



### PY2026 Employment Barrier Reduction Fund Agreement

This Agreement is entered into by and between the Illinois Association of Community Action Agencies, a not-for-profit corporation of Illinois (IACAA), and DuPage County Department of Community Services, a department of an Illinois unit of government, hereinafter known as "Subrecipient." IACAA and Subrecipient hereby agree as follows:

IACAA and the Subrecipient hereby enter into this agreement to perform the 2026 Illinois Department of Human Services (IDHS) Employment Barrier Reduction Fund, hereinafter referred to as the "Program." The Program provides funding for supportive services expenses, including but not limited to assistance with rent, utilities, transportation/gas, uniforms, tools/equipment, and similarly purposed expenses as designated by IACAA, to SNAP, TANF, and Medicaid recipients and applicants for IDHS services who are either identified by the Subrecipient or referred by the local Family and Community Resource Center (FCRC). These services are designed to reduce barriers to gaining employment and to assist customers in securing and maintaining employment. In addition, the Program provides access to resources that enable families to eliminate the need for TANF cash assistance or SNAP benefits and offers the opportunity to improve their overall financial well-being through employment. IACAA has been selected to be the Provider for the State of Illinois, utilizing the Illinois Community Action Agency network to administer the Program as the Community Partner.

Amount of Subaward	\$40,250.00
Direct Client Funds	\$35,000.00
Admin/Operating Funds	15.0% of Direct Client Services paid not to exceed \$5,250.00
Source of Funding	Federal Funds; ALN 93.558 TANF
Grant Agreement	FCSEG05509 (attached)
Term of Agreement	Signature date through June 30, 2026 * See comment under TERM section

#### Purpose:

The Program provides supportive service funding for individuals and families receiving SNAP, TANF, or Medicaid benefits who face barriers to gaining or maintaining employment. Services include assistance with rent, utilities, transportation, work-related tools or uniforms, and other eligible employment-supporting services. These services are intended to promote self-sufficiency, reduce dependency on public assistance, and increase long-term employment outcomes.

**Term:**

- The term of this Agreement shall commence on the date the Agreement is signed by both parties and shall terminate on June 30, 2026.
- **CLIENT BENEFIT APPLICATIONS MUST BE SUBMITTED FOR APPROVAL NO LATER THAN MAY 31, 2026.** Auto repair applications must be submitted for approval no later than May 1, 2026.
- All payment documents must be submitted by June 15, 2026.
- Operating expenditures may continue through June 30, 2026.

**Obligations of IACAA:**

IACAA agrees to the following:

1. Implement a comprehensive plan for program delivery, fund allocation, eligibility verification, and client service oversight.
2. Accept, review, determine eligibility, and process applications for eligible clients identified by subrecipients or referred by local FCRCs.
3. Disburse funds to subrecipients bi-monthly upon receipt and approval of payment documentation.
4. Invoice IDHS monthly and maintain reconciliation records for all Program funds.
5. Submit monthly and quarterly IDHS required fiscal and programmatic reports.
6. Collect and report data monthly following IDHS Workforce Office requirements.
7. Provide earned operational reimbursements monthly based on 15% of verified expenditures.
8. Monitor subrecipient compliance with GATA regulations.
9. Offer training, technical assistance, virtual meetings, and program guidance as needed.
10. Monitor program activity through desk audits and reconcile monthly GL reports with the master service list.
11. Monitor Subrecipient spending to assure full utilization of the grant funds.
12. Provide access to a secure document sharing system for subrecipients to upload required documentation and client data.
13. Establish a Memorandum of Understanding (MOU) with the Family and Community Resource Centers (FCRCs) in collaboration with Subrecipient on developing a referral process which allows FCRC offices to send Referral Form 2151.

**Obligations of Subrecipient:**

Subrecipient agrees as follows:

1. Ensure all Program staff understand the Program Manual and grant agreement requirements.
2. Confirm that all staff understand client confidentiality standards.
3. Submit a Program budget, work plan, and internal controls aligned with the award, as Appendix A & B (pages 6 and 7). Additionally, submit most recent audit in Smartvault.
4. The subrecipient will provide a certificate of endorsement from their employee dishonesty insurance carrier, naming the Illinois Association of Community Action Agencies (IACAA) and the Illinois Department of Human Services (IDHS) as joint loss payable with limits of at least \$500,000.
5. Develop and submit an IDHS-approved community outreach plan within one month of service launch, including a program description, hours of operation, and eligibility requirements.

6. Accept and process any FCRC Referral Form 2151 received. Referral information must be included on page 1 of the application and given priority. Referral form must be uploaded with the application.
7. Identify eligible recipients who:
  - a. Are currently receiving SNAP, TANF, or Medicaid, or are part of an active SNAP household, or
  - b. Have pending applications for these benefits.
8. Upon approval of the application, process payments to service providers for allowable expenses per the Program Manual, not exceeding the approved amount on the client's approval form.
9. Implement safeguards to prevent duplicative services and ensure clients do not exceed the \$2,000 benefit cap per household per program year, verified through the Illinois STARS system.
10. Enter all Direct Client Services into STARS and submit quarterly reports to IACAA by the 5th of the following month.
11. Ensure no duplicate household expenses are paid to multiple individuals unless pre-approved.
12. Gift cards may be used for fuel when vendor checks are not applicable. In such cases:
  - a. Include gift card request in the application.
  - b. Purchase the card after approval.
  - c. Follow internal controls for storage and distribution.
  - d. Client must sign form for acceptance of gift card.
13. Submit the following documentation within 2 days of payment to the client/vendor:
  - a. Itemized receipts, invoices, and proof of payment (e.g., check copy).
  - b. Completed Gift Card Pick-up/Payment Documentation Form with gift card or check details and delivery info.
  - c. Required signatures for processing.
14. Any applications with an "Approved" status for more than 30 days for which payment documentation has not been received will be cancelled.
15. Maintain detailed records for all client expense payments, including the application form, applicant name, expense type and justification, payment amount and recipient, and payment date.
16. Fully cooperate with IACAA's programmatic and compliance guidance. Abide by all the terms and conditions of the Program Manual and Master Grant Agreement.
17. Submit all Auto Repair applications by **May 1<sup>st</sup>, 2026**.
18. Submit all other client applications by **May 31<sup>st</sup>, 2026**
19. All payment documentation must be submitted no later than **June 15<sup>th</sup>, 2026**.
20. Final General Ledger trial balance is due **July 10, 2026**, for the entire program year. A detailed GL report for all revenue and expense line items must be submitted by July 10, 2026, to accompany the trial balance.

#### **Reallocation of Funds:**

Should the Illinois Department of Human Services revise the master funding agreement or program requirements to IACAA, the Agreements with the subrecipients will be modified to reflect the proportional changes based on the ratio of direct client funding spent or encumbered at the time.

#### **Direct Client Fund Spending Requirements and Recapture Provisions**

By **January 1, 2026**, subrecipients must have spent at least 50% of their allocated Direct Client funds. "Spent" is defined as payment documents submitted by the subrecipient and accepted by IACAA. If this 50% spending threshold is not met by January 1, 2026, IACAA retains the right to amend the original subrecipient agreement to recapture the difference between the amount spent and 50% of the subrecipient's remaining Direct Client benefit allocation.

By **March 1, 2026**, subrecipients must have spent at least 75% of their allocated Direct Client funds, as defined above. IACAA retains the right to amend the subrecipient agreement to recapture the difference between the amount spent and 75% of the subrecipient's remaining client benefit allocation.

Any applications approved through April 15, 2026, for which corresponding payment documentation has not been submitted by **May 15, 2026**, will be cancelled, regardless of status, and the associated funds will be recaptured.

Any unencumbered Direct Client funds remaining as of **May 31, 2026**, will be subject to recapture. "Unencumbered" is defined as funds with no approved, unpaid applications outstanding.

In the event the subrecipient identifies an increased or decreased need within the program, the award amount under this Agreement may be amended, by signature of both parties, to increase (subject to available funding) or decrease the award amount to reflect the identified local need.

**Termination:**

Either party may terminate this Agreement without cause upon thirty (30) days' prior written notice. IACAA may also terminate this Agreement for cause immediately if Subrecipient fails to correct failures described by IACAA in a Written Notice to Correct within 10 calendar days of giving Subrecipient such notice (mail, fax, or electronic delivery shall constitute written notice). Upon such termination, IACAA will pay Subrecipient a pro-rata amount of the award amount set forth above to compensate Subrecipient for time and approved expenses incurred before termination. In the event of early termination, IACAA will have all rights to any materials developed for the Program through the date of termination, and the Subrecipient shall provide to IACAA all materials as requested by IACAA. If IACAA exercises any form of termination, Subrecipient shall have no further remedy of any type whatsoever against IACAA except pro-rata payment of approved expenses as described in this provision. IACAA has the sole discretion to award a subrecipient agreement to serve the terminated area to any other entity, including another Community Action Agency.

**Debarment and Suspension (Executive Orders 12549 and 12689):**

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

**Governing Law and Jurisdiction:**

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Jurisdiction for disputes shall lie exclusively in Sangamon County, Illinois.

**Additional Agreements:**

In addition to the items above, attached to this agreement is the Grant Agreement No. [FCSEG05509](#) PY2026, the Employment Barrier Reduction Fund Manual, and the Billing Instructions, the contents of which are a part of this agreement. Subrecipients are subject to all provisions of the grant agreement and associated manuals and instructions unless specifically identified as a sole duty of IACAA.

**Liability:**

No party shall be liable to the other for actions or efforts made in good faith and consistent with this Agreement. A party that acts in contradiction to this Agreement, or that causes damages to the other party through negligence or malicious act, shall be liable to the non-contradicting party for all court costs and reasonable attorney’s fees incurred in enforcing or defending this Agreement.

This agreement shall be in full force and effect from the date of the signatures of both parties through June 30, 2026.

**Illinois Association of Community Action Agencies**

By: \_\_\_\_\_

Roger Pavey

It's: President and CEO

Date: [Click or tap to enter a date.](#)

**Subrecipient: DuPage County Department of Community Services**

By: \_\_\_\_\_

Mary Keating

It's: Executive Director

Date: [Click or tap to enter a date.](#)

APPENDIX A (*attach Work Plan  
from STARS and Budget Plan*)

APPENDIX B

*(Attach Internal Controls)*