**Section 434.2 Definitions**

"Audit/Review" means an examination of financial transactions, accounts and reports, and an evaluation of internal controls or an evaluation of compliance with applicable laws and regulations. An audit/review may also include an examination of efficiency and economy in the use of resources (such as personnel, property, or space), or an examination to determine whether desired results are effectively achieved.

"Certified Audits" means the entity's annual financial and compliance report that has been examined by an Independent Licensed Certified Public Accountant.

"Cost Report" means a report of all costs incurred and revenue earned by a provider that are directly associated with services purchased by the Department for its clients.

"Department" or "DCFS" means the Illinois Department of Children and Family Services.

"Desk Review", as used in this Part, means a review by the Department's Office of Financial Review of certified public audits and cost reports submitted by the provider agency.

"Field Auditor" is a Department employee whose responsibilities include conducting audits of contracted purchase of service providers to confirm their compliance with applicable laws and regulations, and to make recommendations to the Director regarding the results of those audits.

"Follow-up Review" means a viewing of past occurrences or contemplation or consideration of past events, circumstances, or facts.

"Investigation" means an examination of employee conduct, security systems, and contractor conduct to assure compliance with State, federal and Departmental rules and regulations. A Department investigation is not intended to focus on criminality or prepare cases for prosecution, but rather to obtain sufficient documentation to assure the Director of the appropriateness of Department and service provider employee conduct and the safeguarding of Department assets.

"Limited Review" means an examination of financial transactions, accounts and reports, an evaluation of internal controls, or an evaluation of compliance with applicable laws and regulations that is limited in scope to examine only certain areas. (Although this is not a full scope audit, it may include an examination of efficiency and economy in the use of resources (such as personnel, property, space) and an examination to determine whether desired results are effectively achieved.)

"Preliminary Review" means a limited review of financial transactions, accounts, reports and internal controls and compliance with contract provisions to assess the full scope needed during an upcoming audit.

"Related Party Transaction" means a financial transaction in which one party has the ability to influence the management or operating policies of the other party. Disclosure of related party transactions should include the nature of the relationship, a description of the transactions, including dollar amounts, and amounts due to and from related parties.

"Scope of the Audit or Investigation" means the activities and testing procedures that the auditor or investigator deems necessary to conduct an examination or investigation.

(Source: Amended at 48 Ill. Reg. 12227, effective August 1, 2024)