**Section 1000.60 Audit Guidelines for Enrollment and Non-Sectarian Use of Funds Audits**

a) To fulfill the enrollment and non-sectarian use of funds audit requirements in Section 1000.30 institutions shall contract with an external auditor who is registered as a public accountant by the Illinois Department of Professional Regulation.

b) The auditor shall obtain the following copies of the grant program application documents: the certified application form; the enrollment report form; the list of student names and addresses and credit hours; and these Rules. To verify enrollment the auditor shall perform tests of institutional records to assure that information reported in the grant application materials is true, accurate and meets the requirements of these Rules. Such checks should include at least the following steps:

1) Test the residency status of students for compliance with the Illinois resident definition;

2) Test the classification level and the number of degree/diploma/certificate credit hours being earned by Illinois students enrolled and attending classes of record on the date for the enrollment data;

3) Trace the extensions and totals of Illinois resident student credit hours by class level from the institution's enrollment records to the grant application forms.

c) A description of the enrollment audit procedure and calculations shall be included in the audit.

d) To verify non-sectarian use of funds, the auditor shall perform tests of institutional records to ensure that sectarian activities have not been supported by grant funds. Sectarian activities are activities which further the religious interests of specific religions, denominations, or sects, and include, but are not limited to the following:

1) Expenditures for a campus church, chapel, or temple;

2) Expenditures for salaries, housing or other support for religious or denominational pastors, teachers, or chaplains except for remuneration for teaching of non-sectarian classes;

3) Expenditures to host conferences, seminars or other religious/denominational meetings for either students or sponsoring religions or denominations;

4) Grants to specific religious or denominational groups or grants, scholarships or fellowships for only members of such groups.

(Source: Amended at 14 Ill. Reg. 2030, effective January 18, 1990)