

261—27.8 (15) Project management.

27.8(1) *Requests for funds.* Recipients shall submit requests for funds in the manner and on forms prescribed by IDED.

27.8(2) *Record keeping and retention.* Recipients shall retain all financial records, supporting documents and all other records pertinent to the NSP activities for five years after contract closeout. Representatives of IDED shall have access to all records belonging to or in use by recipients pertaining to NSP funds.

27.8(3) *Performance reports and reviews.* Recipients shall submit performance reports to IDED in the manner and on forms prescribed by IDED. Reports shall assess the use of funds and progress of activities. IDED may perform any reviews or field inspections necessary to ensure recipient performance.

27.8(4) *Amendments to contracts.* Any substantive change to a contract shall be considered an amendment. Such changes would include time extensions, budget revisions and significant alteration of the funded activities that change the scope, location, objectives or scale of the approved activity. Amendments must be requested in writing by a recipient and are not considered valid until approved in writing by IDED following the procedure specified in the contract between a recipient and IDED.

27.8(5) *Contract closeout.* Upon contract expiration, IDED will initiate contract closeout procedures.

27.8(6) *Compliance with federal, state and local laws and regulations.* Recipients shall comply with all applicable laws and rules, including the applicable federal CDBG, HERA and Frank-Dodd regulations, any provisions of the Iowa Code governing activities performed under this program, and with applicable local regulations.

27.8(7) *Remedies for noncompliance.* At any time before contract closeout, IDED may, for cause, find that a recipient is not in compliance with the requirements of this program. At IDED's discretion, remedies for noncompliance may include penalties up to and including the return of program funds to IDED. Reasons for a finding of noncompliance include, but are not limited to, the recipient's use of funds for activities not described in the contract, the recipient's failure to complete funded activities in a timely manner, the recipient's failure to comply with applicable state or local rules or regulations, or the lack of a continuing capacity of the recipient to carry out the approved activity in a timely manner.

27.8(8) *Appeals process for findings of noncompliance.* Appeals will be entertained in instances where it is alleged that IDED staff participated in a decision which was unreasonable, arbitrary, capricious or otherwise beyond the authority delegated to IDED. Appeals should be addressed to the division administrator of the division of community development. Appeals shall be in writing and submitted to IDED within 15 days of receipt of the finding of noncompliance. The appeal shall include reasons why the decision should be reconsidered. The director will make the final decision on all appeals.