**Section 7000.370 Uniform Grant Agreement**

a) A State agency issuing a grant shall enter into a Grant Agreement with the awardee before any grant funds are transmitted to that awardee. The Grant Agreement must include the following:

1) Awardee Information

A) Name (which must match the name associated with the awardee's DUNS or Unique Entity Identifier, as applicable);

B) Awardee's DUNS or Unique Entity Identifier, as applicable.

2) Agency Information

A) Name of State awarding agency;

B) Contact information for the State awarding agency;

C) Program under which the grant is being issued.

3) Grant Information

A) CSFA number and name;

B) Unique State-issued award identification number (SAIN);

C) Project description;

D) Type of grant;

E) Award date;

F) Period of performance start and end date;

G) Amount of the grant, contingent upon available appropriations;

H) Total amount of State or federal pass-through funds allocated;

I) Estimated budget (funding provided by State awarding agency) approved by the State awarding agency;

J) Indirect cost rate for the State or federal pass-through award (including if the de minimis rate is charged or if there is a statutory limitation imposed by the funding agency);

K) Approved cost share or match, if applicable;

L) Identification of whether the award is for research and development; and

M) Any funds the agency may be authorized by statute to retain as its administrative expenses, citing the specific statutory authority.

4) General Terms and Conditions. State agencies must include in the Grant Agreement, as applicable, the following general terms and conditions, either by actual inclusion or by cross-reference:

A) Administrative requirements implemented by the State agency by rule;

B) State policy requirements, including State statutes or regulations that apply; and

C) Recipient integrity and performance matters.

5) Agency, Program or Grant Specific Terms and Conditions. The Grant Agreement shall include any terms and conditions necessary to communicate requirements that are specific to the grant, grant program or awardee, including citations to any relevant Code of Federal Regulations (CFR) or Illinois Administrative Code provisions, and other regulatory information.

6) Grant Performance Goals

A) The State awarding agency shall indicate the timing and scope of expected performance by the awardee as related to the outcomes the program is intended to achieve.

B) When appropriate, the Grant Agreement shall include specific performance goals, indicators, milestones or expected outcomes, with an expected timeline for accomplishment.

7) Reporting requirements shall be clearly articulated so that they create a standard against which awardee performance can be measured. The State awarding agency may include program-specific requirements, as required to meet agency strategic goals and objectives or performance goals that are relevant to the grant program.

8) Any other information that enables the State awarding agency to adequately monitor the conduct of the awardee under the Grant Agreement and ensure adherence to the terms of the grant.

b) Revision of Budget and Program Plans

1) The approved budget for the State-issued award incorporated in the Grant Agreement by reference may include either the State and non-State share or only the State share, depending upon the specific State agency rules. The budget shall relate clearly to project or program performance.

2) Awardees are required to report deviations from budget or project scope or objective and request prior approvals from State awarding agencies in accordance with this Section.

3) Revisions – Nonconstruction Grant Agreements

A) Mandated Prior Approval. For nonconstruction grants, the awardee shall request prior approval from the State agency for any of the following program or budget-related reasons:

i) Change in the scope or the objective of the project or program (even if there is no associated budget revision).

ii) Change in a key person specified by the awardee in the application or the Grant Agreement.

iii) Disengagement from the project for more than 3 months, or a 25% reduction in time devoted to the project, by the approved project director or principal investigator.

iv) Transfer of funds budgeted for participant support costs.

v) Unless described in the application and funded by the Grant Agreement, issuance of a subgrant transferring or contracting out of any work under a State-issued award, including a fixed amount subgrant. This provision does not apply to the acquisition of supplies, material, equipment or general support services.

vi) Changes in the approved awardee cost-share or match.

vii) The need arises for additional State funds to complete the project.

B) Prior Approval at the State Agency's Discretion

i) A State awarding agency must seek written approval from GATU before mandating prior approval for reasons beyond those enumerated in Section 7000.370(b)(3)(A). Upon receipt of GATU approval, the State awarding agency shall include additional mandates in the program rules if universally applicable, or in the Grant Agreement if awardee-specific.

ii) If the State agency determines that granting blanket approval of additional revisions to or deviations from the budget, project scope, or objective stated in a nonconstruction Grant Agreement is warranted and will cause no threat to the integrity of the grant program, the agency shall include those policies in its grant program rules if universally applicable or in the Grant Agreement if awardee specific.

C) Transfer of Funds

i) In compliance with Section 7000.40(c)(1)(A)(iii), the State awarding agency may, in its program rules or a specific Grant Agreement, allow the transfer of funds among direct cost categories or programs, functions and activities.

ii) The agency shall not permit a transfer that would cause any State appropriation to be used for purposes other than those for which that appropriation was made.

4) Revisions – Construction Grants. For State construction grants, the awardee must request prior written approval promptly from the State awarding agency for budget revisions whenever subsection (b)(4)(A), (b)(4)(B), or (b)(4)(C) applies:

A) The revision results from changes in the scope or the objective of the project or program;

B) The need arises for additional State funds to complete the project; or

C) A revision is desired that involves a specific cost for which prior written approval requirements may be imposed consistent with applicable cost principles listed in UR subpart E.

5) When a State agency makes a State-issued award that provides support both for construction and nonconstruction work, the agency may require the awardee to obtain prior approval from the agency before making any fund or budget transfers between the two types of work supported.

6) When requesting approval for budget revisions, the recipient shall use the same format for budget information that was used in the application, unless the State agency's rules indicate that a letter of request suffices.

7) Within 30 calendar days after receipt of a request for budget revisions, the agency shall review the request and notify the awardee whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the agency shall inform the awardee in writing of the date the awardee may expect the decision.

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