**Section 208.110 Accounting Requirements**

a) Each entity receiving funds shall establish and maintain a formal modified accrual accounting system in accordance with generally accepted accounting principles of the American Institute of Certified Public Accountants (AICPA) including a level of documentation, classification of entries and audit trails sufficient to meet the requirements of this Part.

b) All accounting entries must be supported by source documents, recorded in books of original entry, and posted to a general ledger on a monthly basis.

c) For programs funded by the Board, expenses are to be recorded by specific program. All expenses not funded by the Board may be booked in total.

d) All fiscal records must be maintained by the recipient for five years after the end of the funding period. In instances involving unresolved issues arising from an audit, pending litigation or tax issues, records related to those issues must be retained until the issues are resolved.

(Source: Amended at 18 Ill. Reg. 7410, effective April 29, 1994)