**Section 500.1320 Violation of Law or Rule**

a) Determination that Solicitation or Award Violates Law

If the CPO finds that the solicitation or proposed award is in violation of statute or rule, the CPO may cancel the solicitation or proposed award, or make modifications to correct the violation, if such correction may be legally accomplished.

b) Determination that Contract Violates this Part

1) If any contract or amendment to a contract is entered into or purchase or expenditure of funds is made at any time in violation of this Part or any other law, the contract or amendment may be declared void by the CPO or may be ratified and affirmed, provided the CPO determines that ratification is in the best interests of the OAG. If the contract is ratified and affirmed, it shall be without prejudice to the State's rights to any appropriate damages.

2) If, during the term of a contract, the OAG determines that the contractor is delinquent in the payment of debt as set forth in Section 500.1217 of this Part, the OAG may declare the contract void if it determines that voiding the contract is in the best interests of the State.

3) If, during the term of a contract, the OAG determines that the contractor is in violation of Section 500.1215 of this Part, the OAG shall declare the contract void.

4) If, during the term of a contract, the OAG learns from an annual certification or otherwise determines that the contractor no longer qualifies to enter into State contracts, the CPO may declare the contract void if it determines that voiding the contract is in the best interests of the State.

5) If, during the term of a contract, the CPO learns from an annual certification or otherwise determines that a subcontractor subject to this Part no longer qualifies to enter into State contracts, the CPO may declare the related contract void if it determines that voiding the contract is in the best interests of the State. *However, the related contract shall not be declared void unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontractor no longer qualifies to enter into State contracts.* [30 ILCS 500/50-60(e)]

c) Effect of Declaring a Contract Null and Void

In all cases in which a contract is voided, the OAG shall endeavor to return those supplies delivered under the contract that have not been used or distributed. No further payments shall be made under the contract.

(Source: Amended at 37 Ill. Reg. 3741, effective April 1, 2013)