

1552.0070 GRANT ADMINISTRATION.

Subpart 1. **Contract.** Each approved grant must be governed by a contract between the department and the grantee. The following terms among others must be specified in the contract:

- A. the total amount of the grant and the timing of grant payments;
 - B. the starting and termination dates of the contract;
 - C. dates for submitting progress reports;
 - D. a list of the eligible costs of the project, in accordance with subpart 4, item C;
- and
- E. a statement that the grantee must inform the commissioner of any significant change in implementation of the project, and must obtain prior approval before initiating the change.

Subp. 2. **Rescission of grant.** The individual authorized by the grantee must sign and return the contract with all attachments to the commissioner no later than 30 days after the date the grantee receives the contract. If the grantee does not sign and return the contract with all attachments to the commissioner within those 30 days, the commissioner may rescind the grant commitment.

Subp. 3. **Commencement of spending.** The grantee may not obligate or begin to spend money under the grant until the contract has been signed by all necessary parties and a fully executed copy has been returned to the grantee.

Subp. 4. **Payments and use of funds.**

A. Payments to the grantee must be made according to the schedule stated in the contract, if the grantee has complied with all contract provisions, including submission of progress reports. In all cases, payment of the final ten percent of the grant funds must be made upon the commissioner's receipt and acceptance of the final report required under part 1552.0090, subpart 5.

B. Grant funds may not be used for acquisition of land, buildings, general office equipment, and other capital expenditures.

C. Grant funds may be used for the following:

- (1) employment of personnel to carry out the objectives of the project;
- (2) consulting services but not consulting fees to develop the proposal submitted to the commissioner;
- (3) rental of office space or equipment;
- (4) purchase of supplies;

- (5) printing or publication services;
- (6) travel expenses;
- (7) charges for telephone service;
- (8) purchase of promotional or demonstrational equipment necessary for the project and specifically identified in the application as a proposed purchase; and
- (9) services, facilities, or goods specified in the application or the contract.

D. Grant funds used for the development, printing, or publication of books, reports, brochures, or films must be acknowledged with the phrase "funding assistance provided by the Minnesota Department of Agriculture."

Statutory Authority: *MS s 17.101*

History: *9 SR 2062*

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