AUDIT REPORT — JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL SERVICES

Audit Report. On October 8, 2018, the Auditor’s Office released a combined report on the eight Judicial District Departments of Correctional Services for the year ended June 30, 2017. The Auditor produced findings and provided recommendations for the Second and Third District Departments. All responses provided by the District Departments were accepted by the Auditor.

Second Judicial District Department. The report made the following recommendations related to internal control and statutory requirements:

- **Bank Reconciliations.** To improve financial accountability and control, reconciliation of the book and bank balances should be prepared for all accounts and reviewed by an independent person. The review should be documented by signing or initialing and dating the reconciliations.
- **Receipt Review.** Someone independent of receiving and initiating cash receipts should review and initial the cash receipt.
- **Initial Listing.** A listing of checks received in the mail should be prepared by a person other than accounting personnel. The listing should be compared to the receipt records by an independent person.
- **Adjusting Journal Entries.** To improve financial accountability and control, the adjusting journal entries should be reviewed by an independent person and documented by the signature or initials of the reviewer and the date of the review.
- **Financial Reporting.** The District Department should establish procedures to ensure all accounts receivable are properly reported in the District Department’s Generally Accepted Accounting Principles (GAAP) package.
- **Timely Deposit.** The District Department should ensure 90.0% of all receipts are deposited within 10 business days in accordance with Iowa Code section 12.10.

Third Judicial District Department. The report made one recommendation related to financial reporting. The report recommended that the District Department should ensure the GAAP package information reported is complete and accurate.

More Information. The audit report is available on the Auditor of State’s website at:
www.auditor.iowa.gov/reports/54306/reportFile/embed

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