**Section 1035.70 Audit Guidelines**

a) To fulfill audit requirements in Section 1035.50(b)(4), institutions shall contract with an external auditor who is registered as a public accountant by the Illinois Department of Registration and Education. The cost of the audit is an authorized use of grant funds.

b) The auditors shall obtain copies of the following grant documents: the institution's application; the certified grant agreement; a copy of the most recent Board of Higher Education Statewide Space Survey document submitted by the institution; and a copy of this Part.

c) The auditors shall verify the claim of eligible gross square feet.

d) The auditors shall verify the expenditure of funds as provided for in this Part, and shall ensure that funds were expended on projects listed in the grant agreement.

e) The auditors shall verify that renovation of sectarian facilities has not been supported by grant funds.

f) The auditors shall provide an audit to the Board including a description of the tests performed and the audit findings.

g) Refunds shall be made to the State by the institutions for the following reasons:

1) Grant funds not expended;

2) Grant funds expended for purposes not covered under the grant agreement.