**Illinois
Department of Commerce
& Economic Opportunity**
JB Pritzker, Governor

Frequently Asked Questions for Audits

Contents

Audit Requirements Questions

Is my entity required to have an audit conducted?

- Every grantee is required to complete Audit Steps 1, 2, and 5 in the GATA Grantee Portal unless otherwise stated in the Grant Agreement. Depending on the amount spent in eligible grant funds, an audit (Steps 3 & 4) might not be required.

My entity and/or accountant disagree with the audit requirements. Is there any recourse?

- DCEO is not responsible for GATA laws or their interpretations. Please email the Governor's Office of Management and Budget (GOMB) at OMB.GATA@illinois.gov for further questions regarding GATA interpretation.

My grant is closed out, why do I need an audit?

- There are six steps that comprise an audit, however every entity must complete Audit steps 1, 2, and 5 in the GATA Grantee Portal for every fiscal year that overlaps the grant period. Depending on the amount spent in eligible grant funds, a financial/single/program-specific audit may not be required.

What is an Audit Peer Review Letter and how do we obtain it?

- The Audit Peer Review Letter also called the Report on the Firm's System of Quality Control, is obtained by contacting the Audit Firm that completed your entity's audit. Accompanying the Audit Peer Review Letter should also be the AICPA Peer Review Report Acceptance Letter.

Where do I find Statutory Audit Requirements for Grantees?

- Please visit the Illinois Administrative Rules Title 44, Subtitle F, Chapter I, Part 7000, Section 90.

Why do I need to complete the audit requirements if I did not receive grant funds last year?

- The audit requirement is based on the funds spent and not the funds received. Every entity is required to complete Audit Steps 1, 2, and 5 in the GATA Grantee Portal unless otherwise stated in the Grant Agreement. Depending on the amount spent in eligible grant funds, an audit may not be required.

GATA Audit Portal Questions

Can you return my Audit Certification form or CYEFR?

- DCEO cannot return the Audit Certification Form or CYEFR if the audit is for the Fiscal Year ending after March 4th, 2024.

How do I calculate expenditures on the CYEFR?

- Your entity should be tracking each grant expenditure for each fiscal year. Expenditures that were eligible for grant reimbursement or for advance payment should be calculated and the information should appear in the CYEFR. Expenditure calculations will vary depending on the grantee's accounting method. Please see the following excerpt from 2 CFR 200:

> *Expenditures* means charges made by a non-Federal entity to a project or program for which a Federal award was received.
>
> (1) The charges may be reported on a cash or accrual basis, as long as the methodology is disclosed and is consistently applied.
>
> (2) For reports prepared on a cash basis, expenditures are the sum of:
>
>   (i) Cash disbursements for direct charges for property and services;
>
>   (ii) The amount of indirect expense charged;
>
>   (iii) The value of third-party in-kind contributions applied; and
>
>   (iv) The amount of cash advance payments and payments made to subrecipients.
>
> (3) For reports prepared on an accrual basis, expenditures are the sum of:
>
>   (i) Cash disbursements for direct charges for property and services;
>
>   (ii) The amount of indirect expense incurred;
>
>   (iii) The value of third-party in-kind contributions applied; and
>
>   (iv) The net increase or decrease in the amounts owed by the non-Federal entity for:
>
>   (A) Goods and other property received;
>
>   (B) Services performed by employees, contractors, subrecipients, and other payees; and
>
>   (C) Programs for which no current services or performance are required such as annuities, insurance claims, or other benefit payments.

How do I find out why my audit package was returned?

- If your audit package has been returned, you will need to log in to the GATA Grantee Portal and scroll to the section Active Audit Reviews. Click on the View button to open the Audit Case and the status will be displayed. If further explanation is needed, the contractor will provide more details in the Note section.

How do I gain access to the GATA Grantee Portal to complete my audit?

- To access the GATA Grantee Portal, individuals must first create a public user account. After the public user account is created, create an entity profile page or request access to the existing entity page. For detailed instructions, please refer to the GATU website here.

How do I receive notifications from the GATA Grantee Portal about audits?

- To set up notifications in the GATA Grantee Portal, log in to the GATA Grantee Portal and scroll to the section called Grantee Portal Access and click the Manage button. Then click the Select button on the contact you wish to update. Click the Edit button and select the alerts/notifications boxes you wish to update. Click Save Changes button when finished.

My entity had $0 in expenditures for the audit period, should we input $0 in the CYEFR?

- Zeroes are pre-populated in the CYEFR, grantees can approve the zeroes or re-enter zeroes in the field.

My entity received a "Fail-Grantee" rating on its Management Decision Letter (MDL), can I appeal?

- The findings in the Audit Review and MDL are generated by DCEO's contractor: as a result, we cannot alter, augment, or remove them. The grantee may contact the External Audit Unit with questions or for clarification of the findings at ceo.externalauditunit@illinois.gov. If the grantee still wishes to continue with an appeal, the External Audit Unit will forward the request to GATU for review.

What if the CYEFR does not include the correct budget categories?

- Please use the available budget categories, however, if no categories are available, please email the External Audit Unit at ceo.externalauditunit@illinois.gov as soon as possible.

What is the Audit Certification form?

- The Audit Certification is the first step of the Audit process completed in the GATA Grantee Portal. Before completing Step 1 Audit Certification and Step 2 CYFER, the grantee should have the following information for all its awards (including those not issued by the State of Illinois):
  - Amount of expended funds that were or are eligible for grant reimbursement or to be paid out of a grant advance payment for the grantee's fiscal year in question for every award/CSFA; and
  - Source type of funds: state, federal, or other.

Waivers and Extensions

Can audit requirements be waived?

- Please read the audit requirements in the Grant Agreement. If your entity is required to comply with audit requirements, under no circumstances can these audit requirements be waived.

I received an extension from a different agency, does that apply to the GATA Requirements?

- DCEO does not accept extension requests granted from other Illinois State Agencies.

What happens if the audit package is not submitted to the GATA Grantee Portal by the deadline?

- If the audit package is not submitted by the deadline stated in the GATA Grantee Portal, the grantee will first be placed on FEIN lock.
- If the grantee is not compliant within 15 (fifteen) days of being placed on FEIN lock, DCEO will place the entity on the [Illinois Stop Payment List](#).

Other Audit Questions

Can DCEO open an audit package so I can add missing documents to my submission?

- No, DCEO cannot re-open the package as DCEO outsources the review of audit packages
- The contractor will return the package through the GATA Grantee Portal should any issues exist.
- Grantees must wait until the audit package is returned by the contractor to upload missing documents or add information.

Can DCEO recommend a reputable audit firm to use?

- No, DCEO cannot recommend an audit firm.
- Please verify that your auditor has the proper license and are current with Peer Review requirements.

Can DCEO review my audit package prior to submission?

- No, DCEO does not review or pre-qualify audit packages and will not determine if the audit package is complete or accurate.
- A third-party contractor reviews the audit package, and the contractor will return the package back to the grantee if any issues exist.

DCEO is not my Cognizant Agency, why did they place my organization on the Stop Payment List?

- Although DCEO is not your entity's Cognizant Agency, DCEO can still place your entity on the IL Stop Payment List when your entity is not in compliance with your DCEO Grant Agreement.

How can I tell if my grant funding is sourced from State or Federal dollars?

- To check the source of funding, please refer to your Grant Agreement in Part I, Article II, Section 2 Amount of Agreement. There the information will inform the Grantee the amount of the award and funding source.

How does a change in Fiscal Year End Date affect my entity's audit?

- The grantee will be required to complete an audit for the stub period and the new fiscal year if the grant period overlaps the new fiscal year.

Is my grant taxable?

- State grants can be taxable; however, it depends on the type of grantee's entity and grant funds. Every year the Illinois Office of the Comptroller will issue a 1099-G if the grant is taxable. The grantee can view 1099s here.

Is there a glossary of Audit Status Descriptions?

GATA Grantee Portal Status	Definition
Certification Past Due: The certification form is past due.	Your organization is required to submit the Audit Certification form in the GATA Grantee Portal.
CYEFR Past Due: The Consolidated Year-End Financial Report is past due.	Your organization is required to complete and submit the Consolidated Year-End Financial Report (CYEFR) in the GATA Grantee Portal.
Audit Upload Due: The audit package is required to be uploaded to the Grantee Portal.	Your organization is required to submit the audit package in the GATA Grantee Portal.
GAAS Audit Upload Due: A Generally Accepted Auditing Standards (GAAS) audit package is required to be uploaded to the Grantee Portal.	Your organization is required to submit an audit conducted in accordance with Generally Accepted Auditing Standards (GAAS) in the GATA portal. Please navigate to the GATA Grantee Portal and submit the required audit.
GAGAS Audit Upload Due: A Generally Accepted Government Auditing Standards (GAGAS) audit package is required to be uploaded to the Grantee Portal.	Your organization is required to submit an audit conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) in the GATA Grantee portal. Please navigate to the GATA Grantee Portal and submit the required audit.
Single/Program Related Files Due: There are required files that need to be uploaded to the Grantee Portal.	Your organization is required to submit a Single Audit or Program-Specific audit to the Federal Audit Clearinghouse (FAC). In addition, your organization is required to submit the required files in the GATA Portal. Please navigate to the GATA Grantee Portal and submit the required audit documents.
Data Collection Form Past Due: The Data Collection Form is past due.	Your organization is required to submit the Data Collection Form in the GATA Grantee portal.
Package Validation Errors: The contractor has determined there is a problem with the content of the audit submission. Please fix and resubmit steps 1-4.	The State of Illinois's independent contractor has reviewed your audit package. There is an item that is missing that requires your attention. Please log into the GATA Grantee Portal and review the notes provided by the contractor. Correct the errors and resubmit as soon as possible.
Pending Package Validation: Awaiting validation of the uploaded content by the contractor. State agencies can begin the CYEFR reconciliation and may reach out if there are any issues found.	There is nothing for you to do at this time. Your organization's audit package has been submitted in the GATA Grantee portal and will be reviewed by the State of Illinois's independent contractor as State agencies work to reconcile the Consolidated Year-End Financial Report (CYEFR) submitted in your audit package.
Under Review: The audit package is currently under review.	There is nothing for you to do at this time. The package is being reviewed. You will be notified if there are any issues that require your attention.
Done: The audit review is complete.	There is nothing for you to do at this time. The review has been completed.

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My audit was submitted to the Federal Audit Clearinghouse, why am I on the Stop Payment List?

- The audit must be submitted and accepted by the FAC before the grantee can be removed from the IL Stop Payment List. If the grantee is in compliance with Illinois audit requirements, the External Audit Unit will send an email informing the grantee of the removal from the IL Stop Payment List. If the grantee is still on the IL Stop Pay List, there are other non-compliance issues and the grantee should email the DCEO Grant Help Desk at CEO.GrantHelp@illinois.gov to inquire the reason.

My audit was submitted to the GATA Grantee Portal, why am I on the Stop Payment List?

- If the grantee is in compliance with audit requirements, the External Audit Unit will send an email informing the grantee of the IL Stop Pay List removal. If the grantee is still on the IL Stop Pay list, then other non-compliance issues exist. The grantee should email the DCEO Grant Help Desk at CEO.GrantHelp@illinois.gov to inquire the reasoning for the IL Stop Pay List status.