



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Mary Mosiman, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

NEWS RELEASE

FOR RELEASE November 12, 2014

Contact: Andy Nielsen
515/281-5834

Auditor of State Mary Mosiman today released a report on the Iowa Department of Administrative Services for the year ended June 30, 2013.

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 Information Technology Enterprise (ITE), the Human Resources Enterprise (HRE), the State Accounting Enterprise (SAE) and the Central Procurement Enterprise (CPE).

Mosiman recommended the Department ensure a detailed, up-to-date capital asset listing is maintained. The Department's response to the recommendation is included in the report.

A copy of the report is available for review in the Iowa Department of Administrative Services, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1460-0050-BR00.pdf>.

###

**REPORT OF RECOMMENDATIONS TO THE
IOWA DEPARTMENT OF ADMINISTRATIVE SERVICES**

JUNE 30, 2013

Office of
**AUDITOR
OF STATE**

State Capitol Building • Des Moines, Iowa



Mary Mosiman, CPA
Auditor of State



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Mary Mosiman, CPA
Auditor of State

November 6, 2014

To Janet Phipps, 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 Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2013.

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 was 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 Administrative Services' 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 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 5 and they are available to discuss these matters with you.


MARY MOSIMAN, CPA
Auditor of State


WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

cc: Honorable Terry E. Branstad, Governor
David Roederer, Director, Department of Management
Glen P. Dickinson, Director, Legislative Services Agency

June 30, 2013

Findings Reported in the State's Single Audit Report:

No matters were noted.

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

Capital Assets – Chapter 7A.30 of the Code of Iowa requires each department of the State to maintain a written, detailed and up-to-date inventory of property under its charge and control. The following were noted:

- (a) Capital asset additions were overstated by \$53,740.
- (b) Accumulated depreciation for land improvements was overstated by \$4,496.
- (c) Accumulated depreciation for equipment was overstated by \$37,330.

Recommendation – The Department should ensure a detailed, up-to-date capital asset listing is maintained. Capital assets, accumulated depreciation and gain or loss on the disposal of assets should be properly calculated and recorded.

Response – The Department agrees with the Capital Assets finding of the State Auditor's office.

Due to turn over and reassignments during fiscal year 2013, there were numerous people involved in updating the capital asset information on I/3, resulting in errors, duplications and omissions.

While some activity was cleaned up prior to the close of the fiscal year, not everything was completed. As a result, there will be additional clean up in fiscal year 2014.

DAS has identified staff within each enterprise to be responsible for inputting capital assets information into the I/3 capital asset system. We are currently waiting for SAE to schedule training for all identified staff to ensure information is entered correctly. The enterprise Chief Financial Officers (CFOs), or designees, are responsible for reconciling the capital assets each quarter to ensure all applicable items have been entered.

Once testing has been completed by SAE on the capital asset shell creation, DAS will begin using this feature which is part of the PRC payment process. This will ensure capital asset shells are initiated at the time of payment and ensure a timely and accurate entry of DAS capital assets.

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 the Iowa Department of Administrative Services

June 30, 2013

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Manager
Jennifer L. Wall, CPA, Senior Auditor II
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Ryan T. Jelsma, Senior Auditor
Adam B. Bartz, Staff Auditor
Joshua W. Ostrander, Staff Auditor
Jesse J. Probasco, CPA, Staff Auditor
Philip A. Rethwisch, Staff Auditor
Kaylynn D. Short, Staff Auditor
Tiffany N. Aliprandi, Assistant Auditor
Michael A. Chervek, Assistant Auditor
Ramona E. Daly, Assistant Auditor
Melissa E. Janssen, Assistant Auditor
Ryan J. Magill, Assistant Auditor