

261—24.12(PL100-628) Administration.

24.12(1) Contracts. Upon selection of an application for funding, IDEED will issue a contract. The contract shall be between IDEED and the designated grantee as determined by IDEED. If a local city or county government or a nonprofit organization is designated as the grantee, the private, nonprofit providers covered through the contract shall remain responsible for adherence to the requirements of the ESG program, including these rules. These rules and applicable federal and state laws and regulations become part of the contract. Certain activities may require that permits or clearances be obtained from other state or federal agencies prior to proceeding with the project. Grant awards may be conditioned upon the timely completion of these requirements.

24.12(2) Record keeping and retention. Financial records, supporting documents, statistical records, and all other records pertinent to the grant program shall be retained by the grantee. Private, nonprofit recipients covered through an ESGP contract from a local city or county government or nonprofit organization are responsible for ensuring that pertinent records of their ESGP funds be made available to the administering city or county or nonprofit organization and to IDEED upon request. Proper record retention must be in accordance with the following:

a. Records for any assisted activity shall be retained for three years after final closeout and, if applicable, until audit procedures are completed and accepted by IDEED;

b. Representatives of the Secretary of the U.S. Department of Housing and Urban Development, the Inspector General, the General Accounting Office, the state auditor's office, and IDEED shall have access to all books, accounts, documents, records, and other property belonging to or in use by a grantee pertaining to the receipt of assistance under these rules.

24.12(3) Reporting requirements. Grantees shall submit reports to IDEED as prescribed in the contract. These reports are:

a. ServicePoint data reports. All recipients of ESGP funds are required to submit monthly reports on clients served using the ServicePoint reporting process as prescribed by IDEED; provided, however, that a recipient that qualifies as a domestic violence shelter shall not be required to report personally identifiable information about its homeless domestic violence clients. "Personally identifiable information" shall include any information that the reporting domestic violence shelter reasonably determines could be used to identify a particular client.

b. ESGP Form-1, Request for Funds. Grantees must submit requests for funds as needed during the contract year as prescribed by IDEED. IDEED may perform any review or field inspections it deems necessary to ensure program compliance, including review of grantee records and reports. When problems of compliance are noted, IDEED may require remedial actions to be taken. Failure to respond to notifications of need for remedial action may result in the implementation of 24.12(5).

24.12(4) Amendments to contracts. Contracts may be amended on an individual basis in emergency situations. Any request to amend a contract must be submitted in writing by the chief elected official to IDEED. IDEED will determine if the request to amend is justified based on the material presented in the letter of request. No amendment is valid until approved in writing by IDEED.

24.12(5) Remedies for noncompliance. At any time before project closeout, IDEED may, for cause, find that a grantee is not in compliance with the requirements under this program. At IDEED's discretion, remedies for noncompliance may include the following:

a. Issue a warning letter that further failure to comply with program requirements within a stated period of time will result in a more serious action.

b. Condition a future grant.

c. Direct the grantee to stop incurring costs with grant funds.

d. Require that some or all of the grant amounts be remitted to the state.

e. Reduce the levels of funds the recipient would otherwise be entitled to receive.

f. Elect not to provide future grant funds to the recipient until appropriate actions are taken to ensure compliance. Reasons for a finding of noncompliance include, but are not limited to: the grantee's use of program funds for activities not described in its application, the grantee's failure to complete approved activities in a timely manner, the grantee's failure to comply with any applicable state or federal

rules or regulations, or the lack of continuing capacity by the grantee to carry out the approved program in a timely manner.