



Rep. Patricia R. Bellock

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LRB098 02559 OMW 43575 a

1 AMENDMENT TO HOUSE BILL 2

2 AMENDMENT NO. _____. Amend House Bill 2 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Grant Funds Recovery Act is
5 amended by adding Section 15 as follows:

6 (30 ILCS 705/15 new)

7 Sec. 15. Illinois Single Audit Commission.

8 (a) As used in this Section:

9 "Departments" means the agencies, boards, and
10 commissions designated by the Governor.

11 "Grant" means an award of financial assistance with a
12 principal purpose of transferring a thing of value from a
13 federal or State agency to a recipient to carry out a
14 public purpose of support or stimulation authorized by a
15 law of the United States or of this State. A grant is
16 distinguished from a contract, which is used to acquire

1 property or services for the federal or State government's
2 direct benefit or use.

3 In addition, the terms referenced in subsections (e)
4 through (g) shall have the meanings ascribed to them in the
5 Office of Management and Budget Circular A-110.

6 (b) There is created the Illinois Single Audit Commission.
7 The Commission shall conduct research regarding the practices
8 of other states in the administration of grants and create a
9 report summarizing the Commission's recommendations regarding
10 the adoption of uniform standards for the administration of
11 grants in this State. The Commission shall operate at no direct
12 cost to this State and the Department of Human Services shall
13 work with community providers to identify administrative
14 support for the Commission.

15 (c) The Commission shall be comprised of:

16 (1) One representative from each of the top 10
17 grant-making Departments who is an expert in grant subject
18 matter and who shall be appointed by the Governor, one of
19 whom shall be designated as Chairperson.

20 (2) Eight elected officials, or their designees, 2 from
21 the House Democrat caucus, 2 from the House Republican
22 caucus, 2 from the Senate Democrat caucus, and 2 from the
23 Senate Republican caucus, and who shall be appointed by the
24 Governor.

25 (3) Ten members, one designated by each of the
26 Departments appointed under paragraph (1) of this

1 subsection, to represent community organizations,
2 providers, and associations.

3 (d) The recommendations in the report shall primarily focus
4 on developing a coordinated, non-redundant process for the
5 provision of effective and efficient oversight of grant
6 recipients, ensuring quality programs, and limiting fraud,
7 waste, and abuse. The report shall define the purpose, scope,
8 applicability, and responsibilities in the life cycle of a
9 grant related to subsections (e) through (g). To the extent
10 feasible, the Commission's report shall include necessary
11 statutory and rule changes required to implement proposed
12 actions.

13 (e) The report shall examine and make recommendations for
14 the following with regard to a grant before it is awarded:

15 (1) criteria to define formula-based grants and
16 discretionary grants;

17 (2) discretionary grants and whether they should exist
18 in a competitive grant environment in alternating 3-year
19 cycles;

20 (3) uniform grant applications;

21 (4) uniform budget requirements;

22 (5) pre-qualification requirements of applicants,
23 including the fiscal condition of the organization;

24 (6) minimum requirements for applicant staff to manage
25 and execute grant awards for programmatic and
26 administrative purposes;

1 (7) criteria for requiring a fiscal agent and for
2 becoming a fiscal agent; and

3 (8) disclosure requirements of Related Parties between
4 grantees and grant-making agencies.

5 (f) The report shall examine and make recommendations for
6 the following with regard to a grant at the time it is awarded:

7 (1) uniform grant agreements;

8 (2) uniform reporting requirements, including budget
9 to actual quarterly reports;

10 (3) uniform monitoring, including on-site fiscal and
11 administrative control reviews on a risk-based approach to
12 determine the required frequency of monitoring;

13 (4) payment methods, including advance and reconcile,
14 capital advances, and reimbursement;

15 (5) administrative requirements;

16 (6) allowable cost principles;

17 (7) conditional exemption process;

18 (8) standardized audit requirements;

19 (9) program performance reporting;

20 (10) retention of records and access requirements; and

21 (11) grant termination and enforcement procedures.

22 (g) The report shall examine and make recommendations for
23 the following with regard to a grant after it has been awarded:

24 (1) standardized closeout procedures;

25 (2) standardized audit requirements;

26 (3) subsequent grant adjustments and continuing

1 responsibilities;

2 (4) grant recovery; and

3 (5) the appeal process.

4 (h) The report shall be filed with the General Assembly by
5 January 1, 2014.

6 (i) This Section is repealed on January 1, 2015.

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.".