

# 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, 2025

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



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**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, 2025**

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**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
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YEAR ENDED JUNE 30, 2025**

**BOARD OF DIRECTORS**

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 (03/15/24 – 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 (11/12/19 – Present)	Ms. Kristin Faust
Deputy Executive Director (08/18/20 – Present)	Ms. Karen Davis
Assist. Executive Director/Chief of Staff (01/31/26 – Present)	Vacant
Assist. Executive Director/Chief of Staff (10/05/21 – 01/30/26)	Mr. Lawrence Grisham
Chief Financial Officer (04/23/24 – Present)	Mr. Seth Runkle
Deputy Chief Financial Officer/ Managing Director of FP&A (07/01/23 – Present)	Ms. Tracy Grimm
Controller (07/01/23 – Present)	Mr. Muhammad Jalaluddin
Chief Internal Auditor (12/15/20 – Present)	Ms. Christina Lopez
General Counsel (08/16/24 – Present)	Ms. Christina McClernon
Interim General Counsel (07/02/24 – 08/15/24)	Ms. Kathryn Finn
General Counsel (08/01/11 – 07/01/24)	Ms. Maureen G. Ohle
Chief Information Officer (02/03/26 – Present)	Mr. Faisal Ghauri
Interim Chief Information Officer (10/01/25 – 02/02/26)	Mr. Seth Runkle
Chief Information Officer (07/05/22 – 09/30/25)	Mr. Keith Evans

The Illinois Housing Development Authority's primary administrative office is located at:  
111 E. Wacker Drive, Suite 1000  
Chicago, Illinois 60601

**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, 2025**

**FEDERAL COMPLIANCE REPORT**

**Summary**

The compliance testing performed during this audit of the Illinois Housing Development Authority (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**

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

**Schedule of Findings  
Current Findings (Government Auditing Standards)**

<b><u>Item No.</u></b>	<b><u>Page</u></b>	<b><u>Last/First Reported</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
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None noted for FY2025

**Schedule of Findings  
Current Findings (Federal Compliance)**

2025-001	10	New	Failure to Adequately Monitor Subrecipients	Significant Deficiency and Noncompliance
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**Prior Findings Not Repeated (Government Auditing Standards)**

<b><u>Item No.</u></b>	<b><u>Page</u></b>	<b><u>Last/First Reported</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
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A	12	2024/2024	Inadequate Controls over Subscription-Based Information Technology Agreements	Significant Deficiency
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**Prior Findings Not Repeated (Federal Compliance)**

None noted for FY2025

**Exit Conference**

The Authority waived an exit conference in a correspondence from Muhammad Jalaluddin, Controller, on February 23, 2026. The responses to the recommendations were provided by Muhammad Jalaluddin, Controller, in a correspondence dated February 23, 2026.



**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, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 5, 2025.

**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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

### **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*.

### **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  
December 5, 2025



**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 (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, 2025. 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, 2025.

***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.

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

### ***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.

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

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2025-001. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Authority's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001, to be a significant deficiency.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

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

**Report on 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, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We have issued our report thereon, dated December 5, 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 24, 2026

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

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**Section I – Summary of Auditors' Results**

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*Financial Statements*

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes \_\_\_X\_\_\_ No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes \_\_\_X\_\_\_ 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? \_\_\_X\_\_\_ Yes \_\_\_\_\_ 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)? \_\_\_X\_\_\_ Yes \_\_\_\_\_ No

*Identification of Major Federal Programs*

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
14.239	HOME Investment Partnerships Program
14.326	Section 811 Project Rental Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$2,612,256

Auditee qualified as low-risk auditee: \_\_\_\_\_ Yes \_\_\_X\_\_\_ No

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
CURRENT FINDING – FEDERAL COMPLIANCE AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

**Federal Agency:** U.S. Department of Housing and Urban Development  
**Federal Program Name:** Section 811 - Project Rental Assistance Program  
**Assistance Listing Number:** 14.326  
**Federal Award Identification Number and Year:** IL06RDD1201 - 2012; IL06RDD1301 - 2013; IL06RDD1901 - 2019  
**Pass-Through Agency:** State of Illinois  
**Pass-Through Number:** IL902  
**Award Period:** July 1, 2024 to June 30, 2025  
**Questioned Costs:** None  
**Compliance Requirement:** Subrecipient Monitoring

**Finding 2025-001 Failure to Adequately Monitor Subrecipients**

**CONDITION**

The Illinois Housing Development Authority (Authority) did not follow its established policies and procedures for monitoring subrecipients of the Section 811 Project Rental Assistance (Section 811) program.

The Authority has implemented procedures whereby program staff perform property inspections over subrecipient compliance with regulations applicable to the Section 811 program. The Authority's policies require the subrecipient to have an inspection every three years.

During our testing of the monitoring of subrecipients, we noted one of eight (13%) subrecipients (with expenditures of \$319,404 during the year ended June 30, 2025) had not received an inspection within the required three-year period in accordance with Authority policy. The most recent inspection for this subrecipient was conducted in fiscal year 2019. This sample was not intended to be, and was not, a statistically valid sample.

**CRITERIA OR SPECIFIC REQUIREMENT**

According to 2 CFR 200.332(e), a pass-through entity is required to monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

In addition, 2 CFR 200.303 requires non-Federal entities receiving Federal awards to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Effective internal controls should include ensuring inspections are performed in a timely manner.

**CAUSE**

Authority management indicated there are three underlying causes for this audit finding: 1) Increased volume in required inspections - the annual volume of required inspections in fiscal year 2025 was 56% higher than the annual required inspections in fiscal year 2020 while staffing remained constant. 2) COVID-19 Waivers - In 2020, the Internal Revenue Service issued COVID-19 waivers that eliminated physical inspection requirements and allowed a calendar "reset" for Low Income Housing Tax Credit transactions until 2023. The result of the increased volume and calendar "reset" created a significant backlog of physical inspections due. 3) Inadequate controls – lack of quality control procedures to ensure the inspection reports were completed and filed appropriately.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
CURRENT FINDING – FEDERAL COMPLIANCE AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**Finding 2025-001      Failure to Adequately Monitor Subrecipients (Continued)**

**EFFECT**

Failure to adequately perform inspections of subrecipients may result in subrecipients not properly administering the Federal programs in accordance with laws, regulations, and the grant agreement. (Finding Code No. 2025-001)

**RECOMMENDATION**

We recommend the Authority improve its internal controls to ensure inspections are completed in accordance with established policies and procedures.

**AUTHORITY RESPONSE**

The Authority agrees with the finding. The Authority will implement additional internal controls, including quality control of completed inspection, documentation, and inspection scheduling. Additionally, the Authority recognizes that the volume of required annual inspections has increased beyond existing Full Time Equivalent (FTE) capacity; therefore, an RFP for the third-party inspection vendor has been issued to supplement internal resources and support timely completion of inspections.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PRIOR YEAR FINDING NOT REPEATED  
YEAR ENDED JUNE 30, 2025**

**A. Inadequate Controls Over Subscription-Based Information Technology Agreements**

During the prior year financial audit, 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 the current financial audit, we noted no similar internal control weaknesses in the Authority's controls over SBITAs and that the Authority had strengthened its controls over this area. (Finding Code No. 2024-001)

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025**

<b>Federal Agency/Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Federal Expenditures</b>	<b>Pass-through to Subrecipients</b>
U.S. Department of Housing and Urban Development:				
Section 8 New Construction and Substantial Rehabilitation Program	14.182	IL901	\$ 487,839	\$ 471,788
Total Section 8 New Construction and Substantial Rehabilitation Program			487,839	471,788
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	IL901	2,749,238	2,442,496
Total Section 8 Project-Based Cluster			2,749,238	2,442,496
Passed through the State of Illinois:				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				
Neighborhood Stabilization Program - Administrative expenditures - program income	14.228	—	7,146	—
Neighborhood Stabilization Program - Grant expenditures	14.228	B-08-DN-17-0001	438,481	438,481
Total CDBG - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			445,627	438,481
HOME Investment Partnerships Program:				
Beginning loan balances		SG170100	339,362,019	339,362,019
Administrative expenditures	14.239	—	1,752,421	—
Administrative expenditures - program income	14.239	—	465,298	—
Current year loan disbursements - program income	14.239	SG170100	7,226,211	7,226,211
Current year loan disbursements	14.239	SG170100	10,442,845	10,442,845
Grant Expenditures	14.239	SG170100	431,160	431,160
COVID-19 HOME Investment Partnerships Program-ARP:				
Administrative expenditures	14.239	M21SP170100	433,208	—
Total HOME Investment Partnerships Program			360,113,162	357,462,235
Housing Trust Fund – National:				
Beginning loan balances		SG170100	10,253,688	10,253,688
Administrative expenditures	14.275	—	2,758,311	—
Current year loan disbursements	14.275	SG170100	5,967,130	5,967,130
Grant Expenditures	14.275	SG170100	16,564,943	16,564,943
Total Housing Trust Fund:			35,544,072	32,785,761
Section 811 Project Rental Assistance Program:				
Administrative expenditures	14.326	—	250,739	—
Grant expenditures	14.326	IL902	2,741,711	2,741,711
Total Section 811 Project Rental Assistance Program			2,992,450	2,741,711

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025**

<b>Federal Agency/Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Federal Expenditures</b>	<b>Pass-through to Subrecipients</b>
U.S. Department of the Treasury:				
Passed through State of Illinois:				
COVID-19 Emergency Rental Assistance Program				
Administrative expenditures	21.023	—	\$ 1,290,655	\$ —
Grant Expenditures	21.023	ERA0017 & ERA00488	<u>2,386,754</u>	<u>1,146,423</u>
Total COVID-19 Emergency Rental Assistance Program			<u>3,677,409</u>	<u>1,146,423</u>
Passed through the State of Illinois:				
COVID-19 Homeowner Assistance Fund				
Administrative expenditures	21.026	—	1,741,496	—
Grant Expenditures	21.026	HAF0007	<u>2,358,702</u>	<u>2,073,222</u>
Total COVID-19 Homeowner Assistance Fund			<u>4,100,198</u>	<u>2,073,222</u>
Passed through the State of Illinois:				
COVID-19 State and Local Fiscal Recovery Funds				
Administrative expenditures	21.027	—	2,298,145	—
Grant Expenditures	21.027	SLFRP4452	<u>34,780,264</u>	<u>34,780,264</u>
Total COVID-19 State and Local Fiscal Recovery Funds			<u>37,078,409</u>	<u>34,780,264</u>
Total			<u><u>\$447,188,404</u></u>	<u><u>\$434,342,381</u></u>

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  
YEAR ENDED JUNE 30, 2025**

**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, 2025.

**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 \$472,444 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 and Housing Trust Fund – National programs during the fiscal year ended June 30, 2025, were \$17,669,056 and \$5,967,130, respectively.

The balance of loans outstanding under the HOME program was \$351.8 million and \$339.4 million on June 30, 2025 and 2024, respectively. The balance of loans outstanding under the Housing Trust Fund – National program was \$16.2 million and \$10.3 million on June 30, 2025, and 2024, respectively. The Authority received administrative fees of \$2.2 million under the HOME program and \$2.8 million under the Housing Trust Fund – National program during the fiscal year ended June 30, 2025. The balance of loans outstanding on June 30, 2025, consist of the following amounts (in thousands):

	HOME	Housing Trust Fund
Outstanding balance as of 7/1/24	\$ 339,362	\$ 10,254
Loans Disbursed Current	882	8
Loans Disbursed Noncurrent	16,787	5,959
Principal Write Off	(48)	—
Repayments, Net of Interest	(5,222)	(29)
Outstanding balance as of 6/30/25	<u>\$ 351,761</u>	<u>\$ 16,192</u>

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NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025**

**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 the United States Department of Housing and Urban Development (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  
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SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY  
YEAR ENDED JUNE 30, 2025**

	Amount (in thousands)	Percent
Federal Expenditures (A)	\$ 97,572	18%
Nonfederal Expenditures/Expenses	434,325	82%
Total Expenditures/Expenses	531,897	100%
Less Amount Representing Loan Loss and Applied Program	(21,817)	
Total Expenses (B)	\$ 510,080	

Source:

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

(B) Statement of Activities for the year ended June 30, 2025

See accompanying independent auditors' report.



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