**Section 365.120 Non-Compliance**

a) The Department shall determine under this Part whether a program might not be in compliance with the goals and objective outlined in the signed grant agreement. The Department would give written notice to the grantee specifying the nature of the deficiency and giving the grantee 30 calendar days in which to:

1) cure the defect;

2) commence to implement a plan of corrective action consented to by the Department; or

3) file an objection to the Department's finding of deficiency.

b) If the grantee files an objection, the Department shall investigate the matter and present the facts and findings to the Director of the Department for a final determination. All grant funds are subject to the provisions of the Illinois Grant Fund Recovery Act [30 ILCS 705]. The grantee may submit any written or oral statement for the consideration of the Director. During the pendency of the determination of the objection, the Department may either continue to make payment to the grantee or suspend payments. The Department is authorized to suspend payments if, in the sole discretion of the Department, payments would jeopardize funding of the Department or prevent the Department from obtaining appropriate reimbursement from the State government. In the event of termination, the Department may retain all suspended payments.

(Source: Amended at 25 Ill. Reg. 10202, effective July 30, 2001)