



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

Rob Sand  
Auditor of State

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Des Moines, Iowa 50319-0006

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**NEWS RELEASE**

FOR RELEASE

August 27, 2019

Contact: Marlys Gaston  
515/281-5834

The Office of Auditor of State today released a report on the Iowa Braille and Sight Saving School, Vinton, Iowa for the year ended June 30, 2018.

The School is governed by the Board of Regents, State of Iowa and provides day school educational programs for visually impaired youth, as well as a variety of resource services for mainstreamed students. During the year ended June 30, 2018, the School provided outreach services to 661 students and the average cost per student was \$12,963, compared to 669 students and an average cost per student of \$11,942 for the prior year.

A copy of the report is available for review on the Auditor of State's web site at <https://auditor.iowa.gov/reports/audit-reports/>.

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**REPORT OF RECOMMENDATIONS TO THE  
IOWA BRAILLE AND SIGHT SAVING SCHOOL**

**JUNE 30, 2018**

**Iowa Braille and Sight Saving School**



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Rob Sand  
Auditor of State

August 23, 2019

Board of Regents, State of Iowa  
Urbandale, Iowa

Dear Members of the Board of Regents:

I am pleased to submit to you the Report of Recommendations for Iowa Braille and Sight Saving School for the year ended June 30, 2018. This report includes an audit finding pertaining to the School's internal control which resulted from the fiscal year 2018 audit. This report also includes cost per student information required by Section 11.28 of the Code of Iowa.

I appreciate the cooperation and courtesy extended by the officials and employees of Iowa Braille and Sight Saving School 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 that reads "Rob Sand". The signature is stylized and cursive.

Rob Sand  
Auditor of State

**Iowa Braille and Sight Saving School**



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August 23, 2019

To the Members of the Board of Regents, State of Iowa:

The Iowa Braille and Sight Saving School is a part of the State of Iowa and, as such, has been included in our audits of the State's Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2018.

In addition to these reports, we also prepare a separate report of recommendations pertaining to the School's internal control, compliance with statutory requirements and other matters when our audits disclose findings we believe should be brought to your attention.

In conducting our audits, we became aware of an aspect concerning the School's operations for which we believe corrective action is necessary. As a result, we have developed a recommendation pertaining to the School's internal control which is reported on the following page. This recommendation has been discussed with School personnel and their response to the recommendation is included in this report. While we have expressed our conclusion on the School's response, we did not audit the Iowa Braille and Sight Saving School's response and, accordingly, we express no opinion on it.

We have also included certain unaudited financial and other information on page 6 to report an average cost per student for the School for the five years ended June 30, 2018, as required by Section 11.28 of the Code of Iowa.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Braille and Sight Saving School, citizens of the State of Iowa and other parties to whom the Iowa Braille and Sight Saving School 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 Iowa Braille and Sight Saving School during the course of our audits. Should you have any 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 Iowa Braille and Sight Saving School are listed on page 5 and they are available to discuss these matters with you.

Marlys K. Gaston, CPA  
Deputy Auditor of State

cc: Honorable Kim Reynolds, Governor  
David Roederer, Director, Department of Management  
Glen P. Dickinson, Director, Legislative Services Agency

Report of Recommendations to the  
Iowa Braille and Sight Saving School

June 30, 2018

**Findings Reported in the State's Single Audit Report:**

No matters were noted.

**Findings Reported in the State's Report on Internal Control:**

No matters were noted.

**Other Finding Related to Internal Control:**

Financial Reporting

Criteria – A deficiency in internal control over financial reporting 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 of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the Iowa Braille and Sight Saving School's (School) financial statements.

Condition – During the audit, we identified material amounts of construction in progress and investments that had been misstated. The conditions identified are as follows:

- Investments were overstated by \$99,333 on the GAAP Package. The carrying value was reported rather than the fair market value.
- Construction in Progress (CIP) was overstated by \$84,865 due to a prior year error which was not corrected offset by an understatement of CIP additions and an understatement of CIP placed in production. Buildings and building improvements were understated by \$80,537 due to a completed project that was not moved from CIP. The net overstatement of capital assets is \$4,328.

Cause – School policies do not require and procedures have not been established to require independent review of investments and year-end cut-off transactions to ensure the School's financial statements are accurate and reliable.

Effect – Lack of policies and procedures resulted in School employees not detecting the errors in the normal course of performing their assigned functions.

Recommendation – The School should establish procedures to ensure all construction in progress and investments are identified and properly reported in the School's financial statements.

Response – The School will establish procedures to ensure all construction projects and investments are identified and independently reviewed to ensure that they are properly reported on the School's annual GAAP Package.

Conclusion – Response accepted.

**Findings Related to Statutory Requirements and Other Matters:**

No matters were noted.

Report of Recommendations to the  
Iowa Braille and Sight Saving School

June 30, 2018

**Staff:**

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Manager  
Premnarayan Gobin, Senior Auditor  
Marlys K. Gaston, CPA, CGFM, Deputy Auditor of State

Other individuals who participated in the audits include:

Brett S. Gillen, CPA, Staff Auditor  
Kile J. Bean, Assistant Auditor  
Nathan A. DeWit, Assistant Auditor  
Matthew K. Nnanna, Assistant Auditor



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Iowa Braille and Sight Saving School

Average Cost per Student

(Unaudited)

Year ended June 30, 2018  
with comparative figures for the four preceding years

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Year	Average Number of Employees	Outreach Services Enrollment	Total Expenditures Related to Outreach Services	Average Cost Per Outreach Student *
2018	79	661	\$ 8,568,292	12,963
2017	75	669	7,989,391	11,942
2016	80	609	7,852,254	12,894
2015	79	532	7,836,264	14,730
2014	81	562	7,926,249	14,104

\* For fiscal years 2018 through 2014, expenditures related to outreach services exclude expenditures related to construction in progress and costs associated with the space leased by Americorps, which total \$599,890, \$729,249, \$580,212, \$1,726,758, and \$3,059,235, respectively.