

### {loadposition banner\_top} **What is a Government Grant?**

{loadposition content\_banner125}What is a government grant? The simplest possible answer is that a government grant is some form of financial assistance provided by the government with the expectation that some goal be achieved.

The goals can vary as can the form and amount of assistance the government will supply to achieve those goals. So in this sense we could answer the question with: government grants are about achieving important goals. If you're still asking what is a government grant, then let's look at a hypothetical situation. A downtown commercial area is suffering declining foot traffic due to escalating gang violence and drug-related activity.

As a consequence of this the local government decides to issue a grant to research cost-effective methods to manage this particular problem. This hypothetical grant may be open to anyone, or may be restricted based on any number of criteria. So in this sense we could say that a government grant is a way to solve complex problems.

Once a problem has been defined by the government, and the government has set requirements for the kinds of people/groups it feels could present viable solutions, then the government decides the maximum value of the project.

In the above hypothetical situation the government is losing tax revenues and probably wants to find a method to solve this problem that doesn't involve hiring additional law enforcement personnel. The solution needs to be feasible to implement, or in short, the benefits should outweigh the costs.

In addition, virtually all government grants will require extensive oversight. There are often severe penalties for grantees who do not follow proper accounting procedures or fail to perform to expectations.

Periodic audits and review of expense reports are to be expected, and are done to ensure that tax-dollars go as far as they can. Typically all unspent money is returned at the end of the grant.

So when we're answering the question: what is a government grant, we can say that government grants are cost effective.

So what is a government grant? In short it is cost effective way of setting and achieving goals and solving problems.

## **Still Wondering What is a Government Grant?**

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