



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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Auditor of State

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NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

July 28, 2025

Auditor of State Rob Sand today released an audit report on the Wireless 911 Emergency Communications Fund (Wireless Fund) of the Iowa Department of Homeland Security and Emergency Management for the year ended June 30, 2024.

FINANCIAL HIGHLIGHTS:

The Wireless Fund was established to account for a monthly surcharge of up to \$1 to be imposed on each wireless communications service number provided in Iowa. The surcharge was imposed to fund the implementation of network and public safety answering point improvements and wireless carriers' transport costs related to wireless 911 services.

The Wireless Fund had revenues totaling \$34,442,914 for the year ended June 30, 2024, an increase of 2.2% over the prior year. Revenues included \$34,206,159 from fees, licenses and permits and \$236,755 from interest on investments.

The Wireless Fund's expenses for the year ended June 30, 2024 totaled \$35,460,573, a decrease of 3.6% from the prior year. Expenses included \$35,251,404 for contractual services, including payments to the Joint 911 Service Boards and for wireless carriers' transport costs related to wireless 911 services. The decrease is primarily due to a decrease in grants to local service boards to assist in upgrading the statewide next generation 911 system.

AUDIT FINDINGS:

Sand reported one finding pertaining to the Iowa Department of Homeland Security and Emergency Management. The finding can be found on page 22 of this report. The finding addresses financial reporting. Sand provided the Department with a recommendation to address this finding.

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

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**WIRELESS 911 EMERGENCY COMMUNICATIONS FUND
IOWA DEPARTMENT OF HOMELAND SECURITY
AND EMERGENCY MANAGEMENT**

**INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS**

JUNE 30, 2024

**Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security
and Emergency Management**



OFFICE OF AUDITOR OF STATE
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Rob Sand
Auditor of State

June 19, 2025

Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security
and Emergency Management
Des Moines, Iowa

To the Officials of the Wireless 911 Emergency Communications Fund:

I am pleased to submit to you the financial and compliance audit report for the Wireless 911 Emergency Communications Fund for the year ended June 30, 2024. The audit was performed pursuant to Chapter 34A.7A.2(a) of the Code of Iowa and in accordance with U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of the Wireless 911 Emergency Communications Fund 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

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**Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management**

Officials

Name

Title

State

Honorable Kim K. Reynolds
Honorable Roby Smith
Kraig Paulsen
Tim McDermott

Governor
Treasurer of State
Director, Department of Management
Director, Legislative Services Agency

Agency

John Benson

Director, Iowa Department of Homeland
Security and Emergency Management/Operations
Division Administrator

Julie Nishijima
Blake DeRouchey

Non-Disaster Grants and Admin Bureau Chief
911 Program Manager

**Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security
and Emergency Management**



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To John Benson, Director of the
Iowa Department of Homeland Security and Emergency Management:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Wireless 911 Emergency Communications Fund of the Iowa Department of Homeland Security and Emergency Management (Wireless Fund), as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise the Wireless Fund's basic financial statements listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Wireless Fund as of June 30, 2024, and the respective changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Wireless Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Wireless Fund are intended to present the financial position and results of operations of only that portion of the financial reporting entity of the State of Iowa that is attributable to the transactions of the Wireless Fund. They do not purport to, and do not, present fairly the financial position of the State of Iowa as of June 30, 2024, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Wireless Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Wireless Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Wireless Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted Management's Discussion and Analysis which accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such omitted information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this omitted information.

Accounting principles generally accepted in the United States of America require the budgetary comparison information on page 19 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 19, 2025 on our consideration of the Wireless Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Wireless Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Wireless Fund's internal control over financial reporting and compliance.



Brian R. Brustkern, CPA
Deputy Auditor of State

June 19, 2025

**Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security
and Emergency Management**

Basic Financial Statements

Exhibit AWireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management

Governmental Fund Balance Sheet and Statement of Net Position

June 30, 2024

	General Fund	Adjustments (Note 4)	Statement of Net Position
Assets			
Cash	\$ 3,508,468	-	3,508,468
Prepaid expense	888,000	-	888,000
Accounts receivable	8,560,268	-	8,560,268
Capital assets net of accumulated depreciation/amortization	-	97,615	97,615
Total assets	12,956,736	97,615	13,054,351
Liabilities			
Accounts payable	7,758,367		7,758,367
Fund Balance/Net Position			
Fund balance - restricted for Wireless 911 purposes	5,198,369	(5,198,369)	-
Total liabilities and fund balance	\$ 12,956,736		
Net Position			
Net investment in capital assets Restricted for wireless 911 purposes		97,615	97,615
		5,198,369	5,198,369
Total net position		\$ 5,295,984	5,295,984

See notes to financial statements.

Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management

Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance and Statement of Activities

Year ended June 30, 2024

	General Fund	Adjustments (Note 5)	Statement of Activities
Revenues:			
Fees, licenses and permits	\$ 34,206,159	-	34,206,159
Interest on investments	236,755	-	236,755
Total revenues	<u>34,442,914</u>	-	<u>34,442,914</u>
Expenditures/expenses:			
Personal services	202,610	-	202,610
Travel and subsistence	3,526	-	3,526
Supplies and materials	1,067	-	1,067
Contractual services	35,140,359	111,045	35,251,404
Equipment and repair	1,966	-	1,966
Total expenditures/expenses	<u>35,349,528</u>	<u>111,045</u>	<u>35,460,573</u>
Deficiency of revenues under expenditures/expenses	<u>(906,614)</u>	<u>906,614</u>	<u>-</u>
Change in net position	-	(1,017,659)	(1,017,659)
Fund balance/net position beginning of year	<u>6,104,983</u>	<u>208,660</u>	<u>6,313,643</u>
Fund balance/net position end of year	<u>\$ 5,198,369</u>	<u>97,615</u>	<u>5,295,984</u>

See notes to financial statements.

Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management

Notes to Financial Statements

June 30, 2024

(1) Summary of Significant Accounting Policies

The Wireless 911 Emergency Communications Fund of the Iowa Department of Homeland Security and Emergency Management (Wireless Fund) was established to account for a monthly surcharge of up to one dollar to be imposed on each wireless communications service number provided in Iowa. The surcharge was imposed to fund the implementation of network and public safety answering point improvements at the Joint 911 Service Boards and wireless carriers' transport costs related to wireless 911 services.

The financial statements of the Wireless Fund have been prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. The more significant of the Wireless Fund's accounting policies are described below.

A. Reporting Entity

For financial reporting purposes, the Wireless Fund has included all funds. The Wireless Fund has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Wireless Fund are such that exclusion would cause the Wireless Fund's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Wireless Fund to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Wireless Fund. The Wireless Fund has no component units which meet the Governmental Accounting Standards Board criteria.

B. Entity-wide and Fund Financial Statements

The financial statements on pages 10 and 11 combine both an entity-wide perspective and a governmental fund perspective.

The General Fund comprises the Wireless Fund's governmental fund type. This fund is the general operating fund of the Wireless Fund and the difference between assets and liabilities of the fund is referred to as fund balance.

The entity-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Wireless Fund. Governmental activities are those which normally are supported by taxes and intergovernmental revenues.

Fund Balance – The restricted fund balance of \$5,198,369 at June 30, 2024 consists of wireless fees collected and maintained for use in operating, maintaining and improving network and public safety answering points at the Joint 911 Service Boards and other related costs in accordance with Chapter 34A.7A of the Code of Iowa.

Net Position – Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted through enabling legislation totaled \$5,198,369 at June 30, 2024 and consists of wireless fees collected and maintained for use in operating, maintaining and improving network and public safety answering points at the Joint 911 Service Boards and other related costs in accordance with Chapter 34A.7A of the Code of Iowa.

C. Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The entity-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Wireless Fund considers revenues to be available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Capital Assets

Capital assets are reported in the financial statements at historical cost. Donated capital assets acquired before July 1, 2015, are reported at their estimated fair market value at the date of acquisition. Donated capital assets acquired after June 30, 2015, are reported at their acquisition value at the date of acquisition. Capital assets utilized in governmental funds are reported as expenditures when purchased in the governmental fund financial statements. Intangible assets, as defined by the Wireless Fund's policy, acquired after June 30, 1980, are reported. Reportable capital assets are defined by the Wireless Fund as assets above the following thresholds:

<u>Asset Class</u>	<u>Amount</u>
Intangible assets	\$ 500,000
Equipment	5,000

Capital assets are depreciated/amortized over their useful lives using the straight-line method. The government-wide financial statements report depreciation/amortization expense. The following useful lives are used:

Asset Class	Estimated Useful Lives (In Years)
Intangible assets	5-20
Equipment	2-20

(2) Deposits

The Wireless Fund’s deposits with the Treasurer of State throughout the year and at June 30, 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

(3) Capital Assets

Capital assets activity for the year ended June 30, 2024 is as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental Activities				
Capital assets being depreciated/amortized:				
Intangible assets	\$ 1,297,875	-	-	1,297,875
Equipment	1,022,287	66,839	63,396	1,025,730
Total capital assets being depreciated/amortized	2,320,162	66,839	63,396	2,323,605
Intangible assets	1,272,271	25,604	-	1,297,875
Equipment	839,231	132,302	43,418	928,115
Total accumulated depreciation/amortization	2,111,502	157,906	43,418	2,225,990
Total capital assets being depreciated/amortized, net	\$ 208,660	(91,067)	19,978	97,615

(4) Explanation of Difference between the Governmental Fund Balance Sheet and the Statement of Net Position

The difference results from the long-term economic resources focus of the Statement of Net Position versus the current financial resources focus of the Governmental Fund Balance Sheet.

Capital assets applicable to the Wireless Fund’s governmental activities are not current financial resources and therefore, are not reported in the governmental fund. However, they are reported in the Statement of Net Position. The cost of capital assets is \$2,323,605 and the accumulated depreciation/amortization is \$2,225,990.

(5) Explanation of Difference between the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities

The difference results from the long-term economic resources focus of the Statement of Activities versus the current financial resources focus of the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance.

Governmental funds report capital outlays as expenditures while the governmental activities report depreciation/amortization expense to allocate those expenditures over the life of the assets. Depreciation/amortization expense exceeded capital outlay expenditures in the current year by \$111,045.

(6) Risk Management

State employee benefits for health, dental, long-term disability and life insurance coverage are insured through commercial insurers. There were no significant reductions in insurance coverage from the prior year and settlements have not exceeded coverage for the past three fiscal years.

The State of Iowa self-insures on behalf of its agencies for losses related to workers' compensation, its motor vehicle fleet, property damage and torts. A contingent fund exists under Section 29C.20 of the Code of Iowa to provide compensation for loss or damage to state property (casualty losses).

(7) Commitments

The Wireless Fund entered into a contract totaling \$23,388,073 for development and implementation of a Statewide IP Enabled Next Generation 911 System. As of June 30, 2024, costs of \$12,865,897 on the project have been incurred. The \$10,552,176 remaining on the contract at June 30, 2024 will be paid in quarterly installments as work on the project progresses. This contract is primarily related to services and maintenance for the system and equipment purchased that exceeded the capitalization threshold has been capitalized.

The Wireless Fund also entered into a contract totaling \$30,162,727 for implementing the local public safety answering point Next Generation 911 shared services. As of June 30, 2024, costs of \$20,203,166 on the project have been incurred. The \$9,959,561 remaining on the contract at June 30, 2024 will be paid as work on the project progresses. This contract is primarily related to services and maintenance for the system and equipment purchased that exceeded the capitalization threshold has been capitalized.

The Wireless Fund also entered into a contract totaling \$3,330,001 for Next Generation 911 Geographic Information System (GIS) expanded services including consulting services and data hosting. As of June 30, 2024, costs of \$2,016,286 on the project have been incurred. The \$1,313,715 remaining on the contract at June 30, 2024 will be paid as work on the project progresses.

The Wireless Fund total commitment footnote is \$21,825,452.

**Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security
and Emergency Management**

Required Supplementary Information

**Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security
and Emergency Management**

Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management

Required Supplementary Information

Budgetary Comparison Schedule

Year ended June 30, 2024

	Actual	Original/ Final Budget	Final to Actual Variance
Revenues:			
Fees, licenses and permits	\$ 34,206,159	41,225,161	(7,019,002)
Interest on investments	236,755	306,900	(70,145)
Total revenues	<u>34,442,914</u>	<u>41,532,061</u>	<u>(7,089,147)</u>
Expenditures:			
Personal services	202,610	225,894	23,284
Travel and subsistence	3,526	18,000	14,474
Supplies and materials	1,067	3,100	2,033
Contractual services	35,140,359	41,282,067	6,141,708
Equipment and repair	1,966	3,000	1,034
Total expenditures	<u>35,349,528</u>	<u>41,532,061</u>	<u>6,182,533</u>
Deficiency of revenues under expenditures	(906,614)		
Balance beginning of year	<u>6,104,983</u>		
Balance end of year	<u>\$ 5,198,369</u>		

Note to Budgetary Reporting:

The budget for the General Fund is adopted on a basis consistent with U.S. generally accepted accounting principles. There were no material violations of finance-related legal and contractual provisions.

See accompanying independent auditor's report.



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STATE OF IOWA

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Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To John Benson, Director of the
Iowa Department of Homeland Security and Emergency Management:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the Wireless 911 Emergency Communications Fund of the Iowa Department of Homeland Security and Emergency Management (Wireless Fund), as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise the Wireless Fund's basic financial statements, and have issued our report thereon dated June 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wireless Fund'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 Wireless Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wireless Fund's internal control.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Wireless Fund's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wireless Fund’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under Government Auditing Standards.

Wireless Fund's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Wireless Fund's response to the finding. The Wireless Fund's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Wireless Fund’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Wireless Fund’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Wireless Fund during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Brian R. Brustkern, CPA
Deputy Auditor of State

June 19, 2025

Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management

Schedule of Findings

For the Year ended June 30, 2024

Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCY:

2024-001 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 State’s financial statements.

Departments record receipts and disbursements in the Iowa Advantage system throughout the year, including the accrual period. Activity not recorded in the Iowa Advantage system is reported to the Iowa Department of Administrative Services – State Accounting Enterprise (DAS-SAE) in the GAAP package. Departments submit their GAAP packages to DAS-SAE by the first week of September each year.

Condition – The Department understated Construction and Other Commitments by \$330,432 in the Wireless E911 Fund.

Cause – Although policies and procedures are in place to review GAAP package information, the review did not identify the misstatement.

Effect – The amounts reported as Construction and Other Commitments by the Department were misstated.

Recommendation – The Department should establish policies and procedures to ensure all Construction and Other Commitments are identified and properly reported in the GAAP package.

Response – The Department of Homeland Security and Emergency Management has updated its policies and procedures to ensure all Construction and Other Commitments are identified and properly reported in the GAAP Package.

Conclusion – Response accepted.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

Other Findings Related to Required Statutory Reporting:

No matters were noted.

Wireless 911 Emergency Communications Fund
Iowa Department of Homeland Security and Emergency Management

Staff

This audit was performed by:

Brian R. Brustkern, CPA, Deputy
Cole L. Hocker, CPA, Director
Jon G. Hanson, Staff Auditor
Benjamin L. Albrecht, Staff Auditor
Benjamin I. Manchester, Staff Auditor