

January 15, 2019

Dear Grant Provider,

Compliance with the Grant Accountability and Transparency (GATA) rules is becoming increasingly more important. DMH Region Operations would like to remind providers that the deadline for submission of all FY19 contract 2nd quarter reports is 2/01/2019. Missing any quarterly report deadline may prompt a stop payment. Please submit to DHS.DMHQuarterlyReports@illinois.gov avoid this measure.

We continue to encourage providers to visit the DMH website Grants and Billing page at <http://www.dhs.state.il.us/page.aspx?item=95429> to retrieve the most recent forms for reporting and guidance on the quarterly reporting process.

We would also like to draw your attention to the need to amend the CSA budget if the expenses for a contract vary significantly from what is on file in the system. Some items that need to be monitored in real time include:

1. Expenses that do not fit into any line item (category of expense) on the CSA budget. For example, if the program incurs contractor expenses but there is no such expense category in the CSA budget on file, those expenses would not be allowed. The budget needs to be amended (cost neutral) to add this line expense before a provider can incur this cost and apply it to the contract.
2. An expense category that trends more than 10% above the level of the CSA budget. If the trend continues and results in a total line expense beyond a 10% variance before or at the end of the fiscal year, any amount over budget would be unallowable. Before this point is reached, a cost neutral amendment to the budget needs to be in place so that expenses end in the 10% range of variance allowed.
3. Spending that exceeds the total annual amount (100%) for the line item anytime during the fiscal year. For example, if a provider submits a 2nd quarter report that shows a year-to-date total of \$500 for an expense category that has an annual budget of \$400, then \$100 will be unallowable, as would any expense in this category in subsequent quarters. Again, a cost neutral budget revision would need to be completed before any expense above the annual amount of the CSA budget will be allowed.

In short, as soon as a provider anticipates the CSA budget no longer supports the spending trends, the Program Contact should be consulted about a budget revision. Prompt action is needed as the process to amend a CSA budget has several steps. The first step is the submission of proposed changes, which is done by completing a budget revision template (attached).

If there are any questions arising from this Email, please contact Carla Galbraith (Carla.galbraith@illinois.gov) or Dan Wasmer (Dan.wasmer@illinois.gov).

Thanks,
DMH Region Operations