**Section 1038.70 Conditions and Administrative Responsibilities**

a) Non-Discrimination. No recipient shall discriminate on the basis of race, creed, sex, handicap, color, or national origin in the employment, training, or promotion of personnel.

b) Audit. Each recipient of a State Matching Grant Program grant shall submit an audit performed by an external auditor who is licensed as a public accountant by the Illinois Department of Professional Regulation. Such audit shall include a report from the auditor as to whether grant funds were expended in accordance with the uses outlined in Section 1038.60. A State Matching Grant Program grant specific audit is required and shall be performed in accordance with Government Auditing Standards, issued by the United States General Accounting Office, Comptroller General of the United States and in effect at the time of the audit. Audits are due by November 30 following the end of the expenditure period.

 The Government Auditing Standards is offered for sale by the U.S. Government Printing Office, Superintendent of Documents, Mail Stop: SSOP, Washington, DC 20402-9328, ISBN 0-16-045011-X. A copy of this publication is on file at the Board of Higher Education office. The standards also are available on-line at http:www.gao.gov/govaud/ybk01.htm#ybkintro.

c) Evaluation Report. A report documenting the external leveraging of funds achieved and results achieved by the matching grant funds is to be provided. The report shall document the extent to which the institutions' ability to attract funds has been enhanced by the State Matching Grant Program and what monetary and non-monetary benefits have accrued to the citizens of Illinois as a result of projects included in the State Matching Grant Program. Evaluation reports are due October 1 following the end of the expenditure period.

d) Grant funds not expended as matching contributions for eligible projects identified by the grant recipient or the required audit shall be refunded to the Board.

e) At the end of the grant period, the Board may allocate any remaining, returned or unspent funds to eligible applicant institutions based on their previously determined proportionate share.

f) With the assistance of a panel of external evaluators, the State Matching Grant Program will be reviewed annually and the results reported to the Board of Higher Education. The following questions will be addressed in the report:

1) To what extent have the objectives of the program been achieved?

2) How many federal and corporate research dollars have come to Illinois as a result of projects included in the program?

3) What monetary and/or non-monetary benefits have accrued to the citizens of Illinois as a result of the projects supported by the grant program?

(Source: Amended at 24 Ill. Reg. 3364, effective February 14, 2000)