



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

**Financial Audit
 For the Year Ended June 30, 2024**

Release Date: December 12, 2024

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1	No Repeat Findings			
Category 2:	0	0	0				
Category 3:	0	0	0				
TOTAL	1	0	1				
FINDINGS LAST AUDIT: 3							

INTRODUCTION

This digest covers the Illinois Housing Development Authority (Authority) Financial Audit as of and for the year ended June 30, 2024. Digests covering the Authority’s Single Audit and State Compliance Examination reports for the year(s) ended June 30, 2024 will be separately issued at a later date.

SYNOPSIS

- **(24-1)** The Authority did not have adequate internal controls in place to ensure their accounting over Subscription-Based Information Technology Agreements was properly recorded for financial reporting purposes.

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.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
FINANCIAL AUDIT
For the Year Ended June 30, 2024

FINANCIAL POSITION - ALL FUNDS (In Thousands)	2024	2023
Assets		
Cash and investments - unrestricted.....	\$ 323,045	\$ 312,326
Cash and investments - restricted.....	4,547,272	3,458,766
Net Program loans receivable.....	1,444,410	1,289,000
Other.....	212,134	146,375
Total.....	<u>6,526,861</u>	<u>5,206,467</u>
Deferred Outflows of Resources.....	<u>2,703</u>	<u>291</u>
Liabilities		
Bonds and Notes Payable.....	4,166,942	2,735,945
Due to State of Illinois.....	490,327	466,931
Deposits held in escrow.....	166,384	153,923
Other.....	286,869	531,305
Total.....	<u>5,110,522</u>	<u>3,888,104</u>
Deferred Inflows of Resources.....	<u>45,278</u>	<u>29,652</u>
Net Position		
Net investment in capital assets.....	16,697	11,544
Restricted.....	1,063,348	1,014,340
Unrestricted.....	293,719	263,118
Total.....	<u>\$ 1,373,764</u>	<u>\$ 1,289,002</u>
ADMINISTRATIVE FUND OPERATIONS (In Thousands)	2024	2023
Revenues		
Service Fees.....	\$ 10,695	\$ 13,518
Interest and investment income.....	25,693	24,808
Federal assistance programs.....	5,734	10,661
Other.....	38,459	26,448
Total.....	<u>80,581</u>	<u>75,435</u>
Expenses		
Salaries and benefits.....	23,507	27,814
Professional fees.....	2,662	1,624
Other general and administrative.....	3,537	2,019
Transfers, net.....	3,687	309
Financing Costs.....	2,404	2,575
Federal assistance programs.....	5,734	10,661
Provision for est. loss on loan receivable.....	(2,620)	(2,577)
Other.....	20,658	12,682
Total.....	<u>59,569</u>	<u>55,107</u>
Change in net position.....	<u>\$ 21,012</u>	<u>\$ 20,328</u>
EXECUTIVE DIRECTOR		
During Engagement: Kristin Faust		
Current: Kristin Faust		

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER SUBSCRIPTION-
BASED INFORMATION TECHNOLOGY
AGREEMENTS**

**Controls over recording SBITA's
need improvement**

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.

**A reclassification adjustment of
\$839,913 was made to correct the
financial statements**

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. (Finding 1, page 100)

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

Authority agreed with the finding

The Authority's management agreed with the finding.

AUDITOR'S OPINION

The auditors stated the financial statements of the Authority as of June 30, 2024, and for the year then ended, are fairly stated in all material respects.

The financial audit 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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