**Section 7000.30 Definitions**

The following definitions shall apply to this Part. Unless otherwise noted, statutory text is from [30 ILCS 708/15].

"Acquisition Cost" means the cost of the asset, including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duties, protective in-transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the awardee's regular accounting practices.

"Act" or "GATA" means the Grant Accountability and Transparency Act [30 ILCS 708].

"Administrative Rules" means the administrative rules codified in the Illinois Administrative Code.

"Advance Payment" means a payment that a State awarding agency or federal awarding agency makes by any appropriate payment mechanism, including a predetermined payment schedule, before the awardee disburses the funds for program purposes.

"Allocation" means the process of assigning a cost, or a group of costs, to one or more cost objectives, in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost directly to a final cost objective or through one or more intermediate cost objectives.

*"Allowable Cost" means a cost allowable to a project* (i.e., that can be paid for *using* award *funds*). *Costs* will be considered to be allowable if they:

*are reasonable and necessary for the performance of the award;*

*are allocable to the specific project;*

*are treated consistently in like circumstances to federally-financed,* State-financed, *and other activities of the* awardee;

*conform to any limitations of the cost principles or the sponsored agreement;*

*are accorded consistent treatment (a cost may not be assigned to a* State *or federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the award as an indirect cost);*

*are determined to be in accordance with generally accepted accounting principles;*

*are not included as a cost or used to meet federal cost-sharing or matching requirements of any other program in either the current or prior period;*

*are not used to meet the match requirements of another* State *or federal grant; and*

*are adequately documented.*

"Assistance Listings" (formerly "Catalog of Federal Domestic Assistance" or "CFDA") means the publicly available listing of federal assistance programs managed and administered by the U.S. General Services Administration.

"Assistance Listing Number" (formerly "CFDA Number") means a unique number assigned to identify a federal Assistance Listing.

"Assistance Listing Program Title" (formerly "CFDA Program Title") means the title of the program that corresponds to the federal assistance listings number.

"Audit Finding" means deficiencies the auditor is required, by UR section 200.516(a), to report in the schedule of findings and questioned costs.

*"Auditee" means any* awardee *that expends State, federal,* or federal pass-through *awards that must be audited* as provided in UR Subpart F (Audit Requirements).

*"Auditor" means an auditor who is* an Illinois licensed *public accountant or a federal, State, or local government audit organization that meets the general standards specified* for external auditors *in generally accepted government auditing standards* (GAGAS). *"Auditor" does not include internal auditors of nonprofit organizations.*

*"Auditor General" means the Auditor General of the State of Illinois.*

*"Award" or "Grant" means financial assistance that provides support or stimulation to accomplish a public purpose. "Awards" include grants and other agreements in the form of money, or property in lieu of money, by the State agency or federal government to an eligible recipient. "Award" does not include: technical assistance that provides services instead of money; other assistance in the form of loans, loan guarantees, interest subsidies or insurance; direct payments of any kind to individuals; or contracts that must be entered into and administered under State or federal procurement laws and regulations.*

"Awardee" means a State, local government, institution of higher education, or organization, whether nonprofit or for-profit, that receives State, federal or federal pass-through financial assistance from a State or federal agency. In this Part, "awardee", "grantee", and "non-federal entity" are used interchangeably.

"Billing Rate" means a temporary indirect cost rate applicable to a specified period that is used for funding, interim reimbursement, and reporting indirect costs on federal or federal pass-through awards pending the establishment of a final rate for the period. (See also the definition of provisional rate.)

*"Budget" means the financial plan for the* award *that the* State awarding agency *approves during the award process or in subsequent amendments to the award.* It may include the awardee's matching funds or other in-kind contributions.

"Budget Period" means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which recipients are authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to UR Section 200.308.

"Call to Action" means a communication that includes any one or more of the following:

The communication states that the recipient should contact a member or employee of a legislative body, or any other government official or employee who may participate in the formulation of legislation, when the principal purpose of the contact is lobbying.

The communication states the address, telephone number, or similar information of a legislator or an employee of a legislative body.

The communication provides a petition, a tear-off postcard, or similar material for the recipient to communicate with any such individual.

The communication specifically identifies one or more legislators who will vote on the legislation, indicating that the legislator will:

oppose the organization's view with respect to the legislation;

be undecided with respect to the legislation;

be the recipient's representative in the legislature; or

be a member of the legislative committee or subcommittee that will consider the legislation.

Naming the main sponsors of the legislation for purposes of identifying the legislation does not independently constitute a call to action.

"Capital Assets" means tangible or intangible assets used in operations having a useful life of more than one year that are capitalized in accordance with GAAP. Capital assets include:

Land, buildings (facilities), equipment and intellectual property (including software); and whether acquired by purchase, construction, manufacture, lease-purchase or exchange, or through capital leases; and

Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

For purposes of this Part, capital assets do not include intangible right-to-use assets (per GASB) and right-to-use operating lease assets (per FASB) (for example, assets capitalized that recognize a lessee’s right to control the use of property or equipment for a period of time under a lease contract).

"Capital Expenditures" means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life.

"CAS" means the Cost Accounting Standards established by the Federal Cost Accounting Standards Board.

*"Catalog of State Financial Assistance" or "CSFA" means the single, authoritative, statewide, comprehensive source document of State financial assistance program information maintained by the Governor's Office of Management and Budget* (available at http://grants.illinois.gov)*.*

*"Catalog of State Financial Assistance Number" or "CSFA Number" means the number assigned to a State program in the CSFA. The first 3 digits represent the State agency number and the last 4 digits represent the program.*

"Central Service Cost Allocation Plan" means the documentation identifying, accumulating and allocating or developing billing rates based on the allowable costs of services provided by the State or local government on a centralized basis to its departments and agencies. The costs of these services may be allocated or billed to users.

"CFO Council" means the federal Chief Financial Officer Council (see https://www.cfo.gov/about-the-council/)

"Chief Accountability Officer" or "CAO" means the individual appointed by the State awarding agency to serve as its liaison to GATU. The CAO is responsible for the State agency's implementation of and compliance with grant management rules. All State awarding agencies are required to appoint a CAO in accordance with Section 50(b) of the Act.

"Claim" means, depending on the context, either:

A written demand or written assertion by one of the parties to a State award or federal or federal pass-through award seeking, as a matter of right:

The payment of money in a sum certain;

The adjustment or interpretation of the terms and conditions of the award/grant; or

Other relief arising under or relating to a State, federal or federal pass-through award/grant; or

A request for payment that is not in dispute when submitted.

"Class (of Awards)" means a group of State-issued awards either awarded under a specific program or group of programs or to a specific type of awardee or group of awardees to which specific provisions or exceptions may apply.

"Closeout" means the process by which the State awarding agency determines that all applicable administrative actions and all required work of the federal award or State-issued award have been completed and takes the actions described in UR section 200.344 or Section 7000.440 of this Part.

*"Cluster of Programs" means a grouping of closely related programs that share common compliance requirements. The types of clusters of programs are research and development, student financial aid, and other clusters. A "cluster of programs" shall be considered as one program for determining major programs and, with the exception of research and development, whether a program-specific audit may be elected.*

"CMIA" means the federal Cash Management Improvement Act (31 U.S.C. 6501 note) and the Department of the Treasury's Rules and Procedures for Efficient Federal-State Funds Transfers (31 CFR 205).

"CMS" means the Illinois Department of Central Management Services.

"Compliance Supplement" means UR appendix XI.

"Comprehensive Annual Financial Report" or "CAFR" means the financial report of a governmental entity. The report contains basic financial statements, notes to the basic financial statements, and required supplementary information (RSI), plus voluntarily provided supplementary information (SI) such as an introductory section, supporting schedules with more detailed financial information than is found in the financial statements, and a statistical section.

"Computing Devices" means machines used to acquire, store, analyze, process and publish data and other information electronically, including accessories (or peripherals) for printing, transmitting and receiving, or storing electronic information. (See also the definitions of "Information technology systems" and "Supplies".)

"Conflict of Interest" means a situation that arises when a person in a position of authority over an organization, such as an officer, director or manager, may benefit financially from a decision made in that capacity, including indirect benefits such as to family members or businesses with which the person is closely associated.

"Conflict of Interest Policy" means a policy that defines conflict of interest, identifies the classes of individuals within an organization covered by the policy, facilitates disclosure of information that may help identify conflicts of interest, and specifies procedures to be followed in managing conflicts of interest.

*"Contract" means a legal instrument by which* an awardee *purchases property or services needed to carry out the project or program under an award/grant. "Contract" does not include a legal instrument, even if the awardee* *considers it a contract, when the substance of the transaction meets the definition of an award or subaward*.

*"Contractor" means* a person or *entity that receives a contract* funded through grant funds awarded by a State awarding agency or institution of higher education.

*"Cooperative Agreement" means a legal instrument of financial assistance between* a State awarding agency, federal awarding *agency or pass-through entity and* an awardee consistent with 31 U.S.C. 6302 through 6305 *that*:

*is used to enter into a relationship with the principal purpose of transferring anything of value from the* State *awarding* *agency or* *pass-through entity to the* awardee *to carry out a public purpose authorized by law, but is not used to acquire property or services for the* State *awarding agency's* or *pass-through entity*'s direct b*enefit or use; and*

*is distinguished from a grant in that it provides for substantial involvement between the* State *awarding agency or pass-through entity and the* awardee *in carrying out the activity contemplated by the award*.

"Cooperative Audit Resolution" means the use of audit follow-up techniques that promote prompt corrective action by improving communication, fostering collaboration, promoting trust, and developing an understanding between the State or federal agency and the awardee. This approach is based upon:

a strong commitment, by State, federal and federal pass-through entity and awardee leadership, to program integrity;

State, federal and federal pass-through entities strengthening partnerships and working cooperatively with awardees and their auditors, and awardees and their auditors working cooperatively with State, federal and pass-through entities;

a focus on current conditions and corrective action going forward;

State, federal and federal pass-through entities offering appropriate relief for past noncompliance when audits show prompt corrective action has occurred; and

State, federal and federal pass-through agency leadership sending a clear message that continued failure to correct conditions identified by audits that are likely to cause improper payments, fraud, waste or abuse is unacceptable and will result in sanctions.

"Corrective Action" means action taken by the auditee that:

corrects identified deficiencies;

produces recommended improvements; or

demonstrates that audit findings are either invalid or do not warrant auditee action.

"COSO" means the Committee of Sponsoring Organizations of the Treadway Commission, a joint initiative of the Institute of Management Accountants (IMA), the American Accounting Association (AAA), the American Institute of Certified Public Accountants (AICPA), the Institute of Internal Auditors (IIA) and Financial Executives International (FEI). COSO has established an internal control model that companies and organizations use to assess their control systems.

"Cost Allocation Plan" means a central service cost allocation plan or public assistance cost allocation plan.

*"Cost Objective" means a program, function, activity, award, organizational subdivision, contract or work unit for which cost data is desired and for which provision is made to accumulate and measure the cost of processes, products, jobs and capital projects. A "cost objective" may be a major function of the* awardee, *a particular service or project, an award, or an indirect cost activity*.

*"Cost Sharing" means the portion of project costs*, including third-party in-kind contributions, not paid by State, federal or federal pass-through *funds, unless otherwise authorized by statute.* (See also the definition of matching.)

*"*Data Universal Numbering System Number" or "DUNS number" means a unique nine-digit identification number provided by Dun & Bradstreet for each physical location of the grantee’s organization.

*"Development" is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems or methods, including design and development of prototypes and processes.*

*"Direct Costs" means costs that can be identified specifically with a particular final cost objective, such as a State,* *federal or federal pass-through award or a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.*

"Direct Lobbying" means any attempt to influence legislation or executive action through communications with:

any member or staff of a legislative or executive body;

any governmental official or employee (other than a member or employee of a legislative or executive body) who may participate in formulating legislation, but only if the principal purpose of the communication is to influence legislation or executive action; or

the general public.

The communications must refer to specific legislation or executive action and must reflect a view on the legislation or executive action. (See 26 CFR 56.4911-2(b).)

"Disallowed Costs" means charges to a State, federal or federal pass-through award determined by the State awarding agency or the federal awarding agency to be unallowable, in accordance with the applicable State or federal statutes or regulations, or the terms and conditions of the State, federal or federal pass-through award.

"Discretionary Grant" means an award for which the State or federal agency or pass-through entity may exercise judgment (discretion) in determining the recipient and the amount of the award and may be issued under a competitive application process.

"Eligible Applicant" means any organization that meets the eligibility requirements listed in the Notice of Funding Opportunity.

*"Equipment" means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the* *awardee* *for financial statement purposes or $5,000.*

"Exception" means a statute- or regulation-driven deviation from the grant requirements specified in the UR. The State awarding agency's requirements may be more restrictive but cannot be less restrictive than the UR. Exceptions are program-specific and authorized on a case-by-case basis in accordance with Section 7000.60.

"Executive" means, with respect to an organization, the officers, managing partners, or any other employees in management positions. "Executive" means, with respect to the federal government, the executive branch.

*"Executive Branch" means that branch of State* or federal *government that is under the jurisdiction of the Governor* or the President, respectively.

"Expenditures" means charges made by an awardee to a project or program for which a State, federal or federal pass-through award was received.

The charges may be reported on a cash or accrual basis, as long as the methodology is disclosed and is consistently applied.

For reports prepared on a cash basis, expenditures are the sum of:

Cash disbursements for direct charges for property and services;

The amount of indirect expense charged;

The value of third-party in-kind contributions applied; and

The amount of cash advance payments and payments made to awardees.

For reports prepared on an accrual basis, expenditures are the sum of:

Cash disbursements for direct charges for property and services;

The amount of indirect expense incurred;

The value of third-party in-kind contributions applied; and

The net increase or decrease in the amounts owed by the awardee for:

Goods and other property received;

Services performed by employees, contractors, subrecipients and other payees; and

Programs for which no current services or performance are required, such as annuities, insurance claims or other benefit payments.

"FAIN" means the unique federal award identification number assigned to each federal award issued to a particular awardee.

"FAR" means the Federal Acquisition Regulation (48 CFR 1).

"F&A Costs" means facilities and administrative costs (see also the definition of indirect costs).

"Federal Agency" means *an "agency" as defined at 5 U.S.C. 551(1) and further clarified by 5 U.S.C. 552(f).*

*"Federal Award" means:*

*the federal financial assistance that an* awardee *receives directly from a federal awarding agency or indirectly from a pass-through entity*;

*the cost-reimbursement contract under the Federal Acquisition Regulations that an* awardee *receives directly from a federal awarding agency or indirectly from a pass-through entity*; *or*

*the instrument setting forth the terms and conditions when the instrument is the Grant Agreement, Cooperative Agreement, other agreement for assistance, or cost-reimbursement contract awarded under FAR.*

*"Federal Award" does not include other contracts that a federal agency uses to buy goods or services from a contractor or a contract to operate federal government owned, contractor-operated facilities.* (See also definitions of financial assistance, Grant Agreement and Cooperative Agreement.)

*"Federal Awarding Agency" means the federal agency that provides a federal award directly to an* awardee.

"Federal Award Date" means the date the federal award is signed by the authorized official of the federal awarding agency.

"Federal Excluded Parties List" or "SAM Exclusions" means the parties listed on the governmentwide exclusions in the System for Award Management (https://www.sam.gov), as described in UR appendix II, paragraph (H).

"Federal Financial Assistance" means financial assistance, as defined in this Section, offered to an awardee by a federal agency.

"Federal Fiscal Year" means the period beginning on October 1 and ending on September 30.

*"Federal Interest" means, when used in connection with the acquisition or improvement of real property, equipment or supplies under a federal* or federal pass-through *award, the dollar amount that is the product of the federal share of total project costs and current fair market value of the property, improvements, or both to the extent the costs of acquiring or improving the property were included as project costs.*

*"Federal Program" means all federal awards that are assigned a single number in the* publicly available listing for federal assistance programs managed and administered by the General Services Administration, formerly known as the Catalog of Federal Domestic Assistance (*CFDA). When no* Assistance Listing *number is assigned, all federal awards made for the same purpose from the same agency to awardees should be combined and considered one program. "Federal program" can also mean a cluster of programs,* as defined in this Section.

*"Federal Share" means the portion of the total project costs that are paid by federal funds.*

"Fee-for-Service" means payments for Medicaid services that are made on the basis of a rate, unit cost or allowable cost incurred and are based on a statement or bill as required by the administering State or federal agency.

"FFATA" means the Federal Funding Accountability and Transparency Act.

*"Final Cost Objective" means a cost objective that has allocated to it both direct and indirect costs and, in the* awardee's *accumulation system, is one of the final accumulation points, such as a particular award, internal project or other direct activity of* an awardee.

"Final Rate" means an indirect cost rate applicable to a specified past period that is based on the actual costs of the period. A final rate is not subject to adjustment.

*"Financial Assistance" means the following:*

*For grants and Cooperative Agreements, "Financial Assistance" means assistance that non-federal entities receive or administer in the form of:*

*grants;*

*Cooperative Agreements;*

*non-cash contributions or donations of property, including donated surplus property;*

*direct appropriations;*

*food commodities; and*

*other financial assistance, except assistance non-federal entities receive or administer in the form of loans, loan guarantees, interest subsidies, and insurance.*

For purposes of UR subpart F, *"Financial Assistance" also includes* federal *assistance that non-federal entities receive or administer in the form of loans, loan guarantees, interest subsidies and insurance.*

*"Financial Assistance" does not include amounts received as reimbursement for services rendered to individuals.*

*"Fixed Amount Award" means a type of Grant Agreement under which the federal or State awarding agency or pass-through entity provides a specific level of support without regard to actual costs incurred under the award. "Fixed Amount Awards" reduce some of the administrative burden and recordkeeping requirements for both the awardee* *and* the State *awarding agency or pass-through entity. Accountability is based primarily on performance and results.*

"Fixed Rate" means an indirect cost rate that has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period. (See UR appendix VII, subsection B.)

"Fixed-Rate Grant" means a type of Grant Agreement for non-Medicaid services in which reimbursement is made on the basis of a rate, unit cost or allowable cost incurred and is supported by a bill or statement.

"FOIA" means the Illinois Freedom of Information Act or the federal Freedom of Information Act, as applicable.

*"Foreign Organization" means an entity that is:*

*a public or private organization, located in a country other than the United States and its territories, that is subject to the laws of the country in which it is located, irrespective of the citizenship of project staff or place of performance;*

*a private nongovernmental organization, located in a country other than the United States, that solicits and receives cash contributions from the general public;*

*a charitable organization, located in a country other than the United States, that is nonprofit and tax exempt under the laws of its country of domicile and operation, but is not a university, college, accredited degree‑granting institution of education, private foundation, hospital, organization engaged exclusively in research or scientific activities, church, synagogue, mosque, or other similar entity organized primarily for religious purposes; or*

*an organization, located in a country other than the United States, not recognized as a foreign public entity.*

*"Foreign Public Entity" means:*

*a foreign government or foreign governmental entity;*

*a public international organization that is entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act;*

*an entity owned, in whole or in part, or controlled by a foreign government; or*

*any other entity consisting wholly or partially of one or more foreign governments or foreign governmental entities.*

"Formula-Based Grant" means a grant or award that is determined by a formula established in federal or State statute or rule.

"FR" means the Federal Register (http://www.federalregister.gov).

"GASB" means the Governmental Accounting Standards Board.

"GATA" means the Grant Accountability and Transparency Act [30 ILCS 708].

"GATA Fund" means the revolving fund administered by GOMB to allocate expenses to State agencies for costs incurred to comply with the UR and GATA and Budgeting for Results (BFR). The GATA Fund allocation to State agencies is based on a proportionate share of GATU expenses incurred, as determined by the CSFA program and award/grant data and the proportionate share of BFR expenses incurred, as determined by the Illinois Performance Reporting System (IPRS). The GATA Fund is established pursuant to Section 55(b) of the Act.

"GATU" means the Grant Accountability and Transparency Unit within the Illinois Governor's Office of Management and Budget.

"General Purpose Equipment" means equipment that is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles. (See also the definitions of equipment and special purpose equipment.)

*"Generally Accepted Accounting Principles" or "GAAP" means accounting standards issued by the Government Accounting Standards Board and the Financial Accounting Standards Board.*

"Generally Accepted Auditing Standards" or "GAAS" means the accounting standards issued by the Public Company Accounting Oversight Board.

*"Generally Accepted Government Auditing Standards" or "GAGAS",* also known as the Yellow Book, *means generally accepted government auditing standards issued by the Comptroller General of the United States that are applicable to financial audits.*

"GFRA" means the Illinois Grant Funds Recovery Act.

"GOCO" means a State or federal government-owned, contractor-operated facility.

"GOMB" means the Illinois Governor's Office of Management and Budget.

"GMS" means the statewide grant management system which contains the functionality of templates as applicable and per GATU instruction.

*"Grant Agreement" means a legal instrument of financial assistance between a State awarding agency or* a federal awarding agency *and* an awardee *that*:

*is used to enter into a relationship, the principal purpose of which is to transfer anything of value from the* State *awarding agency or* a federal awarding agency *to the* awardee *to carry out a public purpose authorized by law and not to acquire property or services for the* State or federal *awarding agency's direct benefit or use; and*

*is distinguished from a Cooperative Agreement in that it does not provide for substantial involvement between the* State *awarding agency or* the federal awarding agency *and the awardee* *in carrying out the activity contemplated by the award.*

*"Grant Agreement" does not include an agreement that provides only direct cash assistance to an individual, a subsidy, a loan, a loan guarantee or insurance.*

*"Grant Application" means a specified form that is completed by* a potential grantee *in connection with a request for a specific funding opportunity or a request for financial support of a project or activity.*

"Grantee" means a State, local government, institution of higher education, or organization, whether nonprofit or for-profit, that receives State, federal or federal pass-through financial assistance from a State or federal agency. In this Part, "awardee", "grantee", and "non-federal entity" are used interchangeably.

"Grantee Compliance Enforcement System" or "GCES" means the statewide, uniform framework for State awarding agencies to manage occurrences of non-compliance with grant requirements by using the Illinois Stop Payment List. The GCES is available in the Resource Library at www.grants.illinois.gov.

"Grantee Portal" means the internet-based platform used by the State to conduct registration, pre-qualification and fiscal and administrative risk assessments of entities that seek to receive an award from a State awarding agency. Awardees use the Grantee Portal to monitor and maintain qualified status. The Grantee Portal is accessed at https://grants.illinois.gov/portal/.

"HFS Suspended List" or "Illinois Medicaid Sanctions List" means the list, maintained by the Illinois Department of Healthcare and Family Services, of persons and entities who are debarred, suspended or otherwise excluded from the receipt of federally financed Medicaid. The list may be viewed on the HFS website at http://www.state.il.us/agency/oig/sanctionlist.asp.

*"Hospital" means a facility licensed as a hospital under the law of any state or a facility operated as a hospital by the United States, a state, or a subdivision of a state.*

"Illinois Stop Payment List" or the "*Illinois Debarred and Suspended List*" *means the list maintained by the Governor's Office of Management and Budget that contains the names of those individuals and entities that are ineligible, either temporarily or permanently, to receive grant funds,* regardless of source, *from a State awarding agency*. The Illinois Stop Payment List is internally available to authorized State of Illinois personnel. It is a centralized repository for cross-agency information sharing to improve the grantee risk assessment process and enhance fiscal management transparency. The Illinois Stop Payment List is a component of the GCES.

"Improper Payment" means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements. "Improper payment" includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except when these payments are authorized by federal statute), any payment that does not account for credit for applicable discounts, and any payment in which insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

"In Relation to Opinion" means required auditing standards for Supplementary Information in Relation to the Financial Statements as a Whole. Statements on Auditing Standards set forth the auditor's responsibilities when the auditor of financial statements is engaged to perform audit procedures and report on whether the supplemental information accompanying the financial statement is fairly stated, in all material respects, in relation to the financial statements as a whole. For a copy of the Statements of Auditing Standards, see Clarified Statements on Auditing Standards at www.aicpa.org.

"*Indirect* (Facilities & Administrative (F&A)) *Costs*" or "Indirect Facilities and Administrative Costs" *means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved*. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs. Indirect cost pools must be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived. (See also the definition of F&A costs.)

"Indirect Cost Rate Negotiator" means the vendor contracted with the Governor's Office of Management and Budget to review indirect cost rate proposals and collaborate with State agency subject matter experts and the Grant Accountability and Transparency Unit to establish awardee indirect cost rates and elections.

"Indirect Cost Rate Proposal" means the documentation prepared by an awardee to substantiate its request for the establishment of an indirect cost rate for the reimbursement of indirect costs. This proposal provides the basis for the review and negotiation leading to the establishment of an organization's indirect cost rate.

"Indirect Cost Rate System" means the internet-based, centralized, statewide framework for awardees to negotiate an indirect cost rate or make an indirect cost rate election.

"Information Technology Systems" means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.

*"Inspector General" means the Office of Executive Inspector General* for Agencies of the Illinois Governor.

"Institution of Higher Education" means an educational institution of the State that:

admits as regular students only persons who have a certificate of graduation from a school providing secondary education, or the recognized equivalent;

is legally authorized within the State to provide a program of education beyond secondary education;

provides an education program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree, or awards a degree acceptable for admission to a graduate or professional degree program;

is a public or other nonprofit institution; and

is accredited by a nationally recognized accrediting agency or associate, or is an institution that has been granted pre-accreditation status by such an agency or association. (See 20 U.S.C. 1001.)

"Intangible Property" means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

"Intermediate Cost Objective" means a cost objective that is used to accumulate indirect costs or service center costs that are subsequently allocated to one or more indirect cost pools or final cost objectives. (Also see the definitions of cost objective and final cost objective.)

"Internal Controls for Non-Federal Entities" means a process, implemented by an awardee, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

Effectiveness and efficiency of operations;

Reliability of reporting for internal and external use; and

Compliance with applicable laws and regulations.

"Internal Control Questionnaire" or "ICQ" means the financial and administrative risk assessment tool centrally used to assess an organization's fiscal and administrative risk profile. The automated ICQ is available through the Grantee Portal.

"IRC" means the Internal Revenue Code.

"Legislation" means action by Congress, any state legislature, any local council, or similar legislative body, or by the public in a referendum, ballot initiative, constitutional amendment, or similar procedure. "Legislation" includes a proposed treaty required to be submitted by the President to the U.S. Senate for its advice and consent from the time the President's representative begins to negotiate its position with the prospective parties to the proposed treaty. (See 26 CFR 56.4911-2(d)(1)(i).)

"Lobbying" means communication that is intended to influence legislation or executive action. (See the definitions of legislation, specific legislation, direct lobbying and grassroots lobbying and 26 CFR 56.4911-2)

*"Local Government" means any entity defined as a unit of local government by Article VII, Section 1 of the Illinois Constitution and includes school districts.*

"Maintenance of Effort" means a requirement contained in a program's authorizing legislation or program regulations stating that, to receive federal grant funds, a recipient must agree to maintain a specified level of financial effort for the grant from its own resources and other non-federal sources.

*"Major Program" means a* State or *federal program determined by the auditor to be a major program in accordance with* UR section 200.518 *or a program identified as a major program by a* State *awarding agency in accordance with UR section 200.503*.

"Management Decision" means the evaluation by the State awarding agency or the federal awarding agency of the audit findings and corrective action plan and the issuance of a written decision to the auditee as to what corrective action is necessary.

"Mandatory Formula-Based Grant" or "Mandatory Grant" means noncompetitive grant funding that is allocated to recipients based upon a set of pre-existing criteria, such as population or other census criteria; all applicants who meet the minimum requirements of the application process are entitled to receive money.

"Matching" means third-party in-kind contributions and the portion of project costs not paid by federal funds, unless otherwise authorized by statute. (See the definition of cost sharing.)

"Merit Review Policy" means the federally required application review process mandated for all discretionary State and federal pass-through awards (UR section 200.205).

"Micro-Purchase" means a purchase of supplies or services using simplified acquisition procedures (see Section 7000.30), the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of an awardee's small purchase procedures. The awardee uses these procedures to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold for federally-funded grants is set under FAR in 48 CFR 2 subpart 2.1. It is $10,000 except as otherwise discussed in subpart 2.1, but this threshold is periodically adjusted for inflation. The Illinois small purchase threshold is set by the appropriate Chief Procurement Officer (CPO) under Section 20-20(c) of the Illinois Procurement Code and published in this Title 44 by each CPO. Micro-purchase rules apply to local government and non-profit awardees. State agencies are subject to the Illinois Procurement Code.

"Modified Total Direct Cost" or "MTDC" means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards up to the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward that exceeds $25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

"Negotiated Rate" means the indirect (F&A) cost rate negotiated with and accepted by the federal or State awarding agency. Under the rate agreement, negotiated rates include final, fixed and predetermined rates and exclude provisional rates.

"NDFI" means the Non-Discretionary Funding Information generated from the CSFA.

"No-Cost Extension" meansanextension of an active award that does not increase the total amount of the award.

*"Non-Federal Entity" means a state, local government, institution of higher education, or organization, whether nonprofit or for-profit, that* receives *State, federal* or federal pass-through financial assistance from a State or federal agency. In this Part, the term "awardee", "grantee", and "non-federal entity" are used interchangeably.

*"Nonprofit Organization" means any corporation, trust, association, cooperative or other organization, not including institutions of higher education, that:*

*is operated primarily for scientific, educational, service, charitable or similar purposes in the public interest;*

*is not organized primarily for profit; and*

*uses net proceeds to maintain, improve or expand the operations of the organization.*

"NOSA" means the Notice of State-Issued Award issued by a State awarding agency. The NOSA may be contained in one or more system-generated notifications through the statewide grant management system.

"Notice of Funding Opportunity" or "NOFO" means an agency's formally issued announcement of the availability of State, federal or federal pass-through funding through one of its financial assistance programs. The announcement provides eligibility and evaluation criteria, funding preferences/priorities, the submission deadline, and information on how to obtain an application for the funding opportunity.

*"Obligations", when used in connection with* an awardee's *utilization of funds under an award, means:*

*orders placed for property and services;*

*contracts and subawards; and*

*similar transactions, during a given period that require payment by the awardee during the same or future period.*

*"Office of Management and Budget" or "OMB" means the* federal *Office of Management and Budget of the Executive Office of the President.*

*"Oversight Agency for Audit",* for federally-funded awards, *means the federal awarding agency that provides the predominant amount of funding directly to an awardee not assigned a cognizant agency for audit. When there is no direct funding, the awarding agency that is the predominant source of pass-through funding must assume the oversight responsibilities. The duties of the oversight agency for audit and the process for any reassignments are described in* UR section 200.513(b). For State-issued awards, "oversight agency for audit" is the State Cognizant Agency.

"Participant Support Costs" means direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects.

*"Pass-Through Entity"* *means a non-federal entity that provides a subaward to a subrecipient to carry out part of a program.*

"Performance Goal" means a target level of performance expressed as a tangible, measurable objective or as a qualitative standard, value or rate. A performance goal includes a performance indicator, a target, and a time period, and must be expressed in an objective, quantifiable or measurable form when possible. When necessary, a State awarding agency and an awardee shall use an alternative performance goal (such as a set of milestones) described in a way that makes it possible to discern whether progress is being made toward that goal.

"Period of Performance" means the total estimated time interval between the start of an Initial State or federal pass-through award and the planned end date, which may include one or more funded portions or budget periods. Identification of the Period of Performance in the award per UR 200.332 for federal pass-through awards and Section 7000.370 of this Part does not commit the State awarding agency to fund the award beyond the currently approved budget period.

"Personal Property" means property other than real property. It may be tangible, having physical existence, or intangible.

"Personally Identifiable Information" or "PII" means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, public websites, and university listings. This type of information is considered to be public PII and includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general educational credentials. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case‑by‑case assessment of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source that, when combined with other available information, could be used to identify an individual.

"Predetermined Rate" means an indirect cost rate, applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.

"Prior Approval" or "Prior Written Approval" means an authorization by one party, provided in writing to another party, to proceed in a specified manner.

*"Private Award" means an award from a person or entity other than a State or federal entity* or federal pass-through entity. *Private awards are not subject to GATA.*

"Program Income" means gross income received by the awardee directly generated by a supported activity, or earned only as a result of the federal award during the period of performance, except as provided in UR section 200.307(f) or Section 7000.120(c)(4) of this Part, as applicable (also see the definition of period of performance). "Program income" includes, but is not limited to, income from:

fees for services performed;

the use or rental of real or personal property acquired under State, federal or federal pass-through entity awards;

the sale of commodities or items fabricated under a State, federal or federal pass-through entity award;

license fees and royalties on patents and copyrights; and

principal and interest on loans made with State, federal or federal pass-through entity award funds.

Interest earned on advances of State, federal or federal pass-through entity award funds is not program income. Except as otherwise provided in State or federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts or interest earned on any rebates, credits or discounts.

*"Project Cost" means total allowable costs incurred under an award and all required cost sharing and voluntary committed cost sharing, including third-party contributions.*

*"Property" means real property or personal property.*

"Protected Personally Identifiable Information" or "Protected PII" means an individual's first name or first initial and last name in combination with any one or more types of information, including, but not limited to, the following:

social security number;

passport number;

credit card numbers;

security clearances;

bank numbers;

biometrics;

date and place of birth;

mother's maiden name;

criminal, medical and financial records; and

educational transcripts.

"Protected PII" does not include PII that is required by law to be disclosed. (See also the definition of Personally Identifiable Information.)

"Provisional Rate" means a temporary indirect cost rate applicable to a specified period that is used for funding, interim reimbursement, and reporting indirect costs on State, federal or federal pass-through entity awards pending the establishment of a final rate for the period.

"Public Institutions of Higher Education" means *the University of Illinois: Southern Illinois University: Chicago State University: Eastern Illinois University; Governors State University; Illinois State University; Northeastern Illinois University; Northern Illinois University; Western Illinois University;* *the public community colleges of the State and any other public universities, colleges and community colleges now or hereafter established or authorized by the General Assembly.* [110 ILCS 205/1]

"Questioned Cost" means a cost that is questioned by the auditor because of an audit finding:

That resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a State or federal award, including for funds used to match State or federal funds;

When the costs, at the time of the audit, are not supported by adequate documentation; or

When the costs incurred appear unreasonable and do not reflect the actions a prudent person would take in the circumstances.

"Real Property" means land, including land improvements, structures and appurtenances on the land, but excludes moveable machinery and equipment.

*"Recipient"* *means* an entity that receives a State or federal award *directly from* a State or federal *agency to carry out an activity under an* award *program. "Recipient" does not include subrecipients.* (See the definition of non-federal entity.)

*"Research and Development "* or "R&D" *means all research activities, both basic and applied, and all development activities that are performed by awardees*. The term "research" also includes activities involving the training of individuals in research techniques when these activities use the same facilities as other research and development activities and when these activities are not included in the instruction function. "Research'' is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. "Development'' is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems or methods, including design and development of prototypes and processes.

"SAM" means the federal System for Award Management (https://www.sam.gov). Illinois uses SAM.gov as the federal clearinghouse for qualification verification of potential awardees.

"SAIN" means the unique State-issued award identification number assigned to each State-issued award. The SAIN is system-generated through the CSFA.

"Simplified Acquisition Threshold" means the dollar amount below which an awardee may purchase property or services using small purchase methods. Awardees adopt small purchase procedures to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by 48 CFR subpart 2.1 (Definitions) and adjusted for inflation in accordance with 41 U.S.C. 1908. The current simplified acquisition threshold for federal and federal pass-through entity awardees is at or below $250,000. The simplified acquisition threshold applies to local government and non-profit awardees receiving direct federal funding or federal pass-through funding. State agencies and awardees receiving State funding are subject to the Illinois Procurement Code. (See the definition of micro-purchase.)

*"Single Audit Act" means the federal Single Audit Act Amendments of 1996.*

"Special-Purpose Equipment" means equipment that is used only for research, medical, scientific or other technical activities. Examples of special-purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.

"Specific Legislation" means both legislation that has already been introduced in a legislative body and a specific legislative proposal that an organization either supports or opposes. In the case of a referendum, ballot initiative, constitutional amendment, or other measure that is placed on the ballot by petitions signed by a required number or percentage of voters, an item becomes "Specific Legislation" when the petition is first circulated among voters for signature.

*"State Agency" means an* Illinois agency under the Governor that is authorized to issue awards of State funds or awards of federal funds as a pass-through entity. Illinois agencies not under the Governor and not statutorily required to follow GATA but choose to do so are also considered State agencies for purposes of this Part. For purposes of GATA, "State Agency" does not include public institutions of higher education*.*

"*State Awarding Agency*" means aState agency that provides an award to a non-federal entity. “State awarding agency” has the same meaning as “State grantmaking agency”.

*"State Cognizant Agency" or "SCA" means* the State awarding *agency designated to carry out the responsibilities described in UR sections* 200.513 (Responsibilities), 200.205 (State awarding agency review of risk posed by applicants), 200.207 (specific conditions for the fiscal and administrative risk assessment) and 200.213 (suspension and debarment), and appendices III through VII and IX to part 200, and GATA Section 25(6) (recipient/subrecipient prequalification requirements). The State of Illinois uses these State cognizant agencies as the State cognizant agencies for audit, indirect cost, prequalification and fiscal and administrative risk assessment. Grantees are informed of their SCA through the Grantee Portal. SCA assignments are also documented for State agency personnel on the GATA implementation website.

"State Fiscal Year" means the period beginning on July 1 and ending on June 30.

"State-Issued Award" means:

the State financial assistance that an awardee receives directly from a State awarding agency; or

the instrument setting forth the terms and conditions when the instrument is the Grant Agreement, Cooperative Agreement or other agreement for assistance.

The funding source of the State-issued award can be federal, federal pass-through, State, or a combination of those sources.

"State-Issued Award" does not include the following:

contracts issued pursuant to the Illinois Procurement Code that a State agency uses to buy goods or services from a contractor or a contract to operate State government-owned, contractor-operated facilities;

agreements that meet the definition of "contract" under 2 CFR 200.1 and 2 CFR 200.331, which a State agency uses to procure goods or services but are exempt from the Illinois Procurement Code due to an exemption listed under 30 ILCS 500/1-10, or pursuant to a disaster proclamation, executive order, or any other exemption permitted by law;

amounts received for services rendered to an individual;

Cooperative Research and Development Agreements;

an agreement that provides only direct cash assistance to an individual;

a subsidy;

a loan;

a loan guarantee; or

insurance.

(See also definitions of financial assistance, Grant Agreement, and Cooperative Agreement.)

*"State Interest" means the acquisition or improvement of real property, equipment or supplies under a State-issued* award*, the dollar amount that is the product of the State share of the total project costs and current fair market value of the property, improvements, or both, to the extent the costs of acquiring or improving the property were included as project costs.*

*"State Program" means all State-issued awards* *that are assigned a single number in the CSFA or a cluster of programs.*

"State Share" means the portion of the total project costs that are paid by State funds.

"State Staff Inquiry Screen" means the intranet-based, centralized system used internally by the State of Illinois to manage pre- and post-award requirements of awardees.

"Stop Payment Status" means the status of a grantee that is ineligible, either temporarily or permanently, to receive grant funds from the State due to non-compliance with grant requirements. (See also GCES).

"Strategic Objective" means a goal that is usually outcome-oriented to reflect core mission and service-related functions. Stewardship and related objectives may be established to communicate the breadth of agency efforts. Strategic objectives may be described in strategic plans and on performance.gov as:

Mission/Service-Focused. A type of strategic objective that expresses more specifically the path an agency plans to follow to achieve or make progress on a single strategic goal. Mission-focused strategic objectives typically reflect the core functions and activities of the agency based on statutory or leadership priorities that drive their efforts in addressing pressing relevant national problems, needs, and challenges. For programs that deliver direct services to customers, this may also include the objective of providing a good experience for customers, and is therefore service-focused. Service-focused objectives are activities that reflect the interactions between individual citizens or businesses and State or federal agencies in providing direct services on behalf of the State or federal government and which is core to the mission of the agency.

Mission/Service-Focused (Crosscutting/Other). A type of strategic objective that is not directly tied to a single strategic goal, but may be tied to several or none. In some circumstances, agencies perform statutory or crosscutting activities that are not closely tied to a single strategic goal.

Stewardship-Focused. A type of strategic objective that reflects the agency’s activities and responsibilities to provide appropriate safeguards in executing mission- and service-related activities effectively and efficiently, including minimizing instances of waste, fraud, and abuse. These objectives typically communicate improvement priorities for management functions such as strategic human capital management, information technology, or financial stewardship. Often management objectives support more than one strategic goal.

*"Student Financial Aid"* or "SFA" *means federal awards under those programs of general student assistance, such as those authorized by Title IV of the Higher Education Act of 1965* (20 U.S.C. 1070 et seq.), *as amended, that are administered by the United States Department of Education and similar programs provided by other federal agencies. "Student Financial Aid" does not include federal awards under programs that provide fellowships or similar federal awards to students on a competitive basis or for specified studies or research.* Individual direct recipients are not subject to the controls required by this Part.

"Subgrant" means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of an award received by the pass-through entity. Terms of the Grant Agreement may specify that the primary grantee will use another party through a subgrant to carry out part of the State-issued award received by the grantee. "Subgrant" does not include payments to a contractor or payments to an individual who is a beneficiary of a State or federal program. A "subgrant" may be provided through any form of legal agreement, including an agreement that the grantee considers a contract.

*"Subrecipient" means* a non-federal entity that receives an award from a pass-through entity to carry out part of a federal or State program. A subrecipient is also known as a first-tier subrecipient or awardee. There can be additional tiers of subrecipients based on pass-through levels. *"Subrecipient" does not include an individual who is a beneficiary of the program. A subrecipient may also be a recipient of other State or federal awards directly from a State or federal awarding agency.*

"Supplies" means all tangible personal property other than those described in the definition of equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the awardee for financial statement purposes or $5,000, regardless of the length of its useful life.

*"Suspension" means a post-award action by the State or federal agency or pass-through entity that temporarily withdraws the State or federal agency's or pass-through entity's financial assistance sponsorship under an award, pending corrective action by the awardee or subrecipient or pending a decision to terminate the award.*

"Termination" means the ending of a federal or federal pass-through entity award or State-issued award, in whole or in part, at any time before the planned end of the period of performance.

"Third-Party In-Kind Contributions" means the value of non-cash contributions (i.e., property or services) that benefit a State- or federally-assisted project or program and are contributed by non-federal third parties, without charge, to an awardee under a State or federal award.

"Total Compensation" means the cash and noncash dollar value earned by the executive during the grantee's or subrecipient's preceding fiscal year and includes the following: salary and bonus; awards of stock, stock options and stock appreciation rights; earnings for services under non-equity incentive plans; and change in pension value.

"Treasury-State Cash Management Improvement Act Agreement" means the Treasury-State Agreement (TSA) the State must enter into with the U.S. Department of the Treasury's Bureau of Fiscal Service to set forth terms and conditions for implementing CMIA.

"Unallowable Cost" means a cost specified by law or regulation, federal cost principles, or the terms and conditions of an award that may not be reimbursed under a Grant or Cooperative Agreement.

*"Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards"* or "Uniform Requirements" or "UR" *means those rules applicable to grants contained in 2 CFR 200*.

“Unique Entity Identifier” or “UEI” means the unique identifier assigned to the Grantee or to subrecipients by SAM.gov.

"Unliquidated Obligations" means, for financial reports prepared on a cash basis, obligations incurred by the awardee that have not been paid (liquidated). For reports prepared on an accrual expenditure basis, these are obligations incurred by the awardee for which an expenditure has not been recorded.

"Unobligated Balance" means the amount of funds under a State or federal award that the awardee has not obligated. The amount is computed by subtracting the cumulative amount of the awardee's unliquidated obligations and expenditures of funds under the State-issued award from the cumulative amount of the funds that the State awarding agency authorized the awardee to obligate.

"U.S.C." means the United States Code.

*"Voluntary Committed Cost Sharing" means cost sharing specifically pledged on a voluntary basis in the proposal's budget or the award on the part of the* awardee *and that becomes a binding requirement of the award*. [30 ILCS 708/15]

"Working Capital Advance" means an advance cash payment from the State awarding agency to the awardee to cover estimated disbursement needs for an initial period, generally geared to the awardee's disbursing cycle. This includes initial start-up cost and normal monthly grant expense, not to exceed two months of monthly grant expenses.

(Source: Amended at 47 Ill. Reg. 7893, effective May 26, 2023)