



# Advice:

## GRANT FRAUD, SCAMS

### Grant Fraud

Grant fraud typically occurs when award recipients attempt to deceive the government about their spending of award money.

Besides triggering lost efficiency and waste in the government, grant fraud can also have a significant impact on entities found to have carried it out. The consequences can include debarment from receiving future funding, administrative recoveries of funds, civil law suits and criminal prosecution.

When fraud is suspected, private, corporate, or government entities (such as the Federal Bureau of Investigation and the Financial Fraud Enforcement Task Force), may get involved.

### Grant Scams

The allure of so-called "free money" from the federal government has enabled scam artists to prey on people's hopes by promising access to grants – often for a fee. In reality, federal grants are rarely awarded to individuals seeking personal benefits, and applying for a grant is completely free.

Any of the following statements should put you on high alert:  
"For a small fee, you can obtain a government grant."

"The Federal Bureau of Grant Awards has awarded you a \$8,000 grant."

"Our office is located in Washington, D.C."

You must apply for a grant before you receive a grant.

For more information on grant fraud or scams,  
[www.grants.gov](http://www.grants.gov).