



Illinois Department of Commerce & Economic Opportunity

Monitoring of Grant Agreements

Overview

To ensure that grant funds are spent in accordance with the grant agreement that has been executed by the grantee and the Department of Commerce & Economic Opportunity, grants may be monitored by Grant Monitors. Grant Monitors are members of the Office of Accountability that perform an in-depth review of grant expenditures and program execution.

Monitoring requirements apply to all Grantees, subgrantees, contractors and subcontractors who receive or provide services related to a grant.

Grantee must provide access to grant award documentation, permit any authorized agent of the Grantor access to this documentation, cooperate fully with any audit or inquiry, and keep any audit or inquiry confidential. Details are contained in the "Maintenance and Accessibility of Records" section of the grant agreement and the "Monitoring and Additional Monitoring Provisions" of the grant agreement. There are record retention requirements for all grants. Please see your individual grant agreement for details.

Details

This section provides language in the grant agreement and an explanation of what is required. The language may change as new grant agreements are executed.

Additional Monitoring Provisions

Access to Documentation.

The Award will be monitored for compliance in accordance with the terms and conditions of this Agreement, together with appropriate programmatic rules, regulations, and/or guidelines that the Grantor promulgates or implements. The Grantee must permit any agent authorized by the Grantor, upon presentation of credentials, in accordance with all methods available by law, full access to and the right to examine any document, paper and records either in hardcopy or electronic format, of the Grantee involving transactions relating to this Award.

What it Means

The Grantee is required to allow any agent of the Grantor access to all records related to the grant.

Cooperation with Audits and Inquiries, Confidentiality.

Pursuant to Article XII, above, the Grantee is obligated to cooperate with the Grantor and other legal authorities in any audit or inquiry related to the Award. The Grantor or any other governmental authority conducting an audit or inquiry may require the Grantee to keep confidential any audit or inquiry and to limit internal disclosure of the audit or inquiry to those Grantee personnel who are necessary to support the Grantee's response to the audit or inquiry. This confidentiality requirement shall not limit Grantee's right to discuss an audit or inquiry with its legal counsel. If a third party seeks to require the Grantee, pursuant to any law, regulation, or legal process, to disclose an audit or inquiry that has been deemed confidential by the Grantor or other governmental authority, the Grantee shall promptly notify the entity that is conducting the audit or inquiry of such effort so that the entity that is conducting the audit or inquiry may seek a protective order, take other appropriate action, or waive compliance by the Grantee with the confidentiality requirement.

What it Means

The Grantee is required to cooperate with any audit or inquiry into the Award by the Grantor or other governmental authority. The Grantee is also required to keep any audit or inquiry confidential, and to notify the organization conducting the audit or inquiry of any attempts to get the Grantee to disclose this information. The Grantee can discuss the audit or inquiry with their legal representative. **NOTE: Article XII is detailed in the Records Retention Summary (see separate document).**

Records Retention.

Grantee shall maintain for three (3) years from the date of submission of the final expenditure report, adequate books, all financial records and, supporting documents, statistical records, and all other records pertinent to this Award, adequate to comply with 2 CFR 200.334, unless a different retention period is specified in 2 CFR 200.334 or 44 Ill. Admin. Code 7000.430(a) and (b). If any litigation, claim, or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken.

What it Means

Keep all records related to the grant for at least 3 years from the date the final closeout report is submitted. If any audit, monitoring, claim, or litigation is started within that timeframe, keep all records until you receive a release from the audit or monitoring or the litigation has been resolved.

Accessibility of Records.

Grantee, in compliance with 2 CFR 200.337 and 44 Ill Admin. Code 7000.430(e), shall make books, records, related papers, supporting documentation and personnel relevant to this Agreement available to authorized Grantor representatives, the Illinois Auditor General, Illinois Attorney General, any Executive Inspector General, the Grantor's Inspector General, federal authorities, any person identified in 2 CFR 200.337, and any other person as may be authorized

by Grantor (including auditors), by the State of Illinois or by federal statute. Grantee shall cooperate fully in any such audit or inquiry.

What it Means

Keep all records & personnel readily available and cooperate with any audit or inquiry.

Failure to Maintain Books and Records.

Failure to maintain books, records and supporting documentation, as described in this ARTICLE XII, shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records and supporting documentation are not available to support disbursement.

What it Means

The Grantee has the burden of proof that grant funds were spent correctly. Any records which are not maintained may lead to a refund of the grant funds applicable to those records.

Monitoring and Access to Information.

Grantee must monitor its activities to assure compliance with applicable state and federal requirements and to assure its performance expectations are being achieved. Grantor shall monitor the activities of Grantee to assure compliance with all requirements and performance expectations of the award. Grantee shall timely submit all financial and performance reports, and shall supply, upon Grantor's request, documents and information relevant to the Award. Grantor may make site visits as warranted by program needs. See 2 CFR 200.329 and 2 CFR 200.332. Additional monitoring requirements may be in **PART TWO** or **PART THREE**.

What it Means

Grantee must perform their own due diligence of activities related to the Award (including the activities of any subcontractors or subrecipients) and the Grantor will monitor the Grantee for compliance as well. Grantor monitoring may consist of Grant Management review of periodic reports, monitoring reviews conducted by other authorized personnel during or after the grant period, or both. The Grantee must submit all reports required when they are due and provide any other documents or information upon request.