**Section 2700.60 Audits and Investigations**

a) ISAC shall audit participating institutions of higher learning. All postsecondary institutions participating in ISAC gift assistance programs shall be audited for compliance with ISAC administered gift assistance programs on a schedule that is determined based on a risk assessment and the availability of ISAC resources. The factors used to determine when a review will be scheduled may include, but are not limited to, the following: dollar amounts awarded to the school for ISAC gift assistance programs, time elapsed since the last ISAC review, the institution's external or internal audit findings in the area of financial aid administration, ED findings or issues noted, results of investigations conducted by parties such as Inspectors General or Attorneys General, substantial increases in students awarded ISAC gift assistance, evidence that the institution is experiencing difficulty meeting the requirements of ISAC's rules or federal regulations, or issues in past audits conducted by ISAC. Secondary institutions may be audited when ISAC has a complaint indicating an audit is appropriate. Audits shall usually be announced, but ISAC reserves the right to make unannounced audits.

b) ISAC shall have access to all records related to ISAC programs. These records include, but are not limited to: admission records, financial records, registration records, attendance and enrollment records, financial aid transcripts, grades, academic transcripts and records maintained in accordance with ED verification procedures.

c) The institution shall be extended an opportunity to review and comment on the auditor's preliminary findings before the final audit report is submitted to the institution's chief executive officer. Audit findings may be appealed in accordance with Section 2700.70 (Appeal Procedures).

d) If an audit identifies gift assistance funds that were claimed on behalf of ineligible students, the funds shall be repaid to ISAC by the institution.

(Source: Amended at 40 Ill. Reg. 1963, effective January 7, 2016)