**Section 1100.220 Audits**

a) Each Grantee agency shall have an annual audit of its financial statements performed at the close of its fiscal year by an independent certified public accountant licensed by the State of Illinois. The report shall contain the basic financial statements presenting the financial position of the agency, the results of its operations, and changes in fund balances. The report shall also contain the auditor's opinion regarding the financial statements taken as a whole, or an assertion to the effect that an opinion cannot be expressed. If the auditor expresses a qualified opinion, a disclaimer of opinion, or an adverse opinion, the reason must be stated.

b) Audit Report and Management Letter

1) Private not-for-profit agencies must submit a copy of their most recently completed audit and management letter with the grant application.

2) Governmental entities must have on site a copy of their most recently completed audit for review by the Administrator during site visits.

3) Agencies with a total budget of under $300,000, or who have been in operation less than a year at the time of filing a grant application, may request an exemption to the audit requirement, but must submit a financial statement detailing revenue sources and expenses.