**Section 261.450 Evaluation of Performance**

The Agency shall oversee grant recipient performance in the following manner:

a) The Agency shall evaluate the grant recipient's performance and progress towards completion of the grant project.

b) If the Agency's evaluation reveals that the grant recipient is not in compliance with one or more provisions of the grant agreement or this Part, the Agency shall attempt to resolve the situation through negotiation. The Agency and the grant recipient shall put any settlement reached in writing as a grant amendment or minor project scope of work change, in accordance with Section 261.390 (Amendments to Grant Agreement and Minor Project Scope of Work Changes) of this Part.

c) If resolution is not achieved, the Agency may impose any of the remedies set forth in Subpart F of this Part.