**Section 974.140 Grant Award and Grant Agreement**

a) Applicants will be notified of their award status by means of an award letter or nonaward letter. Letters will contain information concerning the amount of the grant award, the dates of the grant agreement, the project name, the State's budget, and, as applicable, federal requirements.

b) Distribution of grant funds is dependent on available funding.

c) Grant funds will be awarded in amounts and at time intervals specified in the grant agreement.

d) An award to an applicant will not be final until the applicant and the Department have executed and delivered a grant agreement setting forth the terms and conditions of the grant, using the form prescribed by the Department. The Department will retract the award of a grant if an agreement cannot be reached on the terms of the grant agreement.

e) Pursuant to the Illinois Grant Funds Recovery Act, the grant agreement shall:

1) *Describe* *the purpose of the grant and be signed by the* Department *and all grantees of the grant;*

2) *Specify* how *payments shall be made, what constitutes permissible expenditure of the grant funds, and the financial controls applicable to the grant;*

3) *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;*

4) *Contain a provision that any grantees receiving grant funds are required to permit the* Department, *the Auditor General or the Attorney General to inspect and audit any books, records or papers related to the program, project or use for which grant funds are provided;*

5) *Contain a provision that all grant 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; and*

6) *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 all funds shall be used only for the purposes described in the grant agreement; and that the award of grant funds is conditioned upon* the *certification.* (Section 4(b) of the Illinois Grant Funds Recovery Act)