

Why GAO Did This Study

GAO has previously reported that consolidations may help increase the effectiveness and efficiency of government programs.

GAO was asked to review grant program consolidations in regard to reducing overlap and duplication. This report: (1) describes approaches taken to grant programs that have been consolidated from fiscal year 1990 through 2012, (2) examines federal, state and local actions taken to administer the programs, and (3) analyzes lessons learned for future consideration of grant program consolidations.

GAO reviewed literature on grant program consolidations. For this review GAO selected three case study grant program consolidations, the TA and CoC programs, and the National Environmental Performance Partnership System. GAO conducted interviews with state and local officials in Colorado, Delaware, Florida, and Massachusetts. GAO selected these states and localities based on several selection criteria, such as state participation and funding. The selected locations and grant program consolidations are not generalizable, but they provided important insights about grant consolidations.

What GAO Recommends

GAO recommends OMB develop guidance on identifying grant program consolidation opportunities and the analysis to improve their outcomes. GAO incorporated technical comments from the Environmental Protection Agency, Departments of Housing and Urban Development and Transportation, and OMB.

View [GAO-15-125](#). For more information, contact Susan J. Irving at (202) 512-6806 or irvings@gao.gov.

GRANT PROGRAM CONSOLIDATIONS

Lessons Learned and Implications for Congressional Oversight

What GAO Found

Consolidations from fiscal years 1990 through 2012. There is no authoritative, accurate tally of enacted grant program consolidations. In addition, there is no commonly accepted definition of what constitutes a grant program consolidation. From a variety of sources, GAO identified 15 grant program consolidations during this period. Most of these consolidations either combined a number of grant programs used for specific activities (such as Shelter Plus Care), known as categorical grants, into a broader categorical grant, such as the Continuum of Care (CoC) program or established a Performance Partnership, which offers additional flexibility in using funds across multiple programs but maintains accountability for meeting certain performance measures. Block grant approaches to consolidation prior to 1990 combined programs for broad purposes, such as work assistance. The more recent approaches, referred to as hybrid, often combine categorical grant programs and emphasize strong performance standards and accountability. Hybrid approaches can improve the efficiency of grant administration and may reduce fragmentation, overlap, and duplication.

State and local government actions. State and local officials in the three case study consolidations GAO selected for review relied on existing grant management structures and established relationships to facilitate implementation of the grant program consolidations. In the Transportation Alternatives (TA) program the impact of the consolidation was delayed by states and local officials' reliance on carryover funds from predecessor grant programs while these funds were still available. Officials reported both benefits and challenges ranging from administrative flexibility such as lack of central oversight by states, lack of or inaccurate performance data, and conflicting reporting requirements.

Lessons to consider. The key to any grant program consolidation initiative is identifying and agreeing on goals—such as improved grant administration and changed programmatic outcomes—and to design and plan for successful implementation, according to findings from the case studies and prior GAO reports. Grant consolidations offer the opportunity to improve grant administration by expanding the opportunities of narrowly targeted grants and by reducing fragmentation, overlap, and duplication. Consolidation initiatives that answer key questions can provide a data-driven consolidation rationale and show stakeholders that a range of alternatives has been considered. These evaluations should include responses to key questions such as the following: What are the goals of the consolidation? What opportunities will be addressed through the consolidation and what problems will be solved?

GAO's prior work found that few executive branch agencies regularly conduct in-depth program evaluations to assess their programs' impact. The Office of Management and Budget (OMB), as the focal point for overall management in the executive branch, plays a key role in improving the performance of federal grant programs and has developed or contributed many tools to encourage improvements to federal grants and program performance. Agencies, the Congress—as well as grantees—can benefit from guidance, which currently does not exist, to assist with identifying consolidation opportunities, particularly those requiring statutory changes, and developing consolidation proposals.