

NOTICE OF GRANT REQUIREMENTS

Prevailing Wage Act (820 ILCS 130/0.01 et seq.): “All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application. In the construction of the project, the Grantee shall comply with the requirements of the Prevailing Wage Act, including, but not limited to, inserting into all contracts for such construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers and mechanics performing work under the contract and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract.” The Department and the Capital Development Board will work with the grantee to ensure compliance prior to the establishment of the grant agreement as well as through the life of the grant. The Act may be found in its entirety at <https://labor.illinois.gov/laws-rules/conmed/prevailing-wage-act.html>.

The Comptroller’s Office requirement derives from Attorney General Opinion No. 00-018 that states, where a non-governmental entity receives a grant of public funds for the construction of a fixed work, the provisions of the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) (56 Ill Admin Code 270) apply to the project. NOTE: Public bodies continue to be subject to Prevailing Wage requirements.

Please be advised that DCEO will not render a legal opinion as to applicability of the Prevailing Wage Act to any project. You should consult your own legal counsel for such an opinion. Questions regarding the applicability of Prevailing Wage requirements may also be referred to the Illinois Department of Labor at 312/793-1585 or 217/782-1710. Attorney General Opinion No. 00-018 may be accessed on the Attorney General’s web site at <https://illinoisattorneygeneral.gov/opinions/opinions-archive>.

Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 et seq.): If an entity receives state funds for construction related activities, the entity must employ at least 90% Illinois laborers on such projects during periods of excessive unemployment in Illinois. The Act may be found in its entirety at <https://labor.illinois.gov/laws-rules/conmed/illinois-preference-act.html>. Any questions regarding the Act should be directed to the Illinois Department of Labor’s Conciliation and Mediation Division at (217) 782-1710. For further information, please visit the IDOL website at: <https://labor.illinois.gov>.

Public Act 96-1064 - Business Enterprise Program: Public Act 96-1064 mandates that each award by grant or loan of State funds of \$250,000 or more for capital construction costs or professional services is conditioned upon the recipient's written certification that the recipient shall comply with the business enterprise program practices for minority-owned businesses, female-owned business, and businesses owned by persons with disabilities of the Business Enterprise for Minorities, Females and Persons with Disabilities Act (30 ILCS 575/0.01 et seq.) and the equal employment practices of Section 2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105).

Illinois Works Jobs Program Act (30 ILCS 559/Art. 20): For Awards with an estimated total project cost of \$500,000 or more, the Grantee will be required to comply with the Illinois Works Apprenticeship Initiative (30 ILCS 559/20-20 to 20-25) and all applicable administrative rules (see 14 Ill. Admin. Code Part 680). The “estimated total project cost” is a good faith approximation of the costs of an entire project being paid for in whole or in part by appropriated capital funds to construct a public work. Grantee must submit a Budget Supplement Form (available on the DCEO website) to the Grantor within ninety (90) days of the execution of a Grant Award (Agreement).

The goal of the Illinois Works Apprenticeship Initiative is that apprentices will perform either 10% of the total labor hours worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification, whichever is less. Of this goal, at least half of those apprenticeship hours shall be performed by graduates of the Illinois Works Preapprenticeship Program, the Illinois Climate Works Preapprenticeship Program, or the Highway Construction Careers Training Program. Grantee is permitted to seek from the Grantor a waiver or reduction of this goal in certain circumstances pursuant to 30 ILCS 559/20-20(b). The Grantee must ensure compliance for the life of the entire project, including during the term of the Award and after the Term ends, if applicable, and will be required to report on and certify its compliance.

More on the Act may be found at:
[Illinois Works Jobs Program Act - Illinois Works](#)

§ 200.326 Bonding requirements:

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

- (a) A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
- (b) A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s requirements under such contract.
- (c) A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

Environmental Review Requirements: Capital grants will be reviewed to determine environmental review requirements. Based on the scope of the project, the grantee may be required to complete additional environmental approvals before disbursement of grant funds can be initiated.

- In addition to the above, any contractual agreement between the Grantee and another party (being paid with grant funds) must include special language to allow DCEO access to the other party’s records, relative to the grant. This includes construction subcontractors, consultants who provide services, and any other entity with which the grantee has a legal agreement to expend grant funds. Please see the separately attached pdf document entitled “Third Party Contractual Requirements” for this language (to incorporate into your legal subcontracts).

- Purchases of real property (land and/or buildings) will require submission of at least one appraisal conducted by a neutral third-party prior to closing – and as close to the closing date as possible – as an estimate of the property’s fair market value. The appraisal documentation must be submitted to the Department as soon as available, and preferably prior the actual closing date.