



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE _____ July 21, 2015 Contact: Andy Nielsen
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The Office of Auditor of State today released a report on the Iowa Braille and Sight Saving School, Vinton, Iowa for the year ended June 30, 2014.

The School is governed by the Board of Regents, State of Iowa and provides day school educational programs for visually impaired youth, as well as a variety of resource services for mainstreamed students. During the year ended June 30, 2014, the School provided outreach services to 562 students and the average cost per student was \$14,104, compared to 506 students and an average cost per student of \$15,084 for the prior year.

A copy of the report is available for review at the Iowa Braille and Sight Saving School, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1561-8040-BR00.pdf>.

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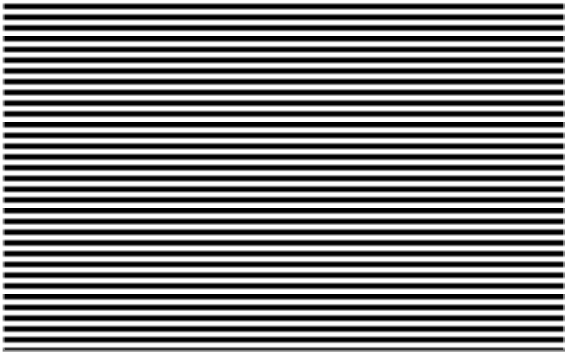
**REPORT OF RECOMMENDATIONS TO THE
IOWA BRAILLE AND SIGHT SAVING SCHOOL**

JUNE 30, 2014

Office of
**AUDITOR
OF STATE**
State Capitol Building • Des Moines, Iowa



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July 15, 2015

To the Members of the Board of Regents, State of Iowa:

The Iowa Braille and Sight Saving School 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, 2014.

In addition to these reports, we also prepare a separate report of recommendations pertaining to the School's internal control, compliance with statutory requirements and other matters when our audits disclose findings we believe should be brought to your attention.

In conducting our audits, we became aware of certain aspects concerning the School's operations for which we believe corrective action is necessary. As a result, we have developed recommendations pertaining to the School's internal control which are reported on the following page. These recommendations have been discussed with School personnel and their responses to these recommendations are included in this report. While we have expressed our conclusions on the School's responses, we did not audit the Iowa Braille and Sight Saving School's responses and, accordingly, we express no opinion on them.

We have also included certain unaudited financial and other information on page 6 of this report to report an average cost per student for the School for the five years ended June 30, 2014, 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 the Iowa Braille and Sight Saving School, citizens of the State of Iowa and other parties to whom the Iowa Braille and Sight Saving School 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 Iowa Braille and Sight Saving School during the course of our audits. Should you have any questions concerning the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the Iowa Braille and Sight Saving School 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

Report of Recommendations to the
Iowa Braille and Sight Saving School

June 30, 2014

Findings Reported in the State's Single Audit Report:

No matters were noted.

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

No matters were noted.

Other Findings Related to Internal Control:

- (1) Segregation of Duties – One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The following areas were noted where there is inadequate segregation of duties:

- (1) Responsibilities for receipt collection and deposit preparation are not segregated from those for recording and accounting for receipts.
- (2) Responsibilities for disbursement preparation are not segregated from those for recording cash disbursements.
- (3) Responsibilities for bank reconciliations are not segregated from those for handling incoming mail receipts, outgoing check payments and entering journal entries.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the School should review its control activities to obtain the maximum internal control possible under the circumstances.

Response – The Iowa Braille School will continue to explore, evaluate and implement procedures to mitigate the segregation of duties exposure. This audit finding will be present in FY2015.

Conclusion – Response accepted.

- (2) Financial Reporting – The School is included in the Statewide Comprehensive Annual Financial Report (CAFR) and is required to submit all financial statement activity to the Iowa Department of Administrative Services – State Accounting Enterprise (DAS-SAE) in a GAAP package. The GAAP package is to be submitted to DAS – SAE by the first week of September each year. For the year ended June 30, 2014, the School did not submit a current updated GAAP package with all financial statement activity for fiscal year 2014.

Recommendation – The School should ensure the GAAP package information for each year is reported, complete, accurate, submitted timely and is reviewed by an independent person.

Response – The Iowa Braille School will comply with this recommendation.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to the
Iowa Braille and Sight Saving School

June 30, 2014

Staff:

Questions or requests for further assistance should be directed to:

Pamela J. Bormann, CPA, Manager
Kaylynn D. Short, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Zack D. Kubik, Staff Auditor
James R. Moriarty, Assistant Auditor
Nathaniel W. Packer, Assistant Auditor
Jessica L. Roeding, Assistant Auditor
Joseph B. Sparks, Assistant Auditor

Iowa Braille and Sight Saving School

Average Cost per Student

(Unaudited)

Year ended June 30, 2014
with comparative figures for the four preceding years

Year				Total		Total	Average	
				Expenditures		Expenditures	Cost	
	Average Number of		Residential	Related to	Average Cost	Related to	Per	
	Employees	Students		Residential	Per Residential	Outreach	Outreach	
			*	Program	Student	Services	**	Student
2014	81	-		\$ -	-	562	\$ 7,926,249	14,104
2013	81	-		-	-	506	7,632,553	15,084
2012	82	-		-	-	515	7,416,072	14,400
2011	106	5		2,083,825	416,765	534	6,447,358	12,074
2010	107	9		2,283,363	253,707	453	6,081,219	13,424

* Fiscal year 2011 was the last year the School operated a residential program.

** For fiscal years 2014, 2013, 2012, 2011 and 2010, expenditures related to outreach services exclude expenditures related to the residential program, construction in progress and costs associated with the space leased by Americorps, which total \$3,059,235, \$3,009,804, \$2,518,966, \$3,116,701 and \$2,977,986, respectively.