

421—24.9(216A) Contract with grantee. Funds for grants approved by the council shall be awarded pursuant to a contract entered into by the division and the grantee.

24.9(1) *Negotiation.* The division shall conduct contract negotiations with the selected applicant, including negotiations regarding possible modifications to a grant proposal.

24.9(2) *Withdrawal of contract offer.* If the applicant and the division are unable to successfully negotiate a contract, the council may withdraw the award offer and award the grant to the applicant with the next-highest-scoring proposal.

24.9(3) *Contract revisions.* The division and the grantee may negotiate revisions to the contract to allow for nonmaterial expansion or modification of services so long as such revisions do not increase the total amount of the grant. The division shall have the right to approve an amendment to the contract budget moving grant funds between budget line items if the funds represent more than 10 percent of the budget line item.

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