



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

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NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

November 14, 2025

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

The Iowa Department of Administrative Services is mandated by statute to provide services to other state agencies. To fulfill this responsibility, the Department is structured into the General Services Enterprise (GSE), the Human Resources Enterprise (HRE), the State Accounting Enterprise (SAE) and the Central Procurement and Fleet Services Enterprise (CPFSE).

AUDIT FINDINGS:

Sand reported five findings related to the Department. The findings are on pages 3 through 6 of this report. Sand recommended that appropriate controls be established to ensure depreciation is properly calculated, capital assets are recorded in the correct fiscal year, independent reviewer approves timesheets and employees should not be allowed to circumvent procedures for timesheet approval and leave time.

Two of the findings discussed above are repeated from the prior year. Management of the Iowa Department of Administrative Services 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" 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 THE
IOWA DEPARTMENT OF ADMINISTRATIVE SERVICES**

JUNE 30, 2024

Iowa Department of Administrative Services



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

November 13, 2025

Iowa Department of Administrative Services
Des Moines, Iowa

To Mark Campbell, Director:

I am pleased to submit to you this Report of Recommendations for the Iowa Department of Administrative Services 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 of Administrative Services 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 Administrative Services



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STATE OF IOWA

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

November 13, 2025

To Mark Campbell, Director of the
Iowa Department of Administrative Services:

The Iowa Department of Administrative Services 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 pertain to the Department's internal control and compliance with statutory requirements and other matters. 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 Iowa Department of Administrative Services' 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 of Administrative Services, citizens of the State of Iowa and other parties to whom the Iowa Department of Administrative Services 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 7 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 the
Iowa Department of Administrative Services

June 30, 2024

Findings Reported in the State's Single Audit Report:

No matters were reported.

Finding 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 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.

Condition – The Department overstated depreciation related to buildings and improvements by \$283,187,840. This amount was properly adjusted for reporting purposes.

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

Effect – The amount reported as buildings and improvements depreciation was misstated.

Recommendation – The Department should implement additional procedures to ensure information reported in the Department's GAAP package is accurate.

Response – The Department of Administrative Services has a process in place to review reconciliations. In this instance it was an administrative oversight and the Department will conduct additional training to ensure all steps are followed.

Conclusion – Response accepted.

Other Findings Related to Internal Control:

(B) 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 financial statements.

Condition – Seven trucks totaling \$333,417 were recorded as expenditures in fiscal year ending June 30, 2025; however, the trucks were received by the Department prior to July 1, 2024 and should have been capitalized in the fiscal year ending June 30, 2024.

Report of Recommendations to the
Iowa Department of Administrative Services

June 30, 2024

Cause – Although policies and procedures are in place to review accrual activity, the review did not identify the misstatement.

Effect – Assets and liabilities were understated by \$333,417 due to vehicle transactions being coded to the wrong fiscal year.

Recommendation – The Department of Administrative Services should implement additional procedures to ensure that assets and liabilities are accurately reported.

Response – In this instance this was a system error. Department of Administrative Services has a process in place to avoid these errors in the future.

Conclusion – Response accepted.

(C) Approval of Timesheets

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 financial statements.

Departments process payroll transactions utilizing the Workday computer system.

Condition – During our review of the Workday system we noted the following:

Public Safety – We noted that multiple employees were inadvertently added as a manager of their own manager supervisor organization section. This resulted in the timesheet entries and time off entries being automatically approved when they were submitted. Additionally, certain employees were found to have the ability to complete the three levels of “worker”, “initiator”, and “approved by” signatures.

Cause – Although policies and procedures are in place to monitor and approve timesheets, employees were allowed to approve their own timesheets.

Effect – Inappropriate and/or inaccurate hours worked and leave taken may be included on timesheets and go unnoticed.

Recommendation – The Department of Administrative Services, in conjunction with the Department of Public Safety, should implement appropriate controls to ensure an independent reviewer approves timesheets. No employee should be allowed to approve their own timesheet. In addition, if a manager sets a delegation, employees should not be allowed to approve their own timesheet.

Response – The Department of Administrative Services has worked with the Department to improve security levels and have appropriate separation of initiating and approval of transactions.

Conclusion – Response accepted. During our review of the Workday system for fiscal year ended June 30, 2025, we have noted improvements in proper security levels being established.

Report of Recommendations to the
Iowa Department of Administrative Services

June 30, 2024

(D) Requested Time Off and Corrections of Time Off

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 financial statements.

Departments process payroll transactions utilizing the Workday computer system.

Condition – In the Department of Public Safety, various employees were allowed to approve their time off when other listed delegates were available to approve the leave. Additionally, certain employees were found to have the ability to complete the three levels of “worker”, “initiator”, and “approved by” signatures.

Additionally, in the Department of Public Safety and the Department of Corrections, several instances occurred where a correction of leave time was approved by the employee requesting the correction.

Cause – Although policies and procedures are in place to monitor and approve corrections and requested time off, employees circumvented the procedures to approve their requests.

Effect – Inappropriate and/or inaccurate requests for time off and corrections of time off requests may be approved and errors occur unnoticed.

Recommendation – The Department of Administrative Services, in conjunction with the Department of Corrections and the Department of Public Safety, should implement appropriate controls to ensure an independent reviewer approves all business process transactions, such as request time off and corrections to time off.

Response – The Department of Administrative Services has worked with the Department to improve security levels and have appropriate separation of initiating and approval of transactions.

Conclusion – Response accepted. During our review of the Workday system for fiscal year ended June 30, 2025, we have noted improvements in proper security levels being established.

(E) BLANK Initiator and Approved by Worker Sign Offs

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 financial statements.

Departments process payroll transactions utilizing the Workday computer system.

Condition – In the Department of Health and Human Services, various employees had timesheet corrections initiated and approved by a manager/administrator with no signoff by said employee. This included one instance on a terminated employee’s timesheet.

Report of Recommendations to the
Iowa Department of Administrative Services

June 30, 2024

Cause – Although policies and procedures are in place to monitor and approve corrections and changes, employees circumvented the procedures to approve these requests.

Effect – Inappropriate and/or inaccurate corrections of time off requests or time reported may be approved and errors occur unnoticed.

Recommendation – The Department of Administrative Services, in conjunction with the Department of Health and Human Services, should implement appropriate controls to ensure the employee also approves all timesheet corrections which were initiated and approved by a manager/administrator.

Response – The Department of Administrative Services has worked with the Department to improve security levels and have appropriate separation of initiating and approval of transactions.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to the
Iowa Department of Administrative Services

June 30, 2024

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Deputy
Katherine L. Rupp, CPA, Manager
Jared M. Ernst, CPA, Senior Auditor

Other individuals who participated in the audits include:

Zachary T. Shaw, Senior Auditor
Adam J. Sverak, Senior Auditor
Benjamin L. Albrecht, Staff Auditor
Allison L. Carlon, Staff Auditor
Benjamin I. Manchester, Staff Auditor
Hunter W. Penton, Staff Auditor
Amila Tursunovic, Staff Auditor
Katherine A. Koele, Assistant Auditor
Kacie J. Rickels, Audit Intern