed program; the willingness of grantees to share program evaluation results or demonstrate program operations; geographic location; staff quality local matching funds available.

In the two broad classifications, the formula provides financial resources for a specific group of targets or specific purposes. ESEA Title I and the Education Act on Individuals with Disabilities (IDEA), apart from being formula grants, are categorical programs because their funding is related to children from poor families or children with disabilities. In addition, because grant money is restricted to a limited number of uses, teaching in mathematics, reading, writing, staff development, or related services associated with the grant category of individual student education plans with disabilities usually has narrow educational objectives. A grant program to assist school libraries with the acquisition of their collections would be an example of a categorical grant. The grant will explicitly prohibit spending for other purposes. The following are some terms that are often used in grant funds:

**Block Grant**

Yet another grant approach, block grants can take many forms. What distinguishes a grant from, say, a categorical grant is that the money is used for a variety of purposes. Block grants are characterized by grantees receiving small amounts of funds with broad parameters of how the money can be spent.

Sometimes, the legislature will combine several categorical programs and permit grantees to spend their money as they see fit under one of the goals of the previous categorical program. While not general aid, block grant recipients typically value the ability to spend money on the broad purposes of block grants.

**Direct Grant**

These grants are made from the granting institution to the recipient without regard to potential recipients or other similar. These grants can be made because the grantor only decided to arbitrarily choose the grantee or because of special circumstances. An example of direct grants is when state legislatures allocate money to school districts to build or repair schools as part of disaster relief related to natural disasters.

**Discretionary Grant**

Discretionary Grants This is the term used to define the giver and the agency to exercise the freedom of choice about who should receive the funds and how the funds should be used. Typically, discretionary grants have a broader purpose, and funding from discrete grant grants provides a greater choice of expenditure to fund recipients. Competitive grants and direct grants can sometimes be classified as discriminatory grants when the eligibility criteria and uses of the money are very broad. Discriminatory grants are used by grantors to target some new or innovative
program, often on a pilot basis. A recent example is Race to the Top funding, which is distributed to states on a competitive basis by the US secretary of education.

**Research Grant**

Research Grants As the name implies, these grants aim to discover new knowledge. Common examples of research grants are found at universities; the medical school received a research grant from the National Institutes of Health to investigate the smoking habits of fifty populations as part of a national broad effort in this area. Research grants are often also competitive grants and are made available to highly specialized technical institutions. Thus, the eligibility criteria are very strict.

**Legal Sources of Grants Funds in Indonesia**

In the implementation of grants, a firm legal basis is needed to be able to carry out development with a clear legal basis based on grant funds.

- Law no. 17 of 2003 concerning State Finances;
- Law no. 1 of 2004 concerning the State Treasury;
- Law no. 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments;
- PP No. 57 of 2005 concerning Grants to Regions;
- PP No. 58 of 2005 concerning Regional Financial Management;
- PP No. 2 of 2006 concerning Procedures for Procurement of Loans and/or Grant Receipts and forwarding of Foreign Loans and/or Grants;
- and PP No. 38 of 2007 concerning the Division of Government Affairs between the Government, Provincial Governments, and Regency/Municipal Governments.

While the source of the grant funds itself comes from the source of grants. Grants to local governments can be sourced from: a. Government; b. Other local governments; c. Domestic private agency/institution/organization; and D. Domestic community groups/individuals. Grants from the Government can be sourced from: a. APBN revenue; b. Foreign Loans; and/or c. Foreign Grants. Grants from Foreign Loans and Foreign Grants can be sourced from foreign governments, foreign agencies/institutions, international agencies/institutions, and/or other donors. (Government regulation number 2 of 2012 concerning regional grants, Chapter II article 4).

**Managing Grants Fund**

When a grant proposal is accepted for funding, the applicant is notified in several formal ways. This notice can be in the form of a letter or, as in the case of the federal government and some states, a grant award document. Foundations and private businesses will provide grant award letters. The award grant document contains important information about the amount of money given, the length or duration of the award, the contact person, and account number information needed to withdraw funds from the bank. (Prastama, 2019).

The grant document is a financial commitment on the part of the granting agency. At this stage in the proposal and grant process, the applicant commits to implementing the program as proposed in the proposal and the agency commits to funding the project. In essence, both parties have entered into the contract. It is based on the two essential components of any bidding and accepting bid contract. Once a school or district is successful in securing a grant, a new set of
issues will arise regarding proper grant management. The grantee has obligations beyond those specified in the activities section of the proposal. It must also agree to comply with other conditions to receive a cash grant.

This obligation is referred to as a guarantee in many government grants. The granting agency usually has the organization that receives the grant “sign-off” on the guarantee. This signing is usually done as part of the documentation included in the proposal. In most cases, the chief school or district operational officer is required to sign. In some cases, the awarding agency may request formal school board acts as a condition of submitting a proposal. Sometimes in grant writer jargon, this part of the proposal is called the “boilerplate.” For example, a request for proposal from the federal government will require applicants to sign a series of guarantees related to federal civil rights laws, and fiscal and auditing requirements. But experienced grant managers understand that boilerplate is serious business given the contractual relationship that exists between grantors and grantees. Other terms and conditions may be included or referenced in the notification letter or provided in an award document read it.

Program Evaluation

This is a systematic investigation of program benefits (Fink). Most RFPs require evaluation, but often grantees fail to make meaningful evaluations once they receive a grant. Often, they see the evaluation section of a grant proposal as just another piece to be completed with no idea how it could help their program or school. In other cases evaluation of the grant program is carried out separately and thus has little or nothing to do with the effectiveness of the school as a whole.

When a school functions with a coherent management style, it uses all available resources to improve the school. Thus, the grant program evaluation requirements were used as an opportunity to be incorporated into overall school evaluation and accountability efforts. If a school does not have the expertise to design and carry out a sound program evaluation, it should seek outside help from a competent expert. Many grant programs allow this as an acceptable fee. Proposal Writing Strategies Administrators, teachers, and sometimes parent groups accept the challenge of seeking additional grant funding from multiple sources to meet critical resource needs in their school district, school, or classroom. Below is an outline of proven techniques for experienced grant proposal writers to help them win some extra funding.

Grant proposal writing is often a competition, and to win the competition, it is important to learn more about this source text is required for additional translation information. Send feedback Side panel for basic information about competition sponsors and the rules of the game. Make sure you know who the grant giver or sponsor is and what their organization's mission is. Your proposed program may or may not be compatible with that mission; otherwise, don’t bother applying. Beginner grant proposal writers often make some common mistakes that are a waste of time for themselves, their staff, and the funding organization. First, determine if you are an eligible recipient. Make sure you are eligible to receive a grant from the organization you are applying to before you write your proposal. Grant givers are very specific about who they think will receive their grant.

You must understand the funding criteria. Even if your organization is eligible to be a grantee, your proposal idea may not be eligible for funding. Some problems to avoid in this area might be asking for too much or too little money or asking for funds for something that the donor
Management of Grants in The World of Education

does not fund, for example, requesting construction funds when the grantor has determined that the grant will go to schools for curriculum development.

The adage "no free lunch" applies to grants, so be sure to understand what the deliverables are before you write a proposal. Results are what the grantor expects from you. Some grants can be more trouble than they are worth. Grantees must assess whether the grant will be a relief or a burden to their organization before they apply. Grants are not "found money" and always have a price for the recipient.

One way to become proficient at writing grant proposals is to analyze what happens to rejected proposals. In a way, one can learn from failure. Grantees are often passionate about this and interested in helping potential grantees become better at preparing proposals. They often share comments and assessment forms from proposal evaluators and will often provide suggestions on how to improve your proposal for further competition. Get to know the granting organization and help them get to know your organization or program. If possible, meet with the granting organization well in advance of the grant competition to learn about their priorities and to share information about what your mission and needs are.

Audit and Reporting

Grant funds are subject to audit. Financial and program audits are conducted regularly in all government grants received by school districts. The school district's annual audit will review the financial integrity of grant management and program implementation in terms of agreed activities and legal parameters of the program from an implementation perspective. The audit will look at expenditures relative to activities approved for the grant program and “permitted” expenditures.” Therefore, a grant program that limits personnel costs for classroom teachers will have an "audit exception” if the money is used to hire professionals. In such a case, the school district will become obligated to repay any improperly used money and may be subject to other actions by the grantor. In the case of a government grant, this could include criminal prosecution. (Heni Rohaeni and Arenawati, 2020).

Basic data reporting is another distinctive aspect of grant management. Funders are eager to obtain information on the number and types of participants and other program-related information about the programs they support. This data is often used as an indicator of program impact across states or nations. In many cases, data is used to justify requests for additional allocations from the legislature.

Program evaluation done properly is often complex and expensive. Grantees are warned to keep this in mind when preparing their budget requests. A final consideration in the area of grant management is the requirement to disseminate information about the program. Some grant-making agencies insist that grantees actively submit information about programs such as school districts, the media, or potential donors from the grant-making agency. The deployment of obligations may even include the establishment of a demonstration site specifically designed to receive visitors to view educational programs.

Schools and school districts should be selective about which grants to pursue and how many program grants to commit at one time. School leaders who view grant programs primarily as “money found” are: more likely to have difficulty managing their grants and the school program as a whole. School administrators need to remember that grant-making institutions have their agendas which they fulfill through the distribution of grant money. The awarding agency always wants something from the recipient. Grants are generally designed as an incentive or motivator.
for the recipient institution. Grantees want to get schools to do something on their behalf, for example, serve a certain type of student or offer a specific curriculum. School leaders must be able to discern the value of a grant program for schools and assess whether or not to pursue grants. Contrary to popular wisdom, when it comes to grants, one should always “look the gift” of a horse in the mouth.”

Grant funds can be a useful additional resource for educational purposes. District/city schools and schools are advised to develop skills in seeking and obtaining grants. However, care is needed so that grant submission is done wisely and strategically. Grants also have obligations to their recipients and these should be considered before applying. The best approach to establishing a grant-seeking process is to ensure that the grant program considered aligns with and supports the school's strategy or school district plan.

CONCLUSION

A grant is a provision of money/goods or services from the regional government to other governments, regional companies, the community, and community organizations, whose designations have been specifically determined, are not mandatory and are not binding, and are not continuously aimed at supporting the implementation government affairs, or support the achievement of program targets and local government activities in mandatory and optional affairs. While the source of the grant funds itself comes from the source of grants. Grants from the Government can be sourced from APBN Revenues, Foreign Loans, and/or Foreign Grants. Grants from Foreign Loans and Foreign Grants can be sourced from foreign government governments, foreign agencies/institutions, international agencies/institutions, and/or other donors.

Grant funds can be a useful additional resource for educational purposes. District/city schools and schools are advised to develop skills in seeking and obtaining grants. But caution is needed so that grant applications are made wisely and strategically. Grants also have obligations to their recipients and these should be considered before applying. The best approach to establishing the grant-seeking process is to ensure that the grant program considered aligns with and supports the school's strategy or school district plan.

REFERENCES

Ayu Kartini. (2019). Objektivitas Penyaluran Dana Hibah (Study Kasus Pada Pemerintah Kabupaten Badung), Jurnal Ilmiah Akuntansi dan Humanika, Vol. 9 No. 1
Ayu Novitasari. 2019. Inovasi Pelayanan Publik untuk Pengelolaan Dana Hibah yang Transparan dan Akuntabel, Jurnal Akuntabilitas Organisasi, Vol 1, No.2
Peraturan Menteri Dalam Negeri Nomor 32 Tahun 2011 Pasal 4
Prastama, Implementasi Pengelolaan dana Hibah dan Penggunaan Dana Hibah, Jurnal Administasi
Suastini, Efektivitas Dana Bantuan Hibah di Serang Banten, Jurnal Ilmiah Dinamika Sosial, Vol 3, No. 1