

Executive Summary

Guide to Opportunities for Improving Grant Accountability

October 2005

Purpose of Guide

This guide is designed to provide government executives at the Federal, State, and local levels with ideas for better managing grants. The guide focuses on specific steps taken by various agencies. The intent is to share useful and innovative approaches taken, so that others can consider using them.

Promising Practices Demonstrate Opportunities for Improving Grant Accountability

Grants are an important tool used by government agencies to achieve goals. Grants support many programs that the public relies upon, such as healthcare, transportation, and education. The 2006 Federal budget includes approximately \$450 billion for over 700 grant programs.

Opportunities for improvement exist throughout the grant process, as shown in the table below. Prior to awarding grants, it is important for agencies to have internal control systems and performance measures to facilitate grant management. Agencies then need an effective pre-award process, a process for managing performance once grants are awarded, and the ability to assess grant results and use those results when awarding future grants.

Appendix A provides a two-page listing of all the promising practices.

For further information, contact the U.S. Environmental Protection Agency Office of Inspector General at (202) 566-2391.

To view the report online, click on www.epa.gov/oig/dwg/reports/dwg-grants.pdf

This guide is intended not to simply identify areas of improvement, but to provide specific examples of how organizations have already successfully implemented new practices or are in the process of doing so. Government executives at the Federal, State, and local levels should be able to look at these approaches and apply some of them to their own organizations.

Summary of Opportunities for Improvement

Areas of Opportunity	Promising Practice Issue Areas
Internal Control Systems	<ul style="list-style-type: none"> • Preparing policies and procedures before issuing grants • Consolidating information systems to assist in managing grants • Providing grant management training to staff and grantees • Coordinating programs with similar goals and purposes
Performance Measures	<ul style="list-style-type: none"> • Linking activities with program goals • Working with grantees to develop performance measures
Pre-Award Process	<ul style="list-style-type: none"> • Assessing applicant capability to account for funds • Competing grants to facilitate accountability • Preparing work plans to provide framework for grant accountability • Including clear terms and conditions in grant award documents
Managing Performance	<ul style="list-style-type: none"> • Monitoring the financial status of grants • Ensuring results through performance monitoring • Using audits to provide valuable information about grantees • Monitoring subrecipients as a critical element of grant success
Assessing and Using Results	<ul style="list-style-type: none"> • Providing evidence of program success • Identifying ways to improve program performance