



CITY OF AURORA, ILLINOIS

SINGLE AUDIT REPORT

For the Year Ended December 31, 2024

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CITY OF AURORA, ILLINOIS
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor
Members of the City Council
City of Aurora, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Aurora, Illinois' (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 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; 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 describes in the Auditor's Responsibility for the Auditor Compliance section of our report.

We are required to be independent of the City 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 City'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 City's federal programs.

Auditor's 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 City'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 generally accepted auditing standards, *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 City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 City'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 City'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 City'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.

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 items 2024-001 and 2024-002. 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 City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City'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

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 Auditor's 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.

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 Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 City, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 26, 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. 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. The information has been subjected to the auditing procedures applied in the audit of 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich CPA LLC

Naperville, Illinois
June 26, 2025

CITY OF AURORA, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2024

Federal Grantor	Pass-Through Grantor	Program Title	Federal ALN	Program/Grant Number	Expenditures	Amount Provided to Subrecipients
U.S. Department of Housing and Urban Development	N/A	CDBG - Entitlement Grants Cluster				
		Community Development Block Grants/Entitlement Grants	14.218	B-17-MC-17-0002	\$ 4,000	\$ 4,000
		Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-17-0002	5,171	5,171
		Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-17-0002	101,403	101,403
		Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-17-0002	59,382	59,382
		Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-17-0002	194,303	194,303
		Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-17-0002	542,200	540,200
		Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-17-0002	471,337	195,698
		COVID-19 Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-17-0002	26,723	-
		Total CDBG - Entitlement Grants Cluster			1,404,519	1,100,157
	N/A	Home Investment Partnerships Program	14.239	N/A	261,252	-
		Total U.S. Department of Housing and Urban Development			1,665,771	1,100,157
U.S. Department of Justice	N/A	Equitable Sharing Program	16.922	N/A	214,330	-
	Illinois Criminal Justice Information Authority	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021 Grant	41,171	-
		Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022 Grant	40,118	-
		Edward Byrne Memorial Justice Assistance Grant Program	16.738	2023 Grant	13,570	-
		Total Edward Byrne Memorial Justice Assistance Grant Program			94,859	-
	N/A	Public Safety Partnership and Community Policing Grants	16.710*	2022 Grant	77,017	-
		Public Safety Partnership and Community Policing Grants	16.710*	2023 Grant	1,238,861	-
	N/A	Total Public Safety Partnership and Community Policing Grants			1,315,878	-
		Total U.S. Department of Justice			1,625,067	-
U.S. Department of Transportation	Illinois Department of Transportation	Highway Safety Cluster				
		State and Community Highway Safety	20.600	HS-24-0080	7,382	-
		State and Community Highway Safety	20.600	HS-25-0068	1,020	-
		Total Highway Safety Cluster			8,402	-

CITY OF AURORA, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For the Year Ended December 31, 2024

Federal Grantor	Pass-Through Grantor	Program Title	Federal ALN	Program/Grant Number	Expenditures	Amount Provided to Subrecipients
U.S. Department of Transportation	Illinois Department of Transportation	Airport Improvement Program	20.106	Multiple	\$ 118,991	\$ -
		Airport Improvement Program-Noncash	20.106	N/A	277,645	-
		Total Airport Improvement Program			396,636	-
	Illinois Department of Transportation	Highway Planning and Construction	20.205*	Multiple	1,275,993	-
		Total U.S. Department of Transportation			1,681,031	-
U.S. Department of Treasury	N/A	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027*	N/A	8,639,000	-
	Illinois Criminal Justice Information Authority	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027*	N/A	14,011	-
	IL Department of Commerce Economic Opportunity	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027*	21-411084	125,779	-
		Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			8,778,790	-
	N/A	Equitable Sharing Program	21.016	N/A	14,125	-
		Total U.S. Department of Treasury			8,792,915	-
U.S. Department of Health and Human Services	AgeGuide Northeastern Illinois	Aging Cluster				
		Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	N/A	20,000	-
		Total U.S. Department of Health and Human Services			20,000	-
U.S. Department of Homeland Security	Illinois Emergency Management Agency	Emergency Management Performance Grants	97.042	N/A	67,076	-
	Federal Emergency Management Agency	Assistance to Firefighters Grant	97.044	EMW-2022-FG-01425	218,308	-
		Total U.S. Department of Homeland Security			285,384	-

CITY OF AURORA, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For the Year Ended December 31, 2024

Federal Grantor	Pass-Through Grantor	Program Title	Federal ALN	Program/Grant Number	Expenditures	Amount Provided to Subrecipients
USDA Forest Service	The Morton Arboretum	Urban Community Forestry Support Chicago Region	10.723	N/A	\$ 24,658	\$ -
		Total USDA Forest Service			24,658	-
TOTAL EXPENDITURES OF FEDERAL AWARDS					<u>\$ 14,094,826</u>	<u>\$ 1,100,157</u>

*denotes federal major program

CITY OF AURORA, ILLINOIS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2024

Note A - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards has been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). It is a summary of the activity of the City's federal award programs prepared on the accrual basis of accounting. Accordingly, expenditures are recognized when the liability has been incurred and revenues are recognized when the qualifying expenditure has been incurred.

Note B - Other Information

The City received \$277,645 of non-cash assistance from the Airport Improvement Program ALN #20.106.

Note C - Illinois Environmental Protection Agency Loans

The City had Illinois Environmental Protection Agency Loans outstanding in the amount of \$5,975,986 at December 31, 2024. The loans were initially partially funded with federal monies. The loans have no continuing compliance requirements aside from loan repayment.

Note D - 10% De Minimis Indirect Cost Rate

The City has elected to use the 10% de minimis indirect cost rate as permitted by 2 CFR Section 200.414.

CITY OF AURORA, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major federal programs:

<u>ALN(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
16.710	Public Safety Partnership and Community Policing Grants
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no

CITY OF AURORA, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended December 31, 2024

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

**2024-001 Reporting - Coronavirus State and Local Fiscal Recovery Funds Assistance
Listing Number 21.027 Grant Period - Year Ended December 31, 2024**

Criteria: In accordance with the grant agreement the City was required to submit quarterly project and expenditure reports to the Illinois Department of Treasury as outlined on the schedule provided within the agreement.

Condition/Context: The City failed to submit all quarterly reports, in a timely manner. We consider this to be an instance of non-compliance relating to the Reporting Compliance Requirement. This is a repeat finding of prior year Finding 2023-001.

Questioned Costs: \$0

Effect: The result is that the City did not submit the required information to the Illinois Department of Treasury in a timely fashion.

Cause: The condition was an administrative oversight.

Recommendation: We recommend the City increase controls over reporting.

Views of Responsible Officials: Management agrees with the Single Audit finding and a response is included in the Corrective Action Plan.

CITY OF AURORA, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended December 31, 2024

Section III - Federal Award Findings and Questioned Costs (Continued)

**2024-002 Reporting - Public Safety Partnership and Community Policing Grants
Assistance Listing Number 16.710 Grant Period - Year Ended December 31, 2024**

Criteria: In accordance with the grant agreement the City was required to submit quarterly federal financial reports to the Illinois Department of Justice as outlined on the schedule provided within the agreement.

Condition/Context: The City failed to submit two quarterly reports, in a timely manner. We consider this to be an instance of non-compliance relating to the Reporting Compliance Requirement.

Questioned Costs: \$0

Effect: The result is that the City did not submit the required information to the Illinois Department of Justice in a timely fashion.

Cause: The condition was an administrative oversight.

Recommendation: We recommend the City increase controls over reporting.

Views of Responsible Officials: Management agrees with the Single Audit finding and a response is included in the Corrective Action Plan.

CITY OF AURORA, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended December 31, 2024

Section IV - Summary Schedule of Prior Audit Findings

**2023-001 Reporting - Coronavirus State and Local Fiscal Recovery Funds Assistance
Listing Number 21.027 Grant Period - Year Ended December 31, 2023**

Criteria: In accordance with the grant agreement the City was required to submit quarterly project and expenditure reports to the Illinois Department of Treasury as outlined on the schedule provided within the agreement.

Condition/Context: The City failed to submit all quarterly reports, in a timely manner. We consider this to be an instance of non-compliance relating to the Reporting Compliance Requirement.

Questioned Costs: \$0

Effect: The result is that the City did not submit the required information to the Illinois Department of Treasury in a timely fashion.

Cause: The condition was an administrative oversight.

Recommendation: We recommend the City increase controls over reporting.

Views of Responsible Officials: Management agrees with the Single Audit finding and a response is included in the Corrective Action Plan.

Status: This finding was repeated and reported as current year Finding 2024-001.



Finance Department | Accounting Division

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2024-001

CORECTIVE ACTION PLAN

The City attempted to file the required quarterly reports during the years ended December 31, 2023 and 2024. However, the U.S. Treasury changed the reporting software during the first quarter of 2023. Due to a technical issue with the file validation process, the City was unable to submit the reports. The information was tracked and compiled but the software prevented the City from completing the reporting process. The City contacted the technical support team numerous times for assistance in resolving this issue, however the issue was not resolved until the first quarter of 2025 when the U.S. Treasury staff were able to delete the transaction that was causing the validation error. That transaction was re-entered into the portal and the City was finally able to validate and file a report. Given the successful filing of the report in 2025, the City does not believe this will be an issue going forward.

RESPONSIBLE PERSON

Linda Read, Comptroller/Deputy Treasurer

IMPLEMENTATION DATE OF CORRECTIVE ACTION PLAN

The technical issue has finally been resolved by the U.S. Treasury and the report for the first quarter 2025 was successfully filed on June 24, 2025. All balances have been properly obligated as of the December 31, 2024 program deadline.

2024-002

CORECTIVE ACTION PLAN

The grant award was formally accepted via city council resolution on December 5, 2023, and the mayor signed the grant award in January 2024. Once the award was formally accepted, additional time lapsed while the program was activated, and roles were assigned in the reporting and payment portals. Administration of the police grants is typically handled by the Aurora Police Department and finance staff who are familiar with the policies and procedures associated with administering these grants, however, due to the technical nature of the grant, the information technology staff was administrating the grant and missed the reporting deadlines resulting in two late reports. The City finance staff will continue to diligently monitor the grant reporting requirements to ensure compliance for future grant programs.

RESPONSIBLE PERSON

Linda Read, Comptroller/Deputy Treasurer

IMPLEMENTATION DATE OF CORRECTIVE ACTION PLAN

All reports for this grant program have been submitted in a timely manner since July 31, 2024.