



Exh 2 - Capital Grants Close Out AUP

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Report of Independent Accountants on Applying Agreed-Upon Procedures

To the Audit Committee and Management of the Chicago Housing Authority:

We have performed the procedures enumerated below, which were agreed to by management of the Chicago Housing Authority (the "Authority"), solely to assist you in evaluating whether certain U.S. Department of Housing and Urban Development capital grants issued from 2010 through 2012 were funded and expended in the Authority's fiscal years of 2011 through 2016 as summarized in the accompanying Chicago Housing Authority Capital Grant Closeout schedule. The Authority's management is responsible for the Chicago Housing Authority Capital Grant Closeout schedule. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and findings are enumerated below:

1. We obtained from management of the Authority a schedule prepared by Authority finance personnel entitled Chicago Housing Authority Capital Grant Closeout dated December 31, 2018 ("Schedule") and agreed HUD Grant Description and Grant Award Amount by line to form HUD-53001 Actual Modernization Cost Certificate or to form HUD-52839 Actual Comprehensive Grant Cost Certificate. We were informed by management that the HUD Grant Description is reported in the Chicago Housing Authority's accounting records under fund numbers as shown in the Schedule in the column labeled CHA Grant Fund Number and referred to herein as "Grant Fund Number."

For Grant Fund Numbers 251, 253, 254, and 256-259, the HUD Grant Description used on the form HUD-53001 used "IL09" instead of "IL06." The remaining 9-digits of the 13-digit descriptions agreed to the form HUD-53001.

2. We verified mathematical accuracy of the Total column on the Schedule by adding A-133/UG Expenditure Data by Grant Fund Number for FY2011 through FY2016 without exception.



- For the funds listed in the Schedule, we agreed A-133/UG Expenditure Data from the Schedule by fiscal year to a detailed schedule of expenditures of federal awards (“Detailed SEFA”) prepared by Grant Fund Number for the same fiscal year. The Detailed SEFA was prepared by the Authority’s finance personnel. We did not perform additional procedures over the Detailed SEFA.

For Grant Fund Number 257 for fiscal year 2014, the Authority used the amount of total revenue (\$13,256,262) reported on the Detailed SEFA instead of the amount of total expense reported on the Detailed SEFA (\$13,255,956) as A-133/UG Expenditure Data in the Schedule, resulting in a difference of \$306.

- We agreed the Detailed SEFA totals by Federal Department Program Title (i.e., Total Public Housing Capital Fund) to amounts reported for Public Housing Capital Fund by the Authority for each respective year in its audited Schedule of Federal Expenditures of Federal Awards (“Audited SEFA”) filed with the Real Estate Assessment Center for the corresponding fiscal year.

Differences were identified between the totals reported for Total Public Housing Capital Fund in the Detailed SEFA and the totals reported for Public Housing Capital Fund in the Audited SEFA for fiscal years 2011 and 2014 as follows:

Fiscal Year 2011

	<u>Detailed SEFA</u>	<u>Audited SEFA</u>	<u>Difference</u>
Total Public Housing Capital Fund	\$61,813,176	\$61,833,059	(\$19,883)

The (\$19,883) difference identified above is comprised of differences related to Grant Fund Numbers not included in the Schedule as follows:

Unnamed Grant Fund Number	(\$20,000)
Grant Fund Number 236	117
	<u>(\$19,883)</u>

Fiscal Year 2014

	<u>Detailed SEFA</u>	<u>Audited SEFA</u>	<u>Difference</u>
Total Public Housing Capital Fund	\$51,064,266	\$51,042,036	\$22,230

The \$22,230 difference identified above is comprised of differences related to Grant Fund Numbers included in the Schedule (and included in the column labeled Variances in the Schedule) as follows:

Grant Fund Number 253	\$22,535
Grant Fund Number 257	(305)
	<u>\$22,230</u>



This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The Authority is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed, including procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

This report is intended solely for the information and use of the audit committee and management of the Authority, and is not intended to be and should not be used by anyone other than these specified parties. It is not intended to be and should not be used by any other person or entity, who are not identified as specified parties but who may have access to this report as required by law or regulation.

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