



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

State Compliance Examination
 For the Year Ended June 30, 2022

Release Date: May 18, 2023

FINDINGS THIS AUDIT: 11	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1	2021		22-2, 22-5	
Category 2:	2	8	10	2020		22-7, 22-8, 22-9, 22-11	
Category 3:	0	0	0	2019		22-6	
TOTAL	3	8	11	2011		22-3	
FINDINGS LAST AUDIT: 15							

INTRODUCTION

This digest covers our Compliance Examination of the Illinois Housing Development Authority (Authority) for the year ended June 30, 2022. A separate Financial Audit as of and for the year ended June 30, 2022, was previously released on December 21, 2022. A separate Single Audit for the year ended June 30, 2022, was previously released on March 30, 2023. In total, this report contains 11 findings, two of which were reported in the Financial Audit and two of which were reported in the Single Audit.

SYNOPSIS

- (22-7) The Authority has not established adequate controls over the appropriate completion of I-9 Forms for employees hired by the Authority.
- (22-8) The Authority did not approve payroll reports timely.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.
Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

INADEQUATE CONTROLS OVER I-9 FORMS

Controls over I-9 Forms need improvement

The Authority has not established adequate controls over the appropriate completion of I-9 Forms for employees hired by the Authority.

During our review of 40 employees, we noted the following:

- Five employees (13%) did not fully complete section 1 of the I-9 Form as there was no indication as to whether the employee used a preparer, translator, or other individual to assist in completing Form I-9 on or before their respective hire date.
- Three employees (8%) failed to date section 1 of the I-9 Form by their respective hire date.
- Six employees (15%) dated and completed the I-9 Form prior to their hire date. (Finding 7, page 22)

Six I-9 Forms were completed prior to the hire date

We recommended the Authority enhance their controls over the process for preparing and reviewing I-9 forms to ensure compliance with U.S. Citizen and Immigration Services requirements.

Authority agreed with the auditors

Authority officials agreed with the recommendation.

INADEQUATE CONTROLS OVER TIME REPORTING

The Authority did not approve payroll reports timely.

During our testwork of 40 Weekly Attendance Reports prepared during the fiscal year ended June 30, 2022, we noted the following:

Late approvals

- Twenty-one (53%) reports were not approved by the designated Department Director within two weeks of the related pay period end date. Specifically, we noted the review timeframe ranged from 1 to 373 days subsequent to the pay period end date.
- Twelve (30%) reports were not approved by the designated Department Timekeeper within two weeks of the related pay period end date. Specifically, we noted the review timeframe ranged from 1 to 373 days subsequent to the pay period. (Finding 8, page 23)

We recommended the Authority enforce existing policies and procedures to ensure payroll is approved timely.

Authority agreed with the auditors

Authority officials agreed with the recommendation.

OTHER FINDINGS

The remaining findings are reportedly being given attention by Authority personnel. We will review the Authority’s progress toward the implementation of our recommendations in our next examination.

AUDITOR’S OPINIONS

The auditors stated the financial statements of the Authority as of and for the year ended June 30, 2022, are fairly stated in all material respects.

The auditors also conducted a Single Audit of the Authority as required by the Uniform Guidance. The auditors stated the Authority complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on the Authority’s major programs for the year ended June 30, 2022.

ACCOUNTANT’S OPINION

The accountants conducted a compliance examination of the Authority for the year ended June 30, 2022, as required by the Illinois State Auditing Act. The accountants stated the Authority complied, in all material respects, with the requirements described in the report.

This State Compliance Examination was conducted by CliftonLarsonAllen LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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