

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

A Component Unit of the State of Illinois

Federal Single Audit

(In Accordance with the Single Audit Act and Applicable Federal Regulations)

Year Ended June 30, 2024

Performed as Special Assistant
Auditors for the Auditor General,
State of Illinois



CPAs | CONSULTANTS | WEALTH ADVISORS

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**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
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**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
BOARD OF DIRECTORS AND AGENCY OFFICIALS
YEAR ENDED JUNE 30, 2024**

BOARD MEMBERS

Chairman (07/11/16 – Present)	Mr. King Harris
Vice Chair (03/13/17 – Present)	Ms. Luz Ramirez
Treasurer (02/25/13 – Present)	Mr. Salvatore Tornatore
Secretary (09/14/21 – 2/24/24)	Mr. Tommy Arbuckle
Secretary (3/15/24 - Present)	Ms. Sonia Berg
Member (11/18/19 – Present)	Mr. Thomas Morsch
Member (12/16/22 – Present)	Mr. Daniel Hayes
Member (12/16/22 – Present)	Mr. Brice Hutchcraft
Member (10/30/23 - Present)	Ms. Erika Poethig
Member (05/31/24 - Present)	Ms. Claire Leopold

AGENCY OFFICIALS

Executive Director	Ms. Kristin Faust
Assist. Executive Director/Chief of Staff	Mr. Lawrence Grisham
Deputy Executive Director	Ms. Karen Davis
General Counsel (8/01/2011 - 7/1/2024)	Ms. Maureen G. Ohle
Chief Financial Officer (3/30/20 - 9/15/23)	Mr. Edward Gin
Chief Financial Officer (4/23/24)	Mr. Seth Runkle
Chief Information Officer/Interim Chief Financial Officer (09/18/23 - 04/22/24)	Mr. Keith Evans
Deputy Chief Financial Officer/ Managing Director of FP&A (07/1/23)	Ms. Tracy Grimm
Deputy Chief Financial Officer/Managing Director of Accounting (7/1/23 - 3/29/24)	Mr. Timothy Hicks
Controller (7/1/23)	Mr. Muhammad Jalaluddin
Chief Internal Auditor	Ms. Christina Lopez

Agency Officials are located at:
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
SUMMARY
YEAR ENDED JUNE 30, 2024**

Summary

The compliance testing performed during this audit of the Authority was conducted in accordance with the Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Guidance Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and *Government Auditing Standards*.

Auditors' Report

The Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards, and the Schedule of Federal and Nonfederal Financial Activity does not contain scope limitations, disclaimers, or other significant non-standard language.

Summary of Findings

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	1	3
Repeated Findings	0	1
Prior Recommendations Implemented or Not Repeated	3	3

Details of findings are presented in this report.

**Schedule of Findings and Questioned Costs
Findings (Government Auditing Standards)**

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
2024-001	9	New	Inadequate Controls over Subscription-Based Information Technology Agreements	Significant Deficiency

**Schedule of Findings and Questioned Costs
Findings (Federal Compliance)**

None noted for FY2024

Prior Year Findings Not Repeated (Government Auditing Standards)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
A	10	2023/2022	Inadequate Controls over Service Providers	Material Weakness
B	10	2023/2023	Inadequate Controls over Reconciliations	Material Weakness
C	10	2023/2023	Inadequate Controls over Subsequent Event Disclosures	Material Weakness

Prior Year Findings Not Repeated (Federal Compliance)

None noted for FY2024

Exit Conference

On January 30, 2025, the Illinois Housing Development Authority waived the exit conference relating to the Single Audit.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Frank J. Mautino, Auditor General, State of Illinois
and Board of Directors
Illinois Housing Development Authority

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Illinois Housing Development Authority (the Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Honorable Frank J. Mautino, Auditor General, State of Illinois
and Board of Directors
Illinois Housing Development Authority

We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Authority’s Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority’s response to the finding identified in our audit and described in the accompanying Schedule of Findings and Responses. The Authority’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

CliftonLarsonAllen LLP

Oak Brook, Illinois
November 25, 2024



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE; AND REPORT ON THE SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY

Honorable Frank J. Mautino, Auditor General, State of Illinois
and Board of Directors
Illinois Housing Development Authority

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

As Special Assistant Auditors for the Auditor General, we have audited Illinois Housing Development Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2024. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Honorable Frank J. Mautino, Auditor General, State of Illinois
and Board of Directors
Illinois Housing Development Authority

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance;
and Report on the Schedule of Federal and Nonfederal Financial Activity**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We have issued our report thereon, dated February 3, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. In addition, the accompanying Schedule of Federal and Nonfederal Financial Activity is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the Schedule of Federal and Nonfederal Financial Activity is fairly stated in all material respects in relation to the basic financial statements as a whole.

SIGNED ORIGINAL ON FILE

CliftonLarsonAllen LLP

Oak Brook, Illinois
February 3, 2025

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of the Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes ___X___ No
- Significant deficiency(ies) identified? ___X___ Yes _____ None reported

Noncompliance material to the financial statements noted? _____ Yes ___X___ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes ___X___ No
- Significant deficiency(ies) identified? _____ Yes ___X___ None reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes ___X___ No

Identification of Major Federal Programs

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.023	Emergency Rental Assistance Program
21.026	Homeowner Assistance Fund
21.027	Coronavirus State and Local Fiscal Recovery Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee: _____ Yes ___X___ No

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
SUMMARY OF AUDITORS' RESULTS – CURRENT FINDINGS
GOVERNMENT AUDITING STANDARDS
YEAR ENDED JUNE 30, 2024**

Finding 2024-001 – Inadequate Controls over Subscription-Based Information Technology Agreements

The Illinois Housing Development Authority (Authority) did not have adequate internal controls in place to ensure their accounting over Subscription-Based Information Technology Agreements (SBITA) was properly recorded for financial reporting purposes.

During our review of the Authority's SBITA calculations, we observed the Authority did not accurately record their short-term and long-term liabilities related to SBITA contracts. Specifically, the prior year's short-term SBITA liability was not correctly reversed in the current fiscal year. This resulted in an overstatement of the short-term SBITA liability and an understatement of the long-term SBITA liability by \$839,913. A reclassification adjustment was made to correct the financial statements for the year ending June 30, 2024.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports to maintain accountability over the State's resources.

Government Auditing Standards Board (GASB) Statement No. 96 for *Subscription-Based Information Technology Arrangements*, para. 15-16 states: "At the commencement of the subscription term, a government should recognize a subscription liability" and "should measure the subscription liability at the present value of subscription payments expected to be made during the subscription term".

The Authority management stated the misclassification of short-term and long-term liabilities related to SBITA contracts was due to oversight during the review process.

Failure to accurately account for SBITA's could result in a misstatement of the Authority's financial statements. (Finding Code No. 2024-001)

RECOMMENDATION

We recommend the Authority perform adequate review procedures of their SBITA calculations to ensure all amounts are accurately reported at year-end.

AUTHORITY RESPONSE

The Authority's management agrees with the finding. The Authority will provide additional training to both preparer and reviewer to enhance understanding of GASB 96 requirements to ensure accurate transaction recording and classification in the financial statements.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
PRIOR YEAR FINDINGS NOT REPEATED
YEAR ENDED JUNE 30, 2024**

A. Inadequate Controls over Service Providers

During the prior year financial audit, the Illinois Housing Development Authority (Authority) did not maintain adequate controls over service providers.

During the current financial audit, we noted no similar internal control weaknesses in the Authority's controls over service providers. The Authority has strengthened its controls in this area by 1) providing a complete and accurate listing of service providers, 2) documenting their review of the Complementary User Entity Controls (CUECs), and 3) amending contracts to outline each party's roles and responsibilities, as well as controls over security, integrity, availability, confidentiality, privacy, and the inclusion of the requirement to undergo a System and Organization Control (SOC) report. (Finding Code No. 2023-001, 2022-001)

B. Inadequate Controls over Reconciliations

During the prior year financial audit, the Illinois Housing Development Authority (Authority) did not properly reconcile a material lockbox deposit account retaining cash receipts at year-end.

During the current financial audit, we noted no similar internal control weaknesses in the Authority's controls over lockbox reconciliations and that the Authority had strengthened its controls over this area. (Finding Code No. 2023-002)

C. Inadequate Controls over Subsequent Event Disclosures

During the prior year financial audit, the Illinois Housing Development Authority (Authority) did not have adequate internal controls in place to properly include in their financial statements all material subsequent event disclosures prior to and up through the date of the Independent Auditor's Report on the financial statements for the year ended June 30, 2023.

During the current financial audit, we noted no similar internal control weaknesses in the Authority's controls over subsequent events and that the Authority had strengthened its controls over this area. (Finding Code No. 2023-003)

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Agency/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U.S. Department of Housing and Urban Development:				
Section 8 New Construction and Substantial Rehabilitation Program	14.182	IL 901	\$ 3,193,474	\$ 3,104,273
Total Section 8 New Construction and Substantial Rehabilitation Program			3,193,474	3,104,273
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	IL901	2,540,594	2,247,875
Total Section 8 Project-Based Cluster:			2,540,594	2,247,875
Passed through the State of Illinois:				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				
Neighborhood Stabilization Program - Grant expenditures	14.228	B-08-DN-17-0001	257,553	257,553
Total CDBG - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			257,553	257,553
HOME Investment Partnerships Program:				
Beginning loan balances		SG170100	330,721,346	330,721,346
Administrative expenditures	14.239	—	4,633,150	—
Administrative expenditures - program income	14.239	—	668,438	—
Current year loan disbursements - program income	14.239	SG170100	607,991	607,991
Current year loan disbursements	14.239	SG170100	10,624,571	10,624,571
Grant Expenditures	14.239	SG170100	6,503,696	6,503,696
Grant Expenditures - program income	14.239	SG170100	67,541	67,541
COVID-19 HOME Investment Partnerships Program-ARP:				
Administrative expenditures	14.239	M21SP170100	198,729	—
Total HOME Investment Partnerships Program			354,025,462	348,525,145
Housing Trust Fund – National:				
Beginning loan balances		SG170100	10,278,688	10,278,688
Administrative expenditures	14.275	—	2,220,128	—
Grant Expenditures	14.275	SG170100	17,644,844	17,644,844
Total Housing Trust Fund:			30,143,660	27,923,532
Section 811 Project Rental Assistance Program:				
Administrative expenditures	14.326	—	44,331	—
Grant expenditures	14.326	IL902	2,422,336	2,422,336
Total Section 811 Project Rental Assistance Program			2,466,667	2,422,336
Passed through NeighborWorks America:				
Housing Stability Counseling Program:				
Grant expenditures	99.U19	211CM0588748-G	1,690,679	1,690,679
Total Housing Stability Counseling Program			1,690,679	1,690,679

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Agency/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U.S. Department of the Treasury:				
Passed through State of Illinois:				
COVID-19 Coronavirus Relief Fund				
Grant Expenditures/(Refunds)	21.019	SLT0042	\$ (3,784)	\$ —
Total COVID-19 Coronavirus Relief Fund			(3,784)	—
COVID-19 Emergency Rental Assistance Program				
Administrative expenditures	21.023	*	18,376,683	—
Grant Expenditures	21.023	* ERA0017 & ERA00488	108,237,799	3,834,329
Passed through DuPage County:				
Grant Expenditures/(Refunds)	21.023	* ERA0054	(14,904)	—
Passed through Will County:				
Grant Expenditures/(Refunds)	21.023	* ERA0071	(10,905)	—
Passed through Kane County:				
Grant Expenditures	21.023	* ERA0234	8,559	—
Total COVID-19 Emergency Rental Assistance Program			126,597,232	3,834,329
Passed through the State of Illinois:				
COVID-19 Homeowner Assistance Fund				
Administrative expenditures	21.026	*	13,432,045	—
Grant Expenditures	21.026	* HAF0007	113,788,252	18,287,638
Total COVID-19 Homeowner Assistance Fund			127,220,297	18,287,638
Passed through the State of Illinois:				
COVID-19 State and Local Fiscal Recovery Funds				
Administrative expenditures	21.027	*	3,383,336	—
Grant Expenditures	21.027	* SLFRP4452	93,488,499	75,328,499
Passed through Cook County:				
Administrative expenditures	21.027	*	453,520	—
Grant Expenditures	21.027	* SLFRP0413	41,600	41,600
Total COVID-19 State and Local Fiscal Recovery Funds			97,366,955	75,370,099
Total			<u>\$ 745,498,789</u>	<u>\$ 483,663,459</u>

*Cluster, program, or award tested as a major program.
See accompanying notes to the schedule of expenditures of federal awards.
See accompanying independent auditors' report.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024**

NOTE 1 GENERAL

The accompanying Schedule of Expenditures of Federal Awards (Schedule) summarizes the federal awards expended by the Authority for the year ended June 30, 2024.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting for proprietary funds and modified accrual basis of accounting for governmental funds.

- A. For the Proprietary Fund, the types of costs that are found in this Fund are Grant Expenditures, Mortgage Loan Subsidies, Housing Assistance Payments and Administrative Fees.
- B. For the Government Funds, the types of costs that are found in this Fund are Grant Expenditures, Program Loans, Recaptured Funds (Program Income), and Administrative Fee Reimbursements.

Expense/Expenditure

Amounts reported as expenses in the Schedule of Expenditures of Federal Awards include \$668,438 in administrative expenditures funded by fees collected (program income) by the Authority.

NOTE 3 FEDERAL LOAN PROGRAM

The HOME program and Housing Trust Fund – National program are administered directly by the Authority and balances and transactions relating to these programs are included in the Authority’s financial statements. Loans made by the Authority to eligible subrecipients under the HOME program during the fiscal year ended June 30, 2024, was \$11,232,562.

The balance of loans outstanding under the HOME program was \$339.4 million and \$330.7 million on June 30, 2024, and 2023. The balance of loans outstanding under the Housing Trust Fund – National program was \$10.3 million on June 30, 2024, and 2023, respectively. The Authority received administrative fees of \$5.3 million under the HOME program and \$2.2 million under the Housing Trust Fund – National program during the fiscal year ended June 30, 2024. The balance of loans outstanding on June 30, 2024, consist of the following amounts (in thousands):

	HOME	Housing Trust Fund
Outstanding balance as of 7/1/23	\$ 330,722	\$ 10,279
Loans Disbursed Current	3,135	(4)
Loans Disbursed Non-Current	8,097	4
Principal Write Off	(48)	—
Repayments, Net of Interest	(2,544)	(25)
Outstanding balance as of 6/30/24	\$ 339,362	\$ 10,254

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024**

NOTE 4 INDIRECT COSTS

The Authority does not use the de minimis indirect cost rate permitted under the Uniform Guidance or have a negotiated indirect cost rate. The Authority has a Cost Allocation Plan with HUD, the Authority's cognizant agency, which dictates how indirect costs are charged to the government funded programs.

The current Cost Allocation Plan was submitted to HUD in July 2023.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY
YEAR ENDED JUNE 30, 2024**

	Amount	Percent
Federal Expenditures (A)	\$ 404,499	59%
Non-federal Expenditures/Expenses	276,548	41%
Total Expenditures/Expenses	681,047	100%
Plus Amount Representing Loan Loss and Applied Program Income	9,695	
Total Expenses (B)	\$ 690,742	

Source:

(A) Schedule of Expenditures of Federal Awards (excluding beginning loan balance)

(B) Statement of Activities for the year ended June 30, 2024

See accompanying independent accountants' report.



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