



Kentucky Agricultural Economic Development Board Compliance Policies

The following compliance policies govern the administration and implementation of the Kentucky Agricultural Economic Development Board (KAEDB) established by Senate Bill 28 (2025 Regular Session). These policies are intended to ensure accountability, transparency, and responsible use of public funds.

I. Program Eligibility and Compliance Requirements

- Applicants must meet eligibility criteria established in project guidelines and policies.
- Recipients must execute a Memorandum of Agreement (MOA) outlining the terms, conditions, and performance obligations of the financial assistance.
- Recipients must utilize funds exclusively for purposes approved by the Kentucky Agricultural Economic Development Board (KAEDB).
- All expenditures must comply with state and federal laws, regulations, and financial policies.

II. Reporting Requirements

Recipients of financial assistance shall submit periodic reports to the Division of Agricultural Economic Development (DAED) located within the Kentucky Office of Agricultural Policy (KOAP), including but not limited to:

- Project progress reports
- Financial expenditure reports
- Documentation of project outcomes and performance metrics
- Any additional reports requested by the KAEDB

III. Monitoring and Audits

- DAED shall monitor all funded projects to ensure compliance with program policies and MOA requirements.
- DAED may conduct site visits, interviews, and document reviews as part of compliance monitoring.
- All project records and financial documents must be maintained and made available for audit upon request.

IV. Non-Compliance and Corrective Action

- Failure to comply with the terms of the MOA or program policies may result in termination of financial assistance.

- The KAEDB may require the recipient to return funds disbursed in cases of non-compliance, misuse, or misrepresentation.
- Recipients may be disqualified from future program participation if found to be in material violation of compliance requirements.
- Recipients shall have the right to appeal any compliance determination in accordance with established procedures.

V. Record Retention

Recipients shall retain all financial and programmatic records related to the funded project for a period of five (5) years following the completion of the project or final disbursement of funds, whichever is later.

VI. Review and Amendment

These Compliance Policies shall be reviewed periodically by the KAEDB and may be amended by a majority vote of the Board.