**Section 592.160 Grant Funds Recovery**

a) Grants made under this Part are subject to the Illinois Grant Funds Recovery Act. If a provision of this Part conflicts with a provision of the Illinois Grant Funds Recovery Act, the provision of the Illinois Grant Funds Recovery Act will control.

b) The Department shall have the authority to issue subpoenas as part of an official investigation into the use of grant funds. Subpoenas shall be issued and enforced according to Illinois Supreme Court Rules and the Code of Civil Procedure.

c) Every grantee shall keep complete and accurate accounting records of all grant funds that the grantee receives, administers, oversees or expends. A grant recipient's failure to create and maintain accounting records that demonstrate the grant recipient's receipt, administration, oversight, expenditure or use of all grant funds shall create a presumption in favor of recovery by the Department.

d) Whenever the Department believes that grant funds are subject to recovery, the Department shall provide the grantee the opportunity for at least one informal hearing to determine the facts and issues and to resolve any conflicts as amicably as possible before taking any formal recovery actions. (Section 7 of the Illinois Grant Funds Recovery Act)

e) The offer of an informal hearing will be in writing and will provide the grantee with no fewer than 10 calendar days in which to request an informal hearing. A grantee's failure to deliver a timely request for an informal hearing shall constitute the grantee's waiver of the informal hearing. During any informal hearing, the grantee may be represented by a licensed attorney.

f) If, after an informal hearing or, if no timely request for an informal hearing is received, the Department determines that any grant funds are to be recovered, the Department will provide the grantee with formal written notice of its intent to recover grant funds. The notice will identify the funds and the amount to be recovered and the specific facts that permit recovery.

g) A grantee shall have 35 days from the receipt of the notice required in subsection (f) to request a hearing to show why recovery is not proper.

h) If a grantee timely requests a hearing, the Department will hold a formal hearing in accordance with Practice and Procedure in Administrative Hearings, at which the grantee may present evidence and witnesses to show why recovery should not occur. After the conclusion of the hearing, if recovery is warranted, the Department will issue a written final recovery order and send a copy of the order to the grantee by Certified US Mail.

i) A grantee may seek judicial review in the circuit court of any Department final recovery order, pursuant to the Administrative Review Law.

j) If a grantee timely requests a formal hearing, the Department will not take any action of recovery until at least 35 days after a final recovery order has been issued.

k) If a grantee does not timely request a hearing, the Department may proceed with recovery of the grant funds identified in the notice issued pursuant to this Section, at any time after the expiration of the 35-day request period.

l) Any notice or mailing required or permitted by this Section shall be deemed received five days after the notice or mailing is deposited in the US mail, with the grantee's current business address and with sufficient US postage affixed, or the date of actual delivery, whichever is sooner.

m) During any formal hearing, the grantee may be represented by a licensed attorney.

(Source: Added at 38 Ill. Reg. 23080, effective November 21, 2014)