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Federal Grant Technical Assistance: Definition, Use, and Considerations for Congress

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Federal Grant Technical Assistance: Definition, Use, and Considerations for Congress

Congress often takes an interest in how quickly federal money is expended by grantees, how effectively funding is targeted to the needs identified in the legislation, and how the risk of waste, fraud, and abuse might be mitigated. This interest includes not only understanding how federal agencies select grant recipients and monitor grant-funded project progression (what is commonly called the spend rate), but also what tools are available to Congress for conducting oversight of trillions of dollars in federal grant funding. There is also interest in identifying resources that are available to constituents seeking grant awards, and ensuring that these resources are provided in an equitable fashion to grant seekers.

Technical assistance is a category of activities undertaken by federal agencies and grant recipients to provide resources to stakeholders to assist with navigating the federal grant process, and to strengthen the capacity of grant applicants and recipients to apply for, and manage, federal grant funding. Technical assistance activities occur in every phase of the federal grant life cycle. As discussed in this report, the types of activities will vary depending on the phase of the grant life cycle.

Understanding how technical assistance can be used as a tool in managing these concerns, how federal agencies and primary grant recipients provide technical assistance, and how technical assistance can be used to reduce the need for recoupment of federal funding will allow Congress to conduct more effective oversight of federal grants.

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Introduction to Federal Grant Technical Assistance

The pandemic had a significant impact on every level of government, and, in particular, a fiscal impact on state and local governments. According to the Pandemic Recovery Accountability Committee (PRAC), Congress provided \$2.6 trillion for coronavirus response and recovery.¹ Of that \$2.6 trillion, \$674.3 billion was provided to state, local, and tribal governments. An additional \$550 billion was provided to states for additional purposes under the Bipartisan Infrastructure Act. This funding is in addition to the regular outlays for federal grants to state and local governments, which was approximately \$648.4 billion in FY2019 (in constant FY2012 dollars).²

Grant management challenges are an ongoing administration and oversight issue. Several grant management challenges have arisen as a result of this unprecedented level of grant funding. For example, the creation of new grant programs, or the significant expansion of existing grant programs, contributes to the complexity of the grant application process. Additionally, portions of the funding may face time-sensitive components because federal agencies are challenged with balancing the need to expedite the awarding of grant funding with providing sufficient grant guidance. Clear guidance to potential grant applicants and grant recipients is essential to ensure the equitable and effective distribution of funding.

Many of these grant management challenges existed prior to pandemic-related supplemental grant program appropriations, though the scale of such challenges was magnified with additional grant program funding for pandemic response and recovery. Grant management challenges are an inherent part of all grant program administration, at all levels of government. While grant program appropriation levels may change depending on events such as a pandemic or other significant natural disasters or economic events, these challenges will continue despite changing appropriation levels. Consequently, tools to assist with mitigating waste, fraud, and abuse in federal grant programs will be of ongoing utility.

Technical assistance is a tool that can assist with a number of grant management challenges. This report explains what grant technical assistance is, how it is provided, and how it is used in each phase of the grant life cycle. Additionally, this report discusses some considerations that may arise when evaluating or implementing changes to federal grant program technical assistance.

Defining Technical Assistance

Grant management scholars define technical assistance as “programs, activities, and services provided by federal agencies to strengthen the capacity of grant recipients and to improve their performance of grant functions.”³ This definition can be expanded to include resources provided by primary grant recipients, such as states, to assist sub-recipients, such as local governments or school districts, in managing federal grant funding. There is also significant variance in the definition of technical assistance between federal agencies, and this has created significant challenges in evaluating the provision of technical assistance. In a 2020 report, the Government Accountability Office (GAO) noted, “While the term is used in statutory and regulatory language associated with these agencies’ selected grant programs, its meaning can vary depending on the

¹ Pandemic Response Accountability Committee, *Where Did Pandemic Relief Funds Go?* Available at <https://www.pandemicoversight.gov/>, accessed on April 4, 2023.

² Office of Management and Budget, *Budget of the U.S. Government: Fiscal Year 2024*, Historical Table 12.1, Summary Comparison of Total Outlays for Grants to State and Local Governments: 1940-2028.

³ U.S. Government Accountability Office, *Grants Management: Agencies Provided Many Types of Technical Assistance and Applied Recipients’ Feedback*, GAO-20-580, August 11, 2020, p. 3.

program, with individual program offices applying their own working definitions of technical assistance.⁴ Despite the lack of a common definition, most technical assistance resources in federal grant programs include general categories of resources for direct and indirect technical assistance.

Direct Technical Assistance

Current and potential federal grant recipients often struggle with understanding how to navigate the federal grant process. This includes developing a successful grant project application, completing all statutory and regulatory requirements throughout the life cycle of a federal grant, and establishing performance metrics and measuring outcomes of awarded projects. Direct technical assistance activities by federal and state agencies might include

- review of potential grant applications to ensure eligibility of a proposed project;
- assistance to applicants in calculating the benefit-cost ratio of a proposed project;
- recommendations for improving internal controls for effective grant management; and,
- recommendations for addressing and resolving grant funding audit deficiencies.

Direct technical assistance is generally provided on a one-on-one basis, with assistance tailored to address the specific needs of individual grant recipients. The nature of the direct technical assistance may vary depending on the project grant life cycle. For example, direct technical assistance in the pre-award phase might include assistance with calculating the benefit-cost ratio to include in the application. While direct technical assistance in the post-award phase might include recommendations for grantees to improve cash management systems to better track grant expenditures.

While some federal agencies have developed stand-alone programs to provide technical assistance⁵, most federal and state agencies provide direct technical assistance under a broader category of activities known as management and administration (MA). MA activities are funded as an allowable amount or percentage of a grant award rather than as a separate grant only for MA. As a result, federal agencies and state agencies often provide technical assistance in a broader fashion that provides indirect resources to potential grant applicants and grant recipients.

Direct Technical Assistance Programs

The Federal Emergency Management Agency (FEMA) administers a grant program called the Building Resilient Infrastructure and Communities (BRIC) grant program. In 2022, FEMA received numerous requests by potential grant applicants for technical assistance for a range of topics, including support for local hazard mitigation plan development, identification of hazard specific solutions, assistance with hazard mitigation project planning, support to develop grant applicants, assistance in demonstrating a benefit-cost ratio for grant applications, and help with managing federal grant funding. FEMA developed the Non-Financial Direct Technical Assistance program to provide resources to grant seekers and recipients of the BRIC program.

⁴ Ibid, p. 4.

⁵ For example, the FEMA BRIC grant program. For additional information on the FEMA BRIC program, see CRS Insight, CRS Insight IN11515, *FEMA Pre-Disaster Mitigation: The Building Resilient Infrastructure and Communities (BRIC) Program*, by Diane P. Horn. Additional information on the FEMA Non-Financial Direct Technical Assistance program is available at https://www.fema.gov/sites/default/files/documents/fema_fy22-bric-technical-assistance-psm.pdf.

Indirect Technical Assistance

Federal agencies may also provide technical assistance through resources that are targeted to a broader audience, and through financial assistance that can be used by the grant recipient for nonfederal grant management assistance.

Federal Grant Program-wide Indirect Technical Assistance

Federal agencies may choose to leverage their resources by developing technical assistance tools for a wide audience of grant stakeholders. For example, a federal agency may provide webinars on how to apply for a specific grant program, or to discuss changes in the grant program since the previous application period. Some federal agencies, such as the Department of Education, have developed technical assistance centers that provide a range of resources for eligible grant applicants and grant recipients, including “newsletters, guidebooks, or research syntheses, downloaded from the TA center’s website.”⁶ This type of indirect technical assistance is designed to meet the universal needs of grant seekers or recipients by providing information on frequently asked questions or topics. While the federal agency is directly involved in developing and disseminating the information, the individual grant recipients are indirectly benefitting from the general resources.

Project-Specific Indirect Technical Assistance

While grant seekers and recipients may benefit from the general information provided by federal agencies to address broader technical assistance topics, some grantees need more specialized assistance. Federal agencies may be limited in their ability to provide such specialized assistance due to the total volume of individual grant recipients (often thousands each year across all federal agencies and programs). To address this shortfall, some agencies allow individual grant recipients to use a portion of the awarded grant funds to cover expenses relating to technical assistance. For example, a grant recipient may be allowed to use up to a certain percentage of the awarded grant funds to pay for the services of a professional grant management contractor if the grant recipient does not have the capacity or experience to manage the awarded grant funds. The grantee may be required to cover any shortfall in the cost of technical assistance that exceeds the allowable amount under the specific federal grant award.

Some grant programs have a program-wide cap on the allowable amount of awarded grant funds that can be used for grant management activities, including technical assistance. Therefore, even though the need for technical assistance may be unique to each individual grant project, the guidelines on how much funding can be used are based on generalized programmatic assumptions. In some cases, this limits the amount of indirect technical assistance available to a grantee, creating a shortfall.

Use of Technical Assistance in the Grant Life Cycle

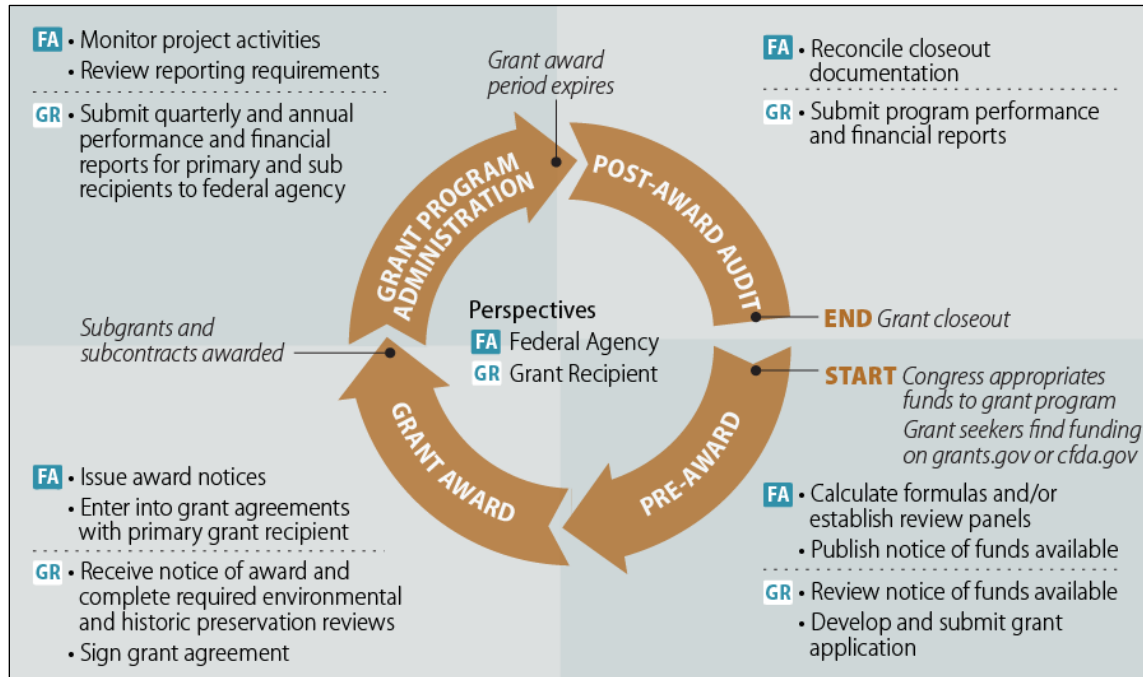
Technical assistance can support a range of activities associated with applying for, managing, evaluating, and closing out federal grant awards. The specific activity may vary depending on which phase of the grant life cycle an individual grant project is in at any given point in time.

Figure 1 provides a summary of the different phases of a grant life cycle and the federal agency (FA) and grant recipient (GR) activities in each phase. The benefits of direct versus indirect

⁶ U.S. Government Accountability Office, *Grants Management: Agencies Provided Many Types of Technical Assistance and Applied Recipients’ Feedback*, GAO-20-580, August 11, 2020, p. 7.

technical assistance may also vary depending on the phase of the grant life cycle. In some phases, direct assistance may be more efficient or effective, while in other phases a more individualized technical assistance approach may be needed.

Figure 1. Life Cycle of a Federal Grant



Source: Congressional Research Service, April 2023.

Pre-Award Phase

Most of the grant administration activities provided during the pre-award phase involve developing general information that is made available to a broad audience. Therefore, federal agencies often use indirect technical assistance tools such as webinars, best practice documents, and other written guidance, to provide general program information, guidance on developing competitive applications, assistance with navigating the application process, and clarification on allowable projects and cost categories. In some cases, however, this generalized technical assistance may not be sufficient for addressing the specific needs of some grant seekers or grant recipients. For example, some potential grant applicants, such as first time grant seekers or grant seekers from underserved areas, may have unique needs. Additionally, past grant recipients seeking new grant awards may need more specific technical assistance to address previously identified grant management challenges.

Pre-Award Phase Technical Assistance

During the pre-award phase, the federal administering agency develops the factors for calculating the grant allocation for formula grant programs, or establishes criteria for scoring competitive grant program applications. During this phase, the federal agency also develops guidance for the grant program, publishes notices for funding availability in the Federal Register, and provides information regarding the application process and program requirements on the federal agency website.

Assistance to Potential Grant Applicants

Potential grant applicants may include first time federal grant seekers, previously unsuccessful applicants, and returning grantees. The technical assistance needs of grant applicants may vary based on a number of factors. These factors include, among others

- the level of experience of the grant seeker in developing grant applications;
- capacity of the grant applicant to develop a grant application and manage a federal grant award;
- scope and level of complexity of the proposed grant project; and
- available resources of the grant applicant to contribute to mandatory grant requirements such as pre-award assessments and cost share requirements.

Technical assistance to potential grant applicants affords the agency the opportunity to create a more equitable grant application environment. For example, federal agencies may undertake indirect technical assistance activities to help ensure that information about what funding is available and what types of projects would be eligible is shared across a range of communities in a timely fashion.

Federal agencies may also identify those communities that may not have sought, or been successful at seeking, federal grant awards in the past in order to evaluate how to improve technical assistance in those communities. For example, in addition to providing a webinar on changes to the grant program application process, a federal agency may also provide more direct technical assistance by conducting in-person outreach sessions to underserved communities and provide an opportunity to answer more project-specific questions. The FEMA BRIC program discussed previously in this report utilizes this direct technical assistance approach for grant applicants.

Corrective Action for Poor Grant Management Practices of Returning Grant Recipients

As part of the grant award process discussed in more detail in the grant award and post-award sections of this report, grant recipients must provide documentation of the use of federal grant funds. In some cases, the audits conducted as part of the close-out process of a federal grant award may identify particular grant management challenges experienced by the grant recipient that may have resulted in misuse of federal grant funds. In some cases, this misuse of funds may be inadvertent and attributable to lack of grant management knowledge on the part of the grant recipient. This is particularly true for first time grant recipients who may be unfamiliar with the appropriate grant management practices. When a grant recipient is identified in the audit process as mismanaging a federal grant, the federal agency is required to issue a document to the grant recipient that identifies the specific corrective actions the recipient must take before seeking additional federal grant awards. For example, if the grant recipient has an outdated cash management system and has struggled to track the financial data required of the grant award, the grantee may be advised to update their cash management system. However, in some cases the grant recipient may be unsure of how to implement the corrective action while still wishing to seek additional federal grant awards. Technical assistance to these applicants may include direct activities, such as making agency personnel available to explain how to resolve the corrective action item, as well as indirect activities, such as allowing the applicant to use a certain amount of new grant funds to cover the cost of the corrective action. Because corrective actions are often unique to each individual grant recipient, technical assistance may need to be a more customized activity rather than a general provision of information regarding how to apply for the grant

funding. While both direct technical assistance and indirect technical assistance can be used to provide the customized assistance that may be required, federal agencies may have limited capacity to provide customized technical assistance to every new and returning grant applicant. Therefore, federal agencies may need to establish criteria to prioritize which grant applicants will be eligible to receive customized technical assistance in the pre-award phase.

Grant Award Phase

Technical assistance during the grant award phase often involves assisting the grant recipients with complying with the grant agreement. Since each grant agreement is unique to the specific individual grant project, technical assistance with a more generalized indirect approach may not be as effective as technical assistance customized to the individual grant project. For example, the federal agency may provide one-on-one direct technical assistance to the recipient by holding coaching sessions or conducting site visits to be able to identify potential problems with the grant management activities, and then pro-actively assist the grant recipient in resolving those problems. Indirect technical assistance during this phase may include the federal agency allowing the grant recipient to use a portion of the grant award for grant management and administrative expenses such as hiring a grant consultant.

Grant Award Phase Technical Assistance

During the award phase, grant awards are made to individual grant recipients either through a statutory formula allocation, or through agency discretion in selecting successful applications. Once grant funding is awarded for specific projects, the grant recipients must comply with the reporting requirements and other conditions of funding, such as ensuring the funds are spent on eligible expenses and within a specific time frame. Federal grant funds are awarded under a legally binding contract known as a grant agreement. Grant recipients are required to comply with all the terms and conditions of the grant agreement.

Some agencies require technical assistance for first time grant recipients to help ensure the recipient understands what is required of them based on the grant agreement. The indirect technical assistance could be customized to address certain grant recipients, such as first-time grant recipients, to allow for a higher percentage of the grant award for grant management to offset unique challenges such as reduced capacity or a learning curve for good grant management practices.

Evaluating Grant Recipients

In order to closely align the technical assistance with the specific grant management needs of the grant recipient, the federal agencies may need to evaluate the needs of its grant recipients. Each individual grant applicant or grant recipient is unique. Their specific need for technical assistance is based on a variety of factors and may be addressed through several different types of technical assistance at different points in the grant life cycle. Therefore, a federal agency may establish criteria for evaluating the technical assistance needs of the grant recipients. The federal agency must also establish priorities for providing technical assistance to balance the need for assistance with the capacity of the federal agency. For example, FEMA established a criteria for prioritizing the BRIC Non-Financial Direct Technical Assistance program. The criteria included whether the grant recipient qualifies as an economically disadvantaged rural community, whether the community has shown a compelling need in the request for direct technical assistance, and whether the grant applicant has not received a grant award from certain programs within the past

five years.⁷ Not all federal agencies have established criteria for providing technical assistance. Standardizing technical assistance criteria would assist with evaluating grant recipients and providing technical assistance based on documented need.

Establishing Types and Levels of Technical Assistance

Once a federal agency understands its grant applicants, it can then establish the types and amounts of technical assistance it can make available. As discussed previously, the grant recipient may receive direct or indirect technical assistance, or a combination thereof. While a grant recipient may benefit from generalized technical assistance resources, it may also need customized indirect and direct technical assistance, and certain grantees will likely need more technical assistance than others. For example, grant recipients that routinely receive federal grant awards, or those who have sufficient resources to manage large amounts of federal grant funds, may need less technical assistance than a grantee who is a first time grant recipient or who may have more limited capacity with managing federal grant projects.

Grant Project Administration Phase

Technical assistance activities during the project administration phase ensure that the federally funded projects are completed on time, in a cost-efficient way, and that the risk of waste, fraud, and abuse is mitigated. There are several types of technical assistance activities that may be used during the grant project administration phase, including site visits, monthly or quarterly project document reviews, evaluation of the spend rate and reimbursement schedule of the project, and assessment of project performance milestones.

Grant Project Administration Phase Technical Assistance

Once a federal grant has been awarded and a grant agreement has been executed by both parties, the federal agency and the grant recipient begin administration of the grant. Grant administration activities may include reviewing activities conducted under the terms of the grant award, reviewing and approving changes in the scope of work to be done under the grant agreement, and assessing compliance with program and financial reporting requirements

Direct Assistance Through Site Visits

Federal agencies and primary grant recipients may periodically visit a grant recipient project site to assess the status of a project and to provide direct assistance with any issues that may have arisen during the implementation. The frequency of site visits is based on the complexity of the project and/or the challenges that a particular grantee may be facing. For example, if quarterly reports indicate that a project does not have a consistent spend rate, the federal agency may conduct a site visit to determine the causes of the delayed expenditures. In some cases, challenges may be attributed to issues beyond the control of the grant recipient such as back-ordered materials. In other cases, the delay may arise from a lack of grant management personnel to process payment of invoices. Site visits enable the assessment of specific project management issues, after which the agency can attempt to resolve issues, including through technical assistance.

⁷ Federal Emergency Management Agency, FEMA Program Support Material, BRIC Non-Financial Direct Technical Assistance, October 2022, p.3, at https://www.fema.gov/sites/default/files/documents/fema_fy22-bric-technical-assistance-psm.pdf.

Indirect Assistance Through Financial and Performance Document Reviews

Federal agencies generally establish a standard process for reviewing grant project documents (such as quarterly financial reports). This process allows the agency to identify certain characteristics of a grant project that may indicate grant management challenges. The federal agency can then adjust the type of technical assistance made available to that grant recipient to resolve the grant management issue. For example, as discussed previously, the lack of recent draw-down requests on a specific project may indicate the grantee is experiencing a problem with the project. For instance, if the grant management issue involves a lack of understanding by the grant recipient about how to submit a reimbursement request, the agency may direct the grant recipient to general indirect technical assistance tools such as a frequently asked questions document. However, if the grant management problem is more unique to that particular grant recipient, the agency may consider other indirect actions. For instance, if delays in draw down requests result from attrition of grant management personnel, the agency may then adjust the allowable amount that can be used by the grant recipient to hire more grant management personnel. Reviewing financial and performance documents on a regular basis during the project administration phase allows the federal agency to provide timely and needed technical assistance in a proactive way to best align with the needs of the individual grant recipients.

Post-Award Phase

Federal agencies use technical assistance during the post-award phase to ensure that the information necessary to conduct oversight of the grant funds is accurate, complete, and timely. Both direct and indirect technical assistance is utilized during this phase of the grant life cycle. Indirect technical assistance generally includes webinars on how to complete and submit closeout forms and how to submit audit findings to the Federal Audit Clearinghouse. However, more customized direct technical assistance may be necessary in cases where the grant recipient has unique issues, such as a need to request an extension on the grant project period of performance if the project is not yet complete.

Audit Resolution Plans

A grant recipient is required to submit all of the prescribed financial and performance reports to the federal agency at the end of the grant project period of performance. For certain grant recipients, the closeout requirements may also include an audit of federal grant funds by a third party accounting firm. The auditors will evaluate the use of grant funds to ensure that the project was conducted in compliance with required statutory and regulatory provisions and that the conditions contained in the grant agreement have been met. If the auditors find any costs that are questionable, or if there are any other compliance concerns, then the auditors note those concerns in the audit report that is submitted to the federal agency. The federal agency is then required to develop a corrective action plan and provide the plan to the grant recipient.

Post-Award Phase Technical Assistance

The final phase of the grant life cycle involves oversight activities of the expended grant funds. There are several accountability and oversight provisions that are part of the grants administration process. Reporting requirements, both statutory and regulatory, require data collection, reporting and evaluation by the grant recipient and federal agency. The grant recipient also has specific post-award requirements. This includes submitting all final financial documents and performance reports to the federal agency. The federal agency then reconciles all expenditures and disbursements relating to the individual grant project, and closes all cash management and program management system accounts for each award. Once the federal grant award is closed out, the federal agency will evaluate the project audit for appropriate use of funds and any indication of waste, fraud, and abuse.

Certain grant recipients may require technical assistance from the federal agency in order to take the corrective actions required in the plan. Currently there is no requirement that federal agencies provide technical assistance based on issuance of a corrective action plan. Some types of technical assistance are not available to assist with resolution of bad audit findings. For example, indirect technical assistance that allows the grant recipient to use a portion of the awarded grant funds to cover grant management costs is not available after the grant is closed out because the grant recipient is not allowed to expend any grant funds after the grant is closed. However, federal agencies can provide other types of technical assistance (such as direct technical assistance), and provide federal agency personnel to assist with implementation of the corrective action plan. Given their limited resources, federal agencies may need to establish criteria by which they select grant recipients for direct technical assistance for post-award activities.

Award Close-Out Assistance

Some grant recipients face challenges in closing out the grant projects. Delays by grant recipients in closing out federal grant awards results in delayed oversight of federal grant funds at the agency or congressional level since grant expenditures cannot be evaluated for waste, fraud, and abuse until closeout documents have been submitted. While there is an administrative cost to providing grant closeout technical assistance, there is an oversight and accountability benefit to ensuring timely and accurate grant award closeouts. As with other types of technical assistance activities, there is no standardized criteria for identifying what grant recipient should receive close-out technical assistance. Federal agencies also do not have a standard type of closeout technical assistance activity. Evaluating grant program closeout trends allows agencies to assess how timely and complete the closeout process is for the majority of grant recipients, and may assist federal agencies in determining what type, and to what extent, post-award closeout technical assistance may be needed.

Considerations for Congress in Providing Technical Assistance to Grant Recipients

Given the large amount of federal funding administered through federal grant programs, Congress may consider how technical assistance could be used to ensure those funds are effectively and efficiently spent.

Grant Mismanagement Magnifiers (GMM)

The administration of federal grant funding faces ongoing challenges. These challenges include

- managing high risk grantees;
- conducting sufficient oversight of federal grant awards;
- ensuring timely reporting of grant expenditures and performance measurements;
- tracking federal grant funding from the appropriations to the expenditure levels;
- ensuring timely closeout of federal grant awards; and,
- evaluating grant recipient performance and grant management practices.

Such challenges are part of the nature of federal grant management; however, they can be magnified under certain circumstances, such as

- significant increases in the level of funding above normal grant appropriation levels;
- creation of new grant programs;
- expanding existing grant program eligibility or eligible use of grant funding; and
- waiving grant management requirements.

These so-called “grant mismanagement magnifiers” (GMMs) strain the ability of both grantees and agencies to administer funds efficiently and effectively. While a single GMM can inhibit good grants management practices for any program, the scope of effect of multiple GMMs occurring simultaneously presents significant oversight and transparency challenges (as seen during the COVID-19 pandemic). When implementing new grant programs or adjusting the parameters of existing ones, Congress may consider the degree to which technical assistance can be used to mitigate grant management challenges. For instance, in the presence of multiple GMMs, Congress may consider additional investments in, or requirements for, technical assistance to offset the risk of fraud, waste, and abuse.

Equitable Distribution of Federal Grants

Federal grant funding provides a mechanism to address some of the needs of communities that do not have the capacity or resources to address those needs in the absence of federal funds. Consequently, ensuring that federal grant funds are equitably distributed aligns with the overall purpose of federal grant funding. While there may be many reasons why a community is not receiving a proportionate share of federal grant funding, some of those reasons may be addressed through grant technical assistance. Technical assistance can assist underserved communities with certain challenges, such as understanding what funding is available and how to access that funding, developing a competitive grant project application, understanding and meeting the requirements of grant awards, and ensuring that recipients have the capacity to implement good grant management practices. However, federal agencies have broad discretion in establishing the types of grant technical assistance made available, and also in selecting the recipients of that technical assistance. Congress may consider whether standardizing grant technical assistance processes across federal agencies and programs would enhance the equitable distribution of federal grant funding.

Balancing Need and Capacity

One of the inherent dilemmas within federal grant management is that grant recipients are often selected based upon the evidence that the recipients cannot address an unmet need without federal grant funding. In essence, federal grant recipients must demonstrate a certain degree of limited resources and limited capacity to address a need, and this inability may also impact their ability to manage the federal grant funding. There are certain grant management requirements, however, such as data collection and financial reporting requirements, that require a certain level of skill and resources to ensure good practice. Grant recipients with very limited resources often face significant challenges with managing federal grant funds. Technical assistance provides a mechanism to enhance the capacity of those grant recipients to ensure that the neediest grant recipients can be good stewards of federal grant funds. While reducing the application or reporting requirements for certain grant applicants can be used to alleviate certain administrative burdens, waiving grant management requirements can also result in a reduced ability to conduct oversight and enforce accountability for grant mismanagement. Therefore, Congress may consider whether there should be a balance between the administrative burden placed on federal grant recipients and need for oversight of grant funding.

Benefits and Costs of Technical Assistance

Federal grant technical assistance is an administrative activity for federal agencies as well as primary federal grant recipients who pass grant funds to the sub-state level. As such, there is a cost associated with providing technical assistance to grant recipients. There is also a cost, however, associated with poor grant management, which can result in the need to recoup federal grant funding. The question of whether to prevent grant mismanagement, or recoup mismanaged grant funds is fundamentally a question of proactive versus reactive grant management.

Proactive Versus Reactive Grant Management

Technical assistance can be used to proactively reduce the occurrence of waste, fraud and abuse. For instance, if grant recipients receive technical assistance that identifies grant management errors during a grant award's period of performance, they have the opportunity to resolve the mistake before more funds are misspent. Conversely, if technical assistance occurs in the post-award phase of federal grants, the grant recipients no longer have the ability to resolve the grant management error and must return disallowed funding to the Treasury rather than redirect it for other allowable purposes. Proactive technical assistance is an alternative approach to grant management that attempts to ensure that grant funds are used for allowable purposes at the community level during the project implementation, as compared to reactive technical assistance where the focus is on identifying expenditures that may later be determined to be ineligible and thus potentially recouped.

Structuring Technical Assistance Resources

There are several options for identifying and funding grant management personnel that provide federal grant technical assistance. Some options include establishing dedicated grant management staff solely providing technical assistance, establishing dedicated funding for technical assistance within each grant program, or creating a separate grant program to provide technical assistance outreach as a grant funded project. Each of these options may result in increased program administration costs and may require reassessment of grant program appropriation levels. Depending on how such options are structured and implemented, these options may also change the administrative burden on grant applicants and recipients.

Dedicating Grant Management Staff

Federal grant personnel frequently undertake a variety of grant management functions with a federal agency. For example, the same staff involved in selecting and awarding grants at the beginning of the fiscal year may be closing out and reconciling grant documentation at the end of the fiscal year. Providing technical assistance to grant recipients may be only a part of their duties. As discussed previously, technical assistance can occur at every phase of the grant life cycle. Consequently, Congress may evaluate whether establishing dedicated grant management personnel for technical assistance would prove beneficial to grant management practices.

Establishing Dedicated Funding Within Programs for Technical Assistance

Funding for technical assistance is provided in a number of ways for different grant programs. For some programs, the administrative costs for technical assistance may be covered by a separate appropriation under a broader management and administration account for the federal agency. For other grant programs, the technical assistance costs may fall under an even broader grant program appropriation. Separating technical assistance costs from other management and

administrative costs, (and establishing a funding structure that identifies specific funding levels for technical assistance) could increase transparency concerning the actual cost of grant technical assistance. Once technical assistance costs can be clearly identified, Congress can then evaluate whether the funding levels for technical assistance are sufficient to ensure good grant management practices.

Creating a Technical Assistance Set-Aside Within Grant Programs

Some grant programs include technical assistance costs as part of the overall program appropriation. However, if Congress seeks to target technical assistance funding to ensure specific funding levels is provided, or to ensure that a certain amount of technical assistance funding is provided to specific grant recipients, then a certain amount of grant appropriations could be designated as a set aside from the total program appropriations. This could also help ensure that Congress had better visibility into how much grant funding was directly spent on technical assistance activities.

Establishing a Grant Program Solely for Grant Management Technical Assistance

Technical assistance activities are generally funded on a programmatic level within each federal grant program. However, providing technical assistance could also be designated as an eligible activity under a grant program solely funding technical assistance outreach projects. For example, Congress may consider a government-wide technical assistance program similar to the FEMA non-financial direct technical assistance program utilized for BRIC grant applications (discussed earlier in this report). Congress may also consider ways to leverage the expertise of good grant managers within communities by funding mentoring or outreach activities to support and encourage new grant seekers navigating the federal grant process. Alternatively, these activities could also be combined wherein Congress may consider establishing local or regional technical assistance centers (similar to business development centers) and providing grant funding to support these centers.

Conclusion

Federal grant technical assistance is a tool that can be used to enhance grant program objectives and address grant management challenges. There is not a common definition of grant technical assistance because of the diverse nature of federal grant programs and federal agency discretion in the administration of those programs. However, assessing the types of technical assistance activities provided by federal agencies and evaluating opportunities to use technical assistance throughout the grant life cycle may enhance grant program funding objectives. These objectives may include, among others, fair competition, equitable distribution, and efficient utilization of federal grant funding. Federal grant technical assistance may also mitigate waste, fraud, and abuse in federal grant programs. As discussed in this report, several factors influence the extent to which grant technical assistance may prove beneficial for dealing with grant management challenges. These considerations include how much grant funding is provided, how grant funds are allocated, what resources are available to management grant funds, and what portion of grant appropriations can be directed to technical assistance. Potential options to address technical assistance may involve balancing the cost of technical assistance with the potential benefit of enhancing good stewardship of taxpayer's money.

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