



**STATE OF ILLINOIS  
EXECUTIVE OFFICE OF THE GOVERNOR**

**GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET  
SPRINGFIELD 62706**

**BRUCE RAUNER**  
GOVERNOR

December 29, 2015

To Governor Rauner and Members of the General Assembly:

On behalf of the Governor's Office of Management and Budget (GOMB) and the Illinois Single Audit Commission (ILSAC), we are pleased to submit our first annual report on the Grant Accountability and Transparency Act. We appreciate your ongoing commitment and support of policy efforts to improve the accountability of public funds that are spent to meet the needs and priorities of Illinoisans.

The Grant Accountability and Transparency Act (GATA) became law on July 16, 2014 as Public Act 98-0706. Its objective is to optimize the administration and monitoring of the state's grant funds, both federal- and state-funded, to improve performance outcomes by applying efficient and effective processes throughout the entire grant life cycle. Grant funds are approximately 66% of the state's annual budget and the implementation of this Act is an important initiative led by the Grant Accountability and Transparency Unit (GATU) at GOMB.

We are pleased to report that GATU has made significant accomplishments in the first twelve months of this Administration despite the lack of adequate budget, staff and technology resources. Much of our progress is a result of leveraging the talents and input from over 200 volunteers from the grantee community and state agencies.

The following are some of the accomplishments by GATU as the unit begins to implement GATA or meet specific mandates required by the Act:

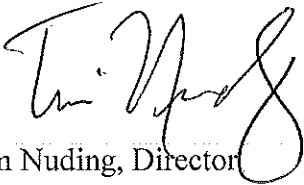
- developed a GATA strategic implementation plan focusing on 27 initiatives;
- adopted the federal rules, found in the Uniform Guidance at 2 CFR 200, to apply to all federal and federal pass-through grants (44 Illinois Administrative Code 7000);
- obtained unanimous agreement on the state rules and federal rule amendments and will begin the JCAR process during first quarter 2016;

- created a GATA public website;
- developed an electronic Catalog of State Financial Assistance that is currently being populated by state agencies to capture information on all the state's grant programs;
- developed a Stop Payment List database that is currently being populated by state agencies to capture names of individuals and grantees found to be ineligible, either temporarily or permanently, to receive grant funds;
- issued an RFP to seek a vendor to provide administration, review and negotiation services of indirect cost rate proposals and cost allocation plans submitted by grantees;
- developed initial plans for a grants management technology solution; and
- provided training and technical assistance and presented information to over 1,100 stakeholders to educate and inform them about the status of the GATA implementation and collect their input.

We thank the network of volunteers and the GATU team who have worked very hard this past year with little resources. Much of their work has been focused on planning and designing the foundational elements for the state's new grant accountability approach. Continued progress to implement GATA and its intended goals is contingent upon receiving the necessary funding. Resources will be needed to hire GATU staff, contract for critical services, acquire or develop technology solutions, and to provide training to agency staff and grantees.

We also appreciate the support provided by the General Assembly for this initiative and look forward to continuing to work with you in the next year to progress towards full implementation of GATA. We believe our partnership will make Illinois a national leader in grants accountability and our policies and efforts will improve grantee success to provide better results for all Illinoisans.

Sincerely,



Tim Nuding, Director



Carol Kraus, GATU Director and ILSAC Chair