**Section 2735.APPENDIX A Advance Payment Formula**

a) The formula abbreviations are as follows:

1) ATA = Announced Term Awards

2) ADV = Average Dollar Value of ATA

3) CT = Current Term

4) DA = Dollars Advanced

5) FY = Fiscal Year

6) PFY = Previous Fiscal Year

7) RR = Retention Rate

8) %AD = Percentage Advanced

b) The advanced payment formula established at Section 2735.50 may be demonstrated as follows:

[(ATA x RR) x %AD] x ADV = DA

c) Sample Award History:

|  |  |  |
| --- | --- | --- |
| Announced Awards | Awards Claimed | RR |
| FYA: 6,050 | 3,063 | .51 |
| FYB: 5,271 | 3,214 | .61 |
| FYC: 5,001 | 2,313 | .46 |
| FYD: 3,333 | 1,619 | .49 |
| PFY: 3,468 | 1,285 | .37 |

Five year average RR: .49

|  |  |  |
| --- | --- | --- |
| Total Dollars Announced | Total Dollars Claimed | RR |
| PFY: $1,245,568.00 | $383,647.50 | .31 |

CT ATA: 859

CT ADV: $403.27

%AD: .75

d) Sample Calculation:

1) [(859 x .31) x .75] x 403.27 = DA

2) (266.29 x .75) x 403.27 =

3) 199.718 x 403.27 =

4) DA = $80,540.28

(Source: Amended at 22 Ill. Reg. 11149, effective July 1, 1998)