



# Illinois Law Enforcement Training and Standards Board

JB Pritzker, Governor  
Keith Calloway, Executive Director

Phone: 217/782-4540  
Fax: 217/524-5350  
TDD: 866-740-3933

## **FY 25 – ILETSB RECRUITMENT & RETENTION GRANT** **Policies & Procedures**

The ILETSB Recruitment and Retention Grant Program is intended to provide financial assistance to units of local government, public institutions of higher education, and qualified nonprofit entities for the purpose of hiring and retaining law enforcement officers. The endeavors will increase the quantity and quality of police officer recruitment across the State while also offering incentives to support officer retention.

The costs of developing and implementing successful recruitment and retention programs remains a challenge to police agencies already struggling to work within an annual budget. For this reason, Illinois Law Enforcement and Training Board (ILETSB) intends to offer these grants as advance payments, reimbursements, and working capital advance opportunities when qualified. The following policies and procedures shall govern the implementation of this program.

### **General Policies:**

- A. Grantees may request payment by advance funding, reimbursement, or working capital advance payment from the ILETSB Camera Grant Program. Grantees may request advance payment by notifying their Grant Program Manager or their designee and providing an ILETSB Advance Payment Request Form. If a Grantee has more than one grant from ILETSB, a separate request must be submitted for each grant. Requests must be signed by either the Grantees' Chief Executive Officer or Chief Financial Officer (or equivalent). ILETSB will then determine whether the Grantee meets the requirements in 2 CFR 200.302 (Financial Management) and 44 Ill. Admin. Code 7000.120(b)(i)(A) (Advance Payments). ILETSB will provide that determination in writing to the Grantee after the award.
- B. The timing and amount of the advance payment, reimbursement, or working capital advance payment request must be as close as is administratively feasible to the actual disbursements by the Grantee for direct program or project cost. Additionally, the Grantee entity must make timely payment to providers and contractors.
- C. Grantees must submit Periodic Financial Reports (PFR), invoices and appropriate supporting documentation in the format and method prescribed in the executed Uniform Grant Agreement. The first PFR is due after the first month of grant execution date. Invoices and appropriate supporting documentation are due based upon the schedule identified below. PFRs, invoices and appropriate supporting documentation must include only allowable incurred costs that have been paid by the Grantee.
- D. Subsequent monthly payments will be based on each monthly PFR submitted to the Grant Program Manager or their designee; and will be adjusted up or down, based on a comparison of actual cumulative expenditures to cumulative advance payments, to date.

## E. Allowable Costs and Supporting Documentation:

1. Expenditures reported on the PFR must represent allowable expenditures incurred and paid for the grant and must be supported by appropriate documentation. If Grantee is unsure whether an expenditure is allowable, review the approved Grantee budget and/or consult with the respective Grant Program Manager or their designee.
  - a) Grantee is responsible for maintaining appropriate supporting documentation onsite in accordance with the conditions of the grant agreement.
  - b) Grantee shall submit supporting documentation to the Grant Program Manager or their designee for designated months of review.
  - c) ILET SB shall review supporting documentation upon receipt. Grantee need only submit documentation for costs paid for the period requested by ILET SB.
  - d) If the Grant Program Manager or their designee discovers issues or concerns, an additional document submission may be required for a period covering the reporting period of the grant term. Grantee may also be placed on a corrective action plan or subject to any of the remedies described in the grant agreement or within ILET SB's authority.
  
2. Appropriate Forms of Documentation: Supporting documentation means sufficient information to enable ILET SB to reasonably assess whether the reimbursable expenses and other amounts paid by the grant are properly payable. Refer to the "ILET SB Backup Documentation Checklist" for a listing of materials that may demonstrate sufficient proof by budget category.
  - a) Personnel Expenditures:
    1. Wages, salaries, and fringe benefit expenditures may be supported with: detailed time and attendance records for each person charged directly and/or indirectly to the respective grant program; a PDF copy of the accounting information system wages, salary, and fringe personnel payroll expenditure account(s) for the respective month; and supporting evidence that the costs were paid.
    2. Copies of the filed State and Federal Payroll Tax Forms 941; and the State of Illinois Department of Employment Security IDES Form UI-3/40 to evidence that the payroll taxes and employer contribution for unemployment security were paid may also be provided as supplemental support for personnel expenditures.
    3. All supporting documents shall be personally identifiable information (PII) compliant and encrypted utilizing ILET SB approved encryption software if so, indicated by ILET SB.
  - b) All Other Non-Personnel Expenditures: To be reimbursed for allowable expenses, the grantee must provide evidence that costs were incurred and paid upon request by ILET SB.
  - c) Documented Support That Costs Were Incurred and Paid - Generally, an invoice, receipt or contract supported by a copy of a cancelled check/electronic copy or other document supporting that the transaction was enacted; i.e., bank statement, electronic reference, etc. Note that all copies of cancelled checks, submitted as documentation, should include both the front and back of the check. If the back side is not available, a copy of the respective bank statement can be substituted.

- F. With diligence of the Grant Program Manager or their designee assigned to each grant and supported by further diligence of the Fiscal Team, PFRs by the Grantee will be monitored with the expectation that upon final reconciliation there is a zero balance, with no amount owed to the Grantee, and no amount to be recovered from the Grantee.
- G. Grantees that do not expend all advance payment amounts by end of the grant term and/or are unable to demonstrate that all incurred costs were necessary, reasonable, allowable, or allocable as approved in their respective grant budget are subject to grant funds recovery.

**Procedure for Advance Payment:**

- A. The Grantee may be paid in advance, provided it maintains or demonstrates the willingness to maintain written procedures that minimize the time elapsing between the transfer of funds and disbursement; and the use of a financial management system that includes the following:
  - 1) Identification of all grant awards received, related funds expended, and the programs under which they were received, including the title and number, award identification number, year issued, and name of the awarding agency.
  - 2) Accurate, current, and complete disclosure of the financial results of each grant award or program in reports submitted at the appropriate deadlines, in a format that allows for ILETSB monitoring. The Grantee may develop accrual data for its reports based on an analysis of the documentation on hand.
  - 3) Maintaining records that sufficiently identify the amount, source, and expenditure of grant funds for awards. These records must contain information necessary to identify awards, authorizations, financial obligations, unobligated balances, as well as assets, expenditures, income, and interest. All records must be supported by source documentation.
  - 4) Effective control over and accountability for all funds, property, and assets. The Grantee must safeguard all assets and ensure they are used solely for authorized purposes.
  - 5) Comparison of expenditures with the approved budget amounts for each award.
  - 6) Written procedures to implement the requirements of 44 Ill. Adm. Code 7000.120.
  - 7) Maintenance of records documenting compliance with statutes, regulations, and the terms and conditions of the award, must be sufficient to prepare reports required by the terms and conditions; and tracking expenditures to establish that funds have been used in accordance with statutes, regulations, and the terms and conditions of the award, including any funds used for lobbying or otherwise influencing the creation, passage, or opposition of legislation.
- B. ILETSB requires the completion of additional applications for any Grantee seeking to receive Advance funding to assert that the above conditions are met. Receipt of grant award is not itself approval for the use of advance funding. The determination of this request will be made by the ILETSB Grant Manager. The application will require the following:
  - 1) Confirmation that Grantee is making a formal request for Advance payment,

- 2) A list of required documentation for review, and confirmation that is included with the application,
  - 3) Information, budgets and/or approved pre-award documentation,
  - 4) Acknowledgment that all Risk Assessment documentation will be completed: ICQ in the GATA Implementation Site and the PRA,
  - 5) Guidelines regarding the Grantee's eligibility for Advance payment,
  - 6) Information regarding the option to receive reimbursement with a working capital advance if Advance payment criteria are not met. 44 Ill. Admin. Code 7000.120(b)(3).
- C. Advance payments to a Grantee must be limited to the minimum amounts needed and be timed with actual, immediate cash requirements of the Grantee in carrying out the purpose of the approved program or project.
- D. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the Grantee for direct program or project costs. The Grantee must make timely payments to contractors, suppliers, or providers in accordance with the contract provisions.
- E. Whenever possible, advance payment requests by the Grantee must be consolidated to cover anticipated cash needs for all awards received by the recipient from ILET SB.
- F. Advance payment mechanisms must comply with the preference to distribute funds electronically, which includes, but are not limited to, Treasury checks and electronic funds transfers.
- G. Grantees must be authorized to submit payment requests as often as necessary when electronic fund transfers are used or at least monthly when electronic transfers are not used.
- H. ILET SB shall publish written procedures for determining the allowability of costs and advance funding options in accordance with the Administrative Rules of the grant Accountability and Transparency Act and the terms and conditions of the grant award. ILET SB must document the determination that the Grantee meets the requirements of advance payments in accordance with 44 Ill. Adm. Code 7000.120 (b)(1).

### **Procedure for Reimbursements:**

- A. Grantees will be paid via the reimbursement method when they do not meet the requirements of 44 Ill. Admin. Code 7000.120(b)(1), or upon a Grantee's request to use the reimbursement method of payment, or as stipulated in a specific condition. Grantees that have relevant specific conditions noted in their Uniform Grant Agreement based on the results of their Programmatic Risk Assessment (PRA) shall be paid via reimbursement method. Grantees who do not meet the requirements of 44 Ill. Admin. Code 7000.120(b)(1) may also request use of the Working Capital Advance payment method, detailed herein in a subsequent section.
- B. ILET SB will disburse payments to the Grantee based on actual allowable costs incurred or expended as reported in their PFR submitted for the respective period, as described in their grant agreement.

## **Procedure for Working Capital Advance:**

- A. For Grantees that the Grant Program Manager or their designee determines that reimbursement is not feasible because the Grantee lacks sufficient working capital, the ILETSB may, in its sole discretion, provide a Working Capital Advance to the Grantee. Working Capital Advance payments may be requested by completing the Working Capital Advance Questionnaire or by other means as prescribed by ILETSB.
- B. Grantees may request a Working Capital Advance payment for each grant program awarded by ILETSB. Requests must be submitted on the ILETSB Estimate Working Capital Advance Payment Requirements Forecast (Cash Budget) Form Template to the respective Grant Program Manager or their designee in the method prescribed in the grant program Notice of Funding Opportunity (NOFO), grant agreement, or as prescribed by ILETSB. The Cash Budget must include monthly cash requirements for every month of the grant term. Grantees must submit an updated cash budget at the request of the ILETSB Grant Program Manager, their designee, or a representative of the Office of Fiscal Management. A separate request must be submitted for each ILETSB grant program application. Requests must be signed by either the Chief Executive Officer or Chief Financial Officer (or equivalent) for the entity.
- C. The ILETSB Grant Program Manager or their designee will advance the working capital payment to the Grantee to cover their estimated disbursement needs for an initial period of grant expenses. Additional startup costs may be approved as part of the working capital payment if determined by the ILETSB Grant Program Managers or their designees to be allowable.

## **Financial Reporting:**

- A. Grantees must submit monthly PFRs of their actual cash disbursements for reimbursement in a format prescribed by the Grant Program Manager or their designee demonstrating all allowable expenditures for each month of operations until the end of the grant term.
- B. PFRs will be submitted to the respective Grant Program Manager or their designee not later than the 15th day following the end of any respective monthly billing period, or as described by the Uniform Grant Agreement.
- C. The first PFR is due after the first month of grant operations. Monthly PFRs must be submitted to the respective Grant Program Manager or their designee in the method prescribed in the grant agreement or as prescribed by ILETSB.
- D. Allowable Costs and Documentation:
  - 1. Expenditures submitted on the PFR must represent allowable expenditures incurred and paid for the grant and must be supported by appropriate documentation. If Grantee is unsure whether an expenditure is allowable, review the approved Grantee budget and/or consult with the respective Grant Program Manager or their designee. Grantee is responsible for maintaining appropriate supporting documentation onsite in accordance with the conditions of the grant agreement.
  - 2. Grantee shall submit supporting documentation to the Grant Program Manager or their designee for designated months of review.

3. Generally, ILETSB shall review supporting documentation for a period of the grant term. Grantee need only submit documentation for costs paid for the period requested by ILETSB.
4. If the Grant Program Manager or their designee discovers issues or concerns, an additional document submission may be required for a period of the grant term. Grantee may also be placed on a corrective action plan or subject to any of the remedies described in the grant agreement or within ILETSB's authority.
5. Appropriate Forms of Supporting Documentation: Supporting documentation means sufficient information to enable ILETSB to reasonably assess whether the reimbursable expenses and other amounts paid by the grant are properly payable.
6. Refer to the "ILETSB Backup Documentation Checklist" for a listing of materials that may demonstrate sufficient proof by budget category.
  - a) Personnel Expenditures:
    1. Wages, salaries, and fringe benefit expenditures may be supported with detailed time and attendance records for each person charged directly and/or indirectly to the respective grant program; a PDF copy of the accounting information system wages, salary, and fringe personnel payroll expenditure account(s) for the respective month; and supporting evidence that the costs were paid.
    2. Copies of the filed State and Federal Payroll Tax Forms 941; and the State of Illinois Department of Employment Security IDES Form UI-3/40 to evidence that the payroll taxes and employer contribution for unemployment security were paid may also be provided as supplemental support for personnel expenditures.
    3. All supporting documents shall be provided to ILETSB upon request. All supporting documents shall be PII compliant and encrypted utilizing ILETSB approved encryption software as indicated by ILETSB.
  - b) All Other Non-Personnel Expenditures: To be reimbursed for allowable expenses, the Grantee must provide evidence that costs were incurred and paid upon request by ILETSB.
- E. PFRs must include all allowable incurred or expended costs for the first period and each subsequent period of operations until the end of the grant term.
- F. PFRs will be submitted to the respective grant program points of contact on or before the 15th day following the end of any respective period. Grant Program Managers may amend the due date from the 15th day of the month to facilitate program and Grantee requirements. ILETSB grant programs must process all payments to ensure that payments can be made within 30 calendar days after receipt of the PFR, unless the State awarding agency reasonably believes the request to be improper. All payments are subject to appropriation, cash availability, and processing by the Office of the Comptroller.

**Programmatic Reporting:**

- A. Grantee must submit quarterly reports for the period of performance following the date of award. After receiving an award, grant recipients shall collect data and furnish it to the Illinois Law Enforcement training Standards Board, which shall prepare an annual report to the General Assembly regarding the use and impact of the grant program, including, but not limited to:
1. The number of grant recipients;
  2. A summary of the recruitment and retention efforts maintained by the applicant agencies; and
  3. A summary of the effectiveness and success of the various endeavors as reflected within the reports received;
- B. Data collection must be comprehensive and follow the guidelines and best practices of the Grant Accountability and Transparency Unit.

**Payment Process:**

- A. ILETSB grant programs must process all payments to ensure that payments are made within 30 calendar days after receipt of the billing unless the State awarding agency reasonably believes the request to be improper.
- B. At least sixty days prior to the end of the grant term, or at the discretion of the Grant Program Manager, ILETSB will stop remitting payments for Grantee actual cash disbursements. The Grant Program Manager or their designee will reconcile Grantee invoices to the working capital advance remaining cash balance.

**Insured and Interest-Bearing Accounts:**

- A. ILETSB must not require separate depository accounts for funds provided to the Grantee or establish any eligibility requirements for depositories. However, the Grantee must be able to account for all grant funds received, obligated, and expended.
- B. Working Capital and Advance payments of grant funds must be deposited and maintained in insured accounts whenever possible.
- C. The Grantee must maintain Working Capital and Advance payments of grant funds in interest-bearing accounts unless one of the following applies:
1. The Grantee receives less than \$250,000 in grant funding per year;
  2. The best available interest-bearing account would not reasonably be expected to earn interest in excess of \$500 per year on grant funded cash balances;
  3. The depository would require an average or minimum balance so high that it would not be feasible with the expected grant and non-grant cash resources;
  4. A foreign government or banking system prohibits or precludes interest-bearing accounts; or

5. An interest-bearing account is not readily accessible (for example, due to public or political unrest in a foreign country).
- D. The Grantee may retain up to \$500 per year of interest earned on grant funds to use for administrative expenses of the Grantee. Any additional interest earned on grant funds must be returned annually to ILETSB through either the Automated Clearing House (ACH) network or a payment system approved by the Illinois Treasury or Comptroller. All interest in excess of \$500 per year must be returned to ILETSB regardless of whether the Grantee was paid through ILETSB.

### **Withholding:**

- A. Payments for allowable costs must not be withheld at any time during the period of performance unless required by statute, regulations, or in one of the following instances:
  1. The Grantee has failed to comply with the terms and conditions of the award; or
  2. The Grantee is delinquent in a debt to the United States, or state of Illinois. Under such conditions, ILETSB may, after providing reasonable notice, withhold payments to the recipient or subrecipient for financial obligations incurred after a specified date until the conditions are corrected or the debt is repaid.
- B. A payment withheld for failure to comply with the terms and conditions of the award must be released to the Grantee upon subsequent compliance. When an award is suspended, payment adjustments must be made if the costs were incurred prior to the suspension and if the costs were otherwise allowable at the end of performance.
- C. A payment must not be made to a Grantee for amounts that the Grantee withholds from contractors to assure satisfactory completion of work. Payment must be made when the Grantee disburses the withheld funds to the contractors or to escrow accounts established to ensure satisfactory completion of work.

### **Budgetary Amendments:**

- A. Grantees may seek to amend their approved budget anytime after award. All such amendments are subject to the approval of the ILETSB Grant Manager. Awarded funds may not be used for non-budgeted purposes pursuant to an amendment request until after ILETSB has issued a written approval.
- B. Budgetary amendments must be as detailed as possible and must be provided on a form developed and provided by ILETSB.
- C. ILETSB and the Grant Manager will carefully consider all requests for the categorical transfer or awarded funds and will issue approvals only when the intended purpose of the award remains intact and the agency has provided sufficient evidence and explanation justifying the request.

### **Return of Funds:**



All other grant funds must be returned to the payment system of ILETSB and the State of Illinois. Returns should follow the instructions provided by ILETSB.