

265—42.11(16) Administration.

42.11(1) Contracts. Upon selection of an application for funding, IFA will initiate a contract. 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 before the start of the project. Funding awards may be conditioned upon the timely completion of these requirements.

42.11(2) Record keeping and retention. Financial records, supporting documents, statistical records, and all other records pertinent to the funded program shall be retained by the subrecipient. Private, nonprofit subrecipients covered through an ESG program contract from a local city or county government or nonprofit organization are responsible for ensuring that pertinent records of their ESG program funds be made available to the administering city or county or nonprofit organization and to IFA upon request. Proper record retention must be in accordance with the following:

a. Records for any assisted activity shall be retained for five years after the end of the grant period and, if applicable, until audit procedures are completed and accepted by IFA.

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 IFA shall have access to all books, accounts, documents, records, and other property belonging to or in use by a subrecipient pertaining to the receipt of assistance under these rules.

42.11(3) Reporting requirements. Subrecipients shall submit reports to IFA as prescribed in the contract. Reports include:

a. HMIS data reports. All subrecipients of ESG program funds are required to submit regular reports on clients served using the current HMIS reporting process as prescribed by IFA unless a subrecipient qualifies as a domestic violence shelter, in which case the subrecipient must submit reports using a comparable database. A comparable database must collect client-level data over time and generate unduplicated aggregate reports based on that data.

b. Requests for funds. Subrecipients must submit requests for funds during the contract period at intervals and using forms as prescribed by IFA. IFA may perform any review or field inspections it deems necessary to ensure program compliance, including review of subrecipient records and reports. When problems of compliance are noted, IFA may require remedial actions to be taken. Failure to respond to notifications of need for remedial action may result in the remedies for noncompliance set forth in subrule 42.11(5).

42.11(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 to IFA. IFA 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 IFA.

42.11(5) Remedies for noncompliance. At any time, IFA may, for cause, find that a subrecipient is not in compliance with the requirements under this program. Reasons for a finding of noncompliance include, but are not limited to, the subrecipient's use of program funds for activities not described in its application, the subrecipient's failure to complete approved activities in a timely manner, the subrecipient's failure to comply with any applicable state or federal rules or regulations, or the subrecipient's lack of continuing capacity to carry out the approved program in a timely manner. At IFA's discretion, remedies for noncompliance may include the following:

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

b. Condition a future award.

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

d. Require that some or all of the awarded funds be remitted to the state.

e. Reduce the level of funds the subrecipient would otherwise be entitled to receive.

f. Elect not to provide future award funds to the subrecipient until appropriate actions are taken to ensure compliance.

[ARC 9166B, IAB 10/20/10, effective 10/1/10; ARC 9282B, IAB 12/15/10, effective 1/19/11; ARC 9633B, IAB 7/27/11, effective 7/8/11; ARC 9830B, IAB 11/2/11, effective 12/7/11; ARC 0186C, IAB 6/27/12, effective 8/1/12; ARC 3427C, IAB 10/25/17, effective 11/29/17]