

7425 General

(a)

The Department shall withhold or suspend funds in accordance with the provisions of this article to encourage prompt corrective action when an AAA has been found to be in material noncompliance, as specified in (b), by the Department.

(b)

Noncompliance shall include, but not be limited to, any of the following: (1) A violation of law or failure to comply with a condition of the subgrant award agreement, including failure to comply with the reporting requirements contained in the subgrant award agreement. (2) An unsatisfactory financial condition that endangers the continued performance of the subgrant award agreement, such as any of the following: (A) The filing of bankruptcy. (B) The receipt of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the AAA's assets or income. (C) Delinquency in the payment of taxes. (3) Failure to meet the requirements of the Older Americans Act, 42 U.S.C. 3001 through 3058ee, including but not limited to the failure to submit an Area Plan to the Department for approval in a timely manner or the submission of an Area Plan to the Department that does not comply with federal requirements. (4) Failure to comply with the Department's regulations.

(1)

A violation of law or failure to comply with a condition of the subgrant award

agreement, including failure to comply with the reporting requirements contained in the subgrant award agreement.

(2)

An unsatisfactory financial condition that endangers the continued performance of the subgrant award agreement, such as any of the following: (A) The filing of bankruptcy. (B) The receipt of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the AAA's assets or income. (C) Delinquency in the payment of taxes.

(A)

The filing of bankruptcy.

(B)

The receipt of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the AAA's assets or income.

(C)

Delinquency in the payment of taxes.

(3)

Failure to meet the requirements of the Older Americans Act, 42 U.S.C. 3001 through 3058ee, including but not limited to the failure to submit an Area Plan to the Department for approval in a timely manner or the submission of an Area Plan to the Department that does not comply with federal requirements.

(4)

Failure to comply with the Department's regulations.

(c)

The following are standard operational fiscal actions by the Department and shall not be considered sanctions subject to the provisions of this article: (1)

Withdrawal of funds awarded on the basis of the AAA's underestimate of the

unobligated balance in a prior period. Unobligated balance means the portion of funds authorized to an AAA by the Department that has not been obligated by the AAA. The unobligated balance is determined by deducting the cumulative obligations from the cumulative funds authorized. (2) Withdrawal of the unobligated balance of funds at the expiration of a grant. (3) Refusal to extend a grant or award funds in addition to those in the original grant agreement. (4) Voiding of a grant upon a determination that the award was obtained fraudulently, or was otherwise illegal or invalid from the grant's inception.

(1)

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(2)

Withdrawal of the unobligated balance of funds at the expiration of a grant.

(3)

Refusal to extend a grant or award funds in addition to those in the original grant agreement.

(4)

Voiding of a grant upon a determination that the award was obtained fraudulently, or was otherwise illegal or invalid from the grant's inception.