**Section 870.209 Grant Payment Schedule**

a) Requests for partial or final payment shall be sent by the grantee to the Agency and shall demonstrate the performance of work in accordance with the terms of the grant agreement. Requests shall be made according to the grant payment schedule. The Agency shall not make payment for requests for payment that are submitted by a grantee more than 12 months after the eligible grant expenses have been incurred. In addition, grantees shall submit grantee progress reports, on forms prescribed and provided by the Agency, in accordance with the grant agreement.

b) With the exception of indirect costs (as defined in Section 871.Appendix B of this Part) all grant costs must be directly identified as grant-related. To be directly identifiable and eligible for grant reimbursement, expenses must be documentable and traceable to the grant and submitted on forms prescribed and provided by the Agency, in accordance with the Agency's instructions. Accurate documentation must be submitted by the grantee with the request for payment in accordance with the payment schedule in the grant agreement. If accurate documentation for all grant expenses cannot be provided by the grantee, reimbursement shall not be made.

c) The grantee shall be paid the State share of allowable costs incurred within the scope of an approved project not to exceed the total grant, subject to the limitations of the conditions of the grant. Such payments must be in accordance with the payment schedule and the grant amount set forth in the grant agreement. Where the Agency has issued a Phase I and II MWP Grant, the Agency will not make payment for Phase II work items until all Phase I work items have been completed in accordance with the terms of the grant agreement.

1) Requests for payment

The grantee shall submit requests for payments and progress reports to the Agency for allowable costs incurred in accordance with the payment schedule set forth in the grant agreement. The grantee shall include an accounting of all eligible grant expenses to the Agency with the requests for payment. Subject to the availability of appropriated funding, the Agency shall cause payment to be disbursed to the grantee upon receipt of accurate documentation with the request for payment. Such funds shall be disbursed so that the total amount of State payments made to the grantee for the project is equal to the State share of the actual or estimated allowable project costs incurred to date, as certified by the grantee in its most recent request for payment. Failure to submit requests for payments and progress reports in accordance with the payment schedule set forth in the grant agreement may subject the grantee to the noncompliance provisions of Section 870.210 of this Part.

2) Adjustment

At any time or times prior to final payment under the grant, the Agency may cause any request(s) for payment to be reviewed or audited by the Agency. Each subsequent payment shall be subject to reduction for amounts included in the related request for payment which are found, on the basis of such review or audit not to constitute allowable costs. Any payment will be reduced for overpayments or increased for underpayments on preceding requests for payment.

3) Refunds, rebates, credits, etc.

The State share of any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the grantee with respect to the project, to the extent that they are properly allocable to costs for which the grantee has been paid under a grant, must be paid to the State of Illinois Solid Waste Management Fund. Reasonable expenses incurred by the grantee for the purposes of securing such refunds, rebates, credits, or other amounts shall be allowable costs under the grant.

4) Final payment

The Agency will retain ten percent of all documented costs and will not issue payment for the retained amount until compliance with all applicable requirements of the grant has been demonstrated by the grantee. Upon compliance by the grantee with all applicable requirements of the grant, the Agency shall cause to be disbursed to the grantee any balance of approved allowable project costs which has not been paid to the grantee. Prior to final payment under the grant, the grantee must execute and deliver an unconditional assignment to the Agency, on forms prescribed and provided by the Agency, of the State share of refunds, rebates, credits or other amounts (including any interest thereon) properly allocable to costs for which the grantee has been paid by the State under the grant, and a release discharging the State of Illinois, its officers, agents, and employees from all liabilities, obligations, and claims arising out of the project work or under the grant. Exceptions to such release shall be allowed only where the grantee is powerless as a matter of law, or precluded by litigation, from conveying such an unconditional release.

5) Schedule of payment

Payments for eligible grant expenses will be paid by the Agency in accordance with the payment schedule set forth in the grant agreement, subject to appropriation of funds by the Illinois General Assembly. Failure to submit requests for payment and grantee progress reports in accordance with the schedule in the grant agreement may subject the grantee to the noncompliance provisions in Section 870.210 of this Part.

(Source: Amended at 19 Ill. Reg. 11861, effective August 3, 1995)