

Local/State Funding Report

Grants Series

THOMPSON

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States Could See Increased Grant Funds to Repair Crumbling Water Infrastructure

The American Society for Civil Engineers reports that communities across the country experienced more than 240,000 water main breaks in 2008, and more than six billion gallons of potable water is lost every year simply due to leaky pipes.

As the nation's drinking water and wastewater infrastructure continues to become outdated and crumble, one congressman has proposed a new revenue source that would give state and local governments new federal grants to repair the failing systems.

Rep. Earl Blumenauer, D-Ore., introduced the Water Protection and Reinvestment Act, H.R. 3202, to Congress on July 15, which would include several new grant and loan programs to help states fill the \$534 billion gap that exists between current state investment in water systems and projected need over the next 20 years.

See *Water Fund*, p. 2

GAO Reports on Grants.gov

Grants.gov is Key to Recovery Act, But Sometimes Fails to Get the Job Done

Since hundreds of billions of dollars in Recovery Act funding became available to state and local governments in March, Grants.gov, the central portal for distributing federal grant awards, has come under increased scrutiny, with both legislators and applicants noting the crucial role the system plays in ensuring the success of the act's intended economic stimulus. But with the inundation of grant applications for Recovery Act money overwhelming the Web site and causing massive submission delays for countless applicants, reliance on Grants.gov to implement recovery awards has brought even further into the spotlight the system's inadequacies.

Despite ramped up efforts to increase its capacity to accept the unprecedented volume of applications, oversight confusion, late payments by the federal agencies charged with supporting the system and a lack of streamlined policies for accepting late applications across all 26 federal agencies using Grants.gov have all continued to fuel applicant frustration.

A new Government Accountability Office report released on July 15 assessed these issues and recommended quick action by the Office of Management and Budget as well as the Department of Health and Human Services, the agency that administers the Grants.gov system.

Not only do these issues threaten to keep valuable grant funds from applicants, but OMB has warned that if Recovery Act grants are not distributed

See *GAO Report*, p. 3

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Practice Tools

Grantseeking Quicktips: "GAO Reports Valuable Grants.gov Statistics, Information." A new Government Accountability Office report investigating the unpleasant world of Grants.gov technical quandaries faced by federal grant applicants – despite painting a somewhat bleak picture – offered a wealth of valuable information for grantseekers. 5

Conference Alert

Don't miss Thompson's August 5 audio conference, "Subrecipient Versus Vendor: Sorting Out The Subaward Of Federal Grants Under The Recovery Act," when Bob Lloyd, a respected authority on the acquisition, award and audit of federal grants, will discuss the following topics: What policy guidance has been issued by OMB on Recovery Act subawards, what other OMB guidance is relevant to the determination of what type of relationship exists, why accurate terminology is so important, what characteristics are indicative of a subrecipient relationship, what characteristics are indicative of a vendor relationship, what other factors might be important and much more!

Visit www.thompsoninteractive.com or call 800-925-1878 to register. And, if you can't find time to listen, pick up a CD of the audio conference by calling 800-925-2878.

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