



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

November 7, 2025

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

The Iowa Department for the Blind is a statewide organization offering specialized, integrated services which blind and severely visually impaired Iowans need to live independently and work competitively.

AUDIT FINDINGS:

Sand reported two findings pertaining to the Department. The findings can be found on pages 3 and 4 of this report. Sand recommended the Department establish policies and procedures to ensure the quarterly Case Service RSA-911 reports are reviewed and approved by an independent person and to ensure the Schedule of Expenditures of Federal Awards is accurate.

One of the findings discussed above was repeated from the prior year. Management of the Iowa Department for the Blind has a fiduciary responsibility to provide oversight of the Department's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body 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
IOWA DEPARTMENT FOR THE BLIND**

JUNE 30, 2024

Iowa Department for the Blind



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STATE OF IOWA

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

Rob Sand
Auditor of State

November 4, 2025

Iowa Department for the Blind
Des Moines, Iowa

To: Stacy Cervenka, Director of Iowa Department for the Blind:

I am pleased to submit to you this Report of Recommendations for the Iowa Department for the Blind for the year ended June 30, 2024. The report includes findings pertaining to the Department's internal control and compliance with statutory requirements and other matters which resulted from the fiscal year 2024 audit.

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



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

November 4, 2025

Iowa Department for the Blind
Des Moines, Iowa

To: Stacy Cervenka, Director of Iowa Department for the Blind:

The Iowa Department for the Blind 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 certain aspects concerning the Department's operations for which we believe corrective action is necessary. As a result, we have developed recommendations which are reported on the following pages. We believe you should be aware of these recommendations which include those reported in the State's Single Audit Report and another recommendation pertaining to the Department's internal control. These recommendations have been discussed with Department personnel and their responses to these recommendations are included in this report. While we have expressed our conclusion on the Department's responses, we did not audit the Department's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Department for the Blind, citizens of the State of Iowa and other parties to whom the Iowa Department for the Blind 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 any 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 Iowa Department for the Blind 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:

U.S. Department of Education

INTERNAL CONTROL DEFICIENCY:

ALN: 84.126 – Rehabilitation Services Vocational Rehabilitation Grants to States
Agency Number: H126A30021, H126A230021-23A, H126A240021, H126A240021-24C

Federal Award Year: 2024
Prior Year Single Audit Report Finding Number: N/A
Iowa Department for the Blind

2024-017

Case Service Report RSA-911

Criteria – The Uniform Guidance, Part 200.303, requires the auditee establish and maintain effective internal control over the federal award which provides reasonable assurance the auditee is managing the federal award in compliance with federal statutes, regulations and the terms of the federal award. The RSA-911 report provides information on the job candidate applicants and eligible individuals records of services. These services include, “In the event an individual obtains competitive employment, verification that the individual is compensated at or above the minimum wage and that the individual’s wage and level of benefits are not less than that customarily paid by the employer for the same or similar work performed by non-disabled individuals”, in accordance with §361.5(c)(9)(i).

The Compliance Supplement requires the report to be submitted electronically for each calendar quarter to the Rehabilitation Services Administration of the U.S. Department of Education within 45 days after the end of each quarter.

Condition – The Department has indicated the RSA-911 reports submitted during fiscal year 2024 were reviewed and approved. However, this review was not documented for four out of four quarterly reports.

Cause – Department procedures have not been established to ensure reports are independently reviewed and approval of the reports is documented.

Effect – The lack of a documented review of these reports increases the risk for undetected reporting errors or misstatements.

Recommendation – The Department should establish policies and procedures to ensure the quarterly reports are reviewed and approved by an independent person who is knowledgeable about the program. This independent review should be documented by the reviewer’s signature or initials and date of review prior to submission.

Response and Corrective Action Planned – The Iowa Department for the Blind will establish policies and procedures to ensure the 911 quarterly reports are reviewed and approved by an independent person who is knowledgeable about the program, effective with the March 31, 2025 report.

Conclusion – Response accepted.

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

No matters were noted.

Report of Recommendations to the Iowa Department for the Blind

June 30, 2024

Other Findings 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 State’s financial statements.

Condition – The Department overstated Rehabilitation Services Vocational Grants to States program expenditures of the Schedule of Expenditures of Federal Awards (SEFA) by \$740,545. This was properly adjusted for reporting purposes.

Cause – Although policies and procedures were in place to review the SEFA, the review did not identify the misstatements.

Effect – The amounts reported as federal expenditures on the SEFA by the Department were initially misstated.

Recommendation – The Iowa Department for the Blind should follow the established policies and procedures to ensure SEFA amounts are recorded correctly and establish a review process which ensures errors are caught and corrected.

Response – The Department will review procedures to ensure future SEFA amounts are recorded correctly and any errors are caught and corrected.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to the Iowa Department for the Blind

June 30, 2024

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Deputy
Selina V. Johnson, CPA, Manager

Other individuals who participated in the audits include:

Allison L. Carlon, Staff Auditor