



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

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**NEWS RELEASE**

FOR RELEASE \_\_\_\_\_ August 18, 2005

Contact: Andy Nielsen  
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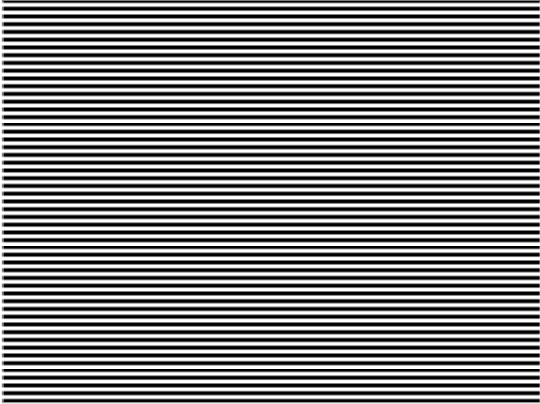
Auditor of State David A. Vaudt today released a report on the Iowa Department of Natural Resources for the year ended June 30, 2004.

The Department has the primary responsibility for state parks and forests, protecting the environment and managing energy, fish, wildlife and land and water resources in the state.

Vaudt reported the Department had not complied with certain statutory requirements concerning its operations during the year ended June 30, 2004. The Department believes resource constraints have not allowed the Department to meet certain requirements and is considering seeking legislative repeal of some existing requirements during the next legislative session or reallocating resources to meet existing requirements.

A copy of the report is available for review in the Iowa Department of Natural Resources or the Office of Auditor of State.

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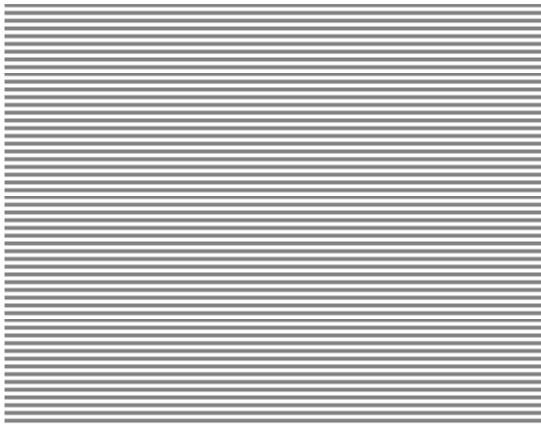
**REPORT OF RECOMMENDATIONS TO THE  
IOWA DEPARTMENT OF NATURAL RESOURCES**

**JUNE 30, 2004**

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



**David A. Vaudt, CPA**  
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August 11, 2005

To the Members of the Iowa Environmental Protection  
and Natural Resource Commissions:

The Iowa Department of Natural Resources 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, 2004.

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 compliance with statutory requirements and other matters. These recommendations have been discussed with Department personnel and their response to these recommendations are included in this report. Other matters involving internal control over the Lewis and Clark State Park in Onawa have been reported to management in a report released April 12, 2005.

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 Natural Resources, citizens of the State of Iowa and other parties to whom the Iowa Department of Natural Resources 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 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 7 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 Thomas J. Vilsack, Governor  
Michael L. Tramontina, Director, Department of Management  
Dennis C. Prouty, Director, Legislative Services Agency

June 30, 2004

**Findings Reported in the State's Single Audit Report:**

No matters were noted.

**Findings Related to Internal Control:**

No matters were noted.

**Findings Related to Statutory Requirements:**

- (1) Iowa Code Compliance – The Department was not in compliance with the following Chapters of the Code of Iowa during the year ended June 30, 2004:

- (a) Comprehensive Plans and Programs for the State for the Management of Hazardous Waste – Chapter 455B.412(1) states the Department shall develop comprehensive plans and programs for the state for the management of hazardous wastes.

The Department has not developed comprehensive plans and programs for the state for the management of hazardous wastes.

- (b) Development of Water Quality Program – Chapter 455E.8(10) states the Department shall develop a program, in consultation with the Iowa Department of Education and the Department of Environmental Education of the University of Northern Iowa, regarding water quality issues which shall be included in the minimum program required in grades seven and eight pursuant to rules adopted by the State Board of Education.

The Department has not developed a water quality program.

- (c) Comprehensive Groundwater Monitoring Network – Chapter 455E.8 states the Director, in cooperation with soil and water conservation district commissioners and with other state and local agencies, shall develop and administer a comprehensive groundwater monitoring network, including point of use, point of contamination, and problem assessment monitoring sites across the state, and the assessment of ambient groundwater quality. The Director shall report any data concerning the contamination of groundwater by a contaminant not regulated under the federal Safe Drinking Water Act to the United States Environmental Protection Agency (EPA) along with a request to establish a maximum contaminant level and to conduct a risk assessment for the contaminant.

The comprehensive groundwater monitoring network has not been developed and the Department does not report data concerning the contamination of groundwater by contaminants not regulated under the federal Safe Drinking Water Act to the United States Environmental Protection Agency.

- (d) Statewide Building Energy Efficiency Rating System – Chapter 473.40 states the Department shall adopt rules establishing a statewide building energy efficiency rating system. The rating system shall apply to all new and existing public, commercial, industrial and residential buildings in the state.

The Department has not developed rules establishing a statewide building energy efficiency rating system.

Report of Recommendations to the Iowa Department of Natural Resources

June 30, 2004

- (e) Proposals for Hazardous Waste Research and Development and Implementation of Hazardous Waste Management Practices – Chapter 455B.484(11) states the division shall solicit proposals from public and private agencies to conduct hazardous waste research and to develop and implement storage, treatment and other hazardous waste management practices including, but not limited to, source reduction, recycling, compaction, incineration, fuel recovery and other alternatives to land disposal of hazardous waste.

The Department has not solicited proposals from public and private agencies for the activities listed above.

- (f) Compliance Advisory Panel – Chapter 455B.150 states the Department shall create a compliance advisory panel pursuant to Title V, section 507(e) of the federal Clean Air Act Amendments of 1990, to review and report on the effectiveness of the small business technical assistance program.

A compliance advisory panel has not been created.

- (g) Hazardous Waste Listing – Chapter 455B.464 states the Director shall annually compile a list of additional hazardous wastes for adoption by the commission pursuant to the rulemaking procedures. The list should include wastes which may be a significant environmental burden if disposed of at a land disposal facility.

The Department does not compile a listing of additional hazardous wastes.

Recommendation – The Department should take the necessary steps to comply with the Code of Iowa or the Department should seek the repeal of outdated Code sections or Code sections contrary to federal regulations.

Response –

- (a) Comprehensive Plans and Programs for the State for the Management of Hazardous Waste – The management of hazardous wastes is administered at the Federal level through the Resource Conservation and Recovery Act (RCRA) part C program. The federal government has not delegated responsibility for RCRA to the state of Iowa. As a result, comprehensive plans and programs for the state for the management of hazardous waste are the responsibility of the federal government. It would take legislative action to reassign these responsibilities from the U.S. EPA to the Department. The elimination of this code section will be considered when the Department develops next year's legislative package.
- (b) Development of Water Quality Program – The Department works closely with educators across the state to develop materials and messages that address the areas of water quality.

Report of Recommendations to the Iowa Department of Natural Resources

June 30, 2004

- (c) Comprehensive Groundwater Monitoring Network – While the Department has not implemented a complete groundwater monitoring program, we have developed a plan identifying program needs and are in the process of implementing the network. The Department has constructed and is sampling several permanent monitoring wells, and has in place an expanded network of public water supply wells that are being monitored in conjunction with the U.S. Geological Survey. The Department also supports testing of private wells, an important component of a groundwater monitoring plan. In fiscal year 2004, the Department supported targeted monitoring of private wells in incorporated communities without a public water supply, and began planning for an expanded, statistical sampling of private wells similar to the Statewide Rural Wellwater Survey conducted in 1988-89. We expect to continue seeking increased funding for groundwater monitoring from the legislature.
- (d) Statewide Building Energy Efficiency Rating System – Due to lack of funding appropriated for this purpose, the Department has not developed rules. The elimination of this code section will be considered when the Department develops next year's legislative package.
- (e) Proposals for Hazardous Waste Research and Development and Implementation of Hazardous Waste Management Practices – The management of hazardous wastes is administered at the Federal level through the Resource Conservation and Recovery Act (RCRA) part C program. The federal government has not delegated responsibility for RCRA to the state of Iowa. As a result, solicitations of research on the management of and treatment of hazardous waste are not being released. It would take legislative action to reassign the hazardous waste responsibilities from the U.S. EPA to the Department. The elimination of this code section will be considered when the Department develops next year's legislative package.
- (f) Compliance Advisory Panel – The Minority Leader and Majority Leader in the Legislature have not made appropriate assignments to this advisory panel despite numerous requests by DNR and the Iowa Department of Economic Development. The Department will continue its efforts to pursue creation of this panel.
- (g) Hazardous Waste Listing – The Department monitors changes in EPA listings of hazardous wastes, and makes recommendations to the commission for adoption as needed. It should be noted that the management of hazardous wastes (including maintaining a list of hazardous wastes) is administered at the Federal level as part of the Resource Conservation and Recovery Act (RCRA) part C program. As a result, the federal hazardous waste listing supersedes any state listing that might be prepared. The elimination of this code section will be considered when the Department develops next year's legislative package.

Conclusion – Response accepted.



Report of Recommendations to the Iowa Department of Natural Resources

June 30, 2004

**Staff:**

Questions or requests for further assistance should be directed to:

Pamela J. Bormann, CPA, Manager  
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Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

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Cheryl R. McNaught, Assistant Auditor  
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