



### 1.4.10 CONTRACT TERMINATION

#### **POLICY:**

Contract may be terminated subject to the terms and conditions incorporated either directly or by reference in the *Requirements Addendum and Grantee Assurances for Notice of Grant Awards* issued by the NDDHHS or applicable Federal and State regulations.

#### **PROCEDURE:**

Contract may be terminated per applicable Federal and State regulations or per the *Requirements Addendum and Grantee Assurances for Notice of Grant Awards*, including but not limited to the following:

- Termination by Mutual Agreement
- Termination for Lack of Funding or Authority
- Termination Without Cause
- Early Termination in the Public Interest

When the contract is terminated, the subrecipient is subject to the terms and conditions incorporated either directly or by reference in the *Requirements Addendum and Grantee Assurances for Notice of Grant Awards* issued by the NDDHHS or applicable Federal and State regulations.

When the contract is terminated, the subrecipient shall not incur new obligations after the termination effective date and shall cancel as many outstanding obligations as possible related to the contract.

When the contract is terminated, the subrecipient shall submit all financial, performance and other reports required by the terms of the contract or as agreed upon by the ND FPP state office.

Upon contract termination, the ND FPP state office shall pay any allowable reimbursable costs not covered by previous payments.

The following sums shall constitute a debt or debts owed by the subrecipient to the ND FPP state office, and shall, if not paid upon demand, be recovered from the subrecipient or its successor or assignees by setoff or other action as provided by law:

- Any funds paid to the subrecipient by the ND FPP state office in excess of the amount to which the subrecipient is determined to be entitled under the terms of the contract
- Any other amounts determined to be due to the ND FPP state office under the terms of the contract

The termination of the contract does not affect the retention period for or rights of access to subrecipient records.



When the contract is terminated without an audit, the ND FPP state office retains the right to disallow and recover any appropriate amount after fully considering any recommended disallowances resulting from an audit, which may be conducted later.

When the contract is terminated, the ND FPP state office and the subrecipient shall negotiate a plan for the following:

- Notification of clients and options for continued care
- Disposition and protection of but not limited to, financial and medical records, supplies or equipment