



## CONTRACTING

**Responsible personnel or unit:** IEDA Chief Legal Counsel & Disaster Recovery Team

The IEDA will utilize written and executed contracts for the award of all funds administered by the IEDA under this federal grant program. All contracts will stipulate the subrecipient entity, the budget, the eligible activities, and the performance targets. Additionally, contracts stipulate articles including but not limited to those regarding definitions, funding, terms of grant, performance target achievement, use of funds, conditions to disbursement of funds, default and remedies, etc. A sample contract is included as Appendix B to this document.

### Contracts

The IEDA will utilize contracts for services both directly procured by the IEDA and as subrecipient agreements with grantees to administer programs at the local level. As such, terms and stipulations of contracts may vary based on applicability. IEDA Chief Legal Council will review and approve contracts.

Contracts will be sent electronically to subrecipients for signature. Signed contracts will be returned to IEDA for signature and full execution. Once contracts are executed, they are scanned and uploaded into IowaGrants.

If changes to a contract are required within the contracts period of performance, the following steps will be taken to successfully amend a contract.

#### Minor Amendment

- Subrecipient submits a request to revise contract and uploads a letter requesting change with supporting documentation through IowaGrants.
- Project Manager receives notice of request through IowaGrants.
- Project Manager notes the reason for the amendment in the comments section and approves or disapproves Subrecipient request.
- Project Manager then notifies Disaster Recovery Team Lead via IowaGrants.
- Disaster Recovery Team Lead approves or disapproves request and notifies Operations Program Manager.
- Operations Program Manager revises IowaGrants, DRGR, the Alog and then approves request. Dates are entered under the "Internal Use Only" section.
- IowaGrants notifies Subrecipient of final Action.

#### Major Amendment

- Subrecipient submits a request to revise "Budget Activity" or "Project Description" including either/or federal budget, direct leverage, or supporting leverage amount. Subrecipient uploads a letter requesting change with supporting documentation through IowaGrants.
- Project Manager receives notice of request through IowaGrants.
- Project Manager notes the reason for the amendment in the comments section and approves or disapproves Subrecipient request.
- Project Manager then notifies Disaster Recovery Team Lead via IowaGrants.
- Disaster Recovery Team Lead approves or disapproves request and notifies Operations Program Manager.
- Operations Program Manager emails amendment to Accounting Director for approval. The approval email is uploaded under the Management Approval Document.





- Operations Program Manager revises IowaGrants, DRGR, the Alog and then approves request. Dates are entered under the “Internal Use Only” section.
- IowaGrants notifies Subrecipient of final Action.

### **IEDA-Initiated Amendment**

- Reasons for an amendment include a Unilateral Modification to accommodate any change in the applicable Act, Federal, State or local laws, regulations, rules or policies. These may be a minor or major amendment. A unilateral modification will be given to the Subrecipient as an amendment.
- Project Manager may initiate either a minor or major amendment and amendments will be processed similar to the subrecipient initiated amendment process.
- A minor amendment could be for reasons such as an update to the guidelines, citation changes, clarification received from HUD, a revision or addendum to guidelines or Project Description, etc.
- An example of a major amendment would be for a change to the contract such as adding or removing language incorporating guidelines, conditions, or attachments. These may or may not require a signature by both parties. Changes will be appended to the original contract found in IowaGrants.
- IEDA major amendments require same sign-off as Subrecipient initiated major amendment.
- Any other requests for changes outside of the state will be made through IowaGrants in consultation with IEDA’s management. The IEDA contract specialist can provide a detailed list of the steps required for data entry in IowaGrants.

### **Subrecipient Closeout Procedures with State**

When a contract reaches the established end date or upon notification by the project manager, the Operations Program Manager generates the Final Project Closeout Checklist. The checklist assesses total expenditures, satisfactory compliance with contract terms, and the contract status for audit compliance. The Operations Program Manager completes the first part of the checklist by verifying the contract award and spent amount in IowaGrants and DRGR. The coordinator also notes if any funds will be de-obligated. The checklist is then forwarded to the project manager that verifies satisfactory compliance and that the contract has been monitored and that all monitoring findings have been cleared. The project manager returns the form to the Operations Program Manager, who ensures the activities associated with the contract are then closed in IowaGrants, the action plan and DRGR. The Operations Program Manager then issues the Contract Completion letter to the subrecipient and uploads the signed form into IowaGrants. The Operations Program Manager also ensures the Allocation Log records the final amount spent, date contract was closed, and de-obligates any unspent funds so that the balances of the allocation can be updated. This gives IEDA the ability to know how many funds are available for future awards to subrecipients.

As allowable within the project timeline, funds deobligated by a subrecipient will be made available to other subrecipients to further support efforts directly related to existing project goals and deliverables.

