**Section 653.114 Accounting and Documentation**

a) Applicants shall use the accrual method of accounting in accordance with generally accepted accounting principles when submitting the operating expense and revenue information called for in the application utilizing the same line items on which the actual expenses and revenues will eventually be reported to the Department in all quarterly and final fiscal year financial statements.

b) All expenses shall be documented by cancelled check, by paid bills, invoices or purchase orders, or by electronic records that clearly show when the expense was incurred, when the vendor was paid, and what was purchased.

c) If the Department questions the eligibility of a particular expense, the participant shall provide certification by an independent auditor that the expense is eligible under applicable State and federal law and the certification will be considered by the Department in determining whether the particular expense is eligible for reimbursement.

(Source: Added at 34 Ill. Reg. 13142, effective August 24, 2010)