



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

NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

August 28, 2025

Auditor of State Rob Sand today released a report on Iowa State University of Science and Technology, Ames, Iowa for the year ended June 30, 2024. Iowa State University of Science and Technology previously released its annual financial report for the year ended June 30, 2024.

Iowa State University of Science and Technology is governed by the Iowa Board of Regents. For the year ended June 30, 2024, the full-time equivalent student enrollment was 29,626 with an average cost per student of \$17,127, compared to 29,134 students and an average cost per student of \$16,950 for the year ended June 30, 2023.

AUDIT FINDINGS

Sand reported one finding related to financial reporting. The finding is found on pages 3 and 4 of this report. Sand recommended the University implement procedures to ensure all bond segment financial statements are properly reported in the University financial statement footnotes and properly reported in the University's GAAP reporting package compiled for the State's ACFR.

The finding discussed above is repeated from the prior year. Management of the Iowa State University has a fiduciary responsibility to provide oversight to the University'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
IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY**

JUNE 30, 2024

Iowa State University of Science and Technology



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

August 22, 2025

Iowa Board of Regents
Urbandale, Iowa

Dear Members of the Iowa Board of Regents:

I am pleased to submit to you the Report of Recommendations for Iowa State University of Science and Technology for the year ended June 30, 2024. This report includes audit findings, if any, pertaining to the University's internal control and compliance which resulted from the fiscal year 2024 audit. This report also includes cost per student information required by Chapter 11.28 of the Code of Iowa.

I appreciate the cooperation and courtesy extended by the officials and employees of Iowa State University of Science and Technology 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

Iowa State University of Science and Technology



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Telephone (515) 281-5834

August 22, 2025

To the Members of the Iowa Board of Regents:

Iowa State University of Science and Technology (Iowa State University or University) is a part of the State of Iowa and, as such, has been included in our audit of the State's Annual Comprehensive Financial Report for the year ended June 30, 2024. We have also audited the financial statements of the University as of and for the year ended June 30, 2024 and have issued our report thereon dated December 20, 2024. We have also audited the University's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Compliance Supplement that have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2024 and have issued our report thereon dated March 24, 2025.

In conducting our audits, we became aware of a certain aspect concerning Iowa State University's operations for which we believe corrective action is necessary. As a result, we have developed a recommendation which is reported on the following pages. We believe you should be aware of this recommendation, which relates to the University's internal control. This recommendation has been discussed with University personnel and their response to the recommendation is included in this report. While we have expressed our conclusion on the University's response, we did not audit Iowa State University's response and, accordingly, we express no opinion on it.

We have included certain unaudited financial and other information on page 6 to report an average cost per student for Iowa State University for the five years ended June 30, 2024, 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 Iowa State University, citizens of the State of Iowa and other parties to whom Iowa State University 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 University during the course of our audits. Should you have questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the University are listed on page 5 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: Honorable Kim Reynolds, Governor
Kraig Paulsen, Director, Department of Management
Tim McDermott, Director, Legislative Services Agency

Report of Recommendations to Iowa State University

June 30, 2024

Findings Reported in the University's Single Audit Report:

No matters were reported.

Findings Reported in the University's Report on Internal Control:

(A) 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 University's financial statements.

Iowa State University's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and are due to the State of Iowa by October 1 of each year. Because Iowa State University is operated by the State of Iowa and is not legally separate, the University's financial information is included in the State of Iowa's Annual Comprehensive Financial Report (ACFR). The Iowa Department of Administrative Services and the Iowa Department of Management are responsible for the issuance of the ACFR. The DAS-SAE GAAP Team compiles activity reported in each Department's and University's GAAP package in preparation of the State of Iowa's financial statements.

Condition – Material amounts of certain bond segment financial statements information were not properly reflected in the University's financial statements. Adjustments were subsequently made by the University to properly report these amounts in the University's audited financial statements and GAAP reporting package.

Cause – Policies have not been established and procedures have not been implemented to require a detailed independent review of the bond segment financial statements to ensure the University's financial statements and GAAP reporting package to the GAAP Team are accurate and reliable.

Effect – A lack of policies and procedures and detailed independent reviews resulted in the University employees not detecting errors in the normal course of performing their assigned functions.

Recommendation – Procedures should be implemented to ensure the University is able to prepare accurate financial statements and GAAP package information. The University should establish policies and procedures to ensure all bond segment financial statements are properly reported in the University financial statements.

Report of Recommendations to Iowa State University

June 30, 2024

Response – Iowa State is continuing a project to streamline and standardize the bond segment reporting process since our system conversion. This project is nearing completion and will be finished prior to the end of fiscal year 2025, enabling a more efficient accounting process.

Conclusion – Response accepted.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to Iowa State University

June 30, 2024

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Deputy
Pamela J. Bormann, CPA, Deputy
Janet K. Mortvedt, CPA, Manager
Brandon J. Vogel, Senior Auditor II

Other individuals who participated in the audits include:

Ashley J. Moser, Senior Auditor
Therese A. Berning, Staff Auditor
Zoey M. Brockway, Staff Auditor
Miranda L. Hoch, Staff Auditor
Kari L. Middleton, Staff Auditor
David R. Roszak, Staff Auditor
Patrick A. Stewart, Staff Auditor
Hadley R. Howell, Assistant Auditor
Gabriel D. Waz, Assistant Auditor
Shawn P. Weuve, Assistant Auditor
Grant A. Heldorfer, Intern Auditor

Report of Recommendations to Iowa State University

Cost per Student
(unaudited)

Year ended June 30, 2024
with comparative figures for prior years

Total General Educational Fund expenditures		\$ 727,455,269
Deduct:		
Expenditures not related to teaching programs:		
General University research	\$ 18,297,251	
Public service	7,927,736	
Scholarships	<u>193,822,987</u>	<u>220,047,974</u>
Net expenditures for teaching programs		<u>\$ 507,407,295</u>
Full-time equivalent enrollment 2023-2024		<u>29,626</u>
Cost per student 2023-2024		<u>\$ 17,127</u>

Comparative enrollment statistics and cost per student for the year ended June 30, 2024 and the four previous years:

<u>Year</u>	<u>Enrollment</u>	<u>Cost per Student</u>
2023-2024	29,626	\$ 17,127
2022-2023	29,134	16,950
2021-2022	29,657	16,548
2020-2021	31,108	14,839
2019-2020	32,347	14,865