**Section 1020.80 Audit Guidelines**

a) To fulfill the audit requirement in Section 1020.60(a) institutions shall contract to perform an audit of grants received with an external auditor who is registered as a public accountant by the Illinois Department of Professional Regulation.

b) The auditor shall perform tests to determine whether the institution has administrative control structures to provide reasonable assurance that the enrollments claimed are accurate.

c) The auditor shall obtain a copy of the certification of enrollment document(s) included with the application materials and a copy of this Part. To verify enrollment the auditor shall perform tests of institutional records to assure that information reported in the certification of enrollment document(s) is true, accurate and meets the requirements of this Part. Such tests should include at least the following steps:

1) Test residency status of students for compliance with the Illinois Resident definitions;

2) For Illinois Resident Grants in medicine, dentistry, optometry, podiatry, pharmacy, and residency training programs, test the number of Illinois resident students enrolled and in record of attendance on the date for the enrollment data and test the compliance with student eligibility requirements.

3) For Illinois Resident Grants in allied health and nursing, test the number of credit hours for Illinois resident students enrolled and attending classes on the date of record for the enrollment data and test compliance with student eligibility requirements;

4) For Minority Incentive Grants, test the students claimed for compliance with the definition in Section 1020.30(d) for minority racial or ethnic group and test for compliance with student eligibility requirements;

5) For all grants, test for compliance with program eligibility requirements as specified in Section 1020.10(a)-(f) and 1020.30(b).

6) Trace the extensions and totals from the enrollment records to the certification of enrollment document(s).

7) For medical residency grants, test the hospital eligibility as to formal affiliation status with a public or private medical school or college as specified in Section 1020.10(f).

(Source: Amended at 19 Ill. Reg. 928, effective January 13, 1995)