**Section 1035.102 Other Designated Grants**

a) Prior to the award of any funds under this category, the institution shall:

1) provide to the Board of Higher Education program and scope statements for the project setting forth parameters for the programmatic use, activities and functions related to the project.

2) sign a grant agreement with the Board of Higher Education which agreement shall:

A) describe the purposes of the grant;

B) specify how payment shall be made, what constitutes permissible expenditure of the grant funds, and the financial controls applicable to the grant;

C) specify the period of time for which the grant is valid and during which the grant funds may be expended by the institution;

D) provide that all funds remaining at the end of the period of the grant agreement, or any funds that are spent for purposes not listed in the grant agreement, shall be returned promptly to the State of Illinois.

b) The institution shall contract annually with external auditors to conduct an audit of the expenditure of grant funds provided under this program and to verify that funds were expended pursuant to the grant agreement. Certified copies of such audits shall be filed annually with the Board of Higher Education until such time that all grant funds have been expended or returned to the State of Illinois.

c) No other Sections of this Part shall apply to these other designated grants.

(Source: Added at 11 Ill. Reg. 5202, effective March 12, 1987)