



# TACIR

The Tennessee Advisory Commission  
on Intergovernmental Relations



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## **MEMORANDUM**

**TO:** Commission Members

**FROM:** Cliff Lippard  
Executive Director

**DATE:** 28 September 2022

**SUBJECT:** Post-Award and Implementation Process for State Grants—Draft Report  
for Review and Comment

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The attached Commission report is submitted for your review and comment. It was prepared in response to a request from Chairman Yager, which directed staff to review the post-award and implementation processes for state-administered grants to local governments and identify any changes warranted to streamline these processes so that grants may be more effectively utilized.

State-administered grant programs—including those that are federally funded—provide hundreds of millions of dollars to local governments in Tennessee each year. At their best, these programs are mutually beneficial, helping local governments achieve local, state, and national objectives that any one level of government may be unable to undertake on its own, whether, for example, building a park, expanding an intersection, buying a firetruck, or feeding schoolchildren.

The post-award phase is the stage in a grant's lifecycle when the activities for which funding has been awarded are carried out. Both the grantor and the grantee have responsibilities during the post-award phase. These responsibilities, in large part, involve complying with grant requirements, which vary across grant programs and by funding source, with federal funding triggering federal requirements for both the state agency serving as the pass-through entity for funding and the local government grantee. Regardless of whether they are state or federal in origin, grant requirements help ensure the use of taxpayer funds is accountable and transparent during the post-award phase—that is, they help ensure grantees did what they said they would do, how they said they would do it, and followed proper procedures for using taxpayer funds.

But these requirements can also be a source of frustration for grantor and grantee alike when verifying that projects comply with grant requirements. Local governments, in particular, can often cite a litany of delays and costs resulting from efforts to comply with state and federal requirements during the post-award phase of various grant programs, some of which have led them to consider turning down grant funding.

While ensuring grant funds are used accountably and transparently is an indispensable component of grants management, so too is ensuring that grant processes support local governments' ability to carry out projects effectively. Each is essential if state and local governments are to be good stewards of the taxpayer dollars used to fund grants. As the US Advisory Commission on Intergovernmental Relations concluded in a 1977 review of federal programs, grantors and grantees "need to work together with reasonable awareness of and feeling for each other's capabilities and roles."

For these reasons, the draft report makes two recommendations for specific changes to state processes:

- **The state should require agencies to use a single, statewide grant management system to promote a more uniform, user-friendly experience across agencies for grantees, with exceptions provided for agencies that can demonstrate the system won't support functions necessary for their grant programs.**
- **State agencies should accept Title VI training provided by other agencies when verifying compliance with federal and state law—unless they can demonstrate other agencies' trainings are inadequate for their programs—to eliminate the need for grantees to take multiple trainings when they have grants with multiple agencies.**

And the draft report makes two general recommendations to promote good stewardship of grant funds through the identification and adoption of best practices:

- **State agencies should regularly convene grant advisory boards made up of representatives for local governments and the entities that assist them with carrying out grant projects—similar to the boards already established by ECD and other agencies—to solicit feedback for improving grant requirements and processes and to prioritize issues of importance to grantees, for example when considering new programmatic agreements with federal partners.**
- **The state could consider establishing an interagency working group for sharing lessons learned from agencies' efforts to improve grant requirements and processes to promote the adoption of best practices across grant programs.**