

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 Governor's Office of Management and Budget
5 Act is amended by changing Section 2.9 as follows:

6 (20 ILCS 3005/2.9)

7 Sec. 2.9. Pursuant to the Grant Accountability and
8 Transparency Act, to maintain a list of those individuals and
9 entities that are ineligible, ~~either temporarily or~~
10 ~~permanently,~~ to receive an award of grant funds from the
11 State.

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

13 Section 10. The Grant Accountability and Transparency Act
14 is amended by changing Sections 15, 60, and 105 as follows:

15 (30 ILCS 708/15)

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

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

18 (1) the costs are reasonable and necessary for the
19 performance of the award;

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

21 (3) the costs are treated consistently in like

1 circumstances to both federally-financed and other
2 activities of the non-federal entity;

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

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

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

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

15 (8) the costs of one State or federal grant are not
16 used to meet the match requirements of another State or
17 federal grant; and

18 (9) the costs are adequately documented.

19 "Assistance listings" means the publicly available listing
20 of federal assistance programs managed and administered by the
21 General Services Administration, formerly known as the Catalog
22 of Federal Domestic Assistance (CFDA).

23 "Assistance listing number" or "ALN" means a unique number
24 assigned to identify a federal assistance listing, formerly
25 known as the CFDA Number.

26 "Auditee" means any non-federal entity that expends State

1 or federal awards that must be audited.

2 "Auditor" means an auditor who is a public accountant or a
3 federal, State, or local government audit organization that
4 meets the general standards specified in generally-accepted
5 government auditing standards. "Auditor" does not include
6 internal auditors of nonprofit organizations.

7 "Auditor General" means the Auditor General of the State
8 of Illinois.

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

20 "Budget" means the financial plan for the project or
21 program that the awarding agency or pass-through entity
22 approves during the award process or in subsequent amendments
23 to the award. It may include the State or federal and
24 non-federal share or only the State or federal share, as
25 determined by the awarding agency or pass-through entity.

26 "Catalog of State Financial Assistance" means the single,

1 authoritative, statewide, comprehensive source document of
2 State financial assistance program information maintained by
3 the Governor's Office of Management and Budget.

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

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

15 "Cognizant agency for audit" means the federal agency
16 designated to carry out the responsibilities described in 2
17 CFR Part 200, Subpart F - Audit Requirements.

18 "Contract" means a legal instrument by which a non-federal
19 entity purchases property or services needed to carry out the
20 project or program under an award. "Contract" does not include
21 a legal instrument, even if the non-federal entity considers
22 it a contract, when the substance of the transaction meets the
23 definition of an award or subaward.

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

25 "Cooperative agreement" means a legal instrument of
26 financial assistance between an awarding agency or

1 pass-through entity and a non-federal entity that:

2 (1) is used to enter into a relationship with the
3 principal purpose of transferring anything of value from
4 the awarding agency or pass-through entity to the
5 non-federal entity to carry out a public purpose
6 authorized by law, but is not used to acquire property or
7 services for the awarding agency's or pass-through
8 entity's direct benefit or use; and

9 (2) is distinguished from a grant in that it provides
10 for substantial involvement between the awarding agency or
11 pass-through entity and the non-federal entity in carrying
12 out the activity contemplated by the award.

13 "Cooperative agreement" does not include a cooperative
14 research and development agreement, nor an agreement that
15 provides only direct cash assistance to an individual, a
16 subsidy, a loan, a loan guarantee, or insurance.

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

21 "Cost objective" means a program, function, activity,
22 award, organizational subdivision, contract, or work unit for
23 which cost data is desired and for which provision is made to
24 accumulate and measure the cost of processes, products, jobs,
25 and capital projects. A "cost objective" may be a major
26 function of the non-federal entity, a particular service or

1 project, an award, or an indirect cost activity.

2 "Cost sharing" means the portion of project costs not paid
3 by State or federal funds, unless otherwise authorized by
4 statute.

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

9 "Direct costs" means:

10 (1) costs that can be identified specifically with a
11 particular final cost objective, such as a State or
12 federal or federal pass-through award or a particular
13 sponsored project, an instructional activity, or any other
14 institutional activity, or that can be directly assigned
15 to such activities relatively easily with a high degree of
16 accuracy;

17 (2) costs charged directly to a State or federal award
18 that are for the compensation of employees who work on
19 that award, their related fringe benefits, or the costs of
20 materials and other items of expense incurred for the
21 State or federal award;

22 (3) costs that are directly related to a specific
23 award but that would otherwise be treated as indirect
24 costs;

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

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

3 (B) the individual can be specifically identified
4 with the project or activity;

5 (C) the costs are explicitly included in the
6 budget or have the prior written approval of the State
7 awarding agency; and

8 (D) the costs are not also recovered as indirect
9 costs.

10 Costs incurred for the same purpose in like circumstances
11 must be treated consistently as either direct costs or
12 indirect costs.

13 "Equipment" means tangible personal property (including
14 information technology systems) having a useful life of more
15 than one year and a per-unit acquisition cost that equals or
16 exceeds the lesser of the capitalization level established by
17 the non-federal entity for financial statement purposes, or
18 \$5,000.

19 "Executive branch" means that branch of State government
20 that is under the jurisdiction of the Governor.

21 "Federal agency" has the meaning provided for "agency"
22 under 5 U.S.C. 551(1) together with the meaning provided for
23 "agency" by 5 U.S.C. 552(f).

24 "Federal award" means:

25 (1) the federal financial assistance that a
26 non-federal entity receives directly from a federal

1 awarding agency or indirectly from a pass-through entity;

2 (2) the cost-reimbursement contract under the Federal
3 Acquisition Regulations that a non-federal entity receives
4 directly from a federal awarding agency or indirectly from
5 a pass-through entity; or

6 (3) the instrument setting forth the terms and
7 conditions when the instrument is the grant agreement,
8 cooperative agreement, other agreement for assistance
9 covered in 2 CFR Part 200, Subpart A, Acronyms and
10 Definitions, or the cost-reimbursement contract awarded
11 under the Federal Acquisition Regulations.

12 "Federal award" does not include other contracts that a
13 federal agency uses to buy goods or services from a contractor
14 or a contract to operate federal government owned,
15 contractor-operated facilities.

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

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

1 "Federal program" means any of the following:

2 (1) All federal awards which are assigned a single
3 number in the assistance listings.

4 (2) When no assistance listing number is assigned, all
5 federal awards to non-federal entities from the same
6 agency made for the same purpose should be combined and
7 considered one program.

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

11 (A) research and development;

12 (B) student financial aid; and

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

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

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

22 "Financial assistance" means the following:

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

26 (A) grants;

1 (B) cooperative agreements;

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

4 (D) direct appropriations;

5 (E) food commodities; and

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

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

11 (3) "Financial assistance" does not include amounts
12 received as reimbursement for services rendered to
13 individuals.

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

22 "Foreign public entity" means:

23 (1) a foreign government or foreign governmental
24 entity;

25 (2) a public international organization that is
26 entitled to enjoy privileges, exemptions, and immunities

1 as an international organization under the International
2 Organizations Immunities Act (22 U.S.C. 288-288f);

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

5 (4) any other entity consisting wholly or partially of
6 one or more foreign governments or foreign governmental
7 entities.

8 "Foreign organization" means an entity that is:

9 (1) a public or private organization located in a
10 country other than the United States and its territories
11 that are subject to the laws of the country in which it is
12 located, irrespective of the citizenship of project staff
13 or place of performance;

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

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

26 (4) an organization located in a country other than

1 the United States not recognized as a Foreign Public
2 Entity.

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

5 "Generally Accepted Accounting Principles" has the meaning
6 provided in accounting standards issued by the Government
7 Accounting Standards Board and the Financial Accounting
8 Standards Board.

9 "Generally Accepted Government Auditing Standards" means
10 generally accepted government auditing standards issued by the
11 Comptroller General of the United States that are applicable
12 to financial audits.

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

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

23 (2) is distinguished from a cooperative agreement in
24 that it does not provide for substantial involvement
25 between the awarding agency or pass-through entity and the
26 non-federal entity in carrying out the activity

1 contemplated by the award.

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

5 "Grant application" means a specified form that is
6 completed by a non-federal entity in connection with a request
7 for a specific funding opportunity or a request for financial
8 support of a project or activity.

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

12 "Illinois Stop Payment List" or "Illinois Debarred and
13 Suspended List" means the list maintained by the Governor's
14 Office of Management and Budget that contains the names of
15 those individuals and entities that are ineligible, ~~either~~
16 ~~temporarily or permanently,~~ from receiving an award of grant
17 funds from the State.

18 "Indirect cost" means those costs incurred for a common or
19 joint purpose benefiting more than one cost objective and not
20 readily assignable to the cost objectives specifically
21 benefited without effort disproportionate to the results
22 achieved.

23 "Inspector General" means the Office of the Executive
24 Inspector General for Executive branch agencies.

25 "Loan" means a State or federal loan or loan guarantee
26 received or administered by a non-federal entity. "Loan" does

1 not include a "program income" as defined in 2 CFR 200, Subpart
2 A, Acronyms and Definitions.

3 "Loan guarantee" means any State or federal government
4 guarantee, insurance, or other pledge with respect to the
5 payment of all or a part of the principal or interest on any
6 debt obligation of a non-federal borrower to a non-federal
7 lender, but does not include the insurance of deposits,
8 shares, or other withdrawable accounts in financial
9 institutions.

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

13 "Major program" means a federal program determined by the
14 auditor to be a major program in accordance with 2 CFR Part
15 200, Subpart F - Audit Requirements or a program identified as
16 a major program by a federal awarding agency or pass-through
17 entity in accordance with 2 CFR Part 200, Subpart F - Audit
18 Requirements.

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

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

26 (1) is operated primarily for scientific, educational,

1 service, charitable, or similar purposes in the public
2 interest;

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

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

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

12 "Office of Management and Budget" means the Office of
13 Management and Budget of the Executive Office of the
14 President.

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

23 "Oversight agency for audit" means the federal awarding
24 agency that provides the predominant amount of funding
25 directly to a non-federal entity not assigned a cognizant
26 agency for audit. When there is no direct funding, the

1 awarding agency that is the predominant source of pass-through
2 funding must assume the oversight responsibilities. The duties
3 of the oversight agency for audit and the process for any
4 reassignments are described in 2 CFR Part 200, Subpart F -
5 Audit Requirements.

6 "Pass-through entity" means a non-federal entity that
7 provides a subaward to a subrecipient to carry out part of a
8 program.

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

12 "Property" means real property or personal property.

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

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

18 "Recipient" means a non-federal entity that receives an
19 award directly from an awarding agency to carry out an
20 activity under a program. "Recipient" does not include
21 subrecipients or individuals who are beneficiaries of the
22 award.

23 "Research and Development" means all research activities,
24 both basic and applied, and all development activities that
25 are performed by non-federal entities.

26 "Single Audit Act" means the federal Single Audit Act

1 Amendments of 1996 (31 U.S.C. 7501-7507).

2 "State agency" means an Executive branch agency. For
3 purposes of this Act, "State agency" does not include public
4 institutions of higher education.

5 "State award" means the financial assistance that a
6 non-federal entity receives from the State and that is funded
7 with either State funds or federal funds; in the latter case,
8 the State is acting as a pass-through entity.

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

11 "State grant-making agency" has the same meaning as "State
12 awarding agency".

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

20 "State program" means any of the following:

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

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

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

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

4 "Stop payment order" means a communication from a State
5 grant-making agency to the Office of the Comptroller,
6 following procedures set out by the Office of the Comptroller,
7 causing the cessation of payments to a recipient or
8 subrecipient as a result of the recipient's or subrecipient's
9 failure to comply with one or more terms of the grant or
10 subaward.

11 "Stop payment procedure" means the procedure created by
12 the Office of the Comptroller which effects a stop payment
13 order and the lifting of a stop payment order upon the request
14 of the State grant-making agency.

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

24 "Subaward" means a State or federal award provided by a
25 pass-through entity to a subrecipient for the subrecipient to
26 carry out part of a federal award received by the pass-through

1 entity. "Subaward" does not include payments to a contractor
2 or payments to an individual that is a beneficiary of a federal
3 program. A "subaward" may be provided through any form of
4 legal agreement, including an agreement that the pass-through
5 entity considers a contract.

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

13 "Suspension" means a post-award action by the State or
14 federal agency or pass-through entity that temporarily
15 withdraws the State or federal agency's or pass-through
16 entity's financial assistance sponsorship under an award,
17 pending corrective action by the recipient or subrecipient or
18 pending a decision to terminate the award.

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

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

1 federal award.

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

6 (Source: P.A. 103-616, eff. 7-1-24; 103-1068, eff. 3-21-25;
7 104-417, eff. 8-15-25.)

8 (30 ILCS 708/60)

9 Sec. 60. Grant Accountability and Transparency Unit
10 responsibilities.

11 (a) The Grant Accountability and Transparency Unit within
12 the Governor's Office of Management and Budget shall be
13 responsible for:

14 (1) The development of minimum requirements applicable
15 to the staff of grant applicants to manage and execute
16 grant awards for programmatic and administrative purposes,
17 including grant management specialists with:

18 (A) general and technical competencies;

19 (B) programmatic expertise;

20 (C) fiscal expertise and systems necessary to
21 adequately account for the source and application of
22 grant funds for each program; and

23 (D) knowledge of compliance requirements.

24 (2) The development of minimum training requirements,
25 including annual training requirements.

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

5 (4) Development of criteria for requiring the
6 retention of a fiscal agent and for becoming a fiscal
7 agent.

8 (5) Development of disclosure requirements in the
9 grant application pertaining to:

10 (A) related-party status between grantees and
11 grant-making agencies;

12 (B) past employment of applicant officers and
13 grant managers;

14 (C) disclosure of current or past employment of
15 members of immediate family; and

16 (D) disclosure of senior management of grantee
17 organization and their relationships with contracted
18 vendors.

19 (6) Implementation of rules prohibiting a grantee from
20 charging any cost allocable to a particular award or cost
21 objective to other State or federal awards to overcome
22 fund deficiencies, to avoid restrictions imposed by law or
23 terms of the federal awards, or for other reasons.

24 (7) Implementation of rules prohibiting a non-federal
25 entity from earning or keeping any profit resulting from
26 State or federal financial assistance, unless prior

1 approval has been obtained from the Governor's Office of
2 Management and Budget and is expressly authorized by the
3 terms and conditions of the award.

4 (8) Maintenance of an Illinois Stop Payment List or an
5 Illinois Debarred and Suspended List that contains the
6 names of those individuals and entities that are
7 ineligible, ~~either temporarily or permanently,~~ to receive
8 an award of grant funds from the State.

9 (9) Ensuring the adoption of standardized rules for
10 the implementation of this Act by State grant-making
11 agencies. The Grant Accountability and Transparency Unit
12 shall provide such advice and technical assistance to the
13 State grant-making agencies as is necessary or indicated
14 in order to ensure compliance with this Act.

15 (10) Coordination of financial and Single Audit
16 reviews.

17 (11) Coordination of on-site reviews of grantees and
18 subrecipients.

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

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

1 (b) The Grant Accountability and Transparency Unit shall
2 have no power or authority regarding the approval,
3 disapproval, management, or oversight of grants entered into
4 or awarded by a State agency or by a public institution of
5 higher education. The power or authority existing under law to
6 grant or award grants by a State agency or by a public
7 institution of higher education shall remain with that State
8 agency or public institution of higher education. The Unit
9 shall be responsible for providing technical assistance to
10 guide the Administrative Code amendments proposed by State
11 grant-making agencies to comply with this Act and shall be
12 responsible for establishing standardized policies and
13 procedures for State grant-making agencies in order to ensure
14 compliance with the Uniform Administrative Requirements, Cost
15 Principles and Audit Requirements for Federal Awards set forth
16 in 2 CFR Part 200, all of which must be adhered to by the State
17 grant-making agencies throughout the life cycle of the grant.

18 (c) The powers and functions of grant making by State
19 agencies or public institutions of higher education may not be
20 transferred to, nor may prior grant approval be transferred
21 to, any other person, office, or entity within the executive
22 branch of State government.

23 (Source: P.A. 103-1068, eff. 3-21-25.)

24 (30 ILCS 708/105)

25 Sec. 105. Stop payment procedures.

1 (a) On or before July 1, 2019, the Governor's Office of
2 Management and Budget shall adopt rules pertaining to the
3 following:

4 (1) factors to be considered in determining whether to
5 issue a stop payment order shall include whether or not a
6 stop payment order is in the best interests of the State;

7 (2) factors to be considered in determining whether a
8 stop payment order should be lifted; and

9 (3) procedures for notification to the recipient or
10 subrecipient of the issuance of a stop payment order, the
11 lifting of a stop payment order, and any other related
12 information.

13 (b) On or before December 31, 2019, the Governor's Office
14 of Management and Budget shall, in conjunction with State
15 grant-making agencies, adopt rules pertaining to the
16 following:

17 (1) policies regarding the issuance of stop payment
18 orders;

19 (2) policies regarding the lifting of stop payment
20 orders;

21 (3) policies regarding corrective actions required of
22 recipients and subrecipients in the event a stop payment
23 order is issued; and

24 (4) policies regarding the coordination of
25 communications between the Office of the Comptroller and
26 State grant-making agencies regarding the issuance of stop

1 payment orders and the lifting of such orders.

2 (c) On or before July 1, 2020, the Office of the
3 Comptroller shall establish stop payment procedures that shall
4 cause the cessation of payments to a recipient or
5 subrecipient. Such a ~~temporary or permanent~~ cessation of
6 payments will occur pursuant to a stop payment order requested
7 by a State grant-making agency and implemented by the Office
8 of the Comptroller.

9 (d) The State grant-making agency shall maintain a file
10 pertaining to all stop payment orders which shall include, at
11 a minimum:

12 (1) The notice to the recipient or subrecipient that a
13 stop payment order has been issued. The notice shall
14 include:

15 (A) The name of the grant.

16 (B) The grant number.

17 (C) The name of the State agency that issued the
18 grant.

19 (D) The reasons for the stop payment order.

20 (E) Any other relevant information.

21 (2) The order lifting the stop payment order, if
22 applicable.

23 (e) The Grant Accountability and Transparency Unit shall
24 determine and disseminate factors that State agencies shall
25 consider when determining whether it is in the best interests
26 of the State to ~~permanently or temporarily~~ cease payments to a

1 recipient or subrecipient who has had a stop payment order
2 requested by another State agency.

3 (f) The Office of the Comptroller and the Governor's
4 Office of Management and Budget grant systems shall determine
5 if the recipient or subrecipient has received grants from
6 other State grant-making agencies.

7 (g) Upon notice from the Office of the Comptroller, the
8 Grant Accountability and Transparency Unit shall notify all
9 State grant-making agencies who have issued grants to a
10 recipient or subrecipient whose payments have been subject to
11 a stop payment order that a stop payment order has been
12 requested by another State grant-making agency.

13 (h) Upon notice from the Grant Accountability and
14 Transparency Unit, each State grant-making agency who has
15 issued a grant to a recipient or subrecipient whose payments
16 have been subject to a stop payment order shall review and
17 assess all grants issued to that recipient or subrecipient.
18 State agencies shall use factors provided by the Governor's
19 Office of Management and Budget or the Grant Accountability
20 and Transparency Unit to determine whether it is in the best
21 interests of the State to request a stop payment order.

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