**Section 120.80 Administrative Requirements**

For the purpose of this Part, administrative requirements specified in 47 Ill. Adm. Code 1 and this Section are applicable.

a) Compensation – The Grantee cannot be reimbursed for costs which exceed the total approved budget. If the Grantee believes its operation for the grant period will exceed a budgeted line item or cost category, it shall request approval of the Department in writing and give justification for the requested variation prior to exceeding any approved budget line item or cost category. However, Program Support and Client Assistance cost categories and all inclusive line items may vary up to 20% from the approved budget amount. In no event shall the Administration cost category be increased without prior written approval from the Department and the Special Category may only be increased. The Department will grant approval to modify budgeted amounts when the modification is necessary to achieve program objectives.

b) Carry-over

1) Unexpended Funds – CSBG fund balance from the previous fiscal year will be, subject to written approval of the Department, carried into the Grantee’s succeeding fiscal year CSBG program. The carry-over funds will not reduce the succeeding fiscal year allocation, but the carry-over amount should not exceed 20% of the agency’s annual CSBG allocation and the succeeding year’s work program must reflect additional planned program achievements with reasonable probability of accomplishing those planned achievements so as to eliminate future substantive unexpended balances.

2) Limitation Waiver – CAAs may request the Department to waive the 20% limitation when unforeseen circumstances, such as a project not materializing, high staff turnover or other similar reasonable causes contributed to an excess carry-over. If the CAA has no reasonable excuse for the excess carryover, the Department will allow the CAA to reprogram the total carry-over amount, including excess, for one succeeding year. If the CAA violates the 20% limitation the second succeeding year, without a valid, reasonable excuse, the Department will deobligate the excess funds and redistribute them to CAAs, through either a competitive, pilot program solicitation or formula allocation process.

3) Economic Development Requirement (Section 120.110(b)(1)) Carry-over Exception – CAAs are considered by the Department to be not in compliance with their grant agreement when during the grant period they spend less then 50% of their required 10% earmark for job creating economic development (Budget Category “D” funds). In this case, the entire remaining Category “D” balance will be excluded from allowable carry-over and will be deobligated by the Department. CAAs that spend at least 50%, but less than the earmarked amount, will be required to place that carry-over portion into Category “D” of the subsequent grant agreement.

c) Reporting

1) Monthly Reports – An expenditure report shall be submitted to the Department at the time of each cash request, but no less frequently than the 10th calendar day of each month after the first month of the grant period. The report shall be in a format established by the Department and shall contain such financial information required by the Department.

2) Quarterly Reports – A Quarterly Program Report, prepared in a form and manner prescribed by the Department, shall be submitted to the Department by the 30th day following the end of each calendar quarter. The report shall include, but not be limited to, the name of the work program, the estimated number of individuals to be served by the program, and the number of individuals actually served by the program.

3) The Grantee shall submit other programmatic reports as may be required by the Department.

d) Subcontracts and Subgrants – The Grantee’s services, duties and responsibilities under CSBG shall not be subcontracted or subgranted by the Grantee without prior written approval of the Department. Any subcontracts or subgrants shall be subject to and conform with all applicable State and federal laws and the terms and conditions of Department grant agreements.

e) Publication, Reproduction and Use of Material – Any publication produced as a result of a CSBG grant shall include in its title page the following citation: "This project was conducted with funds provided by the Illinois Department of Commerce and Community Affairs and does not necessarily represent in whole or in part the viewpoint of the Illinois Department of Commerce and Community Affairs."

f) Assurances – The State and Grantees must comply, as applicable, with the provisions of section 676(b)(1) through (13) of the Act (42 USC 9908(b)(1)-(13)).

g) Monitoring – In order to determine whether grantees meet the performance goals, administrative standards and financial requirements established by the State, the Department shall conduct the following reviews of grantees:

1) a full onsite review at least once every 3 years;

2) an onsite review of each newly designated grantee during or immediately after the completion of the first year of funding; and

3) follow up reviews including prompt return visits to grantees that fail to meet the goals, standards and requirements established by the Department (42 USC 9914(a)).

(Source: Amended at 27 Ill. Reg. 7986, effective April 28, 2003)