**Section 511.40 Process for Recovery of Funds**

If the Department believes that grant funds received by the provider are subject to recovery, the process outlined in the Grant Funds Recovery Act shall be followed:

a) The provider will be notified, in writing, by the Department of the amount subject for recovery. This notice will constitute an intent to recover by the Department. The notice will indicate the opportunity for an informal hearing to determine the facts and issues regarding the recoverable funds and who to contact to request an informal hearing.

b) The provider must notify the Department in writing within 15 calendar days after receipt of the Department's letter that they are requesting an informal hearing.

c) If the provider does not file a request for an informal hearing, the Department may initiate the recovery.

d) If the informal hearing does not resolve the issues or if the provider does not request a hearing within the specified time in subsection (b), the Department will notify the provider in writing of the intent to recover. The letter will specify the amount to be recovered, the specific facts that permit recovery, and the right to a formal appeal. If the provider requests a hearing, then the Department will take no action to recover funds until at least 35 days after the Department has issued the final recovery order.

e) An agency electing to file an appeal in accord with subsection (d) shall notify the Department, in writing, of its request for a formal hearing, within 35 days from the receipt of the letter.

f) If the provider does not file an appeal, the Department may initiate the recovery.

g) The hearing shall be presided over by an administrative law judge chosen by the Department.

h) The provider shall have the burden of proof to show cause why no recovery should occur.

i) If the decision of the hearing officer/administrative law judge is in favor of recovery, the Secretary shall approve the decision prior to implementing a recovery.

j) The Secretary may elect to adopt, modify or reverse the recommended decision.

k) The decision by the Secretary shall constitute the final administrative decision as defined in Section 3-101 of the Administrative Review Law [735 ILCS 5/3-101].

l) *All written notices sent under this Section shall be* *deemed received 5 days after the notice or mailing is deposited in the United States mail, properly addressed with the grantee's current business address and with sufficient U.S. postage affixed* [30 ILCS 705/8(f)].

(Source: Amended at 32 Ill. Reg. 7774, effective April 30, 2008)