

§ 1606.6 Preliminary determination and final decision.

(a) When the Corporation has made a preliminary determination of one or more of the following, the Corporation shall issue a written notice to the recipient and the Chair of the recipient's governing body: that a recipient's grant or contract should be terminated, that a limited reduction of funding shall be imposed, or that a recipient should be debarred. The notice shall:

- (1) State the substantial noncompliance that constitutes the grounds for the proposed action;
- (2) Identify, with reasonable specificity, any facts or documents relied upon as justification for the proposed action;
- (3) Inform the recipient of the proposed amount and proposed effective date for the proposed action;
- (4) Advise the recipient of its procedural rights for review of the proposed action under this part;
- (5) Inform the recipient of its right to receive interim funding pursuant to § 1606.13 of this part;
- (6) Specify what, if any, corrective action the recipient can take to avoid the proposed action; and
- (7) Summarize prior attempts, if any, for resolution of the substantial noncompliance.

(b) If the recipient does not request review, as provided for in this part, before the relevant time limits have expired, then the Corporation may issue a final decision to the recipient. No further appeal or review will be available under this part.