



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
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NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

October 8, 2025

Auditor of State Rob Sand today released a report on the Iowa Department of Justice for the year ended June 30, 2024.

The Iowa Department of Justice, with the Attorney General as head and chief legal officer of the state, is established under the Constitution of the State of Iowa and Chapter 13 of the Code of Iowa. The Iowa Department of Justice prosecutes and defends all cases in the Supreme Court in which the state is a party or has an interest. The Department of Justice also represents the state in other actions and proceedings, both civil and criminal, when, in its judgment, the best interests of the state require it to do so, or when requested to appear by the Governor or the Executive Council.

AUDIT FINDINGS:

Sand reported one finding pertaining to the Iowa Department of Justice. The finding can be found on page 3 of this report. The finding addresses financial reporting related to the opioid receivable. Sand provided the Department with a recommendation to address this finding.

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
IOWA DEPARTMENT OF JUSTICE**

JUNE 30, 2024

Iowa Department of Justice



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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

Rob Sand
Auditor of State

October 6, 2025

Iowa Department of Justice
Des Moines, Iowa

To the Honorable Brenna Bird, Attorney General of the State of Iowa:

I am pleased to submit to you the Report of Recommendations for the Iowa Department of Justice for the year ended June 30, 2024. The report includes a finding pertaining to the Department's internal control which resulted from the fiscal year 2024 audit.

I appreciate the cooperation and courtesy extended by the officials and employees of the Iowa Department of Justice 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 Department of Justice



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STATE OF IOWA

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Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

October 6, 2025

To the Honorable Brenna Bird, Attorney General of the State of Iowa:

The Iowa Department of Justice 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, 2024.

In conducting our audits, we became aware of an aspect concerning the Department'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 is a finding reported in the State's Report on Internal Control. This recommendation has been discussed with Department personnel and their response to the recommendation is included in this report. While we have expressed our conclusion on the Department's response, we did not audit the Iowa Department of Justice'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 Iowa Department of Justice, citizens of the State of Iowa and other parties to whom the Iowa Department of Justice 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 Department 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 Department 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

June 30, 2024

Findings Reported in the State’s Single Audit Report:

No matters were noted.

Findings Reported in the State’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 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 a GAAP package. Departments submit their GAAP packages to DAS–SAE by the first week of September each year.

Iowa Department of Justice (Attorney General)

Condition – The Department understated accounts receivable related opioid settlement agreements by \$107,535,531. This amount was properly adjusted for reporting purposes. In addition, \$1,041,431 of anti-trust settlement funds were incorrectly coded as opioid settlement funds.

Cause – Although policies and procedures are in place to review GAAP package information and deposit classifications, these reviews did not identify the misstatements.

Effect – The amount reported for accounts receivable for the opioid settlement agreements were misstated and funds deposited for an anti-trust settlement were miscoded as opioid settlement funds.

Recommendation – The Department should implement effective policies and procedures to ensure information reported on the GAAP package is accurate. The Department should also implement procedures to ensure all deposits are classified correctly.

Response – Staffing changes occurred at a critical time during the end of the fiscal year close-out. The Department of Justice will ensure all accounts receivables are reported on our GAAP package going forward. The Department will also ensure anti-trust settlement funds are properly coded in the future.

Conclusion – Response accepted.

Report of Recommendations to the Iowa Department of Justice

June 30, 2024

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 the Iowa Department of Justice

June 30, 2024

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Deputy
Suzanne R. Dahlstrom, CPA, Manager

Other individuals who participated in the audits include:

Brandon L. Weddell, CPA, Senior Auditor