**Section 540.170 Administrative Standards**

a) Grant Agreement – During formal negotiations and discussions held with the Department, the Department and the applicant shall agree to the scope of work of the grant agreement and the period of the grant agreement which shall be no longer than two years.

b) Complaint Process – In the event of a complaint, the Department shall follow the procedures outlined in 47 Ill. Adm. Code 10 (Review and Appeal Procedures).

c) Administrative Costs – The Project Operator may use up to 10 percent of the grant funds for administrative costs as specified in the grant agreement.

d) Conflict of Interest – Each Project Operator shall assure there is no conflict between borrowers and members of the applicant's staff, board or loan review committee to the extent that no staff, board or loan review committee member shall have any financial interest in nor shall the member profit from, any loan to a borrower.

e) Reports – The Department shall require that on a bi-monthly, quarterly, or, at a minimum, a semi-annual basis, reports shall be prepared by the Project Operator pertaining to and describing items such as its progress in lending funds, specific business assisted and jobs created, the amount of funds loaned, repayments received and jobs created or retained. A copy shall be delivered to the Department within 15 calendar days of the end of each designated period. Incomplete reports shall be returned to the Project Operator with deficiencies noted.

f) Record Review and Monitoring – Recipients and their subcontractors, if any, must permit any agent authorized by the Department, upon presentation of credentials, to have full access to and the right to examine any documents, papers and records of the recipient involving transactions related to a grant under this program, for three (3) years from the date of submission of the final progress report or until audit findings have been resolved, whichever is later.

g) Record Retention Requirements – All recipients must maintain records in accordance with the provisions contained in the Secretary of State's regulations (44 Ill. Adm. Code 4000) and the Records Act (Ill. Rev. Stat. 1989, ch. 116, par. 43.4 et seq.).

h) Historic Preservation – Grantees shall require from third parties receiving financial assistance, certification that the project does not involve the destruction, alteration, renovation, transfer or sale, or utilization of an historic property, structure or structures, or the introduction of visual, audible or atmospheric elements to an historic property, structure or structures, and will, therefore, not result in any changes in the character or use of any historic property.

i) Relocation – Grantees shall require from third parties receiving financial assistance, certification that the project does not involve relocating a facility or workers from any location in Illinois outside of the community in which the business project will be conducted.

(Source: Added at 15 Ill. Reg. 973, effective January 11, 1991)