STATE OF ILLINOIS

GRANT ACCOUNTABILITY AND TRANSPARENCY ACT

AUDIT REPORT REVIEW PROCESS GRANTEE INSTRUCTION MANUAL

March 2024

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Grantee Audit Report Review Process Introduction

This instruction manual provides information for the Grant Accountability and Transparency Act (GATA) centralized review of State of Illinois grantee audit reports. By following the instructions in this manual, the grantee will understand each step in the audit report review process, as well as the specific information that must be completed for a successful audit package submission using the Grantee Portal.

Please refer to the Audit Report Review Process Overview Manual for a full overview of the State of Illinois' centralized audit report review process.

GATA Audit Requirements

Grantees are subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules and policies set forth by the Governor's Office of Management and Budget. 30 ILCS 708/65(c); 44 Ill. Admin. Code 7000.90.

a) Awardees, excluding for-profits, that expend at least the threshold amount as set out in 2 CFR 200.501(a) during the non-federal entity's fiscal year in federal awards (federal pass-through and direct federal funds) must have a single audit conducted in accordance with UR section 200.514. Awardees meeting certain requirements may elect to have a program-specific audit conducted in accordance with UR section 200.507.

b) Awardees that expend less than the threshold amount as set out in 2 CFR 200.501(a) during the non-federal entity's fiscal year in federal awards (federal pass-through and direct federal funds) from all sources are exempt from federal audit requirements for that year. These non-federal entities are not subject to the single audit requirements.

c) Awardees that expend less than the threshold amount as set out in 2 CFR 200.501(a) in direct federal and federal pass-through funds from all sources are subject to the following audit requirements:

   i) Awardees that expend at least the threshold amount as set out in 44 Ill. Admin. Code 7000.90(c)(1) in State-issued awards, singularly or in any combination and are not subject to the single audit:

      (1) Must have a financial statement audit conducted in accordance with GAGAS; and

      (2) If deemed to be high risk based on the grantee's overall risk profile (obtained from the Financial and Administrative Risk Assessment, the Merit Review, or the Programmatic Risk Assessment mandated by UR section 200.332):
         (a) Must have an audit conducted in accordance with GAGAS; and
         (b) Are required to undergo either an on-site review conducted by the State Cognizant Agency or an agreed-upon procedures engagement, paid for and arranged by the pass-through entity or pass-through entities in accordance with UR section 200.425.

   ii) Awardees that do not meet the requirements in subsection (c)(i) but expend at least the threshold amount as set out in 44 Ill. Admin. Code 7000.90(c)(2) in State-issued awards, singularly or in any combination, from a State awarding agency, during the awardee's fiscal year must have a financial statement audit conducted in accordance with GAAS.

iii) If the grantee is a Local Education Agency (as defined in 34 CFR 77.1), it must have a financial statement audit conducted in accordance with GAGAS, as required by 23 Ill. Admin. Code 100.110, regardless of the dollar amount of expenditures of federal pass-through and State-Issued Awards from a State awarding agency.

iv) If the grantee does not meet the requirements in subsections (a) and (c)(i) through (c)(iii) but is required to have a financial statement audit conducted based on other regulatory requirements, it must submit those audits for review.

d) For-profit Awardees. The pass-through entities are responsible for ensuring awardee compliance with established requirements. Methods to ensure compliance for State-issued awards to for-profit subrecipients may include pre-award audits, monitoring during the agreement period of performance, and post-award audits. See also UR section 200.332 (Requirements for Pass-through Entities).

i) For-profit Awardees Audit Requirements. For-profit awardees who expend at least the threshold amount as set out in 2 CFR 200.501(a) in federal pass-through funds from a State awarding agency during the awardee's fiscal year must have a program-specific audit conducted in accordance with UR section 200.507 (Program-specific Audits).

(1) State awarding agencies must provide the awardee the program-specific audit guide, when available.

(2) If a program-specific guide is not available, the auditor and auditee have the same responsibilities for the program as they would have for a major program in a single audit.

(3) The auditor must audit federal pass-through programs with federal pass-through Awards expended that, in the aggregate, cover at least 50 percent (0.50) of total federal pass-through Awards expended.

ii) For-profit awardees who expend less than the threshold amount as set out in 2 CFR 200.501(a) federal pass-through funds from a State awarding agency during the awardee's fiscal year must follow the audit requirements in subsections (c)(i) through (c)(iv).

e) Awardees who do not meet the requirements in subsection (c) or (d) but have audits conducted based on other regulatory requirements must submit those audits for review.

f) Publicly Traded Entities. If the grantee is a publicly traded company, the grantee is not subject to the single audit or program-specific audit requirements but must submit its annual audit conducted in accordance with its regulatory requirements.

g) Local Government Entities. If the grantee is a local government entity and is a Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) recipient, the recipient may use an alternative approach to a single or program-specific audit under 2 CFR Part 200, Subpart F. If the CSLFRF recipient expended at least the threshold amount as set out in 2 CFR 200.501(a) during the recipient's fiscal year in federal awards and meets both criteria in (g)(i-ii), the recipient has the option to follow the alternative CSLFRF compliance examination engagement.

   i) The recipient's total CSLFRF award received directly from Treasury or received (through states) as a Non-entitlement Unit (NEU) is at or below $10 million; and

   ii) Other federal award funds the recipient expended (not including their direct CSLFRF award funds) are less than the threshold amount as set out in 2 CFR 200.501(a) during the recipient's fiscal year.

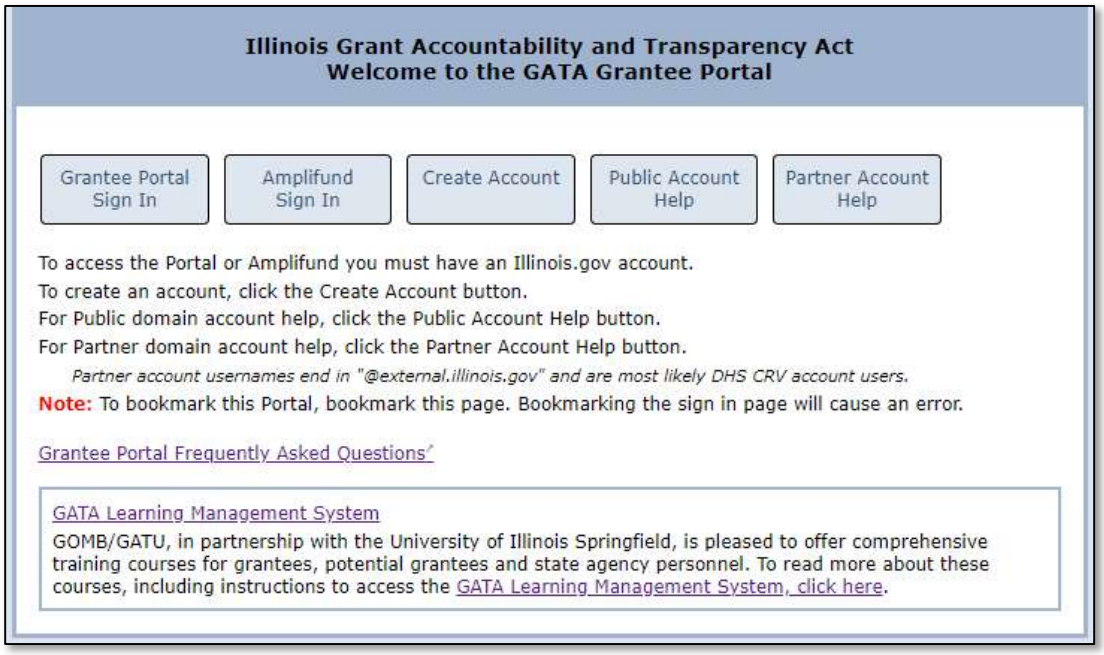
h) Single Audit and Program Specific Audit Report Submission. Single audits, including any program or regulatory audit requirements, must be completed and the reporting package must be submitted by the awardee to the Federal Audit Clearinghouse, as required by UR section 200.512 and the Grantee Portal, within the earlier of 30 calendar days after receipt of the auditor's reports or 9 months after the end of the awardee's audit period. If the due date falls on a Saturday, Sunday or State/federal holiday, the reporting package is due the next business day.

i) Financial Statement Audits must be completed and the reporting package must be submitted by the awardee using the Grantee Portal within the earlier of 30 calendar days after receipt of the auditor's reports or 6 months after the end of the awardee's audit period. If the due date falls on a Saturday, Sunday or State/federal holiday, the reporting package is due the next business day.

j) Awardees that are not required to have an audit conducted must submit a Consolidated Year-end Financial Report using the Grantee Portal.

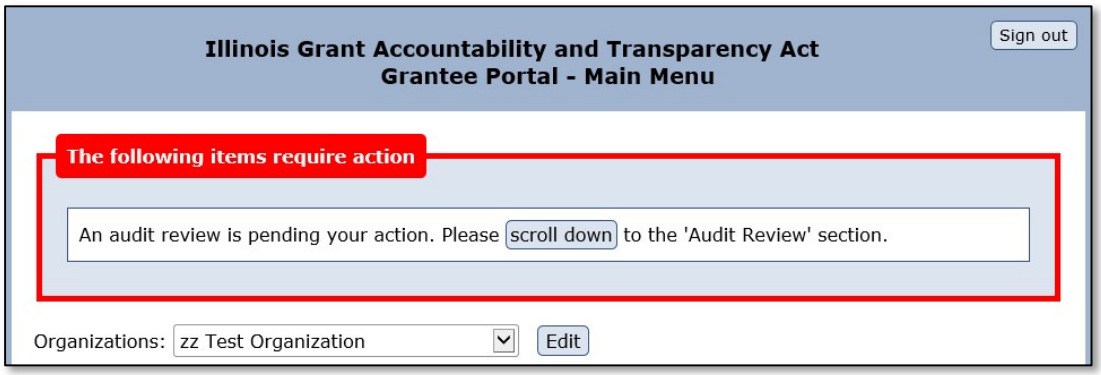
Accessing the Audit Review in the Grantee Portal

Log into the Grantee Portal by browsing to https://grants.illinois.gov/portal/.

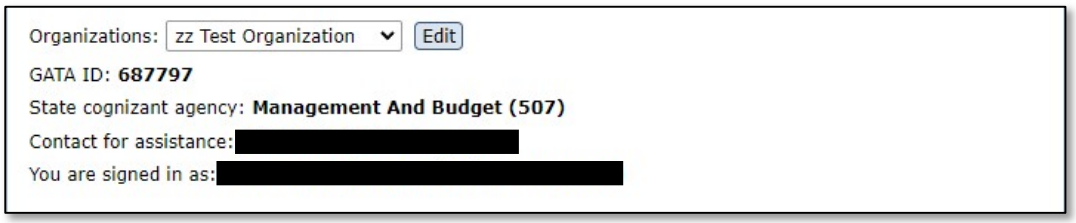


Upon entering the Grantee Portal, the user will be directed to the Grantee Portal's Main Menu. This menu contains various information for the user's organization. This manual will focus on the audit report review section.

a) If the grantee has work to do for an audit report review, a bright red required action box will appear at the top of the Main Menu page (see example below). As seen below, the notification will direct the user to scroll down to the "Active Audit Reviews" section. However, before scrolling down, the user should ensure the user is working within the correct organization.



b) The grantee's information will be located right below the required action box. Ensure the grantee's information is correct and that the user is working within the correct organization. This is especially important if the user is assigned to multiple organizations.



c) If the organization is established as a parent organization or a child organization in the GATA system, the audit review will only be created and accessed by the parent organization in the Grantee Portal. The child organization will not be able to view or access the audit review in the Grantee Portal. In addition, separate audit reviews will not be created for each child organization.
   i) The entire organization (the parent and all children)'s activity will be entered in the audit review created under the parent organization.
   ii) Only the GATU can create parent/child relationships in the GATA system.

d) Once assured the user is working within the correct organization, scroll down to the "Active Audit Reviews" section. In this section, the user will be able to see all outstanding audit report review cases and their statuses. A brief description of the status for each audit case is provided in this section. Click on the "View" button next to the respective Audit ID to begin working on the audit report review case.

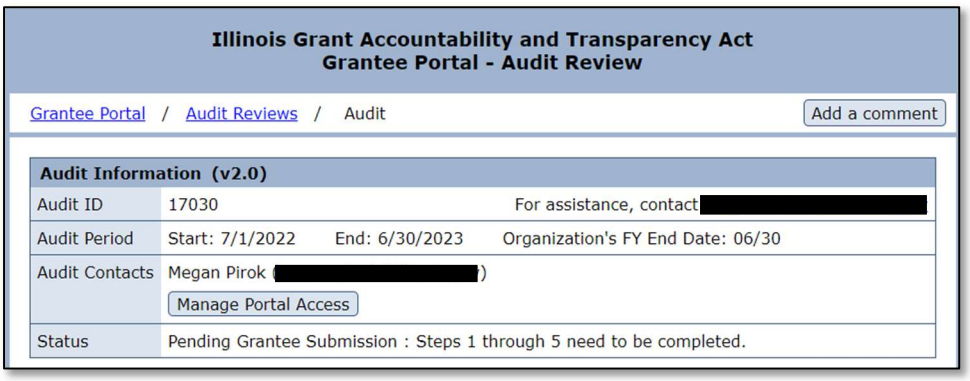
Audit	Audit ID	Status	Status Description
View	22207	Pending Grantee Submission	Steps 1 through 5 need to be completed.
View	17022	MDL Complete	MDL is available for review.

e) After selecting "View", the user will be directed to the Audit Review page. This page contains all the information pertaining to the specific audit report review case and is meant to guide the user through the audit report review process. The Audit Review page has seven sections. Each of these sections will be described in detail below.

(1) Audit Information
(2) Step 1 – Audit Certification Form
(3) Step 2 – Consolidated Year-End Financial Report
(4) Step 3 – CPA Information and Instructions
(5) Step 4 – Upload Audit Package
(6) Step 5 – Certification and Submission
(7) Step 6 – Management Decision Letter

Audit Review Information

This portion of the Audit Review page contains information pertaining to the specific audit report review case, including the audit ID, the audit period start and end dates, the grantee's fiscal year end date, the grantee's contact information, and the audit's status.



Illinois Grant Accountability and Transparency Act
Grantee Portal - Audit Review

Grantee Portal / Audit Reviews / Audit Add a comment

Audit Information (v2.0)			
Audit ID	17030		For assistance, contact [redacted]
Audit Period	Start: 7/1/2022	End: 6/30/2023	Organization's FY End Date: 06/30
Audit Contacts	Megan Pirok ([redacted]) Manage Portal Access		
Status	Pending Grantee Submission : Steps 1 through 5 need to be completed.		

The information contained in this section has been pre-populated based on the most current information in the grantee record in the Grantee Portal or the Audit Report Review Management System (ARRMS). More specifically,

a) Audit ID – A five-digit identification number generated by the ARRMS.
b) For assistance, contact – This is the grantee's cognizant agency's audit help contact that is populated by the ARRMS.
c) Audit Period – Starts with the first date of the grantee's fiscal year and ends with the last date of the grantee's fiscal year. Note: The audit period is determined solely based on the grantee's fiscal year-end date.
d) Organization's FY End Date – This is the grantee's fiscal year-end date. If the grantee needs to change its fiscal year-end date for any reason, it will need to contact its cognizant agency.
e) Audit Contacts – The audit contact should be someone within the grantee's organization who would be able to respond to audit-related questions. This contact may be changed at any time by clicking on the "Manage Portal Access" button.
f) Status – This is the status of the audit report review case and a brief description of the status.

Step 1 – Audit Certification Form

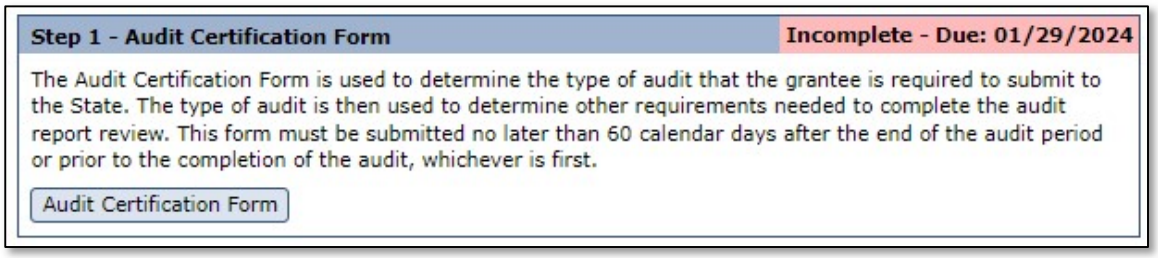
a) The Audit Certification Form is due 60 days after the grantee's audit period end date.

b) The day after the end of the grantee's audit period, the grantee's audit contact will receive a notification of its audit requirements. Note: If the grantee is a child, the parent organization will be notified. The subject line of the email notification will read as, "State of Illinois – GATA – Audit Certification Due".

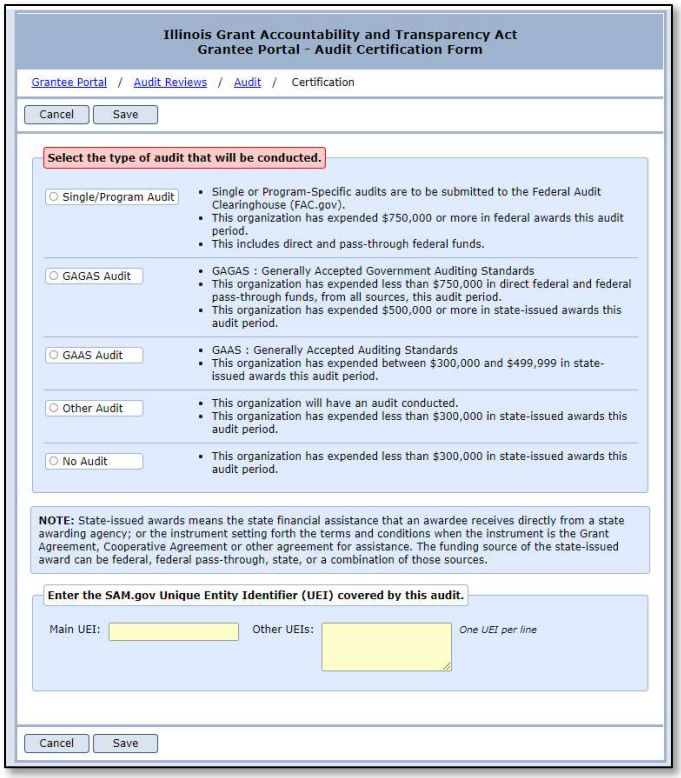
c) The grantee has 60 days after the end of the audit period to certify the type of audit that will need to be performed (single, program-specific, alternative compliance examination engagement, GAGAS, GAAS, other, or No Audit/CYEFR only); this is done when the grantee submits its Audit Certification Form in the Grantee Portal.

How to Complete Step 1 – Audit Certification Form

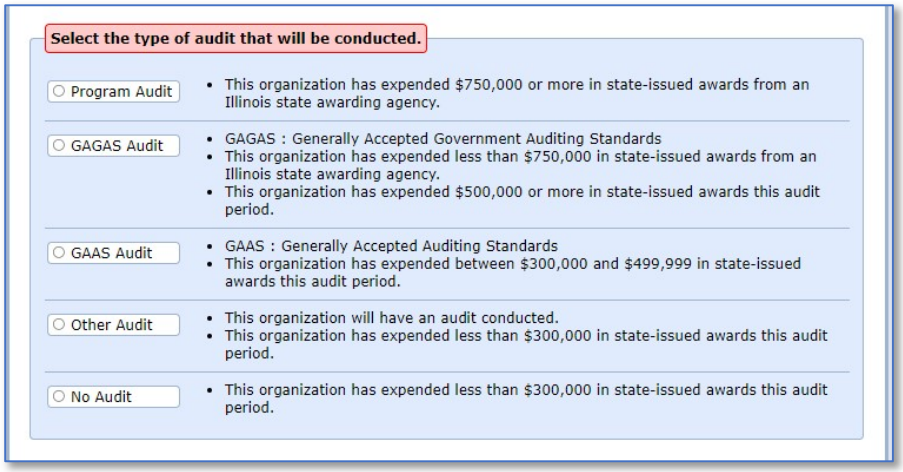
1) To complete the audit certification form, begin by clicking the "Audit Certification Form" button in Step 1.



a) After clicking the "Audit Certification Form" button, the grantee will be directed to the Audit Certification Form page, where the grantee will select its audit type based on the criteria presented on the screen.
   i) The audit type, available for the grantee to select, is determined based on the total State-issued award and/or Federal (direct or pass-through from sources other than the State) expenditures during the grantee's audit period.
   ii) To select an audit type, click on the circle next to the appropriate audit type.



iii) For-profit organizations will not have the option to select a single audit. Instead, a for-profit organization will see the audit options below.



iv) For local government organizations which select the Single/Program audit type, additional questions will appear below the audit type listing in the section titled "Coronavirus Funds":

(1) Has the organization received Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) as a non-entitlement unit of local government at or below $10 million?

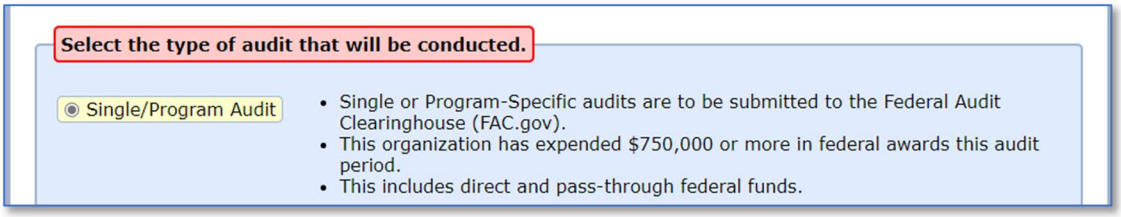
(a) If the answer to this question is no, the local government entity is required to have a single or program-specific audit conducted.

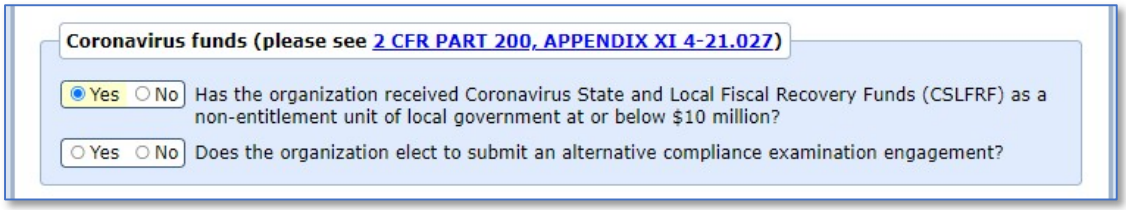
(b) If the answer to this question is yes, a second question will appear.

(2) Does the organization elect to submit an alternative compliance examination engagement?

(a) If the answer to this question is no, the local government entity is required to have a single or program-specific audit conducted.

(b) If the answer to this question is yes, the local government entity is required to have an alternative compliance examination engagement conducted.



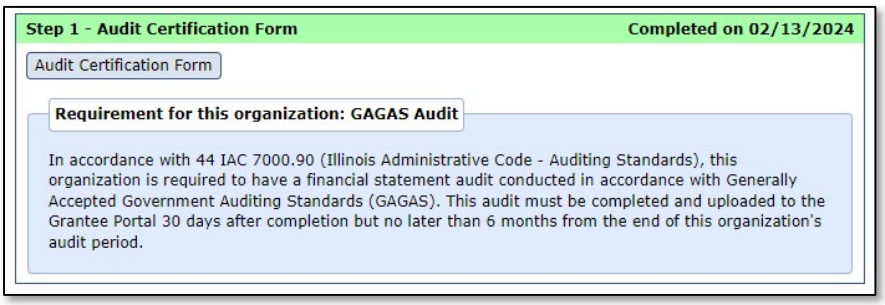


v) Except for-profit organizations, if the organization is required to have a single or program-specific audit or is eligible to have an alternative compliance examination engagement (ACEE) conducted, under Main UEI, enter the UEI that will be used to submit the single audit, program-specific audit or ACEE to the Federal Audit Clearinghouse (FAC).

b) Once all fields have been completed, click on the "Save" button to complete the Audit Certification Form.

c) After the Audit Certification Form has been saved, a brief explanation of the audit requirement will appear on the audit review menu under Step 1 – Audit Certification Form.

   i) An example illustration of the GAGAS audit requirement, for a non-Federal entity, has been provided below:



d) Once the Audit Certification Form is completed by the grantee, the system will calculate the due date for the remaining steps:

e) To aid grantees, if the Audit Certification Form has not been completed within 30 or 60 days after the grantee's audit period end date, system notifications will be sent to the grantee's audit contact:
   i) Grantee Audit Period End Date + 30 days - If the Audit Certification Form is not completed within 30 days after the grantee's audit period end date, a reminder email notification will be sent by the system. The subject line of the email notification will read as "State of Illinois GATA – Audit Certification Due (2nd notice)".
   ii) Grantee Audit Period End Date + 60 days - If the Audit Certification Form is not completed within 60 days after the grantee's audit period end date, a reminder email notification will be sent by the system. The subject line of the email notification will read as "State of Illinois GATA – Audit certification past due".

f) If the Audit Certification Form is not completed by the grantee within 180 days after the grantee's audit period end date, the grantee will be flagged as a stop pay candidate for the awarding agency.
   i) See 44 Illinois Administrative Code 7000.80 – Grantee Compliance Enforcement System; Illinois Stop Payment List for further information.

g) Changes to the Audit Certification Form - If any changes are needed to the Audit Certification Form after it has been saved, the grantee may go back into Step 1, make its updated selection, and click 'Save'.
   i) If a new type of audit is selected and saved, the CYEFR and any subsequent steps must be completed again.
   ii) Changes can be made to the Audit Certification Form up until the completion of Step 5 – Certification and Submission.

Step 2 – Consolidated Year-End Financial Report

a) All grantees, whether or not they are subject to an audit for their audit period, must complete and submit a CYEFR using the Grantee Portal.

b) For grantees with a parent/child relationship, all State-issued awards and Federal (direct or pass-through from sources other than the State) expenditures received by the child will be reported in the parent's CYEFR.

c) The CYEFR is due 6 or 9 months after the grantee's audit period end date, depending on the audit type determined in Step 1.

d) If the grantee does not meet the single audit, program-specific audit, ACEE, or the financial statement audit requirement threshold and will not have an audit conducted due to other regulatory requirements, or voluntarily, the grantee will only be required to complete and submit a CYEFR through the Grantee Portal.
   i) The CYEFR will be due 6 months after the grantee's audit period end date.
      (1) For example, if the grantee's audit period end date is 12/31/2023, the grantee will have until June 30, 2024 to complete and submit the CYEFR in the Grantee Portal.
   ii) Once the CYEFR has been completed and submitted, the grantee will proceed to Step 5 – Certification and Submission.

e) If the grantee has met the single audit, program-specific audit, ACEE, or the financial statement audit requirement threshold, the grantee will be required to complete and submit a CYEFR through the Grantee Portal with the audit package upload.
   i) The CYEFR will be due 6 months or 9 months after the grantee's audit period end date, depending on the type of audit that is required to be conducted.
      (1) For single audit, program-specific audit, or ACEE reporting packages, the CYEFR will be due 9 months after the grantee's audit period end date or 30 days after receipt of the auditor's report, whichever is earlier.
      (2) For GAGAS/GAAS/Other audit reporting packages, the CYEFR will be due 6 months after the grantee's audit period end date or 30 days after receipt of the auditor's report, whichever is earlier.

f) The CYEFR is a required schedule in the grantee's audit report and must cover the same period as the audited financial statements.

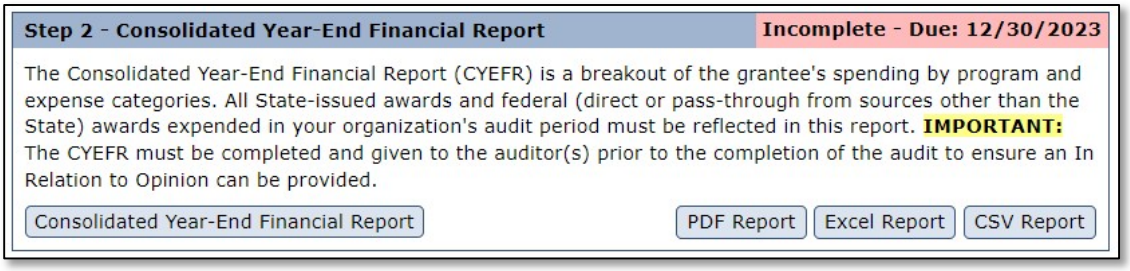
g) The CYEFR must be completed and given to the auditor prior to the completion of the audit so that the auditor can provide an 'In Relation To' opinion.
   i) An 'In Relation To' opinion on the CYEFR to the audited financial statements is required to be submitted, except for:
      (1) State agencies or component units of the state that are audited by the Illinois Office of the Auditor General,

(2) Grantees who expend less than the threshold amount as set out in 44 Ill. Admin. Code 7000.90(c)(2) in State-issued awards and have an audit conducted voluntarily or due to other regulatory requirements, and
(3) Grantees who have a Single Audit conducted and expend less than the threshold amount as set out in 44 Ill. Admin. Code 7000.90(c)(2) in State-issued awards.

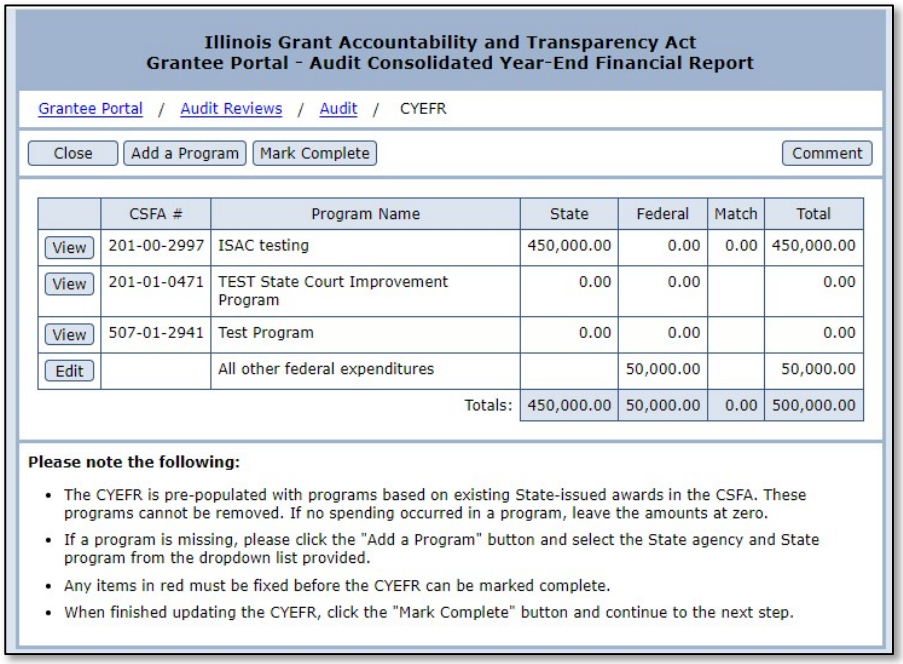
h) For a single or program-specific audit, the total federal expenditures reported in the CYEFR must tie to the total federal expenditures reported in the Schedule of Expenditures of Federal Awards (SEFA).

How to Complete Step 2 – Consolidated Year-End Financial Report

a) To complete the CYEFR, the grantee will click on the "Consolidated Year-End Financial Report" button.



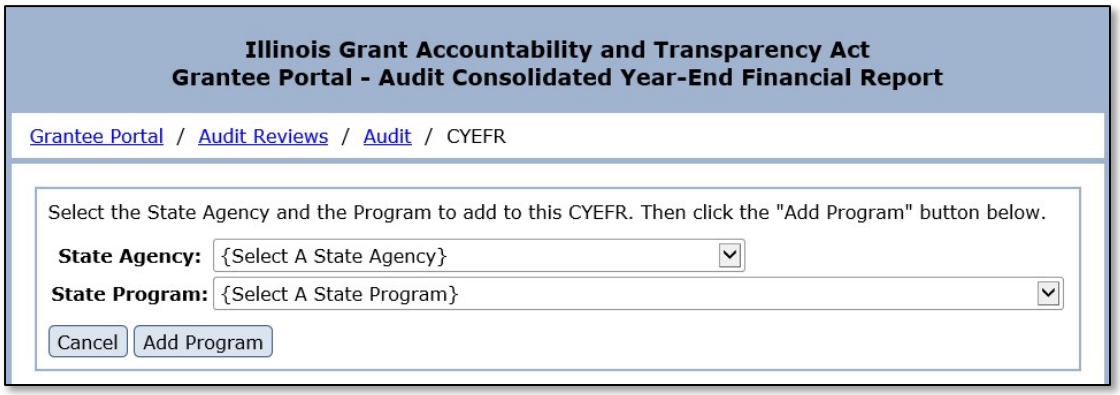
i) After clicking the "Consolidated Year-End Financial Report" button, the grantee will be directed to the Audit Consolidated Year-End Financial Report page, where the grantee will enter (1) its State-issued award expenditures by their Catalog of State Financial Assistance (CSFA) number(s) and (2) its federal expenditures from other sources.



	CSFA #	Program Name	State	Federal	Match	Total
View	201-00-2997	ISAC testing	450,000.00	0.00	0.00	450,000.00
View	201-01-0471	TEST State Court Improvement Program	0.00	0.00		0.00
View	507-01-2941	Test Program	0.00	0.00		0.00
Edit		All other federal expenditures		50,000.00		50,000.00
		Totals:	450,000.00	50,000.00	0.00	500,000.00

ii) The CYEFR is pre-populated based on existing State-issued awards in the CSFA.
   (1) The source of funding for the State-issued award may be state and/or federal pass-through.
   (2) If the grantee is unsure of the funding source, the grantee will need to refer to the uniform grant agreement, for the applicable State-issued award, or reach out directly to the applicable awarding agency.

iii) If a grantee has expenditures for a CSFA program that is not listed on the CYEFR, the grantee should click on the "Add a Program" button. The grantee will then complete the following steps:
   (1) Use the first drop-down menu and select the State agency that provided the grantee's State-issued award during its audit period.
   (2) Use the second drop-down menu and select the applicable State program. This list will contain the program's CSFA number and the name.
   (3) After entering the State agency and the program, the grantee will click on the "Add Program" button. This will direct the grantee back to the Audit Consolidated Year-End Financial Report page.
      (a) Programs that are manually added, by the grantee, to the CYEFR may be removed.
      (b) The grantee should reach out to the awarding agency with any questions regarding the addition of the CSFA program to the CYEFR.



iv) To enter its CSFA program expenditures, the grantee will click on the "View" button next to the appropriate CSFA number. The following will then be completed:
   (1) The grantee will enter its State Amount Expended for the CSFA Program.
      (a) This is the total state funding amount the grantee spent, for the CSFA program, during the audit period.
   (2) The grantee will enter its Federal Amount Expended for the CSFA Program.
      (a) This is the total federal pass-through amount the grantee spent, for the CSFA Program, during the audit period.
   (3) In addition to entering the total State and Federal Amount Expended for the CSFA Program, grantees may be required to report additional program detail based on agency determination. This includes:

      (a) Expenditures by Budget Line-Item Categories
         (i) The grantee will be required to enter the program expenditures in the applicable budget line-item categories.
            1. The budget line-item may include agency-wide categories and/or program-specific categories.

(ii) Note: The total of “State Amount Expended” and “Federal Amount Expended” must match the total entered in the budget line-item categories, or “Total Amount Expended”, for the CSFA Program.

(iii) Please see illustration below of where expenditures by budget line-item categories will be reported on the CYEFR.

Illinois Grant Accountability and Transparency Act
Grantee Portal - Audit Consolidated Year-End Financial Report

Grantee Portal / Audit Reviews / Audit / CYEFR / Program

Cancel | Delete | Save

Agency	Governor's Office Of Management And Budget (507)
Program	Test Program (507-01-2941)
State Amount Expended	$ 0.00
Federal Amount Expended	$ 0.00

Expended Amount	Category
0.00	Personal Services (Salaries and Wages)
0.00	Fringe Benefits
0.00	Travel
0.00	Equipment
0.00	Supplies
0.00	Contractual Services
0.00	Consultant (Professional Services)
0.00	Construction
0.00	Occupancy - Rent and Utilities
0.00	Research and Development
0.00	Telecommunications
0.00	Training and Education
0.00	Direct Administrative Costs
0.00	Miscellaneous Costs
0.00	test agency-wide category
0.00	test program-specific category
0.00	**Total Direct Expended**
0.00	Indirect Costs
0.00	**Total Amount Expended**

Cancel | Delete | Save

(b) Program Limitations

(i) In the box provided, the grantee will describe any limitations on the program.

1. For specific program limitations, the grantee should refer to the grant agreement or contact the State awarding agency.

(ii) Please see illustration below of where program limitations will be reported on the CYEFR.

(c) Indirect Costs

(i) In the boxes provided, the grantee will enter its indirect cost rate (ICR) percentage and base.

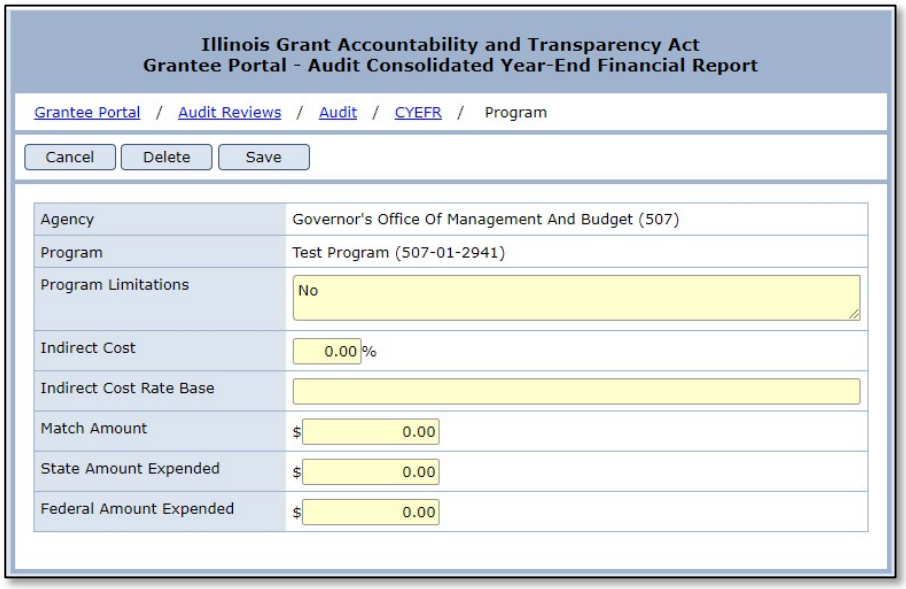
(ii) Please see illustration below of where Indirect Costs will be reported on the CYEFR.

(d) Match

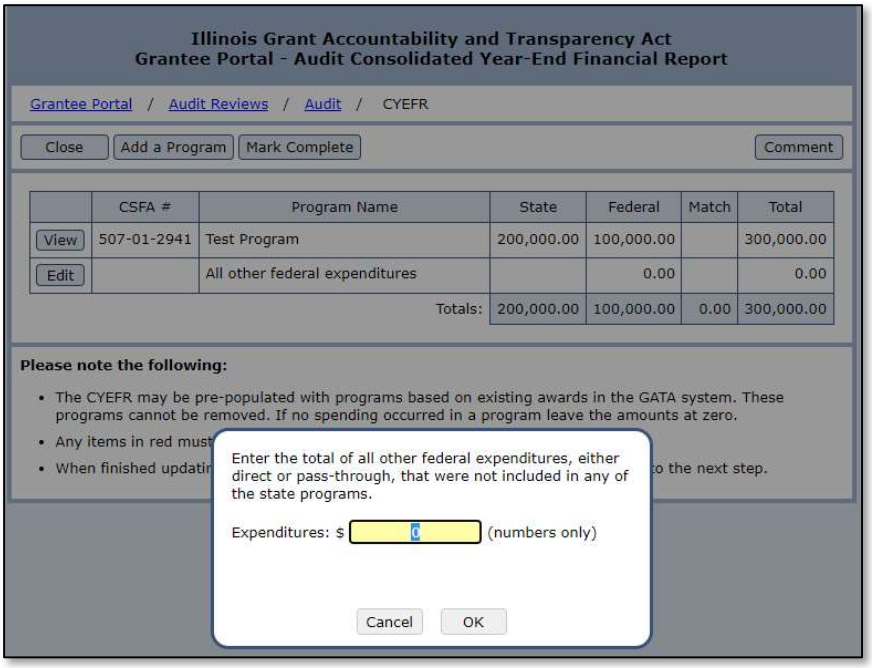
(i) In the box provided, the grantee will enter the total amount of match funds it expended for the program during the audit period.

1. Note: The match amount is not included in the audit requirement threshold calculation, as it is considered expenditures from sources other than the state.

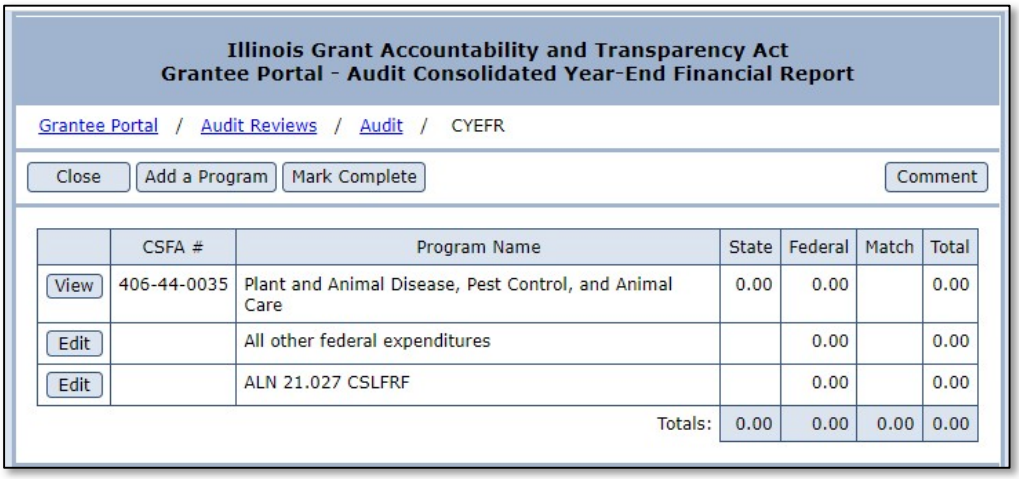
(ii) Please see illustration below of where Match will be reported on the CYEFR.



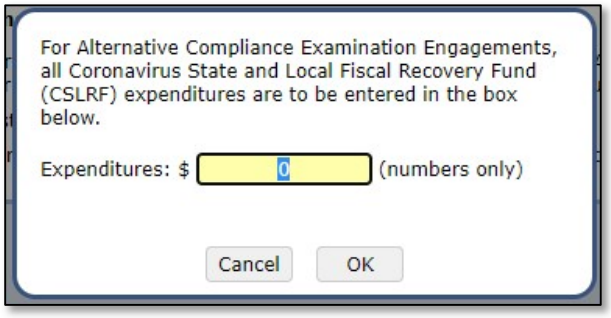
v) To enter its federal expenditure amounts from other sources, the grantee will click on the "Edit" button on the "All other federal expenditures" line. The grantee will enter its total of all other federal expenditures, either direct federal funding and/or pass-through from sources other than the State. These amounts should not have been included in any of the CSFA program expenditures previously entered.



vi) For a local government entity that has elected to submit an alternative compliance examination engagement report, its Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) expenditures will have an additional line added to its CYEFR. This line will be labeled as the "ALN 21.027 CSLFRF" line. To enter the CSLFRF expenditures, the grantee will click on the "Edit" button on this line.



(1) The grantee will enter its total CSLFRF expenditures in the box provided and click "OK". This will bring the grantee back to the Audit Consolidated Year-End Financial Report page.



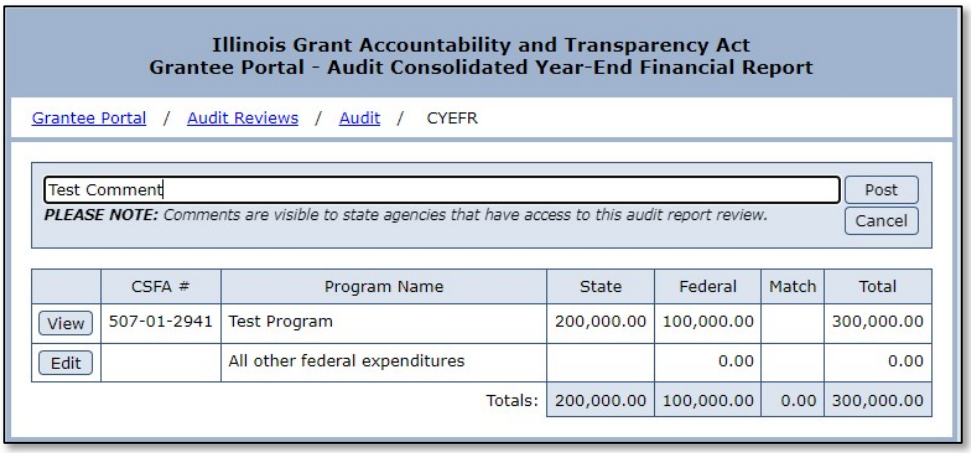
vii) On the Audit Consolidated Year-End Financial Report page, grantees may also add a comment, which will be visible by all State agencies in the ARRMS. To add a comment, the grantee will see and complete the following:

(1) On the Audit Consolidated Year-End Financial Report page, the grantee will click on the "Comment" button located in the upper-right portion of the page.

(2) A textbox will appear for the grantee to enter its comments.

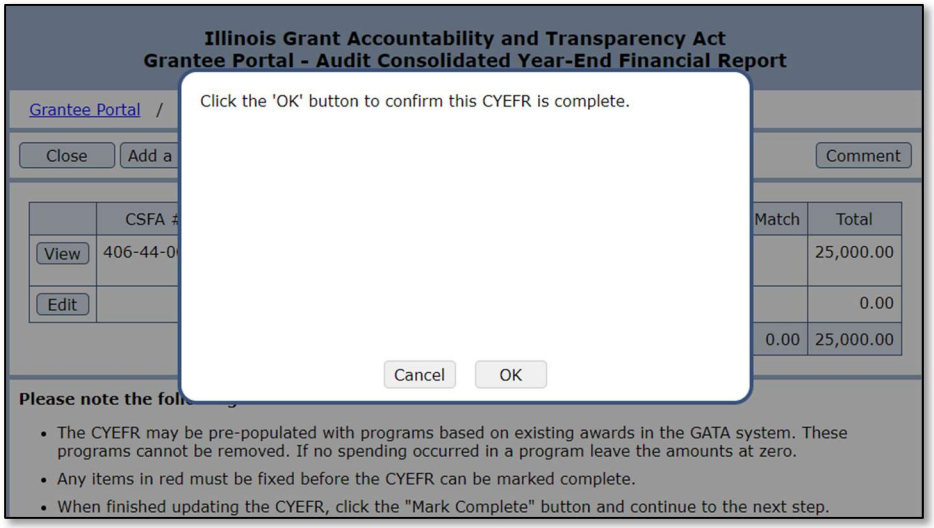
(3) After the comments have been entered, the grantee will click the "Post" button. The comment will appear above the CYEFR in blue. The grantee can delete the comment at any time by clicking on the "Delete" button to the right of the comment. Also, the grantee can see who made the comment and when the comment was posted by placing its cursor over the comment.

(a) Note: When a comment is added, the awarding agency will not receive a notification, from the system (ARRMS). It is the grantee's responsibility to communicate any issues or concerns, on the CYEFR or audit review, with its State-awarding agency outside of the Grantee Portal.



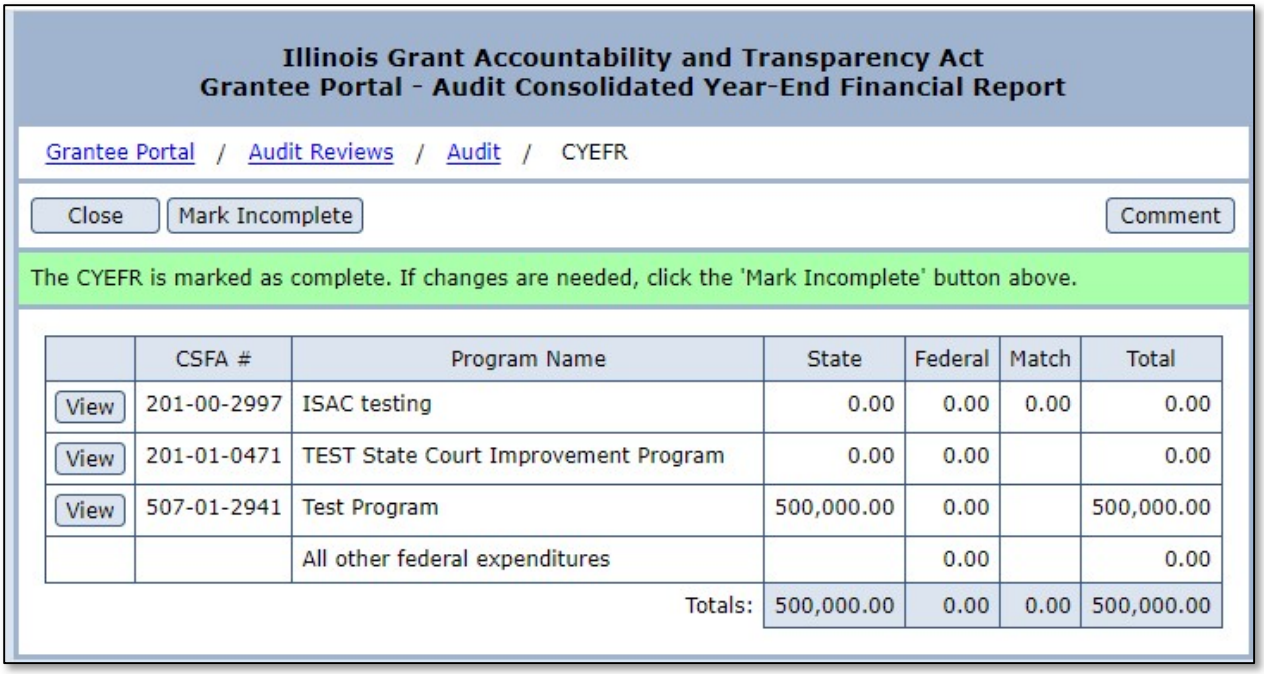
b) The expenditures reported on the CYEFR must fall within the expenditure threshold that the grantee certified in its audit certification form in Step 1.

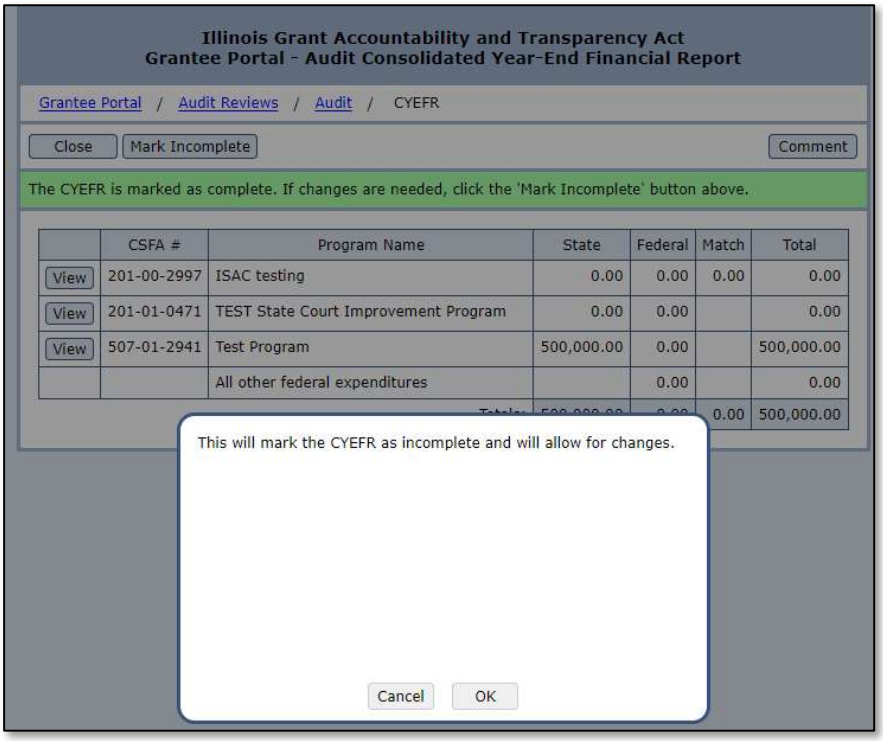
c) Once the required expenditures have been entered in the CYEFR for the audit period, the grantee will click “Mark Complete”. Once marked complete, the grantee will see a pop-up message to confirm the CYEFR is complete. If the CYEFR is complete, the grantee will click on the “OK” button. Once marked complete, the grantee will be directed to the Audit Review page.



d) If any changes are needed to the CYEFR after it has been marked as complete, the grantee may go back into Step 2 – Consolidated Year-End Final Report and click “Mark Incomplete”. Once selected, the grantee will see a pop-up message confirming that it wants to allow for changes to the CYEFR by marking the CYEFR as incomplete. To make changes, the grantee will click on the “OK” button.

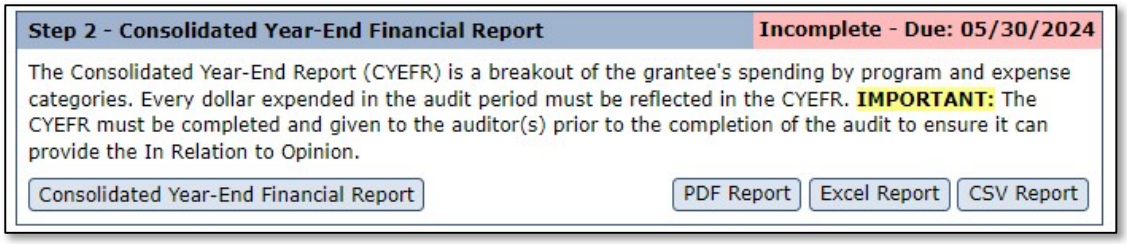
   i) Changes can be made to the CYEFR up until the completion of Step 5 – Certification and Submission.



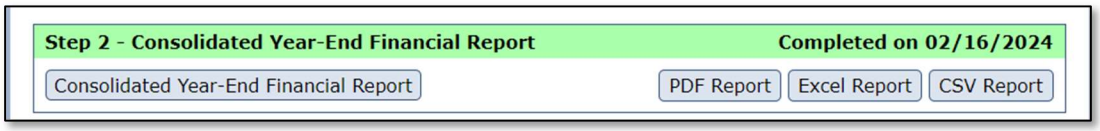


e) Once the CYEFR is saved or marked complete, please allow up to 30 minutes for the CYEFR report to generate in the Grantee Portal. Once the report is generated, it may be downloaded as a PDF, Excel, or CSV report in Step 2 – Consolidated Year-End Financial Report on the Audit Review page.

i) The reports will be available on the Audit Review page in Step 2:



ii) The following will appear in Step 2 after marking the CYEFR complete:



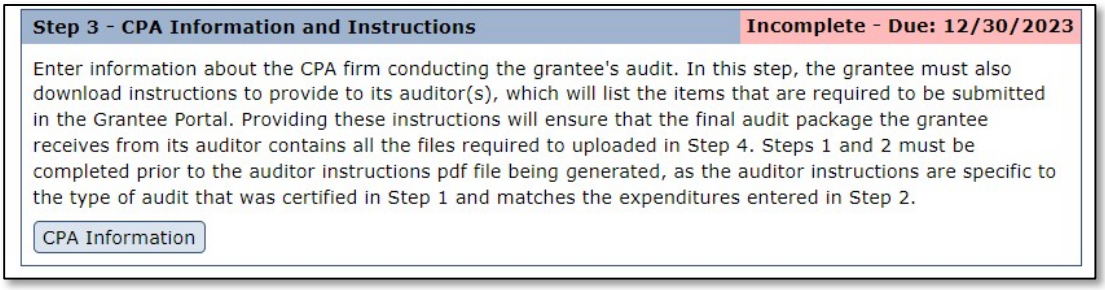
Step 3 – CPA Information and Instructions

a) The CPA Instructions are a helpful guide for the auditor(s) conducting the audit, which the grantee must provide to the auditor(s) prior to the start of audit testing. The instructions list the items that are required to be submitted to ensure that the final audit package the grantee receives from its auditor(s) contains the files required to be uploaded in Step 4 – Upload Audit Package.

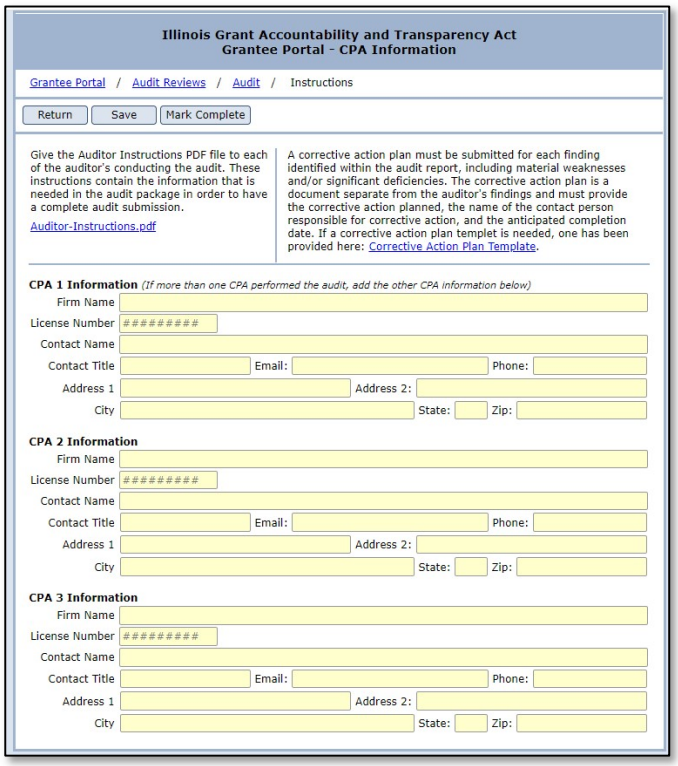
b) In this step, the grantee will also enter information about the CPA firm(s) conducting the grantee's audit.
   i) Step 1 – Audit Certification Form and Step 2 – Consolidated Year-End Financial Report must be completed prior to the auditor instructions being generated, as the auditor instructions are specific to the type of audit that was certified in Step 1 and matches the audit threshold entered in Step 2.
   ii) If the grantee has selected No Audit (CYEFR Only) in Step 1 – Audit Certification Form, the grantee will not complete this step.

How to Complete Step 3 – CPA Information and Instructions

a) To complete the CPA Information and Instructions, the grantee will first click on the "CPA Information" button.



b) The grantee will be directed to the CPA Information page where the grantee will download the auditor instructions for the audit type determined in Step 1, enter the information for the CPA firm conducting the grantee's audit, and print the corrective action plan template, if needed.



i) In the top-left section of the CPA Information page, a pdf file containing the appropriate audit instructions is provided. In the pdf, the grantee will find information that is required to be included in the audit package submitted in Step 4 – Upload Audit Package on the Audit Review page.

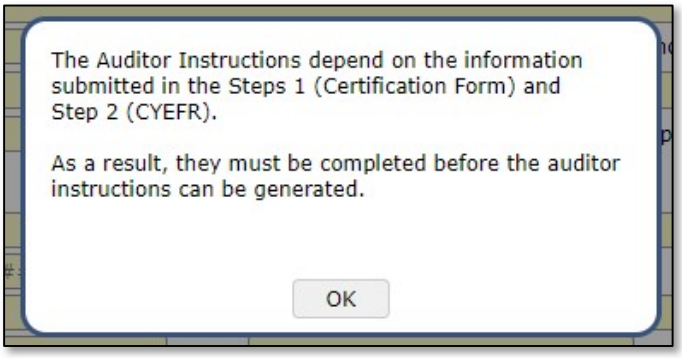
(1) The auditor instructions must be given to each of the auditors conducting the audit. It is the grantee's responsibility to provide the instructions to its audit firm(s).
(2) The auditor instructions are specific to the type of audit that was certified in Step 1 and matches the total expenditures entered in Step 2.
(3) Providing the audit instructions to the CPA firm will help ensure a complete audit package submission. Any required items not submitted will delay the audit report review.

ii) In the top-right section of the CPA Information page, a corrective action plan template has been provided.
(1) The template provided does not have to be used if the required information is provided. The corrective action plan is a document separate from the auditor's findings and must provide the corrective action planned, the name of the contact person responsible for corrective action, and the anticipated completion date.
(2) A corrective action plan must be submitted for each finding identified within the audit report, including material weaknesses and/or significant deficiencies identified in Management Letters issued by the auditors.

iii) Below the auditor instructions and the Corrective Action Plan Template, the grantee is required to provide CPA firm information for each CPA firm used in the audit. The CPA firm information includes the following:
(1) Firm Name – Enter the name of the audit firm.
(2) License Number – Enter the nine-digit license number assigned to the CPA firm by the Illinois Department of Financial and Professional Regulation.
(3) Contact Name – Enter the first and last name of the auditor the grantee has been in contact with regarding the audit. This is typically the audit manager assigned to the audit.
(4) Contact Title – Enter the title of the auditor the grantee has been in contact with regarding the audit.
(5) Email – Enter the email address of the auditor the grantee has been in contact with regarding the audit.
(6) Phone – Enter the phone number of the auditor the grantee has been in contact with regarding the audit.
(7) Address – Enter the street address for the audit firm.
(8) City – Enter the city where the audit firm is located.
(9) State – Enter the state where the audit firm is located.
(10) Zip – Enter the zip code for the audit firm.

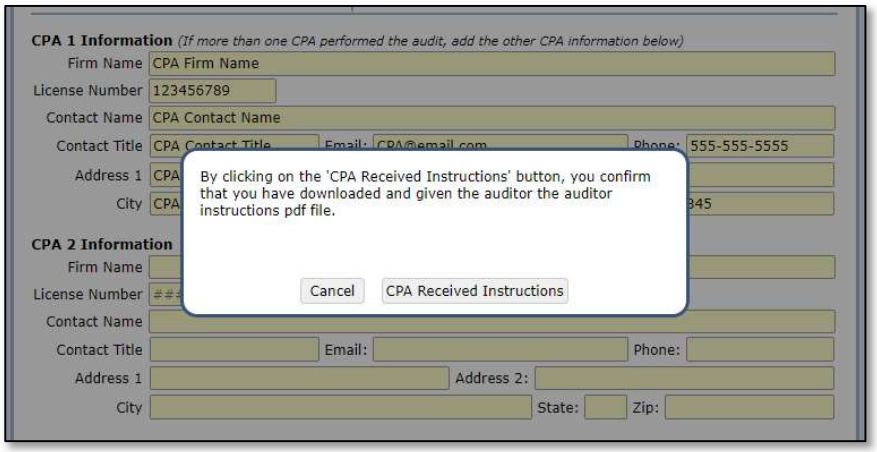
c) Once the auditor instructions have been downloaded and the CPA firm(s) information has been entered, the grantee will click the "Mark Complete" button above the audit instructions section at the top-left of the page.

i) Note: Step 1 – Audit Certification Form and Step 2 – Consolidated Year-End Financial Report must be completed prior to the auditor instructions being generated, as the auditor instructions are specific to the type of audit that was certified in Step 1 and matches the expenditures entered in Step 2. If these steps are not complete, the pdf link on the CPA information page will not produce a pdf file. Instead, a pop-up message will appear with the following message:



(1) If this warning appears, the grantee should click on the "OK" button and complete Steps 1 and 2 on the Audit Review page.

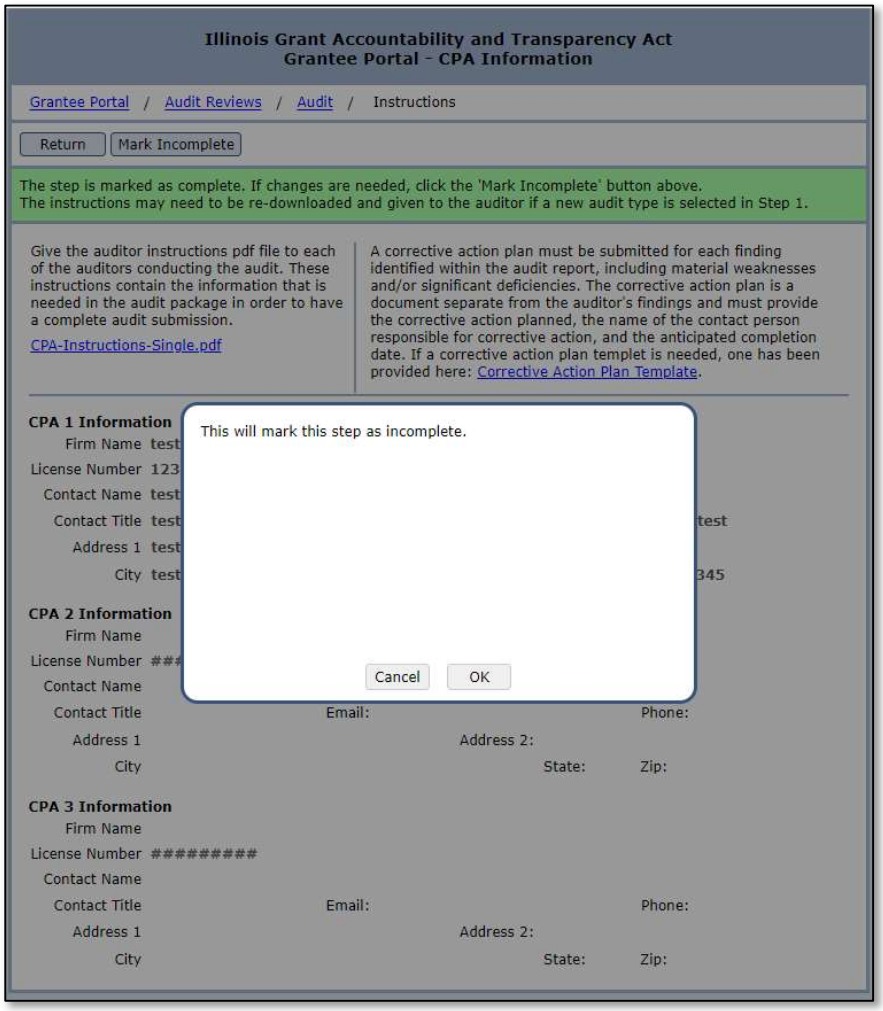
ii) If Steps 1 and 2 have been completed, the CPA firm information has been entered, and the grantee has selected "Mark Complete", the grantee must confirm on a pop-up message that the grantee has given the auditor(s) the auditor instructions from the page:



d) Once the grantee has confirmed it has provided the auditor instructions to the auditor(s), the grantee will be directed back to the Audit Review page.

e) If any changes are needed to the CPA firm information after it has been marked complete, the grantee may go back into Step 3 – CPA Information and Instructions and click “Mark Incomplete”. To make changes, the grantee will click on the “OK” button in the pop-up message.

   i) Changes can be made to the CPA firm information up until the completion of Step 5 – Certification and Submission.



Step 4 – Upload Audit Package

a) The audit package upload is due within the earlier of 30 calendar days after receipt of the auditor's report or 6/9 months after the grantee's audit period end date, depending on the audit type selected in Step 1 – Audit Certification Form.

   i) If the grantee has selected No Audit (CYEFR Only) in Step 1 – Audit Certification Form, the grantee will not complete this step.

   ii) For Single Audits/Program-Specific Audits/Alternative Compliance Examination Engagement Reports, the audit package upload is due within the earlier of 30 calendar days after receipt of the auditor's report or 9 months after the end of the grantee's audit period.

      (1) Once accepted by the FAC, the single audit/program-specific audit/alternative compliance examination engagement report will be automatically retrieved from the FAC and uploaded to the Grantee Portal.

      (2) The following documents are required to be uploaded to the Grantee Portal by the grantee:
         (a) Audit Firm's Peer Review Report (also titled the Report on the Firm's System of Quality Control) and the AICPA Peer Review Report Acceptance Letter
         (b) Management letters issued by the auditor
         (c) Consolidated Year-End Financial Report with In Relation to Opinion

      (3) For-profit organizations are not required to submit the program-specific audit to the FAC. Instead, the grantee will upload the program-specific audit report to the Grantee Portal. The following documents are required to be included in the program-specific audit package upload:
         (a) Independent Auditor's Report
         (b) Financial Statements
         (c) Schedule of Expenditures of Federal Awards
         (d) Summary Schedule of Prior Audit Findings, if applicable
         (e) Auditor's report(s)
         (f) Corrective Action Plan (CAP), if applicable
         (g) Audit Firm's Peer Review Report (also titled the Report on the Firm's System of Quality Control) and the AICPA Peer Review Report Acceptance Letter
         (h) Management letters issued by the auditor
         (i) Consolidated Year-End Financial Report with In Relation to Opinion

iii) For GAGAS/GAAS/Other Audits, the audit package is due within the earlier of 30 calendar days after receipt of the auditor's report or 6 months after the end of the grantee's audit period.

(1) The following documents are required to be uploaded to the Grantee Portal by the grantee:

(a) Independent Auditor's Report

(b) Financial Statements

(c) Summary Schedule of Prior Audit Findings, if applicable

(d) Corrective Action Plan (CAP), if applicable

(e) Audit Firm's Peer Review Report (also titled the Report on the Firm's System of Quality Control) and the AICPA Peer Review Report Acceptance Letter

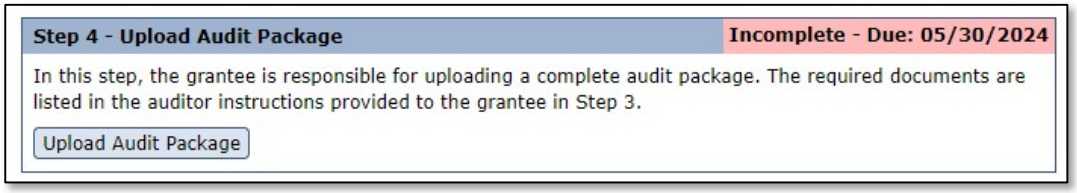
(f) Consolidated Year-End Financial Report with In Relation to Opinion

The CYEFR with In Relation to Opinion is not required for "Other Audit" types.

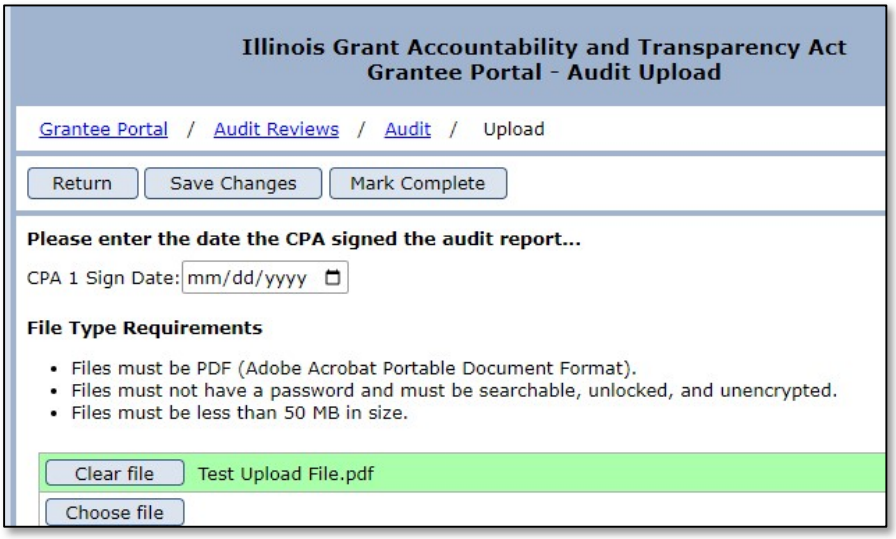
iv) For audits prepared by the Illinois Auditor General, if the audit is not available by the above-specified due date, they must be submitted in the Grantee Portal within thirty (30) days of becoming available.

How to Complete Step 4 – Upload Audit Package

a) To upload the audit package, on the Audit Review page, the grantee will click on the "Upload Audit Package" button in Step 4. The grantee will be directed to the Audit Upload page.



i) In this step, the grantee will enter the date the CPA signed the audit report. If more than one CPA firm was used for the audit (as listed in the Step 3 – CPA Information and Instructions on the Audit Review page), additional CPA sign dates will be listed for the grantee to enter. The grantee can enter the date by typing in the numbers of the date or by using the drop-down calendar to the right of the date.

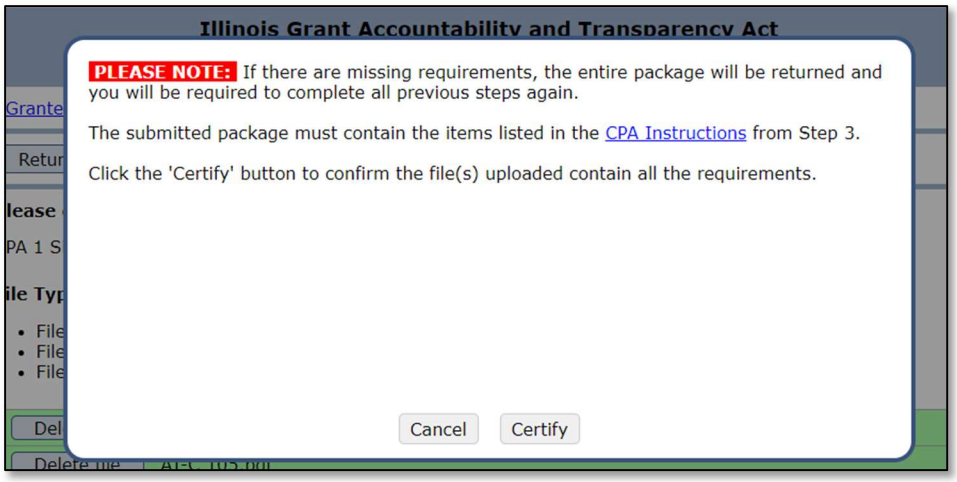


ii) After entering the audit report signature date, the grantee will upload the required files.

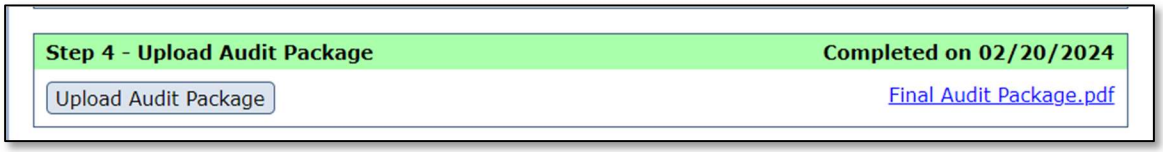
(1) The audit package can be uploaded in a single file or multiple files. To upload files into the Grantee Portal, the grantee will click on the "Choose file" button. If the grantee has uploaded a file in error, the grantee can click on the "Clear file" button.

(2) The following requirements must be met for all uploaded files:
   (a) Files must be in Adobe Acrobat Portal Document Format (PDF),
   (b) Files must not have password and must be searchable, unlocked, and unencrypted, and
   (c) Files must be less than 50 MB in size.

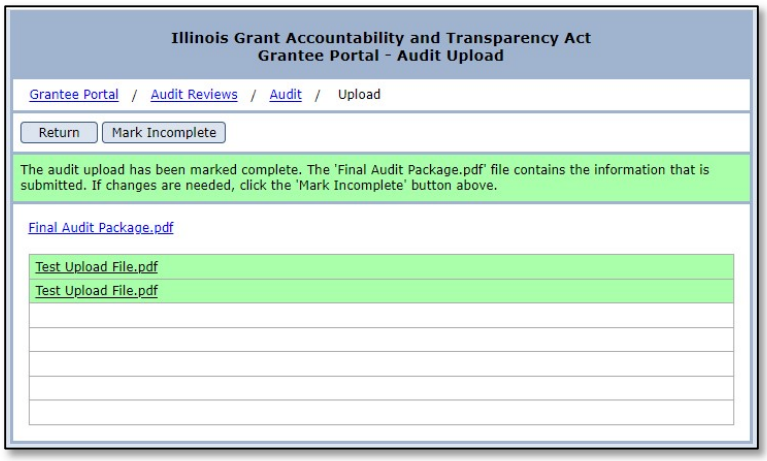
iii) Once all files have been uploaded, the grantee will click on the "Mark Complete" button at the top of the Audit Upload screen. A pop-up message will appear telling the grantee that if there are missing documents, the entire package will be returned. It directs the grantee to Step 3 – CPA Information and Instructions to obtain the auditor instructions, which contains a list of the items required to be included in the audit package. Finally, the pop-up message requires the grantee to certify that the uploaded files contain all the required items. To certify, the grantee will click on the "Certify" button.



iv) Once the grantee has certified that all the required documents have been uploaded, the grantee will be directed to the Audit Review page.
   (1) Note: Once the grantee has marked the step as complete, the system will combine all the files uploaded into one pdf titled, "Final Audit Package.pdf". The combined pdf will be shown on the right side of Step 4 – Upload Audit Package under the completed date.

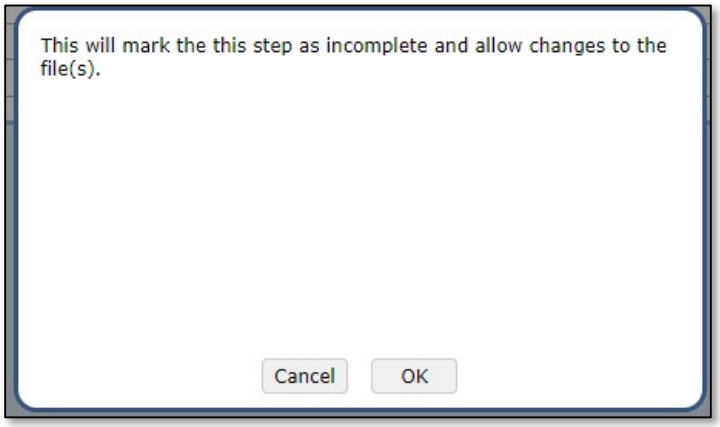


b) If any changes are needed to the uploaded audit files after the step has been marked complete, the grantee may go back into Step 4 – Upload Audit Package and click “Mark Incomplete”.



c) Once selected, the grantee will see a pop-up message warning the grantee that marking this step as incomplete will allow changes to be made to the files. To make changes, the grantee will click on the “OK” button.

   i) Changes can be made to the uploaded audit files up until the completion of Step 5 – Certification and Submission.



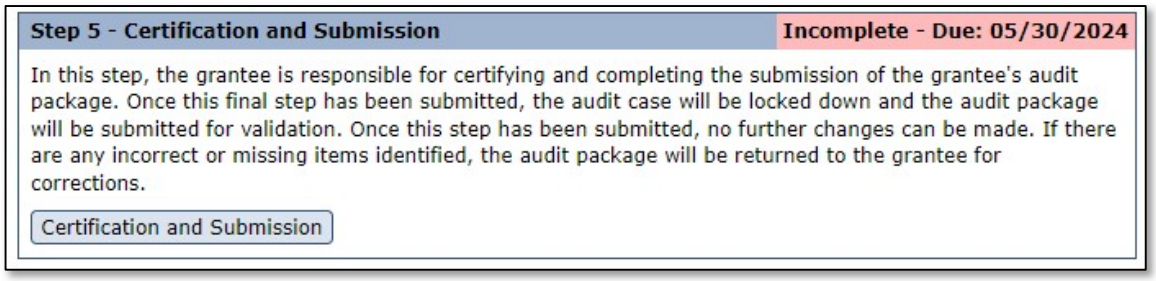
Step 5 – Certification and Submission

a) This step completes the audit case submission. It is due 6 or 9 months after the grantee's audit period end date, depending on the audit type selected in Step 1 – Audit Certification Form.
   i) For Single Audits/Program-Specific Audits/Alternative Compliance Examination Engagement Reports, the due date is the earlier of 30 calendar days after receipt of the auditor's report or 9 months after the end of the grantee's audit period.
   ii) For GAGAS/GAAS/Other Audits, the due date is the earlier of 30 calendar days after receipt of the auditor's report or 6 months after the end of the grantee's audit period.
   iii) For No Audit (CYEFR Only), the due date is 6 months after the end of the grantee's audit period.

b) In this step, the grantee is responsible for certifying and completing the submission of its audit package.

How to Complete Step 5 – Certification and Submission

a) To complete the audit case submission process, the grantee will click on the "Certification and Submission" button on the Audit Review page. The grantee will be directed to the Certification and Submission page.

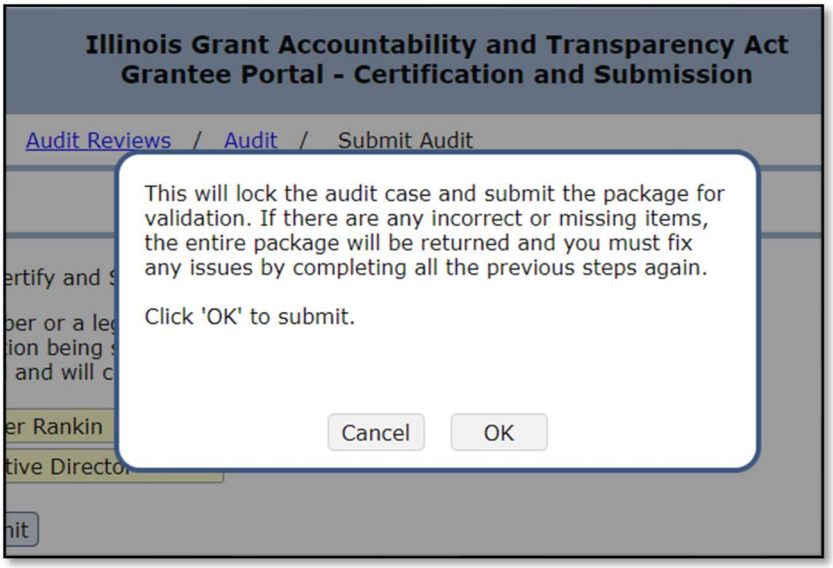


i) In this final step, the individual certifying and submitting the audit package on behalf of the grantee must certify the following:
   (1) The individual is a member or a legal representative of the grantee's organization,
   (2) The information being submitted is correct, and
   (3) The individual understands and will comply with the requirements for the grantee's organization.

ii) The individual completing the certification, on behalf of the organization, will enter the individual's first name, last name, and title.

iii) To submit the audit case, the individual will click on the "Certify and Submit" button.

iv) After clicking on the "Certify and Submit" button, a pop-up message will appear telling the grantee that once this final step has been submitted, the audit case is locked down and the audit package will be submitted for validation**.** To submit the audit case, the grantee will click on the "OK" button.



v) **<u>Once the grantee clicks on the "OK" button, the grantee can no longer mark a previous step as incomplete to make any necessary changes.</u>** Changes can only be made if the audit package is returned to the grantee, for corrections, after audit package review.

b) If Step 5 is not submitted prior to or on the submission due date listed within the audit review, the following actions will occur:

i) On the day after the audit package due date, the system will send an automatic email notification to the audit contact listed for the grantee. If an audit contact is not listed for the grantee, an automatic email notification will be sent to all Grantee Portal users. The system will also notify the grantee's cognizant agency of the delinquency.

ii) The subject line of the grantee's email notification will read as, "State of Illinois GATA – Audit Submission Not Received".

iii) A 15-day grace period will begin for the grantee, which allows the grantee additional time to complete all steps and submit the audit case in the Grantee Portal.

iv) If the audit package is not received prior to the end of the 15-day grace period, the awarding agencies may begin to invoke the stop-pay process.

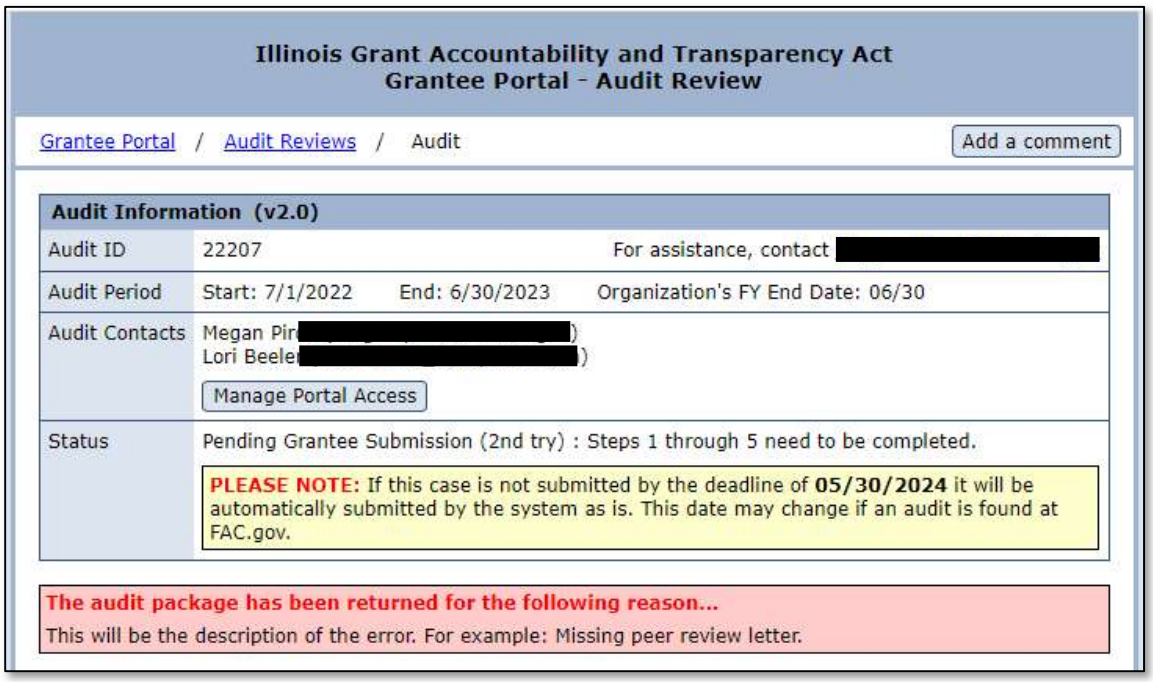
(1) If placed on the Stop Payment List, the grantee can only be removed by the awarding agency which placed the grantee on that list.
(2) The grantee shall be removed from the Stop Payment List immediately upon the receipt of a complete audit package submission.
(3) See 44 Illinois Administrative Code 7000.80 – Grantee Compliance Enforcement System; Illinois Stop Payment List for further information.

c) **Non-responsive action:** For audit reports submitted to and accepted by the FAC, if the audit package is not submitted in the Grantee Portal, prior to the end of the 15-day grace period, the audit package will be automatically submitted by the system, as is, for validation. No changes can be made until the package is returned to the grantee.

Phases of the Audit Review after Audit Package Submission

a) The phases listed below occur on the State agency side of the system. Communication between the State awarding agency and grantee during these stages is critical for completing the audit case timely. Communication will be done inside and outside of the Grantee Portal. The communications will be based on the reviews of the audit report, the CYEFR reconciliation, and the corrective action plan(s).

   i) Within 14 days of submission, the content of the audit package is reviewed to ensure all the required documents have been submitted.
      (1) If the audit package is determined to be incomplete, the audit package is returned to the grantee for corrections.
         (a) Once returned, an automatic email notification from the system will be sent to the audit contact listed for the grantee. If an audit contact is not listed for the grantee, an automatic email notification will be sent to all Grantee Portal users. The subject line of the notification email will read as, "State of Illinois GATA – Audit Package Error".
         (b) The missing item(s) will not be listed in the automatic email notification. Instead, the grantee must log-into the Grantee Portal and review the active audit review to see which items were identified as missing.
         (c) In the Grantee Portal, on the Audit Review page, the grantee will see a message, in red, listing the missing item(s). It is imperative that the grantee read the full return message.

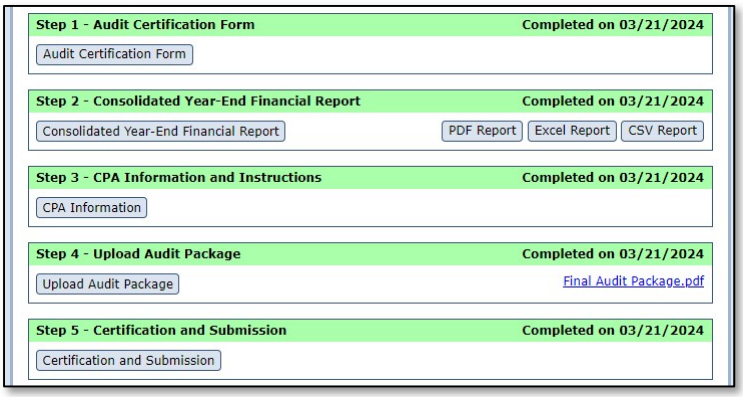


(d) The grantee will have seven calendar days to resubmit the audit case in the Grantee Portal.

(e) To resubmit the audit case, the grantee will have to complete Steps 1 through 5 on the Audit Review page.

(i) The steps will include the previous submission information. If the step does not require any changes, please mark the step as complete and proceed to the next step. If the step does require changes, please make any applicable changes and then mark the step as complete.

(f) In the illustration below, all steps have been completed and the audit case has been resubmitted.



(g) **Non-responsive action:** If the grantee has not resubmitted the audit case within seven calendar days, the audit case will be automatically submitted by the system, as is, for validation.

(i) If the grantee does not re-submit the audit case within seven calendar days, the cognizant agency will be notified and may invoke the stop-pay process until a complete submission is received.

(ii) After two unsuccessful attempts of re-submission, the audit package will no longer be returned to the grantee for corrections and the review will be finalized.

ii) Once a complete submission is received, the awarding agencies will perform reconciliations to the State-issued award expenditure amounts that the grantee entered in its CYEFR in Step 2 – Consolidated Year-End Financial Report. After the reconciliation process, the State is responsible to review the audit report to ensure that it meets applicable auditing standards. During this review, the issues found will be classified as either related to the audit firm or to the grantee.

(1) Audit Issues Classified under the Grantee

(a) Based on the issues identified under the grantee, the audit report will receive one of the following determinations:

(i) Grantee – Pass,
(ii) Grantee – Insignificant issues noted, or
(iii) Grantee – Significant issues noted.

1. This determination is based on the severity of the operational or program-related issues identified during the review. Operational or program-related issues are issues with the financial statements and their disclosures and missing or incomplete required audit package documents.
2. Some operational or program-related issue examples include the following:
   a. Example of financial statement disclosures issue: The notes to the financial statements should disclose that proper collateral/insurance was in place for deposits exceeding FDIC coverage.
   b. Example of missing required audit package document issue: The peer review letter (this may be titled, the system review report) for the audit firm conducting the audit was not provided.

(b) The grantee will be able to see this determination and any issues in its management decision letter.

(2) Audit Issues Classified under the Grantee's Auditor

(a) Based on the issues identified under the grantee's auditor, the audit report will receive one of the following determinations:
(i) Pass,
(ii) Pass with Deficiencies, or
(iii) Fail

(b) This determination is based on the severity of the audit-related deficiencies found during the review. Audit-related deficiencies are issues with how the audit was conducted or how the audit report was written based on the applicable auditing standards.

(c) The grantee will not be able to see this determination or any deficiencies. Instead, these issues are seen by the grant-making agencies and, if applicable, will be referred to the Audit Committee.

(d) The Audit Committee will review the determination and make recommendations for corrective actions or follow-up with the auditor or audit firm directly.

iii) Reviews of the Corrective Action Plan (CAP)

(1) The corrective action plans (CAP) for all audit findings identified in the audit report are reviewed. This review focuses on ensuring the required elements of each CAP are present. The grantee's response to the audit finding is also reviewed and is used to determine if the grantee disagrees, in part or in whole, with the finding.

(2) After the review of the findings and CAP is complete, the applicable State agency is required to review and approve the CAP(s) for all audit findings identified in the audit report.

Step 6 – Management Decision Letter

a) Once the audit report review is complete and the CAP(s) has (have) been accepted, the cognizant agency will issue the management decision letter (MDL) or the CYEFR Only letter (if the grantee was not required to complete an audit).

b) The MDL or CYEFR Only letter is due within 180 days of submission of a complete audit report package.
   i) For audits submitted to the FAC, this will be the FAC acceptance date.
   ii) For all other audits, this date will be determined based on the audit package's complete submission date.

Reviewing Step 6 – Management Decision Letter

a) In this step, the grantee is responsible for reviewing the MDL or CYEFR Only letter.

b) Once the agency has completed its MDL, or CYEFR Only letter, and it has been sent to the grantee, under the Audit Review section, the grantee will see that the status of the review is "MDL Complete" and the status description is "MDL is available for review". The grantee will select "View" next to the Audit ID to view the MDL.

Audit	Audit ID	Status	Status Description
View	17030	MDL Complete	MDL is available for review.

c) After selecting "View", the grantee will be directed to the Audit Review page. The grantee will need to scroll down to Step 6 – Management Decision Letter where the Management Decision Letter pdf link will be available to download and should be reviewed in its entirety.

Step 6 - Management Decision Letter

Management Decision Letter.pdf

Please review the MDL. If you disagree with any aspect of the decision, please refer the last paragraph of the MDL for available actions.

d) If the grantee does not agree with the MDL, the grantee is able to appeal the letter by emailing the State agency's resolution official listed in the MDL of its disagreement.
   i) If the discussion with the State agency does not resolve the grantee's concerns, the agency will submit the audit case to the Cooperative Audit Resolution Team (CART).

Questions

For questions regarding the audit report review process, please contact your cognizant agency. For questions regarding specific program reporting, please contact the state agency that provided the grant funding.