**Section 593.230 Terms of Performance**

a) Each scholarship recipient shall sign a written contract. The contract shall contain additional terms and conditions that ensure compliance with this Part, the laws of the State of Illinois, and enforcement of the contract.

b) Scholarship recipients who fail to complete podiatric medical school due to academic failure (as documented by recipient's school) or who fail to complete podiatric medical school due to voluntary actions on their part (e.g., withdraw from podiatric medical school) or who complete podiatric medical school but fail to become licensed as a podiatrist in Illinois shall repay to the Department a sum equal to 3 times the amount of the annual scholarship grant for each year the recipient attended podiatric medical school. This sum represents the fair market value of services lost by the State of Illinois.

1) Payment shall be made in equal monthly installments in amounts so that all sums due shall be paid within a period of time equal to the recipient's time in podiatric medical school, or as otherwise agreed to by the recipient and the Department in writing.

2) The recipient and Department shall enter into a written contract that describes the terms of the repayment and contains provisions for enforcement of the contract.

3) If a scholarship recipient fails to pay monies owed the Department, the Department shall refer the matter to the Illinois Attorney General, a collection agency, or a licensed attorney.

c) If the scholarship recipient is disabled or is otherwise unable for reasons beyond the recipient's control to fulfill the scholarship obligations, these obligations shall be suspended until the scholarship recipient is able to resume the scholarship obligations. However, the suspension shall not exceed two years.

1) To request a suspension of the scholarship obligation, a recipient shall submit a suspension request in writing to the Department. This request shall detail the reasons for the suspension and, if temporary, the duration of the suspension and shall be supported by clear and convincing documentation.

2) The Department shall approve a request for a suspension if the request is supported by a letter from the recipient's licensed physician fully explaining and attesting to the recipient's inability (either temporarily or permanently) to continue either school or the practice of podiatric medicine and if the recipients agrees not to continue either his or her medical education or the practice of podiatric medicine in any state.

3) If a scholarship recipient suffers total and permanent disability, the scholarship obligation shall be excused and deemed satisfied.

4) If the scholarship recipient dies or is adjudicated as incompetent, all scholarship obligations shall be excused and deemed satisfied.

5) If the Department determines that the scholarship obligation cannot be fulfilled as referenced in this Subpart, the student shall be discharged from all obligations to the Department in connection with the Podiatric Scholarship and Residency Program.

6) If the Department denies the suspension request, the recipient shall fulfill the scholarship obligation.

7) Based on the information contained in the request, the Department's acceptance or denial of the request will be provided in writing, under the Director's signature.

d) Misrepresentation of any material facts presented in the recipient's application shall be considered a breach of contract. If the Department determines that a breach of contract has occurred, the recipient's school shall be notified to halt further disbursements of scholarship funds and all funds provided by the Department to the student shall be due in full, immediately.

(Source: Amended at 35 Ill. Reg. 4591, effective March 2, 2011)