



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

Mary Mosiman, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

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

NEWS RELEASE

FOR RELEASE

July 26, 2018

Contact: Andy Nielsen
515/281-5834

Auditor of State Mary Mosiman today released a report on the Iowa Veterans Home for the year ended June 30, 2017.

The Iowa Commission of Veterans Affairs, which consists of nine members appointed by the Governor and confirmed by the Senate, oversees the conduct and operations of the Iowa Veterans Home.

The Iowa Veterans Home, located in Marshalltown, Iowa, provides long-term health care for Iowa's aging, chronically ill, handicapped veterans and their dependent or surviving spouses. The annualized cost per resident was \$148,890 in fiscal year 2017, a less than 1% increase over the prior year. The average number of residents decreased from 553 in fiscal year 2016 to 527 in fiscal year 2017.

A copy of the report is available for review at the Iowa Veterans Home, in the Office of Auditor of State and on the Auditor of State's website at <https://auditor.iowa.gov/reports/1860-6710-BR00>.

#

**REPORT OF RECOMMENDATIONS TO
THE IOWA VETERANS HOME**

JUNE 30, 2017

Iowa Veterans Home



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Mary Mosiman, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

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

July 19, 2018

To the Members of the Iowa Commission of Veterans Affairs:

The Iowa Veterans Home (Home) 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, 2017.

In conducting our audits, we became aware of an aspect concerning the Home'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 Home's compliance with statutory requirements and other matters. This recommendation has been discussed with the Home's personnel and their response to this recommendation is included in this report. While we have expressed our conclusion on the Home's response, we did not audit the Iowa Veterans Home's response and, accordingly, we express no opinion on it.

We have also included certain unaudited financial and other information on pages 5 through 7 of this report for the Iowa Veterans Home for the five years ended June 30, 2017 to report an average annualized cost per resident, as required by Section 11.28 of the Code of Iowa.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Veterans Home, citizens of the State of Iowa and other parties to whom the Iowa Veterans Home 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 Home 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 Home are listed on page 8 and they are available to discuss these matters 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

Iowa Veterans Home
Year ended June 30, 2017
Detailed Findings

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.

Finding Related to Statutory Requirements and Other Matters:

Iowa Code Compliance – Chapter 73.16 of the Code of Iowa requires the Director of each state agency or department of state government (state agency) having purchasing authority, in cooperation with the Targeted Small Business (TSB) Marketing and Compliance Manager of the Iowa Economic Development Authority (IEDA), to establish a procurement goal for certified targeted small businesses prior to the commencement of each fiscal year. The procurement goal shall include the procurement of goods and services, including construction, but excluding utility services. The goal shall be stated in terms of a dollar amount and at a level exceeding the procurement levels from certified targeted small businesses during the previous fiscal year.

The TSB procurement goal for the Iowa Veterans Home was not set at a level exceeding the fiscal year 2016 actual TSB spending.

Recommendation – The Iowa Veterans Home should establish a procurement goal exceeding the previous fiscal year certified targeted small business procurement level as required or seek legislation to change this statutory requirement.

Response – The Agency will establish a procurement goal that exceeds the previous fiscal year targeted small business procurement level.

Conclusion – Response accepted.

Iowa Veterans Home

Average Cost per Resident
(Unaudited)

For the Last Five Fiscal Years

Fiscal Year	Average Number of Residents	Average Number of Employees	Annualized Cost Per Resident	Average Daily Cost Per Resident
2017	527	898	\$ 148,890	407.92
2016	553	957	147,592	404.36
2015	569	957	142,983	391.73
2014	589	962	134,353	368.09
2013	608	938	132,200	362.19

Iowa Veterans Home
Resident Population Statistics
(Unaudited)

Year ended June 30, 2017

Population beginning of year	<u>543</u>
Admissions:	
First admissions	102
Readmissions	4
Returns:	
Home visits/furlough	<u>131</u>
Total admissions	<u>237</u>
Released:	
Discharges	16
Deaths	122
Home visits/furlough	<u>129</u>
Total released	<u>267</u>
Population end of year	<u>513</u>
Average daily resident population	<u>527</u>

Iowa Veterans Home

Operating Expenditures by Object – General Fund
(Unaudited)

Year ended June 30, 2017

Personal services	\$ 64,645,889
Travel	97,470
Supplies and materials	4,817,138
Contractual services	8,053,417
Capital outlay	747,722
Claims and miscellaneous	95,421
Licenses, permits and refunds	7,796
Plant improvement and additions	<u>170</u>
Total	<u>\$ 78,465,023</u>

Iowa Veterans Home

Year ended June 30, 2017

Staff:

Questions or requests for further assistance should be directed to:

Katherine L. Rupp, CPA, Manager
Ashley J. Moser, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Robert Q. Barrett, Staff Auditor
Elizabeth P. Dawson, Staff Auditor
Michael Holowinski, Staff Auditor
Zachery J. Koziolk, Staff Auditor
McKenzie M. Anderson, Assistant Auditor
Taryn M. Plunkett, Assistant Auditor
Andrew J. Salwolke, Assistant Auditor
Erin M. Wittrock, Assistant Auditor