

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Treasurer Act is amended by changing
5 Section 35 as follows:

6 (15 ILCS 505/35)

7 Sec. 35. State Treasurer may purchase real property.

8 (a) Subject to the provisions of the Public Contract Fraud
9 Act, the State Treasurer, on behalf of the State of Illinois,
10 is authorized during State fiscal years 2019 and 2020 to
11 acquire real property located in the City of Springfield,
12 Illinois which the State Treasurer deems necessary to properly
13 carry out the powers and duties vested in him or her. Real
14 property acquired under this Section may be acquired subject
15 to any third party interests in the property that do not
16 prevent the State Treasurer from exercising the intended
17 beneficial use of such property.

18 (a-5) To ensure the safe and optimal operation of any real
19 property acquired under subsection (a) and any improvements
20 made to that real property, the State Treasurer, or the
21 Department of Natural Resources on the State Treasurer's
22 behalf, may acquire, at any time, any interest in any other
23 real property, and the State Treasurer may make improvements

1 and repairs on any property acquired under subsection (a) and
2 this subsection.

3 (b) Subject to the provisions of the Treasurer's
4 Procurement Rules, which shall be substantially in accordance
5 with the requirements of the Illinois Procurement Code, the
6 State Treasurer may:

7 (1) enter into contracts relating to construction,
8 reconstruction or renovation projects for any such
9 buildings or lands acquired pursuant to subsections
10 ~~subsection~~ (a) and (a-5); and

11 (2) equip, lease, operate and maintain those grounds,
12 buildings and facilities as may be appropriate to carry
13 out his or her statutory purposes and duties.

14 (c) The State Treasurer may enter into agreements with any
15 person with respect to the use and occupancy of the grounds,
16 buildings, and facilities of the State Treasurer, including
17 concession, license, and lease agreements on terms and
18 conditions as the State Treasurer determines and in accordance
19 with the procurement processes for the Office of the State
20 Treasurer, which shall be substantially in accordance with the
21 requirements of the Illinois Procurement Code.

22 (d) The exercise of the authority vested in the Treasurer
23 by this Section is subject to the appropriation of the
24 necessary funds.

25 (e) State Treasurer's Capital Fund.

26 (1) The State Treasurer's Capital Fund is created as a

1 trust fund in the State treasury. Moneys in the Fund shall
2 be utilized by the State Treasurer in the exercise of the
3 authority vested in the Treasurer by subsection (b) of
4 this Section. All interest earned by the investment or
5 deposit of moneys accumulated in the Fund shall be
6 deposited into the Fund.

7 (2) Moneys in the State Treasurer's Capital Fund are
8 subject to appropriation by the General Assembly.

9 (3) The State Treasurer may transfer amounts from the
10 State Treasurer's Administrative Fund and from the
11 Unclaimed Property Trust Fund to the State Treasurer's
12 Capital Fund. In no fiscal year may the total of such
13 transfers exceed \$500,000 or the amount appropriated by
14 the General Assembly in a fiscal year for that purpose,
15 whichever is greater ~~\$250,000~~. The State Treasurer may
16 accept gifts, grants, donations, federal funds, or other
17 revenues or transfers for deposit into the State
18 Treasurer's Capital Fund.

19 (4) After the effective date of this amendatory Act of
20 the 102nd General Assembly and prior to July 1, 2022 the
21 State Treasurer and State Comptroller shall transfer from
22 the CDB Special Projects Fund to the State Treasurer's
23 Capital Fund an amount equal to the unexpended balance of
24 funds transferred by the State Treasurer to the CDB
25 Special Projects Fund in 2019 and 2020 pursuant to an
26 intergovernmental agreement between the State Treasurer

1 and the Capital Development Board.

2 (Source: P.A. 101-487, eff. 8-23-19; 102-16, eff. 6-17-21;
3 102-558, eff. 8-20-21.)

4 Section 10. The Grant Accountability and Transparency Act
5 is amended by changing Sections 10, 15, 25, 30, 50, 60, 65, and
6 97 as follows:

7 (30 ILCS 708/10)

8 Sec. 10. Purpose. The purpose of this Act is to establish
9 uniform administrative requirements, cost principles, and
10 audit requirements for State and federal pass-through awards
11 to non-federal entities. State awarding agencies shall not
12 impose additional or inconsistent requirements, except as
13 provided in 2 CFR Part 200, Subpart B - General Provisions ~~2~~
14 ~~CFR 200.102~~, unless specifically required by State or federal
15 statute. This Act and the rules adopted under this Act do not
16 apply to private awards.

17 This Act and the rules adopted under this Act provide the
18 basis for a systematic and periodic collection and uniform
19 submission to the Governor's Office of Management and Budget
20 of information of all State and federal financial assistance
21 programs by State grant-making agencies. This Act also
22 establishes policies related to the delivery of this
23 information to the public, including through the use of
24 electronic media.

1 (Source: P.A. 98-706, eff. 7-16-14.)

2 (30 ILCS 708/15)

3 Sec. 15. Definitions. As used in this Act:

4 "Allowable cost" means a cost allowable to a project if:

5 (1) the costs are reasonable and necessary for the
6 performance of the award;

7 (2) the costs are allocable to the specific project;

8 (3) the costs are treated consistently in like
9 circumstances to both federally-financed and other
10 activities of the non-federal entity;

11 (4) the costs conform to any limitations of the cost
12 principles or the sponsored agreement;

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

18 (6) the costs are determined to be in accordance with
19 generally accepted accounting principles;

20 (7) the costs are not included as a cost or used to
21 meet federal cost-sharing or matching requirements of any
22 other program in either the current or prior period;

23 (8) the costs of one State or federal grant are not
24 used to meet the match requirements of another State or
25 federal grant; and

1 (9) the costs are adequately documented.

2 "Assistance listings" means the publicly available listing
3 of federal assistance programs managed and administered by the
4 General Services Administration, formerly known as the Catalog
5 of Federal Domestic Assistance (CFDA).

6 "Assistance listing number" or "ALN" means a unique number
7 assigned to identify a federal assistance listing, formerly
8 known as the CFDA Number.

9 "Auditee" means any non-federal entity that expends State
10 or federal awards that must be audited.

11 "Auditor" means an auditor who is a public accountant or a
12 federal, State, or local government audit organization that
13 meets the general standards specified in generally-accepted
14 government auditing standards. "Auditor" does not include
15 internal auditors of nonprofit organizations.

16 "Auditor General" means the Auditor General of the State
17 of Illinois.

18 "Award" means financial assistance that provides support
19 or stimulation to accomplish a public purpose. "Awards"
20 include grants and other agreements in the form of money, or
21 property in lieu of money, by the State or federal government
22 to an eligible recipient. "Award" does not include: technical
23 assistance that provides services instead of money; other
24 assistance in the form of loans, loan guarantees, interest
25 subsidies, or insurance; direct payments of any kind to
26 individuals; or contracts that must be entered into and

1 administered under State or federal procurement laws and
2 regulations.

3 "Budget" means the financial plan for the project or
4 program that the awarding agency or pass-through entity
5 approves during the award process or in subsequent amendments
6 to the award. It may include the State or federal and
7 non-federal share or only the State or federal share, as
8 determined by the awarding agency or pass-through entity.

9 ~~"Catalog of Federal Domestic Assistance" or "CFDA" means a~~
10 ~~database that helps the federal government track all programs~~
11 ~~it has domestically funded.~~

12 ~~"Catalog of Federal Domestic Assistance number" or "CFDA~~
13 ~~number" means the number assigned to a federal program in the~~
14 ~~CFDA.~~

15 "Catalog of State Financial Assistance" means the single,
16 authoritative, statewide, comprehensive source document of
17 State financial assistance program information maintained by
18 the Governor's Office of Management and Budget.

19 "Catalog of State Financial Assistance Number" means the
20 number assigned to a State program in the Catalog of State
21 Financial Assistance. The first 3 digits represent the State
22 agency number and the last 4 digits represent the program.

23 "Cluster of programs" means a grouping of closely related
24 programs that share common compliance requirements. The types
25 of clusters of programs are research and development, student
26 financial aid, and other clusters. A "cluster of programs"

1 shall be considered as one program for determining major
2 programs and, with the exception of research and development,
3 whether a program-specific audit may be elected.

4 "Cognizant agency for audit" means the federal agency
5 designated to carry out the responsibilities described in 2
6 CFR Part 200, Subpart F - Audit Requirements ~~2 CFR 200.513(a)~~.

7 "Contract" means a legal instrument by which a non-federal
8 entity purchases property or services needed to carry out the
9 project or program under an award. "Contract" does not include
10 a legal instrument, even if the non-federal entity considers
11 it a contract, when the substance of the transaction meets the
12 definition of an award or subaward.

13 "Contractor" means an entity that receives a contract.

14 "Cooperative agreement" means a legal instrument of
15 financial assistance between an awarding agency or
16 pass-through entity and a non-federal entity that:

17 (1) is used to enter into a relationship with the
18 principal purpose of transferring anything of value from
19 the awarding agency or pass-through entity to the
20 non-federal entity to carry out a public purpose
21 authorized by law, but is not used to acquire property or
22 services for the awarding agency's or pass-through
23 entity's direct benefit or use; and

24 (2) is distinguished from a grant in that it provides
25 for substantial involvement between the awarding agency or
26 pass-through entity and the non-federal entity in carrying

1 out the activity contemplated by the award.

2 "Cooperative agreement" does not include a cooperative
3 research and development agreement, nor an agreement that
4 provides only direct cash assistance to an individual, a
5 subsidy, a loan, a loan guarantee, or insurance.

6 "Corrective action" means action taken by the auditee that
7 (i) corrects identified deficiencies, (ii) produces
8 recommended improvements, or (iii) demonstrates that audit
9 findings are either invalid or do not warrant auditee action.

10 "Cost objective" means a program, function, activity,
11 award, organizational subdivision, contract, or work unit for
12 which cost data is desired and for which provision is made to
13 accumulate and measure the cost of processes, products, jobs,
14 and capital projects. A "cost objective" may be a major
15 function of the non-federal entity, a particular service or
16 project, an award, or an indirect cost activity.

17 "Cost sharing" means the portion of project costs not paid
18 by State or federal funds, unless otherwise authorized by
19 statute.

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

24 ~~"Data Universal Numbering System number" means the 9-digit~~
25 ~~number established and assigned by Dun and Bradstreet, Inc. to~~
26 ~~uniquely identify entities and, under federal law, is required~~

1 ~~for non-federal entities to apply for, receive, and report on~~
2 ~~a federal award.~~

3 "Direct costs" means:

4 (1) costs that can be identified specifically with a
5 particular final cost objective, such as a State or
6 federal or federal pass-through award or a particular
7 sponsored project, an instructional activity, or any other
8 institutional activity, or that can be directly assigned
9 to such activities relatively easily with a high degree of
10 accuracy;

11 (2) costs charged directly to a State or federal award
12 that are for the compensation of employees who work on
13 that award, their related fringe benefits, or the costs of
14 materials and other items of expense incurred for the
15 State or federal award;

16 (3) costs that are directly related to a specific
17 award but that would otherwise be treated as indirect
18 costs;

19 (4) salaries of administrative and clerical staff only
20 if all the following conditions are met:

21 (A) the individual's services are integral to a
22 project or activity;

23 (B) the individual can be specifically identified
24 with the project or activity;

25 (C) the costs are explicitly included in the
26 budget or have the prior written approval of the State

1 awarding agency; and

2 (D) the costs are not also recovered as indirect
3 costs.

4 Costs incurred for the same purpose in like circumstances
5 must be treated consistently as either direct costs or
6 indirect costs.

7 "Equipment" means tangible personal property (including
8 information technology systems) having a useful life of more
9 than one year and a per-unit acquisition cost that equals or
10 exceeds the lesser of the capitalization level established by
11 the non-federal entity for financial statement purposes, or
12 \$5,000.

13 "Executive branch" means that branch of State government
14 that is under the jurisdiction of the Governor.

15 "Federal agency" has the meaning provided for "agency"
16 under 5 U.S.C. 551(1) together with the meaning provided for
17 "agency" by 5 U.S.C. 552(f).

18 "Federal award" means:

19 (1) the federal financial assistance that a
20 non-federal entity receives directly from a federal
21 awarding agency or indirectly from a pass-through entity;

22 (2) the cost-reimbursement contract under the Federal
23 Acquisition Regulations that a non-federal entity receives
24 directly from a federal awarding agency or indirectly from
25 a pass-through entity; or

26 (3) the instrument setting forth the terms and

1 conditions when the instrument is the grant agreement,
2 cooperative agreement, other agreement for assistance
3 covered in 2 CFR Part 200, Subpart A ~~2 CFR 200, Subpart A~~,
4 Acronyms and Definitions, or the cost-reimbursement
5 contract awarded under the Federal Acquisition
6 Regulations.

7 "Federal award" does not include other contracts that a
8 federal agency uses to buy goods or services from a contractor
9 or a contract to operate federal government owned,
10 contractor-operated facilities.

11 "Federal awarding agency" means the federal agency that
12 provides a federal award directly to a non-federal entity.

13 "Federal interest" means, for purposes of 2 CFR 200,
14 Subpart D, Post Federal Award Requirements (Performance and
15 Financial Monitoring and Reporting) or when used in connection
16 with the acquisition or improvement of real property,
17 equipment, or supplies under a federal award, the dollar
18 amount that is the product of the federal share of total
19 project costs and current fair market value of the property,
20 improvements, or both, to the extent the costs of acquiring or
21 improving the property were included as project costs.

22 "Federal program" means any of the following:

23 (1) All federal awards which are assigned a single
24 number in the assistance listings ~~CFDA~~.

25 (2) When no assistance listing ~~CFDA~~ number is
26 assigned, all federal awards to non-federal entities from

1 the same agency made for the same purpose should be
2 combined and considered one program.

3 (3) Notwithstanding paragraphs (1) and (2) of this
4 definition, a cluster of programs. The types of clusters
5 of programs are:

6 (A) research and development;

7 (B) student financial aid; and

8 (C) "other clusters", as described in the
9 definition of "cluster of programs".

10 "Federal share" means the portion of the total project
11 costs that are paid by federal funds.

12 "Final cost objective" means a cost objective which has
13 allocated to it both direct and indirect costs and, in the
14 non-federal entity's accumulation system, is one of the final
15 accumulation points, such as a particular award, internal
16 project, or other direct activity of a non-federal entity.

17 "Financial assistance" means the following:

18 (1) For grants and cooperative agreements, "financial
19 assistance" means assistance that non-federal entities
20 receive or administer in the form of:

21 (A) grants;

22 (B) cooperative agreements;

23 (C) non-cash contributions or donations of
24 property, including donated surplus property;

25 (D) direct appropriations;

26 (E) food commodities; and

1 (F) other financial assistance, except assistance
2 listed in paragraph (2) of this definition.

3 (2) "Financial assistance" includes assistance that
4 non-federal entities receive or administer in the form of
5 loans, loan guarantees, interest subsidies, and insurance.

6 (3) "Financial assistance" does not include amounts
7 received as reimbursement for services rendered to
8 individuals.

9 "Fixed amount awards" means a type of grant agreement
10 under which the awarding agency or pass-through entity
11 provides a specific level of support without regard to actual
12 costs incurred under the award. "Fixed amount awards" reduce
13 some of the administrative burden and record-keeping
14 requirements for both the non-federal entity and awarding
15 agency or pass-through entity. Accountability is based
16 primarily on performance and results.

17 "Foreign public entity" means:

18 (1) a foreign government or foreign governmental
19 entity;

20 (2) a public international organization that is
21 entitled to enjoy privileges, exemptions, and immunities
22 as an international organization under the International
23 Organizations Immunities Act (22 U.S.C. 288-288f);

24 (3) an entity owned, in whole or in part, or
25 controlled by a foreign government; or

26 (4) any other entity consisting wholly or partially of

1 one or more foreign governments or foreign governmental
2 entities.

3 "Foreign organization" means an entity that is:

4 (1) a public or private organization located in a
5 country other than the United States and its territories
6 that are subject to the laws of the country in which it is
7 located, irrespective of the citizenship of project staff
8 or place of performance;

9 (2) a private nongovernmental organization located in
10 a country other than the United States that solicits and
11 receives cash contributions from the general public;

12 (3) a charitable organization located in a country
13 other than the United States that is nonprofit and tax
14 exempt under the laws of its country of domicile and
15 operation, but is not a university, college, accredited
16 degree-granting institution of education, private
17 foundation, hospital, organization engaged exclusively in
18 research or scientific activities, church, synagogue,
19 mosque, or other similar entity organized primarily for
20 religious purposes; or

21 (4) an organization located in a country other than
22 the United States not recognized as a Foreign Public
23 Entity.

24 "Fringe benefits" has the same meaning as provided in 2
25 CFR Part 200, Subpart E - Cost Principles.

26 "Generally Accepted Accounting Principles" has the meaning

1 provided in accounting standards issued by the Government
2 Accounting Standards Board and the Financial Accounting
3 Standards Board.

4 "Generally Accepted Government Auditing Standards" means
5 generally accepted government auditing standards issued by the
6 Comptroller General of the United States that are applicable
7 to financial audits.

8 "Grant agreement" means a legal instrument of financial
9 assistance between an awarding agency or pass-through entity
10 and a non-federal entity that:

11 (1) is used to enter into a relationship, the
12 principal purpose of which is to transfer anything of
13 value from the awarding agency or pass-through entity to
14 the non-federal entity to carry out a public purpose
15 authorized by law and not to acquire property or services
16 for the awarding agency or pass-through entity's direct
17 benefit or use; and

18 (2) is distinguished from a cooperative agreement in
19 that it does not provide for substantial involvement
20 between the awarding agency or pass-through entity and the
21 non-federal entity in carrying out the activity
22 contemplated by the award.

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

26 "Grant application" means a specified form that is

1 completed by a non-federal entity in connection with a request
2 for a specific funding opportunity or a request for financial
3 support of a project or activity.

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

7 "Illinois Stop Payment List" or "Illinois Debarred and
8 Suspended List" means the list maintained by the Governor's
9 Office of Management and Budget that contains the names of
10 those individuals and entities that are ineligible, either
11 temporarily or permanently, from receiving an award of grant
12 funds from the State.

13 "Indirect cost" means those costs incurred for a common or
14 joint purpose benefiting ~~benefitting~~ more than one cost
15 objective and not readily assignable to the cost objectives
16 specifically benefited ~~benefitted~~ without effort
17 disproportionate to the results achieved.

18 "Inspector General" means the Office of the Executive
19 Inspector General for Executive branch agencies.

20 "Loan" means a State or federal loan or loan guarantee
21 received or administered by a non-federal entity. "Loan" does
22 not include a "program income" as defined in 2 CFR 200, Subpart
23 A, Acronyms and Definitions.

24 "Loan guarantee" means any State or federal government
25 guarantee, insurance, or other pledge with respect to the
26 payment of all or a part of the principal or interest on any

1 debt obligation of a non-federal borrower to a non-federal
2 lender, but does not include the insurance of deposits,
3 shares, or other withdrawable accounts in financial
4 institutions.

5 "Local government" has the meaning provided for the term
6 "units of local government" under Section 1 of Article VII of
7 the Illinois Constitution and includes school districts.

8 "Major program" means a federal program determined by the
9 auditor to be a major program in accordance with 2 CFR Part
10 200, Subpart F - Audit Requirements ~~2 CFR 200.518~~ or a program
11 identified as a major program by a federal awarding agency or
12 pass-through entity in accordance with 2 CFR Part 200, Subpart
13 F - Audit Requirements ~~2 CFR 200.503(e)~~.

14 "Non-federal entity" means a state, local government,
15 Indian tribe, institution of higher education, or
16 organization, whether nonprofit or for-profit, that carries
17 out a State or federal award as a recipient or subrecipient.

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

21 (1) is operated primarily for scientific, educational,
22 service, charitable, or similar purposes in the public
23 interest;

24 (2) is not organized primarily for profit; and

25 (3) uses net proceeds to maintain, improve, or expand
26 the operations of the organization.

1 "Obligations", when used in connection with a non-federal
2 entity's utilization of funds under an award, means orders
3 placed for property and services, contracts and subawards
4 made, and similar transactions during a given period that
5 require payment by the non-federal entity during the same or a
6 future period.

7 "Office of Management and Budget" means the Office of
8 Management and Budget of the Executive Office of the
9 President.

10 "Other clusters" has the meaning provided by the federal
11 Office of Management and Budget in the compliance supplement
12 or has the meaning as it is designated by a state for federal
13 awards the state provides to its subrecipients that meet the
14 definition of a cluster of programs. When designating an
15 "other cluster", a state must identify the federal awards
16 included in the cluster and advise the subrecipients of
17 compliance requirements applicable to the cluster.

18 "Oversight agency for audit" means the federal awarding
19 agency that provides the predominant amount of funding
20 directly to a non-federal entity not assigned a cognizant
21 agency for audit. When there is no direct funding, the
22 awarding agency that is the predominant source of pass-through
23 funding must assume the oversight responsibilities. The duties
24 of the oversight agency for audit and the process for any
25 reassignments are described in 2 CFR Part 200, Subpart F -
26 Audit Requirements ~~2 CFR 200.513(b)~~.

1 "Pass-through entity" means a non-federal entity that
2 provides a subaward to a subrecipient to carry out part of a
3 program.

4 "Private award" means an award from a person or entity
5 other than a State or federal entity. Private awards are not
6 subject to the provisions of this Act.

7 "Property" means real property or personal property.

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

11 "Public institutions of higher education" has the meaning
12 provided in Section 1 of the Board of Higher Education Act.

13 "Recipient" means a non-federal entity that receives an
14 award directly from an awarding agency to carry out an
15 activity under a program. "Recipient" does not include
16 subrecipients or individuals who are beneficiaries of the
17 award.

18 "Research and Development" means all research activities,
19 both basic and applied, and all development activities that
20 are performed by non-federal entities.

21 "Single Audit Act" means the federal Single Audit Act
22 Amendments of 1996 (31 U.S.C. 7501-7507).

23 "State agency" means an Executive branch agency. For
24 purposes of this Act, "State agency" does not include public
25 institutions of higher education.

26 "State award" means the financial assistance that a

1 non-federal entity receives from the State and that is funded
2 with either State funds or federal funds; in the latter case,
3 the State is acting as a pass-through entity.

4 "State awarding agency" means a State agency that provides
5 an award to a non-federal entity.

6 "State grant-making agency" has the same meaning as "State
7 awarding agency".

8 "State interest" means the acquisition or improvement of
9 real property, equipment, or supplies under a State award, the
10 dollar amount that is the product of the State share of the
11 total project costs and current fair market value of the
12 property, improvements, or both, to the extent the costs of
13 acquiring or improving the property were included as project
14 costs.

15 "State program" means any of the following:

16 (1) All State awards which are assigned a single
17 number in the Catalog of State Financial Assistance.

18 (2) When no Catalog of State Financial Assistance
19 number is assigned, all State awards to non-federal
20 entities from the same agency made for the same purpose
21 are considered one program.

22 (3) A cluster of programs as defined in this Section.

23 "State share" means the portion of the total project costs
24 that are paid by State funds.

25 "Stop payment order" means a communication from a State
26 grant-making agency to the Office of the Comptroller,

1 following procedures set out by the Office of the Comptroller,
2 causing the cessation of payments to a recipient or
3 subrecipient as a result of the recipient's or subrecipient's
4 failure to comply with one or more terms of the grant or
5 subaward.

6 "Stop payment procedure" means the procedure created by
7 the Office of the Comptroller which effects a stop payment
8 order and the lifting of a stop payment order upon the request
9 of the State grant-making agency.

10 "Student Financial Aid" means federal awards under those
11 programs of general student assistance, such as those
12 authorized by Title IV of the Higher Education Act of 1965, as
13 amended (20 U.S.C. 1070-1099d), that are administered by the
14 United States Department of Education and similar programs
15 provided by other federal agencies. "Student Financial Aid"
16 does not include federal awards under programs that provide
17 fellowships or similar federal awards to students on a
18 competitive basis or for specified studies or research.

19 "Subaward" means a State or federal award provided by a
20 pass-through entity to a subrecipient for the subrecipient to
21 carry out part of a federal award received by the pass-through
22 entity. "Subaward" does not include payments to a contractor
23 or payments to an individual that is a beneficiary of a federal
24 program. A "subaward" may be provided through any form of
25 legal agreement, including an agreement that the pass-through
26 entity considers a contract.

1 "Subrecipient" means a non-federal entity that receives a
2 State or federal subaward from a pass-through entity to carry
3 out part of a State or federal program. "Subrecipient" does
4 not include an individual that is a beneficiary of such
5 program. A "subrecipient" may also be a recipient of other
6 State or federal awards directly from a State or federal
7 awarding agency.

8 "Suspension" means a post-award action by the State or
9 federal agency or pass-through entity that temporarily
10 withdraws the State or federal agency's or pass-through
11 entity's financial assistance sponsorship under an award,
12 pending corrective action by the recipient or subrecipient or
13 pending a decision to terminate the award.

14 "Uniform Administrative Requirements, Costs Principles,
15 and Audit Requirements for Federal Awards" means those rules
16 applicable to grants contained in 2 CFR Part 200.

17 "Unique Entity Identifier" means the number that is
18 established and assigned by the federal government on the
19 System for Award Management website (SAM.gov) to uniquely
20 identify entities and, under federal law, is required for
21 nonfederal entities to apply for, receive, and report on a
22 federal award.

23 "Voluntary committed cost sharing" means cost sharing
24 specifically pledged on a voluntary basis in the proposal's
25 budget or the award on the part of the non-federal entity and
26 that becomes a binding requirement of the award.

1 (Source: P.A. 103-616, eff. 7-1-24; revised 10-24-24.)

2 (30 ILCS 708/25)

3 Sec. 25. Supplemental rules. On or before July 1, 2017,
4 the Governor's Office of Management and Budget, with the
5 advice and technical assistance of the Illinois Single Audit
6 Commission, shall adopt supplemental rules pertaining to the
7 following:

8 (1) Criteria to define mandatory formula-based grants
9 and discretionary grants.

10 (2) The award of one-year grants for new applicants.

11 (3) The award of competitive grants in 3-year terms
12 (one-year initial terms with the option to renew for up to
13 2 additional years) to coincide with the federal award.

14 (4) The issuance of grants, including:

15 (A) public notice of announcements of funding
16 opportunities;

17 (B) the development of uniform grant applications;

18 (C) State agency review of merit of proposals and
19 risk posed by applicants;

20 (D) specific conditions for individual recipients
21 (including the use of a fiscal agent and additional
22 corrective conditions);

23 (E) certifications and representations;

24 (F) pre-award costs;

25 (G) performance measures and statewide prioritized

1 goals under Section 50-25 of the State Budget Law of
2 the Civil Administrative Code of Illinois, commonly
3 referred to as "Budgeting for Results"; and

4 (H) for mandatory formula grants, the merit of the
5 proposal and the risk posed should result in
6 additional reporting, monitoring, or measures such as
7 reimbursement-basis only.

8 (5) The development of uniform budget requirements,
9 which shall include:

10 (A) mandatory submission of budgets as part of the
11 grant application process;

12 (B) mandatory requirements regarding contents of
13 the budget including, at a minimum, common detail line
14 items specified under guidelines issued by the
15 Governor's Office of Management and Budget;

16 (C) a requirement that the budget allow
17 flexibility to add lines describing costs that are
18 common for the services provided as outlined in the
19 grant application;

20 (D) a requirement that the budget include
21 information necessary for analyzing cost and
22 performance for use in Budgeting for Results; and

23 (E) caps, which may be equal to, but shall not be
24 greater than, the caps allowed by federal agencies, on
25 the amount of salaries that may be charged to grants
26 ~~based on the limitations imposed by federal agencies.~~

1 (6) The development of pre-qualification requirements
2 for applicants, including the fiscal condition of the
3 organization and the provision of the following
4 information:

5 (A) organization name;

6 (B) Federal Employee Identification Number;

7 (C) Unique Entity Identifier ~~Data—Universal~~
8 ~~Numbering System (DUNS)~~ number;

9 (D) fiscal condition;

10 (E) whether the applicant is in good standing with
11 the Secretary of State;

12 (F) past performance in administering grants, if
13 applicable;

14 (G) whether the applicant is on the Debarred and
15 Suspended List maintained by the Governor's Office of
16 Management and Budget;

17 (H) whether the applicant is on the federal
18 Excluded Parties List; and

19 (I) whether the applicant is on the Sanctioned
20 Party List maintained by the Illinois Department of
21 Healthcare and Family Services.

22 Nothing in this Act affects the provisions of the Fiscal
23 Control and Internal Auditing Act nor the requirement that the
24 management of each State agency is responsible for maintaining
25 effective internal controls under that Act.

26 For public institutions of higher education, the

1 provisions of this Section apply only to awards funded by
2 federal pass-through awards from a State agency to public
3 institutions of higher education.

4 (Source: P.A. 101-81, eff. 7-12-19; 102-626, eff. 8-27-21.)

5 (30 ILCS 708/30)

6 Sec. 30. Catalog of State Financial Assistance. The
7 Catalog of State Financial Assistance is a single,
8 authoritative, statewide, comprehensive source document of
9 State financial assistance program information. The Catalog
10 shall contain, at a minimum, the following information:

11 (1) An introductory section that contains Catalog
12 highlights, an explanation of how to use the Catalog, an
13 explanation of the Catalog and its contents, and suggested
14 grant proposal writing methods and grant application
15 procedures.

16 (2) A comprehensive indexing system that categorizes
17 programs by issuing agency, eligible applicant,
18 application deadlines, function, popular name, and subject
19 area.

20 (3) Comprehensive appendices showing State assistance
21 programs that require coordination through this Act and
22 regulatory, legislative, and Executive Order authority for
23 each program, commonly used abbreviations and acronyms,
24 agency regional and local office addresses, and sources of
25 additional information.

1 (4) A list of programs that have been added to or
2 deleted from the Catalog and the various program numbers
3 and title changes.

4 (5) Program number, title, and popular name, if
5 applicable.

6 (6) The name of the State department or agency or
7 independent agency and primary organization sub-unit
8 administering the program.

9 (7) The enabling legislation, including popular name
10 of the Act, titles and Sections, Public Act number, and
11 citation to the Illinois Compiled Statutes.

12 (8) The type or types of financial and nonfinancial
13 assistance offered by the program.

14 (9) Uses and restrictions placed upon the program.

15 (10) Eligibility requirements, including applicant
16 eligibility criteria, beneficiary eligibility criteria,
17 and required credentials and documentation.

18 (11) Objectives and goals of the program.

19 (12) Information regarding application and award
20 processing; application deadlines; range of approval or
21 disapproval time; appeal procedure; and availability of a
22 renewal or extension of assistance.

23 (13) Assistance considerations, including an
24 explanation of the award formula, matching requirements,
25 ~~and~~ the length and time phasing of the assistance, and
26 whether the program is eligible for interest under the

1 State Prompt Payment Act.

2 (14) Post-assistance requirements, including any
3 reports, audits, and records that may be required.

4 (15) Program accomplishments (where available)
5 describing quantitative measures of program performance.

6 (16) Regulations, guidelines, and literature
7 containing citations to the Illinois Administrative Code,
8 the Code of Federal Regulations, and other pertinent
9 informational materials.

10 (17) The names, telephone numbers, and e-mail
11 addresses of persons to be contacted for detailed program
12 information at the headquarters, regional, and local
13 levels.

14 (Source: P.A. 98-706, eff. 7-16-14.)

15 (30 ILCS 708/50)

16 Sec. 50. State grant-making agency responsibilities.

17 (a) The specific requirements and responsibilities of
18 State grant-making agencies and non-federal entities are set
19 forth in this Act. State agencies making State awards to
20 non-federal entities must adopt by rule the language in 2 CFR
21 Part 200, Subpart C through Subpart F unless different
22 provisions are required by law.

23 (b) Each State grant-making agency shall appoint a Chief
24 Accountability Officer who shall serve as a liaison to the
25 Grant Accountability and Transparency Unit and who shall be

1 responsible for the State agency's implementation of and
2 compliance with the rules.

3 (c) In order to effectively measure the performance of its
4 recipients and subrecipients, each State grant-making agency
5 shall:

6 (1) require its recipients and subrecipients to relate
7 financial data to performance accomplishments of the award
8 and, when applicable, must require recipients and
9 subrecipients to provide cost information to demonstrate
10 cost-effective practices. The recipient's and
11 subrecipient's performance should be measured in a way
12 that will help the State agency to improve program
13 outcomes, share lessons learned, and spread the adoption
14 of promising practices; and

15 (2) provide recipients and subrecipients with clear
16 performance goals, indicators, and milestones and must
17 establish performance reporting frequency and content to
18 not only allow the State agency to understand the
19 recipient's progress, but also to facilitate
20 identification of promising practices among recipients and
21 subrecipients and build the evidence upon which the State
22 agency's program and performance decisions are made. The
23 frequency of reports on performance goals, indicators, and
24 milestones required under this Section shall not be more
25 frequent than quarterly. Nothing in this Section is
26 intended to prohibit more frequent reporting to assess

1 items such as service needs, gaps, or capacity, as
2 indicated by a corrective action plan or by a risk
3 assessment.

4 (3) ~~(e-5)~~ Each State grant-making agency shall, when
5 it is in the best interests of the State, request that the
6 Office of the Comptroller issue a stop payment order in
7 accordance with Section 105 of this Act.

8 (4) ~~(e-6)~~ Upon notification by the Grant Transparency
9 and Accountability Unit that a stop payment order has been
10 requested by a State grant-making agency, each State
11 grant-making agency who has issued a grant to that
12 recipient or subrecipient shall determine if it remains in
13 the best interests of the State to continue to issue
14 payments to the recipient or subrecipient.

15 (d) The Governor's Office of Management and Budget shall
16 provide such advice and technical assistance to the State
17 grant-making agencies as is necessary or indicated in order to
18 ensure compliance with this Act.

19 (e) In accordance with this Act and the Illinois State
20 Collection Act of 1986, refunds required under the Grant Funds
21 Recovery Act may be referred to the Comptroller's offset
22 system.

23 (Source: P.A. 100-997, eff. 8-20-18.)

24 (30 ILCS 708/60)

25 Sec. 60. Grant Accountability and Transparency Unit

1 responsibilities.

2 (a) The Grant Accountability and Transparency Unit within
3 the Governor's Office of Management and Budget shall be
4 responsible for:

5 (1) The development of minimum requirements applicable
6 to the staff of grant applicants to manage and execute
7 grant awards for programmatic and administrative purposes,
8 including grant management specialists with:

9 (A) general and technical competencies;

10 (B) programmatic expertise;

11 (C) fiscal expertise and systems necessary to
12 adequately account for the source and application of
13 grant funds for each program; and

14 (D) knowledge of compliance requirements.

15 (2) The development of minimum training requirements,
16 including annual training requirements.

17 (3) Accurate, current, and complete disclosure of the
18 financial results of each funded award, as set forth in
19 the financial monitoring and reporting Section of 2 CFR
20 Part 200.

21 (4) Development of criteria for requiring the
22 retention of a fiscal agent and for becoming a fiscal
23 agent.

24 (5) Development of disclosure requirements in the
25 grant application pertaining to:

26 (A) related-party status between grantees and

1 grant-making agencies;

2 (B) past employment of applicant officers and
3 grant managers;

4 (C) disclosure of current or past employment of
5 members of immediate family; and

6 (D) disclosure of senior management of grantee
7 organization and their relationships with contracted
8 vendors.

9 (6) Implementation of rules prohibiting a grantee from
10 charging any cost allocable to a particular award or cost
11 objective to other State or federal awards to overcome
12 fund deficiencies, to avoid restrictions imposed by law or
13 terms of the federal awards, or for other reasons.

14 (7) Implementation of rules prohibiting a non-federal
15 entity from earning or keeping any profit resulting from
16 State or federal financial assistance, unless prior
17 approval has been obtained from the Governor's Office of
18 Management and Budget and is expressly authorized by the
19 terms and conditions of the award.

20 (8) Maintenance of an Illinois Stop Payment List or an
21 Illinois Debarred and Suspended List that contains the
22 names of those individuals and entities that are
23 ineligible, either temporarily or permanently, to receive
24 an award of grant funds from the State.

25 (9) Ensuring the adoption of standardized rules for
26 the implementation of this Act by State grant-making

1 agencies. The Grant Accountability and Transparency Unit
2 shall provide such advice and technical assistance to the
3 State grant-making agencies as is necessary or indicated
4 in order to ensure compliance with this Act.

5 (10) Coordination of financial and Single Audit
6 reviews.

7 (11) Coordination of on-site reviews of grantees and
8 subrecipients.

9 (12) Maintenance of the Catalog of State Financial
10 Assistance, which shall be posted on an Internet website
11 maintained by the Governor's Office of Management and
12 Budget that is available to the public.

13 (13) Promotion of best practices for disseminating
14 information about grant opportunities to grant-making
15 agencies statewide, with an emphasis on reaching
16 previously underserved communities and grantees.

17 (b) The Grant Accountability and Transparency Unit shall
18 have no power or authority regarding the approval,
19 disapproval, management, or oversight of grants entered into
20 or awarded by a State agency or by a public institution of
21 higher education. The power or authority existing under law to
22 grant or award grants by a State agency or by a public
23 institution of higher education shall remain with that State
24 agency or public institution of higher education. The Unit
25 shall be responsible for providing technical assistance to
26 guide the Administrative Code amendments proposed by State

1 grant-making agencies to comply with this Act and shall be
2 responsible for establishing standardized policies and
3 procedures for State grant-making agencies in order to ensure
4 compliance with the Uniform Administrative Requirements, Cost
5 Principles and Audit Requirements for Federal Awards set forth
6 in 2 CFR Part 200, all of which must be adhered to by the State
7 grant-making agencies throughout the life cycle of the grant.

8 (c) The powers and functions of grant making by State
9 agencies or public institutions of higher education may not be
10 transferred to, nor may prior grant approval be transferred
11 to, any other person, office, or entity within the executive
12 branch of State government.

13 (Source: P.A. 100-676, eff. 1-1-19.)

14 (30 ILCS 708/65)

15 Sec. 65. Audit requirements.

16 (a) The standards set forth in Subpart F of 2 CFR Part 200
17 and any other standards that apply directly to State or
18 federal agencies shall apply to audits of fiscal years
19 beginning on or after December 26, 2014.

20 (b) Books and records must be available for review or
21 audit by appropriate officials of the pass-through entity, and
22 the agency, the Auditor General, the Inspector General,
23 appropriate officials of the agency, and the federal
24 Government Accountability Office.

25 (c) The Governor's Office of Management and Budget, with

1 the advice and technical assistance of the Illinois Single
2 Audit Commission, shall adopt rules that are reasonably
3 consistent with 2 CFR Part 200 for audits of grants from a
4 State or federal pass-through entity that are not subject to
5 the Single Audit Act because (1) the amount of ~~the~~ federal
6 awards expended during the entity's fiscal year ~~award~~ is less
7 than the applicable amount specified in 2 CFR Part 200,
8 Subpart F ~~\$750,000~~ or (2) the subrecipient is an exempt entity
9 as specified in ~~and that are reasonably consistent with~~ 2 CFR
10 Part 200, Subpart F.

11 (d) This Act does not affect the provisions of the
12 Illinois State Auditing Act and does not address the external
13 audit function of the Auditor General.

14 (Source: P.A. 98-706, eff. 7-16-14.)

15 (30 ILCS 708/97) (was 30 ILCS 708/520)

16 Sec. 97. Separate accounts for State grant funds.
17 Notwithstanding any provision of law to the contrary, all
18 grants for which advance payments are made and any grant
19 agreement entered into, renewed, or extended on or after
20 August 20, 2018 (the effective date of Public Act 100-997)
21 that permits advanced payments, between a State grant-making
22 agency and a nonprofit organization, shall require the
23 nonprofit organization receiving grant funds to maintain those
24 funds in an account which is separate and distinct from any
25 account holding non-grant funds. Except as otherwise provided

1 in an agreement between a State grant-making agency and a
2 nonprofit organization, the grant funds held in a separate
3 account by a nonprofit organization shall not be used for
4 non-grant-related activities, and any unused grant funds shall
5 be returned to the State grant-making agency. This Section
6 does not apply when grant payments are made as reimbursements.
7 (Source: P.A. 100-997, eff. 8-20-18; 101-81, eff. 7-12-19.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.