

**ARTICLE 70.5-01
REAL ESTATE TRUST ACCOUNT COMMITTEE GRANTS**

Chapter
70.5-01-01 Real Estate Trust Account Committee Grant Procedures

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70.5-01-01-01. Definitions.

As used in this title:

1. "Committee" means the real estate trust account committee as created by North Dakota Century Code chapter 43-23.4, and its members, officers, and duly authorized agents.
2. "RETA" means the real estate trust account program created by North Dakota Century Code chapter 43-23.4, or funds deriving from that program.

History: Effective April 1, 2002.

General Authority: NDCC 28-32-02, 43-23.4-02

Law Implemented: NDCC 43-23.4-02

70.5-01-01-02. Eligible grant applicants.

1. The committee may advertise, solicit, or promote the submission of appropriate applications if it determines such activities are needed or appropriate. The committee may request or suggest applications from potential providers of services in priority funding areas.
2. Grant applicants must demonstrate or provide the following to be eligible for consideration by the committee:
 - a. Qualify as an exempt organization under the Internal Revenue Code, as now defined or the corresponding provision of any future amendments thereto, or otherwise demonstrate the charitable purposes of the applicant organization and project.
 - b. Fiscal responsibility and integrity.
 - c. Compliance with all material requirements of the grant application process, as determined by a majority of the committee.

History: Effective April 1, 2002.

General Authority: NDCC 28-32-02, 43-23.4-02

Law Implemented: NDCC 43-23.4-02

70.5-01-01-03. Grant application minimum content and procedures.

1. Grant applications should be typed or legibly printed, except for minor corrections, on forms provided by the committee or in a manner prescribed by the committee. Applications should be directed to:

Executive Director
Real Estate Trust Account Committee
318 W. Apollo Avenue
Bismarck, ND 58503

Questions and requests for forms should be addressed to the same address or directed by telephone to (701) 355-1010.

2. Applications must be signed by an official who has authority to bind the organization to the proposed obligations. Applications must state that they are valid for a minimum period of sixty days from the date of submission.
3. The applicant must state that its financial records are open to review upon request of the committee both during the grant application review process and thereafter if a grant is awarded.
4. The applicant must state that it agrees that its application, upon receipt by the committee, becomes the property of the committee. The committee reserves the right to use any ideas presented, whether or not the application is accepted for funding. All applications, once received by the committee, are open to public inspection and comment.
5. All grant applications must be submitted to the committee by October thirty-first of each year for grants effective on January first of the following year. Under special circumstances, the committee may award grants at other times during the year.
6. The committee will not be liable for any expenses incurred by any prospective grantee prior to the issuance of the grant.

History: Effective April 1, 2002.

General Authority: NDCC 28-32-02, 43-23.4-02

Law Implemented: NDCC 43-23.4-02

70.5-01-01-04. Grant award.

1. The committee may reject any or all applications, make inquiries regarding applications, request or suggest supplements to applications, interview any or all applicants, conduct preaward audits, and make onsite visits and inspections.
2. The following factors, among others, and only when applicable and appropriate, will be used to assist in the grant decisionmaking process:
 - a. Applications by groups or organizations shall be preferred over those of individuals.
 - b. Applications involving challenge grants, or other types of fund-matching arrangements to leverage RETA money shall be preferred.
 - c. Grant applicants with present or future sources of income other than RETA, or who can otherwise demonstrate an eventual ability to function without the assistance of the committee shall be preferred, although replacing stable funding sources with RETA funds shall not be preferred.
 - d. Grant applicants demonstrating a history of delivering quality services successfully shall be preferred.
 - e. Grant applicants including a reasonable plan to develop cooperative efforts between grantees in a given service area shall be preferred.
 - f. Grant applicants demonstrating community support shall be preferred.

- g. Grant applicants including a reasonable plan to achieve broad geographic and demographic distribution of RETA funds throughout the state shall be preferred.
 - h. Grant applicants primarily funded by governmental appropriations shall not be preferred and funding shall not be granted to state agencies to perform statutory duties.
 - i. Applications for seed money to establish new programs which contribute to increased availability of housing for the poor or will provide increased education about the needs of housing for the poor shall be especially preferred.
 - j. The committee shall not fund political campaigns, lobbying, or legislative advocacy with RETA funds.
3. The committee shall not disburse any funds until the grantee enters into a written contract in the form established by the committee. The contract may require any periodic written reports.
 4. In any one grant year the committee may make available up to ninety percent of its total funds, after operating costs.
 5. The committee may waive technicalities or irregularities in applications, or alternatively, find an error or omission to be material, by majority vote.

History: Effective April 1, 2002.

General Authority: NDCC 28-32-02, 43-23.4-02

Law Implemented: NDCC 43-23.4-02

70.5-01-01-05. Grantee accounting of funds expended.

The grantee shall keep an accurate account of all RETA funds received, expended, and remaining that can be distinguished from the grantee's other financial affairs. At a minimum, the grantee shall record the recipient, amount, date, and general purpose of each expenditure, in addition to any specific requirements of the grant contract. Upon request of the committee, the grantee shall give further information about or explanation of any expenditure. Failure to provide reasonable information or explanations shall subject the grantee to repayment of the amount in question to the committee.

The grantee shall give the committee access to the grantee's books, documents, papers, and records that bear any reasonable relationship to the grant.

History: Effective April 1, 2002.

General Authority: NDCC 28-32-02, 43-23.4-02

Law Implemented: NDCC 43-23.4-02