



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

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NEWS RELEASE

FOR RELEASE

August 21, 2017

Contact: Andy Nielsen
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Auditor of State Mary Mosiman today released a report on the Department of Homeland Security and Emergency Management for the year ended June 30, 2016.

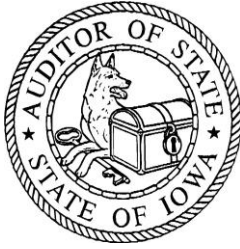
The Department of Homeland Security and Emergency Management is responsible for disaster preparedness and relief coordination throughout the state. In addition, the Department is responsible for the Wireless E-911 Emergency Communications Fund.

Mosiman recommended the Department comply with established guidelines related to Targeted Small Business. The Department's response to the recommendation is included in the report.

A copy of the report is available for review at the Department of Homeland Security and Emergency Management, in the Office of Auditor of State and on the Auditor of State's web site at <https://auditor.iowa.gov/reports/1760-5830-0R00>.

**REPORT OF RECOMMENDATIONS TO
DEPARTMENT OF HOMELAND SECURITY
AND EMERGENCY MANAGEMENT**

JUNE 30, 2016



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July 25, 2017


To Mr. Mark Schouten, Director
of the Department of Homeland Security and Emergency Management:

The Department of Homeland Security and Emergency Management 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, 2016.

In conducting our audits, we became aware of a certain 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 pertains to the Department's compliance with statutory requirements. This recommendation has been discussed with Department personnel and their response to the recommendation is included with this report. While we have expressed our conclusions on the Department's response, we did not audit the Department of Homeland Security and Emergency Management's response and, accordingly, we express no opinion on the response.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Department of Homeland Security and Emergency Management, citizens of the State of Iowa and other parties to whom the Department of Homeland Security and Emergency Management 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 in page 4 and they are available to discuss the matter with you.


MARY MOSIMAN, CPA
Auditor of State

cc: Honorable Kim Reynolds, Governor
David Roederer, Director, Department of Management
Glen P. Dickinson, Director, Legislative Services Agency

Report of Recommendations to the
Department of Homeland Security and Emergency Management

Year ended June 20, 2016

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:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

Targeted Small Businesses – Chapter 73.16 of the Code of Iowa requires the Department to establish a procurement goal for certified targeted small businesses (TSB) each fiscal year. Chapter 73.16.2(a)(2) states the procurement goal shall be established at a level which exceeds the procurement levels from certified targeted small businesses during the previous fiscal year.

For fiscal year 2016, the TSB procurement goals were less than the actual TSB spending in fiscal year 2015.

Recommendation – The Department should develop procurement goals for certified targeted small businesses greater than actual TSB spending from the previous year or seek legislation to change this statutory requirement.

Response – The Department will develop procurement goals for certified targeted small businesses greater than actual TSB spending from the previous year. The error in SFY 2016 target was the result of staff changes and lack of training for new staff.

Conclusion – Response accepted.

Report of Recommendations to the
Department of Homeland Security and Emergency Management

Staff

Questions or requests for further assistance should be directed to:

Staff:

Deborah J Moser, CPA Manager
Dorothy O. Stover, Senior Auditor II
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Trent M. Mussmann, Senior Auditor
Michael Holowinski, Staff Auditor
Alex D. Dau, Assistant Auditor
Sarah K. Nissen, Assistant Auditor