

221—8.8(303) Grant administration.**8.8(1) Contracts.**

a. Upon certification by the director that an applicant organization is approved to become a CLP partner, the department shall enter into a contract with the organization. The contract shall state the dates, terms, and conditions of the grant award, as well as the amount of the award. When allocating awards to cultural leadership partners, the director shall first ensure that funds are available to meet obligations to existing partners before entering into any contracts with new partner organizations.

b. All contracts shall be approved by the director and the legally responsible officer of the partner organization.

8.8(2) Payments. Payments of the grant award shall be made upon the receipt by the department of a signed contract from the partner organization.

8.8(3) Record-keeping and retention requirements.

a. Financial records, supporting documents, and all other records pertinent to the program shall be retained by the partner organization for three years beyond the grant period.

b. Representatives of the department and the state auditor's office shall have access to all books, documents, account information, or other property belonging to or in use by the partner organization pertaining to the receipt of funds under this program.

8.8(4) Audits. The recipient of any grant of \$25,000 or more in any single grant cycle shall have conducted an on-site financial compliance audit. This audit shall not be an eligible grant expense.

8.8(5) Reporting requirements. The partner organization shall provide an end-of-year report of the use of CLP funds which shall be submitted according to a schedule as outlined in the contract.

8.8(6) Finding of noncompliance. The department may, for cause, find that a partner organization is not in compliance with the requirements of this program or the terms of the contract. At the department's discretion, remedies for noncompliance may include suspension or return of grant funds. Reasons for a finding of noncompliance may include, but are not limited to:

a. The partner organization's use of funds for activities not permitted under the guidelines of this program;

b. Failure of the partner organization to return the signed contract in a timely manner;

c. Failure of the partner organization to comply with any applicable state or federal rules, regulations, or laws; or

d. A violation of the terms of the contract.