



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834 Facsimile (515) 281-6518

NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

May 15, 2024

Auditor of State Rob Sand today released a report on the Office of Governor for the year ended June 30, 2022.

AUDIT FINDINGS:

Sand reported one finding pertaining to the Office of Governor. The finding can be found on page 3 of this report. The finding addresses timely submission of Targeted Small Business (TSB) reports. Sand provided the Office of Governor with a recommendation to address the finding.

Management of the Office of Governor have a fiduciary responsibility to provide oversight of the Office's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" management exercises in its fiduciary capacity.

A copy of the report is available for review on the Auditor of State's website at [Audit Reports – Auditor of State](#).

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**REPORT OF RECOMMENDATIONS TO THE
OFFICE OF GOVERNOR**

JUNE 30, 2022

Office of Governor



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May 10, 2024

Office of Governor
Des Moines, Iowa

To the Honorable Kim Reynolds, Governor:

I am pleased to submit to you the Report of Recommendations for the Office of Governor for the year ended June 30, 2022. The report includes a finding pertaining to the Office's compliance with Targeted Small Business reporting which resulted from the fiscal year 2022 audit.

I appreciate the cooperation and courtesy extended by the officials and employees of the Office of Governor throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand".

Rob Sand
Auditor of State

Office of Governor



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May 10, 2024

To the Honorable Kim Reynolds, Governor:

The Office of Governor is a part of the State of Iowa and, as such, has been included in our audits of the State's Annual Comprehensive Financial Report (ACFR) and the State's Single Audit Report for the year ended June 30, 2022.

In conducting our audits, we became aware of an aspect concerning the Office's operations for which we believe corrective action is necessary. As a result, we have developed a recommendation which is reported on the following page. We believe you should be aware of this recommendation, which pertains to the Office's statutory requirements and other matters. This recommendation has been discussed with Office personnel and their response to this recommendation is included in this report. While we have expressed our conclusion on the Office's response, we did not audit the Office's response and, accordingly, we express no opinion on it.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Office of Governor, citizens of the State of Iowa and other parties to whom the Office may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Office during the course of our audits. Should you have questions concerning the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the Office of Governor are listed on page 4 and they are available to discuss these matters with you.

A handwritten signature in black ink, appearing to read "Brian R. Brustkern".

Brian R. Brustkern, CPA
Deputy Auditor of State

cc: Kraig Paulsen, Director, Department of Management
Timothy McDermott, Director, Legislative Services Agency

June 30, 2022

Finding Reported in the State’s Report on Internal Control:

No matters were reported.

Findings Reported in the State’s Single Audit Report:

No matters were reported.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

Targeted Small Business (TSB) Report – Chapter 73.16 of the Code of Iowa requires the Director of each state agency or department of state government (state agency) having purchasing authority, in cooperation with the Targeted Small Business (TSB) Marketing and Compliance Manager of the Iowa Economic Development Authority (IEDA), to establish a procurement goal for certified targeted small businesses each year. The procurement goal shall include the procurement of goods and services, including construction but excluding utility services. The goal shall be stated in terms of a dollar amount and at a level exceeding the procurement levels from a certified targeted small business during the previous fiscal year.

Offices with an established TSB procurement goal are required to report the dollar amount of purchases from certified targeted small businesses to the TSB Marketing and Compliance Manager of the IEDA within 15 business days following the end of each calendar quarter. The submission date of the 4th quarter TSB report for the Governor’s Office for the fiscal year 2022 was not reported timely, submitted within 15 days following the end of the quarter.

Recommendation – The Governor’s Office should ensure the TSB report is submitted timely (within 15 business days of the end of the quarter).

Response – The Department of Administrative Services is now reporting quarterly Targeted Small Business results on behalf of the Governor’s Office with acknowledgement of the report done by the Governor’s Office staff to ensure the reports are accurate and filed timely.

Conclusion – Response accepted.

Report of Recommendations for the Office of Governor

June 30, 2022

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Deputy
Ryan J. Pithan, CPA, Manager
Tristan J. Swiggum, Senior Auditor