**Section 1090.80 Grant Agreement**

a) Grant funds may not be expended except pursuant to a written grant agreement, and disbursement of grant funds without a grant agreement is prohibited. At a minimum, a grant agreement shall:

1) *Include how the State's grant will be matched by dollars from the partner institutions. The combined investment of the partner institutions must equal no less than 50% of the amount of the grant.* [110 ILCS 205/9.33(d)];

2) Describe the purpose of the grant and be signed by authorized representatives of the Board, the community college, and the 4-year degree-granting partner institution or institutions;

3) Specify how payments shall be made and the financial controls applicable to the grant, including an agreement to file quarterly reports describing the progress of the projects and the expenditure of the related grant funds;

4) Specify that the use of grant funds will be consistent with Section 1090.50;

5) Specify the period of time for which the grant is valid and the period of time during which grant funds may be expended by the grantee;

6) Contain a provision that all funds remaining at the end of the grant agreement, or at the expiration of the period of time grant funds are available for expenditure or obligation by the grantee, shall be returned to the State within 45 days;

7) Contain a provision that any grantees receiving grant funds are required to permit the Board, the Auditor General or the Attorney General to inspect and audit any books, records or papers related to the projects for which grant funds were provided;

8) Contain a provision in which the grantee certifies under oath that all information in the grant agreement is true and correct to the best of the grantee's knowledge, information and belief; that the funds shall be used only for the purposes described in the grant agreement; and that the award of grant funds is conditioned upon that certification;

9) Provide that the grantee shall contract with an external auditor who is a certified public accountant licensed by DFPR to conduct an audit of the expenditure of grant funds provided under this program at the end of the grant period to verify that grant funds were expended pursuant to the grant agreement and not for unauthorized purposes; and

10) Require grantee to use the interest earned on any grant funds for eligible projects. The interest earned on grant funds shall not change the amount of the grant.

b) The Board may withhold or suspend the distribution of grant funds for failure to file required quarterly reports.

c) Upon the execution of a grant agreement, the Board will process a voucher to the grantee in accordance with the terms of the grant agreement, provided that the funds have been appropriated and have been made available to the Board.