**Section 130.110 Overview**

a) The Local Initiative Fund was established to make a portion of the Title XX Social Services Block Grant monies received by the Department available to local public and private service providers. This fund is also the mechanism for funding the Donated Funds Initiative.

b) The Department will make use of the Local Initiative Fund as governed by the appropriations authority established by the Illinois General Assembly (Section 12-10.1 of the Illinois Public Aid Code [305 ILCS 5/12-10.1]) for the purpose of purchasing social services. This authority is through the appropriation from the Local Initiative Fund, which is the designated account into which the Department receives federal funds and out of which it reimburses up to 75% of the costs of services provided under the Donated Funds Initiative.

c) The Department shall decide if and when to co-fund service programs utilizing locally generated funds for a portion of the service program. This decision will be based upon the ability of the provider to assure the availability of the co-payment share, the eligibility of the services to be provided, past experience with the provider in the provision of services, record keeping and general contractual compliance, availability of State and federal funds, the need for the service in the geographic area as evidenced by research available to the Department concerning the need for services, the recommendations of sponsoring agencies and the best interests of the client population. The Department reserves the right to unconditionally refuse to contract with any provider. Opportunities may be made available to sponsoring agencies to solicit proposals from service providers under the donated funds initiative, through issuance of a Request for Proposal at such times as funds are available due to increases in the agency's allocation or the withdrawal of an existing provider. All the conditions for funding must be approved by the Department

(Source: Amended at 27 Ill. Reg. 9452, effective June 9, 2003)