



**VILLAGE OF HAWTHORN WOODS, ILLINOIS**

**MANAGEMENT LETTER**

**For the Years Ended December 31, 2024**

The background of the lower half of the page is a grayscale image of a modern building's interior, featuring a prominent grid pattern of lines and planes, creating a sense of depth and architectural complexity.

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The Honorable Mayor  
Members of the Board of Trustees  
Village of Hawthorn Woods, Illinois

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hawthorn Woods, Illinois (the Village), as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Village'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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. However, as discussed on the following page, we identified a deficiency in internal control that we consider to be a material weakness.

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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented or detected and corrected on a timely basis.

This communication is intended solely for the information and use of the Mayor, the Board of Trustees and Management of the Village and is not intended to be and should not be used by anyone other than these specified parties.

*SiKich CPA LLC*

Naperville, Illinois  
May 20, 2025

## **MATERIAL WEAKNESS**

### **Deposit Payable Reconciliation**

During the audit, it came to the finance department's attention that the work related to a deposit payable recorded as a liability on the Village's financials was completed in previous years. We recommend that a process is established to track when the work for deposit payables is completed to ensure the revenue related to the deposits is recognized when the work is completed. Additionally, we recommend that the Village reviews their list of current deposit payables to determine if any work has been completed to ensure the revenue is being properly recognized.