**Section 254.480 Maintenance of Records for Audit**

a) Eligible recipients shall maintain adequate records to support all claims for reimbursement from vocational education funds and shall make such records accessible for audit by state and federal authorities. Separate and individual accounts shall be maintained for the receipt and expenditure of all vocational education funds. Public school districts are subject to the procedures specified in 23 Ill. Adm. Code 110 (Program Accounting Manual). Funds utilized for the purposes of a funding agreement shall be expended and accounted for by line item in accordance with the budget set forth in such agreement except for such changes as are approved in writing by the State Board of Education.

b) Each recipient shall keep intact and accessible all records relating to the receipt and expenditure of federal funds and to the expenditure of the recipient's contribution to the costs of the project, if any, including all accounting records and related original and supporting documents that substantiate direct and indirect costs charged to the project. Such records shall be retained for seven years following the year of submission of an annual reimbursement claim or report of expenditures, or for such other period of time, not less than five years, which may hereafter be required by state law or by state regulatory authority. Such records shall be further retained until any questions raised by audit have been resolved. Records pertaining to instructional equipment purchased in full or in part with federal funds and having a single item acquisition cost of $300.00 or more shall be further retained for five years following final disposition of such property.

(Source: Amended at 12 Ill. Reg. 2282, effective January 15, 1988)