



**OFFICE OF AUDITOR OF STATE  
STATE OF IOWA**

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Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

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**NEWS RELEASE**

FOR RELEASE

August 21, 2017

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Contact: Andy Nielsen  
515/281-5834

Auditor of State Mary Mosiman today released an agreed-upon procedures report on the Iowa Turkey Marketing Council for the period January 1, 2015 through December 31, 2016.

Mosiman recommended all salary payments should be approved by the Council and included in the meeting minutes and all employee travel reimbursements should be supported by detailed receipts.

A copy of the report is available for review at the Iowa Turkey Marketing Council, in the Office of Auditor of State and on the Auditor of State's web site at <https://auditor.iowa.gov/reports/1760-0210-B000>.

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**IOWA TURKEY MARKETING COUNCIL**  
**INDEPENDENT ACCOUNTANT'S REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**  
**FOR THE PERIOD**  
**JANUARY 1, 2015 THROUGH DECEMBER 31, 2016**

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## Iowa Turkey Marketing Council

### Officials

Name

Title

#### State

Honorable Kim Reynolds  
David Roederer  
Glen P. Dickinson

Governor  
Director, Department of Management  
Director, Legislative Services Agency

#### Council

Tom Alberti  
Andria Volkmann  
Lynn Schable  
Ross Thoreson  
Russ Yoder  
Mike Naig

Chairperson  
Member  
Member  
Member  
Member  
Secretary designee, Iowa Department of  
Agriculture and Land Stewardship

Gretta Irwin

Executive Director/Secretary

**Iowa Turkey Marketing Council**



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Members of the Iowa Turkey Marketing Council:

We have performed the following procedures, which were agreed to by the Iowa Turkey Marketing Council, solely to assist you in evaluating the operations of the Iowa Turkey Marketing Council for the period January 1, 2015 through December 31, 2016. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed are summarized as follows:


1. Reviewed certain revenues and expenses of the Iowa Turkey Marketing Council for propriety.
2. Reviewed bank reconciliations of the Iowa Turkey Marketing Council for propriety.
3. Reviewed minutes of the Iowa Turkey Marketing Council for propriety.
4. Reviewed internal controls over receipts and disbursements of the Iowa Turkey Marketing Council.

Based on the performance of the procedures described above, we identified certain recommendations for the Council. Our recommendations are described in the Detailed Recommendations section of this report. Unless reported in the Detailed Recommendations, items of non-compliance were not noted during the performance of the specific procedures listed above.

These agreed-upon procedures do not constitute an audit of financial statements or any part thereof, the objective of which is the expression of an opinion on the financial statements or a part thereof. Had we performed additional procedures, or had we performed an audit of the Council, additional matters might have come to our attention that would have been reported to you.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Turkey Marketing Council, citizens of the State of Iowa and other parties to whom the Iowa Turkey Marketing Council 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 Turkey Marketing Council during the course of our agreed-upon procedures. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

  
MARY MOSIMAN, CPA  
Auditor of State

August 10, 2017

**Iowa Turkey Marketing Council**

## Iowa Turkey Marketing Council

## Summary of Revenues, Expenses and Changes in Net Position

For the years ended December 31, 2015 and December 31, 2016

	2016	2015
Revenues:		
Turkey producer fees	\$ 333,059	291,020
Less refunds	(42,490)	(44,855)
Net operating revenues	<u>290,569</u>	<u>246,165</u>
Expenses:		
Salaries and benefits	137,744	127,921
Dues - National Turkey Federation	85,309	101,492
Travel and subsistence	14,370	12,021
Promotional development	16,934	19,191
Office supplies	2,020	1,965
Telephone	2,411	3,385
Office rent/building expense	24,000	24,000
Postage	381	432
Insurance	4,132	4,248
Equipment	3,485	2,823
Memberships	15,016	19,520
Professional services	-	5,737
Miscellaneous	126	24
Total expenses	<u>305,928</u>	<u>322,759</u>
Excess (deficiency) of net operating revenues over (under) expenses	<u>(15,359)</u>	<u>(76,594)</u>
Change in net position	(15,359)	(76,594)
Net position beginning of year	<u>23,385</u>	<u>99,979</u>
Net position end of year	<u>\$ 8,026</u>	<u>23,385</u>



## **Detailed Recommendations**

Iowa Turkey Marketing Council

Detailed Recommendations

For the years ended December 31, 2015 and December 31, 2016

- (A) Compensation – Salary increases are approved by the Iowa Turkey Marketing Council each September. In addition to approved salary increases, we noted the Executive Director and the Director of Membership Services each received an additional \$1,200 payment in December of 2016 for which Council approval could not be located.

Recommendation – All salary payments should be approved by the Iowa Turkey Marketing Council and included in the meeting minutes.

Response – The Iowa Turkey Marketing Council will reference and approve all salary changes and benefit packages in the regular board meeting minutes as well as the Executive Committee meeting minutes.

Conclusion – Response accepted.

- (B) Travel Reimbursement – Iowa Turkey Marketing Council policy permits reimbursement of actual travel expenses for employees based upon supporting receipts. One employee reimbursement tested included meals totaling \$89 for which no receipts except a credit card statement could be located.

Recommendation – The Iowa Turkey Marketing Council should ensure employee reimbursements are supported by detailed receipts.

Response – We will reimburse when receipts are provided. We are working on a procedure for payment when a receipt is missing.

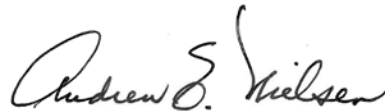
Conclusion – Response accepted.

Iowa Turkey Marketing Council

Staff

This engagement was performed by:

Ernest H. Ruben, Jr., CPA, Manager  
Jonathan M. Mader, Staff Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large initial 'A' and 'N'.

Andrew E. Nielsen, CPA  
Deputy Auditor of State