

Effective October 15, 2009

New Reporting Requirements for Grants with Expenditures Incurred Prior to Grant Execution

In some cases, a Grant Agreement may be executed subsequent to the beginning date of the grant term. This may be due to administrative processing time or to account for eligible prior incurred expenditures related to the project. Grantees must follow the additional reporting procedures outlined below if **both** of the following conditions exist:

- If the grantee has incurred eligible project expenditures prior to the execution date but within the grant term, and
- If the Grant Agreement is executed more than 30 days subsequent to the beginning date of the grant term.

If the above conditions exist, the grantee must submit to DCEO a Financial Status Report form and a Project Status Report form to account for eligible project expenditures incurred and project activities conducted from the beginning of the grant term up to the end of the month preceding the date of execution. The Grantee is required to adhere to the reporting requirements located on the website at: <http://www.ildceo.net/dceo/Bureaus/Office+of+Accountability/Reporting/>. The Financial Status Report form must document expenditures incurred from the beginning of the grant term up to the end of the month preceding the date of execution. The Project Status Report form must document all project activity incurred from the beginning of the grant term up to the end of the month preceding the date of execution. **DCEO will not issue any payments to the grantee until the reports are approved by DCEO staff.**¹

Also if it is stated in the Grant Agreement that prior incurred expenditures are allowed, then the grantee must follow these additional reporting requirements prior to any payments being issued. The grantee must submit to DCEO the Financial Status Report form and the Project Status Report form to account for all prior incurred expenditures and related project activity.

The grantee will have 30 days from the grant execution date to submit the reports to the DCEO. If the grantee does not comply with this requirement, DCEO will have the ability to terminate the grant in accordance with the Grant Agreement.

When following this reporting process the grantee's recurring status reporting cycle will start from the beginning of the month in which the grant was executed. The grantee's reporting due dates must be outlined in the Report Deliverable Schedule.

This procedure is being implemented to ensure that grantees properly account for any project expenditures incurred prior to the grant agreement being executed before DCEO will issue the first payment to the grantee. DCEO will allow a 30 day time period for processing a grant from the beginning of the grant term to date of execution of the grant agreement which serves as a "grace period" and removes this additional reporting requirement.

DCEO grant managers should be the first point of contact for grantees if they have any questions related to this procedure.

¹ DCEO changed the reporting period for the "catch up" report on November 17, 2009.