

**07 NCAC 13K .0106 GRANT AGREEMENT**

- (a) Upon Authority approval, a written agreement shall be executed between the grant recipient(s) and the Department.
- (b) The agreement shall define the Department's and grant recipient's responsibilities and obligations, the project period, project scope, and the amount of grant assistance.
- (c) The approved application shall become a part of the grant agreement.
- (d) Projects judged to have a significant environmental impact, determined in accordance with the State Environmental Policy Act (SEPA), found in G.S. 113A, shall submit an environmental assessment to the State Environmental Review Clearinghouse for review. Any comments received as a result of this submission shall be addressed by the applicant prior to execution of the project agreement.
- (e) The grant agreement may be amended upon consent and approval by the Department and the grant recipient(s). In order to request an amendment, the grant recipient(s) shall submit a written request to the Department. The Department shall approve the amendment if local circumstances justify the amendment request.
- (f) Projects shall not begin until the Department and grant recipient(s) sign the agreement. However, if an applicant submits a written request for a waiver for a land acquisition project that requires action prior to the anticipated signing of the agreement, the Department may grant a waiver, with advice from the Authority. A waiver shall be in effect for 24 months from the date of approval. A project receiving a waiver shall not receive preferential treatment in funding decisions.
- (g) Following execution of the grant agreement, the Department shall reimburse the grant recipient for expenditures related to the project scope, as described in the grant agreement. All reimbursements shall be approved by the Department and shall total an amount that is less than or equal to the grant amount. The Department shall approve reimbursement requests for expenditures that are related to the project scope and occur during the project period.
- (h) Accounting records that document all expenditures and requests for reimbursement shall be submitted by the grant recipient(s) to the Department for approval prior to or at the time of the close-out inspection, as described in Rule .0110 of this Section. The Department shall approve the accounting when the records are consistent with the project agreement and budget.

*History Note: Authority G.S. 143B-135.56;  
Temporary Adoption Eff. November 1, 1994, for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;  
Eff. April 1, 1995;  
Amended Eff. August 1, 1998;  
Temporary Amendment Eff. April 4, 2000;  
Amended Eff. June 1, 2006; April 1, 2003; April 1, 2001;  
Transferred from 15A NCAC 12K .0106 Eff. April 1, 2017;  
Readopted Eff. June 1, 2020.*