

**10A NCAC 01A .0604 GENERAL PROVISIONS OF A CONTRACT OR GRANT**

- (a) The following items shall be the minimum requirements of each contract or grant agreement:
- (1) A specification of target population; services to be provided; objectives; expected results;
  - (2) A budget as specified in Rule .0501 of this Subchapter;
  - (3) A provision agreeing to maintain all relevant records for a period of five years or until all audit exceptions have been resolved, whichever is longer;
  - (4) The following information:
    - (A) names of parties;
    - (B) date;
    - (C) duration of the grant or contract, including the effective and termination dates;
    - (D) amount of the grant or contract and schedule of payment;
    - (E) particular duties of the grantee or contractor;
  - (5) Provisions for termination by mutual consent, or for cause by sixty days written notice to the other party, or as otherwise provided by law;
  - (6) A provision that the awarding of the contract or grant is subject to allocation and appropriation of funds to the department, division or local agency for the purposes set forth in the contract or grant;
  - (7) A provision that requires reversion of unexpended funds to the department or division upon termination of the grant or contract;
  - (8) All subcontracts entered into by a local human service agency must have prior approval of its local authority.
- (b) If there is a clause allowing subcontracting, a provision shall be added stating that:
- (1) the grantee or contractor is not relieved of any of the duties and responsibilities of the original contract with the department or division;
  - (2) the subcontractor agrees to abide by the standards contained in this Subchapter, or to provide such information to allow the grantee or contractor to comply with these standards.

*History Note: Authority G.S. 143B-10(e) and (j); 143B-139.1; 45 C.F.R. 74.20-74.23; 45 C.F.R. 228.70; Eff. July 1, 1980; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. April 23, 2017.*