



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

David A. Vaudt, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

**NEWS RELEASE**

FOR RELEASE \_\_\_\_\_ August 17, 2005 \_\_\_\_\_ Contact: Andy Nielsen  
515/281-5515

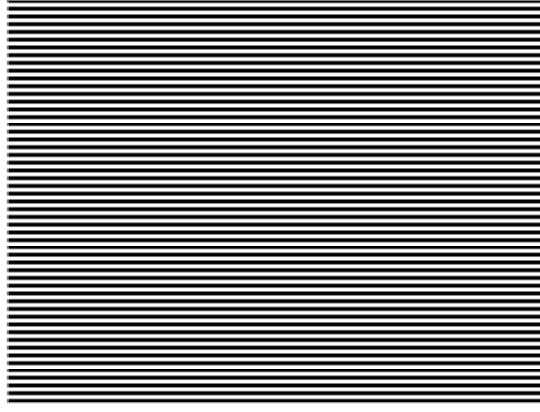
Auditor of State David A. Vaudt today released a report on the Iowa Department of Elder Affairs for the year ended June 30, 2004.

The Iowa Department of Elder Affairs is responsible for being an advocate for elder Iowans and is responsible for developing a comprehensive and coordinated system of services and activities for older people through thirteen designated area agencies on aging across the state.

Vaudt recommended the Department develop and implement procedures to ensure timely reviews of subrecipient audit reports.

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

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**REPORT OF RECOMMENDATIONS TO THE  
IOWA DEPARTMENT OF ELDER AFFAIRS**

**JUNE 30, 2004**

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



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August 11, 2005

To Mark A. Haverland, Director of the  
Iowa Department of Elder Affairs:

The Iowa Department of Elder Affairs 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 a matter 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. The recommendation pertains to the Department's internal control. This recommendation has been discussed with Department personnel and their response to the recommendation is included in this report.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Department, 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 any 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 4 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 Fiscal Bureau

June 30, 2004

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

No matters were noted.

**Finding Related to Internal Control:**

Subrecipient Audit Report Review – The Department is required under OMB Circular A-133, as it applies to subrecipients, to develop and maintain a subrecipient monitoring system. As part of this system, the Department is responsible for reviewing subrecipient audit reports in a timely manner to ensure appropriate corrective action is taken within six months after receipt of an audit report showing non-compliance with federal laws and regulations. The Department's procedures require each subrecipient to submit an audit report to the Department for review to determine whether the subrecipient complied with federal and program requirements.

The Department has not reviewed subrecipient audit reports since FY 2002.

Recommendation – The Department should develop and implement procedures to ensure timely review of subrecipient audit reports.

Response – The Department will strengthen the process whereby subrecipient audit reports are logged in and the review process monitored to ensure timely reviews of those subrecipient audit reports.

Conclusion – Response accepted.

**Findings Related to Statutory Requirements and Other Matters:**

No matters were noted.

Questions or requests for further assistance should be directed to:

Cynthia L. Weber, CPA, Manager  
Sarah D. McFadden, CPA, Staff Auditor  
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Stephanie A. Bernard, Staff Auditor  
Jeffrey L. Lenhart, Assistant Auditor  
Jessica L. Christensen, Assistant Auditor