

Frequently Asked Questions

What is the Domestic Working Group?

The Domestic Working Group was established in 2001 and is chaired by the Comptroller General of the United States. This group consists of 19 Federal, State, and local audit organizations. The purpose of the group is to identify current and emerging challenges of mutual interest and explore opportunities for greater collaboration within the intergovernmental audit community. Providing a guide to address grant accountability was one such challenge.

Who prepared the “Guide to Opportunities for Improving Grant Accountability”?

Staff from various Federal, State, and local audit organizations worked together to develop the guide. The organizations are listed on the inside cover of the guide.

Why was this grant accountability guide prepared?

The Domestic Working Group requested this project for several reasons. Grants are a significant portion of the Federal budget; since 1960, grants have grown from 7 to 17 percent of the Budget, and the 2006 Budget included \$450 billion for grants. The group believed that it was vital for senior managers to better understand the importance of accountability for grants. Audits continue to find problems with the use of grant funds and whether desired results are achieved. Inspectors General have identified grants management as a top challenge for many agencies.

How should this guide be used?

This guide is intended not to simply identify areas of improvement, but to provide specific examples of *how* organizations have successfully implemented new practices or are in the process of doing so. 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.

What are “areas of opportunity”?

Areas of opportunity are the key components or phases of the grant process where agencies can take action to ensure accountability for how funds are used and results are achieved. These include the pre-award, performance management, and results measurement phases of the grants process, as well as the areas of internal controls and setting performance measures.

What are internal control systems and why are they important?

Internal controls include an agency’s organization, policies, and procedures, and are tools to help program and financial managers achieve results and safeguard the integrity of their programs. These represent overall systems.

Why is performance measurement important?

For grants, performance measurement shifts the focus from how many activities were performed to what results were actually achieved with the funds used.

What is a “promising practice”?

A promising practice is a specific process or activity an agency has implemented that should improve accountability. A promising practice can also be viewed as good a management practice for the grants process.

How were the promising practices identified?

We identified issues affecting grant accountability. Project members collected information from existing audit reports and through interviews with agency officials. We identified those issues most likely to be common to Federal, State, and local agencies rather than those specific to one or two agencies. In addition, we solicited input on promising practices through the Association of Government Accountants and the National Association of State Auditors, Treasurers and Controllers. We also obtained the views of the Office of Management and Budget and the Public Law 106-107 workgroup to gain an understanding of ongoing efforts to streamline the grant process. Agencies other than those that participated in developing this guide contributed promising practices. Although we identified promising practices, we did not validate their effectiveness in this report.

Are the activities cited in this guide required?

No. The areas for improvement and examples of promising practices are just intended to provide government executives with suggestions for improving grant accountability.

Where can I get more information about the promising practices in this guide?

For most of the promising practices, the guide includes links to Internet sites with additional information or examples.

Where can I get additional information about this guide?

The Office of Inspector General of the U.S. Environmental Protection Agency (EPA) was the lead office for developing this guide. Additional information can be found on the Internet at www.epa.gov/oig/dwg/reports/ or by calling the EPA Office of Inspector General’s Office of Congressional and Public Liaison at 202-566-2391.