**Section 3035.250 Cancellation of Grant**

a) A grant shall be cancelled if:

1) Required reports and data are not submitted as required by Section 3035.240(e). Grant programs shall receive one 30 day notice requesting compliance with this Section before the grant is cancelled.

2) An interim financial report shows financial irregularities, such as misappropriation or embezzlement of funds by the grant program operator and/or its employees and staff.

3) The grant program fails to adhere to the grant plan as approved by LAB.

4) The grant program managers are convicted of any felony or misdemeanor.

5) The grant program fails to operate properly and effectively.

6) A monitor's evaluation shows program irregularities or non-compliance with this Part.

b) Upon cancellation, the Secretary shall send a notice by certified mail, return receipt requested, to the grant program, which shall return all unexpended public funds to the Secretary within 30 days after the date of the cancellation notice.

c) Grants made under this Subpart are subject to the provisions of the Illinois Grant Funds Recovery Act [30 ILCS 705]. If a provision of this Subpart conflicts with a provision of the Illinois Grant Funds Recovery Act, then the provision of the Illinois Grant Fund Recovery Act controls.