

\$20.3 billion. In 1955 expenditures were only \$3.3 billion. It is estimated that there are statutory authorizations for over 400 separate programs. It is further estimated that the programs are administered by 21 departments and agencies, and 150 bureaus and divisions.

Many administrative problems have arisen from the fact that the programs have so proliferated and have originated from such various sources that the state and local governments are presented with multiple administrative and financial reporting problems.

On March 17, 1967, the President sent a message to the Congress entitled "Quality of American Government" in which he called specific attention to the administrative problem of managing grants and in which he directed that steps be taken to remedy the situation. A task force was formed to develop a plan to do this. As a result of the work of this task force a bill was introduced into the 1st session of the 90th Congress on August 28, 1967, (H.R. 12631) to provide temporary authority to expedite procedures for pooling of grants at the State and local levels. Work on the bill was not completed in the 1st session. A similar bill has been introduced also in the second session on February 16, 1968, (S. 2981). The bill is entitled to "Joint Funding Simplification Act of 1968," and provides enabling legislation to permit pooling of funds from grants of more than one Federal agency. The bills currently are in the respective Committee's on Government Operations of the Senate and House. However, these bills deal with only a small part of the problem.

Over the past several years, the Intergovernmental Relations Subcommittee, of the Senate Government Operations Committee, has studied the problem of Federal-local relations. This committee has called attention to the many problems existing in the Federal Grant system. The Advisory Commission on Intergovernmental Relations has also highlighted the needs for some simplification of the Federal grant program.

3. *Project Objective.*—The objective of the project would be to develop recommendations for improvement and simplification of the general administration and financial management of Federal grants-in-aid to State and local governments. This would include efforts to develop recommendations for grantee accounting procedures common to all granting agencies, single audit by a cognizant agency, and a reduction in reporting requirements through simplification, combination or elimination of existing reports.

4. *Scope of the Study.*—The study will cover the following eight agencies:

- Department of Interior
- Department of Labor
- Department of Agriculture
- Department of Commerce
- Department of Health, Education, and Welfare
- Department of Housing and Urban Development
- Department of Transportation
- Office of Economic Opportunity

These agencies have the preponderance of the programs with grants-in-aid.

The study will also cover a representative number of State and local governments to ascertain their problems as recipients of the grants.

5. *Project Organization.*—The project will be conducted under the sponsorship of the Joint Financial Management Improvement Program Steering Committee. The study team should probably include representatives from the following agencies:

General Accounting Office:	
Office of Policy and Special Studies	1
Civil Division	1
Bureau of the Budget	1
Department of the Treasury	1
Department of Health, Education, and Welfare	1
Department of Housing and Urban Development	1
Department of Labor	1
Office of Economic Opportunity	1