**Section 404.10 Finances**

a) The agency shall maintain a degree of financial solvency that insures adequate care of the children for whom it has assumed responsibility, An agency is considered insolvent if its financial condition is such that the sum of its debts is greater than all of its property, at a fair valuation, exclusive of property transferred, concealed or removed with intent to hinder, delay or defraud its creditors. (This definition of "insolvency" is based on the definition contained in the United States Bankruptcy Code of 1978, 11 U.S.C. 101(26).)

b) The institution shall maintain fiscal records which shall include:

1) current and projected operating budget for the facility for which license is sought;

2) financial records annually audited and certified by public accountants not affiliated with the institution.

c) The above records shall be maintained and kept in the State of Illinois where they shall be readily available for review by designated Department licensing and audit staff.

d) A certified copy of the institution's annual audit as performed by an independent auditor shall be submitted to authorized Department staff upon request.

(Source: Amended at 7 Ill. Reg. 3424, effective April 4, 1983)