**Section 400.110 Suspension and Termination**

a) Suspension – If a grantee fails to comply with the terms and conditions of the grant award and agreement, the Council shall, after written notice to the grantee, suspend the grant and withhold further payments and prohibit the grantee from incurring additional obligations of grant funds, pending resolution of the issues or termination. The Council may require submission of a written plan of action to address the issues in dispute. Grantee payments will resume upon resolution of the issues in dispute.

b) Termination – The grant may be terminated for the following reasons:

1) If partial or total loss of federal funding occurs, or the Illinois General Assembly fails to appropriate or otherwise make available funds to the Council, the Council may make proportional or total cuts to all grants. In that event, the Council will give written notice to grantees setting forth the effective date of full or partial termination, or, if a change in funding is required, setting forth the change in funding and changes in the approved budget.

2) If the Council determines that the grantee has failed to comply with the terms and conditions of the grant award and grant agreement, the Council may terminate the grant in whole, or in part, at any time upon written notice to the grantee. Circumstances that could result in termination of a grant include, but are not limited to: failure to submit required reports; failure to maintain required records; misuse of equipment purchased with grant funds; falsification or misrepresentation of information to the Council; and failure to resolve issues in dispute during suspension. Written notice of termination of the grant shall contain the reasons for termination and the effective date.

3) Recapture of grant funds. All grants awarded under this Part shall be governed by the Illinois Grant Funds Recovery Act [30 ILCS 705]. Funds awarded for projects must be used exclusively for the purposes stated in the approved proposal and expended in accordance with the approved budget and grant agreement. If the grantee fails to comply with the terms of the grant agreement, the Council reserves the right to require appropriate proportional repayment of funds up to the entire amount of the grant.