



# GRANTS MANAGEMENT

## Additional Actions Needed to Streamline and Simplify Processes

Highlights of [GAO-05-335](#), a report to the Committee on Homeland Security and Governmental Affairs, U.S. Senate, and the Committee on Government Reform, House of Representatives

### Why GAO Did This Study

The federal government distributed about \$400 billion in federal grants in fiscal year 2003 through about 1,000 different federal grant programs administered by several federal agencies with different administrative requirements. Congress, concerned that some of these requirements may be duplicative, burdensome, or conflicting—and could impede cost-effective delivery of services—passed the Federal Financial Assistance Management Improvement Act of 1999, commonly called P.L. 106-107, and mandated that GAO assess the act's effectiveness. This report addresses (1) progress made to streamline and develop common processes for grantees and (2) the coordination among the Office of Management and Budget (OMB), the agencies, and potential grant recipients.

### What GAO Recommends

To augment the progress toward streamlining grant administration, GAO recommends that OMB ensure that (1) initiatives have clear goals for completion, (2) agency annual progress reports are prepared, (3) efforts toward common reporting continue on track, (4) OMB's streamlining strategy integrate the three individual initiatives now under way, and (5) grantee input is solicited on an ongoing basis. In written comments on the draft report, OMB generally agreed with the report.

[www.gao.gov/cgi-bin/getrpt?GAO-05-335](http://www.gao.gov/cgi-bin/getrpt?GAO-05-335).

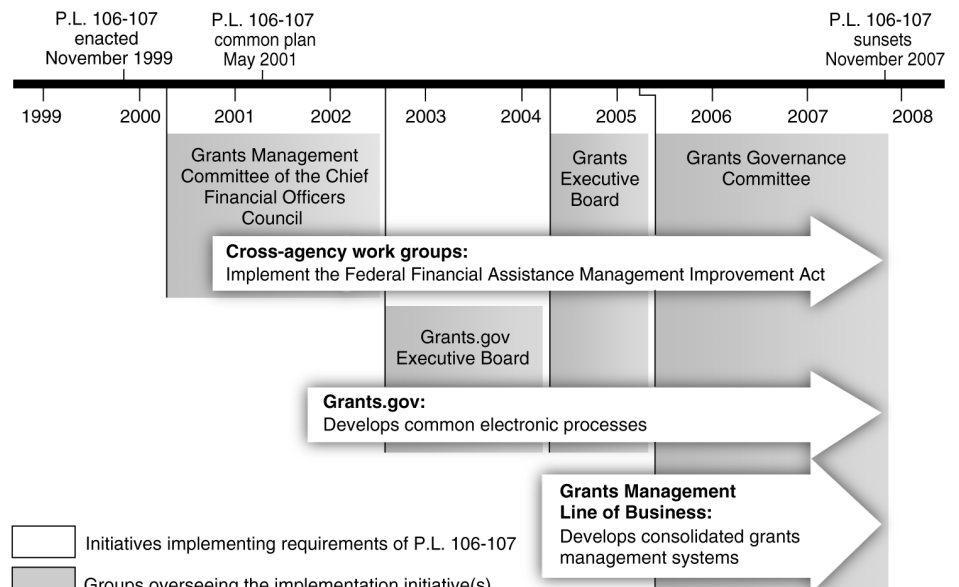
To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul Posner at (202) 512-6806 or [posnerp@gao.gov](mailto:posnerp@gao.gov).

### What GAO Found

More than 5 years after passage of P.L. 106-107, grant agencies have made progress in some areas of grant administration, but in other areas, particularly the development of common reporting systems, progress is just beginning. Grant-making agencies together developed a common plan for streamlining processes. Several cross-agency teams identified changes that should be made, and these plans are in various stages of completion. For example, a Web-based system, Grants.gov, is now available to help potential grantees identify grant opportunities and apply for them electronically. Common forms are being developed to eliminate duplication and unnecessary differences among agencies. However, efforts toward common electronic systems for reporting financial and performance information have not been developed, although the law requiring them sunsets in 2007. Further, individual agencies have not all reported on their progress annually, as required.

The individual agencies and the cross-agency work groups have a mixed record of coordinating with grantees. For example, the cross-agency work groups solicited public input to their early plan. Grants.gov publicizes its plans and solicits ongoing grantee input through its Web site and user surveys. However, the work groups generally have not made information about their work public nor solicited ongoing grantee input. Without such input, reforms are less likely to meet the needs of grantees. In general, the oversight of streamlining initiatives has shifted, potentially contributing to the lack of progress on all aspects of grant management.

**P.L. 106-107 Implementation and Oversight Groups**



Source: GAO.