



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE

August 8, 2012

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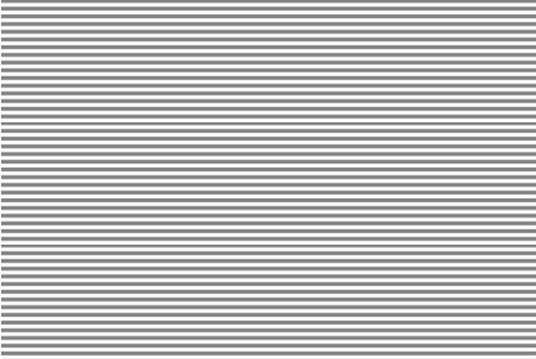
Auditor of State David A. Vaudt today released a report on the Iowa Department of Justice for the year ended June 30, 2011.

The Iowa Department of Justice, with the Attorney General as head and chief legal officer of the state, is established under the Constitution of the State of Iowa and Chapter 13 of the Code of Iowa. The Iowa Department of Justice prosecutes and defends all cases in the Supreme Court in which the state is a party or has an interest. The Iowa Department of Justice also represents the state in other actions and proceedings, both civil and criminal, when, in its judgment, the best interests of the state require it to do so, or when requested to appear by the Governor or the Executive Council.

Vaudt recommended the Department strengthen controls over receipts by segregating duties to the extent possible. The Department's responses to the recommendations are included in the report.

A copy of the report is available for review at the Iowa Department of Justice, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1260-1120-0R00.pdf>.

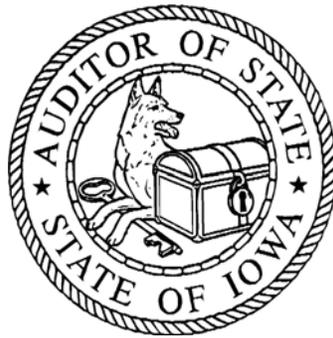
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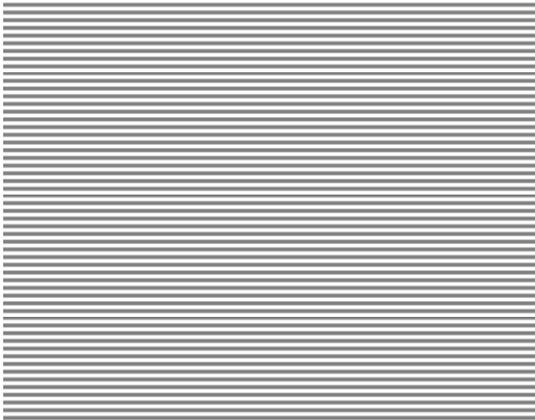
**REPORT OF RECOMMENDATIONS TO THE
IOWA DEPARTMENT OF JUSTICE**

JUNE 30, 2011

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



David A. Vaudt, CPA
Auditor of State





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August 2, 2012

To the Honorable Thomas J. Miller, Attorney General
of the State of Iowa:

The Iowa Department of Justice 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, 2011.

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 conclusions on the Department's responses, we did not audit the Iowa Department of Justice'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 of Justice, citizens of the State of Iowa and other parties to whom the Department 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 6 and they are available to discuss these matters with you.


DAVID A. VAUDT, 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

Iowa Department of Justice

June 30, 2011

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:

Segregation of Duties – During our review of internal control, existing procedures are evaluated to determine incompatible duties, from a control standpoint, are not performed by the same employee. This segregation of duties helps to prevent losses from employee error or dishonesty and, therefore, maximizes the accuracy of the Department's financial statements. For the Prosecuting Attorneys Office, responsibilities for maintaining detailed accounts receivable records are not segregated from collections.

Recommendation – We realize segregation of duties is difficult with a limited number of employees. However, the Prosecuting Attorney's Office should review its operating procedures to obtain the maximum internal control possible under the circumstances.

Response – As a smaller agency, it is very difficult to segregate duties yet allow for back-up for accounting procedures. The difficulty is increased since the Prosecuting Attorneys Office is located on another floor of the building. The Attorney General's Office and the Prosecuting Attorneys Office review policies and procedures on a regular basis to make sure we have the best possible control our situation will allow. Together with the Prosecuting Attorneys Office, the Attorney General's Office will work toward a policy to separate accounts receivable records from collections.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

Biennial Report – Chapter 7A.6 of the Code of Iowa states, "The biennial report of the attorney general shall cover the two-year period ending with December 31 in even-numbered years and shall be filed as soon as practicable after the expiration of said period but not later than March 1." The report for the period ended December 31, 2010 had not been made to the General Assembly by March 1, 2011 as required.

Recommendation – The Attorney General's Office should make the required biennial report to the General Assembly.

Response – The Attorney General's Office completed the biennial report on April 3, 2012.

Conclusion – Response accepted.

Report of Recommendations to the Iowa Department of Justice

June 30, 2011

Staff:

Questions or requests for further assistance should be directed to:

Donna F. Kruger, CPA, Manager
Jenny M. Podrebarac, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Justin M. Scherman, Staff Auditor
Robert W. Endriss, Assistant Auditor
Gwendolyn R. Kingsbury, Assistant Auditor