**Section 2660.40 Administrative Requirements**

a) Audits – The Department reserves the right to conduct specific audits at any time during normal working hours of funds expended under Department grants.

b) Monitoring – The Department will ensure that periodic on– site grant monitoring visits are conducted by the Department during the course of the grant period. The Department shall verify that the Grantee's financial management system is structured to provide accurate, current, and complete disclosure of grant expenditures and that all expenditures are in accordance with all provisions, terms, and conditions contained in the grant agreement with the Department. The Department shall also verify that participant files are maintained and contain documentation sufficient to demonstrate that individuals receiving training were, at the time the training was provided, low wage workers, recently hired disadvantaged persons, or unemployed disadvantaged persons.

c) Reporting – The Grantee shall submit the following reports to the Department:

1) within 45 days after the end of each quarter, a written description of achievements as compared to the planned scope of the work;

2) within 45 days after each quarter, a summary of grant expenditures as compared to quarterly planned expenditures; and

3) within 60 days after the end of the grant period, a final written evaluative report summarizing grant achievements, accompanied by all deliverable products as specified in the grant agreement.

 The Department reserves the right to withhold any future year funding for non– compliance with these provisions.

d) Grant Disbursements – Disbursement of grant funds from the Department will be made in accordance with a schedule negotiated with the Grantee and included in the grant agreement. Such agreements shall provide for disbursement of all grant funds prior to the end of the fiscal year of appropriation, subject to a determination by the Department that satisfactory progress is being made by the Grantee to implement grant activities.

e) Grant Close-out – The Grantee shall be responsible for completing the grant close-out package which shall be provided by the Department and identifies the financial status of these grant funds. The Grantee, upon submission of the close-out package, or within 45 days after the expiration of the grant, whichever is first, shall refund to the Department any balance of funds which were unexpended or unobligated at the end of the grant period. In addition, the Grantee shall repay the Department for any funds determined by the Department to have been spent in violation of the grant agreement. If the grant should terminate for any reason, the close-out package shall be due within 45 days after the date of termination.

f) Record Retention – Grantees shall retain all records for a period of five years from the expiration date of the grant, or three years after the final resolution of a grant related audit, whichever is later.