

**193E—23.5(543B) Termination.**

**23.5(1) Cause.** The contract may be terminated in whole or in part at any time before the date of grant expiration, whenever the committee determines that the grantee has failed to comply substantially with the conditions of the contract or there is a lack of funds available for the contract. The grantee shall be notified in writing of the reasons for the termination and the effective date. The grantee shall not incur new obligations for the terminated portion of the contract after the effective date of termination and shall cancel outstanding obligations.

**23.5(2) Responsibility of grantee at termination.** Within 45 days of the termination, the grantee shall supply the committee with a financial statement detailing all costs up to the effective date of the termination. If the grantee expends moneys other than for specified budget items approved by the committee, the grantee shall return moneys for the unapproved expenditures.