



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

September 22, 2005

Contact: Andy Nielsen
515/281-5834

Auditor of State David A. Vaudt today released a combined report on the institutions under the control of the Iowa Department of Corrections. The report includes findings and recommendations and average cost per inmate information for the five years ended June 30, 2004.

The average cost per inmate at the nine institutions under the control of the Iowa Department of Corrections ranged from \$16,626 at the North Central Correctional Facility - Rockwell City to \$37,664 at the Iowa State Penitentiary in Fort Madison for the year ended June 30, 2004. While total general fund expenditures for the nine institutions have increased 16.5% during the five year period to approximately \$203.9 million, expenditures for the year ended June 30, 2004 increased approximately \$13 million, or 6.8%, from the year ended June 30, 2003. The average daily cost per inmate of \$65.35 for the year ended June 30, 2004 was consistent with the average daily cost per inmate of \$65.39 for the year ended June 30, 2000. The average number of inmates increased 16.6% over the same time period, from 7,332 for the year ended June 30, 2000 to 8,547 for the year ended June 30, 2004.

A copy of the report is available for review in the Office of Auditor of State.

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**COMBINED REPORT ON THE INSTITUTIONS UNDER THE
CONTROL OF THE IOWA DEPARTMENT OF CORRECTIONS
SCHEDULES
FINDINGS AND RECOMMENDATIONS**

JUNE 30, 2004

Office of
**AUDITOR
OF STATE**

State Capitol Building • Des Moines, Iowa



David A. Vaudt, CPA
Auditor of State

Table of Contents

		<u>Page</u>
Auditor of State's Report		3
Overview		4-5
Schedules:	<u>Schedule</u>	
Average Cost Per Inmate by Institution - Fiscal Years 2000 through 2004	1	8-11
Average Cost Per Inmate Information by Institution - Graphs:		
Total Expenditures		13
Average Number of Inmates		14
Average Annual Cost per Inmate		15
General Fund Expenditures by Institution - 2000	2	16-17
General Fund Expenditures by Institution - 2001	3	18-19
General Fund Expenditures by Institution - 2002	4	20-21
General Fund Expenditures by Institution - 2003	5	22-23
General Fund Expenditures by Institution - 2004	6	24-25
Inmate Population Statistics - 2004	7	26-27
Findings and Recommendations:		
Iowa State Penitentiary - Fort Madison		28
Anamosa State Penitentiary		29
Iowa Medical and Classification Center - Oakdale		30
Mount Pleasant Correctional Facility		31
Clarinda Correctional Facility		32-33
North Central Correctional Facility - Rockwell City		34
Iowa Correctional Institution for Women - Mitchellville		35
Newton Correctional Facility		36
Fort Dodge Correctional Facility		37



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

September 12, 2005

To the Members of the Iowa Board of Corrections:

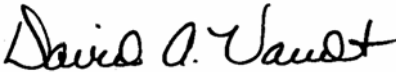
The Institutions under the control of the Iowa Department of Corrections are a part of the State of Iowa and, as such, have been included in our audits of the State's Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2004.


In conducting our audits, we became aware of certain aspects concerning the various Institutions' 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 internal control, compliance with statutory requirements and other matters. These recommendations have been discussed with applicable Institution personnel and their responses to these recommendations are included in this report.

We have also included certain unaudited financial and other information for the Institutions under the control of the Iowa Department of Corrections for the five years ended June 30, 2004 to report an average cost per inmate at each Institution as required by Chapter 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 Department of Corrections, the Institutions under the control of the Iowa Department of Corrections, citizens of the State of Iowa and other parties to whom the Iowa Department of Corrections 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 Institutions 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 Institutions are listed on pages 28, 29, 30, 31, 33, 34, 35, 36 and 37 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

Iowa Department of Corrections

Overview

Background

In accordance with Chapter 904 of the Code of Iowa, the Iowa Department of Corrections is responsible for the control, treatment and rehabilitation of offenders committed under law to the following nine institutions:

Iowa State Penitentiary - Fort Madison – A penal institution for men consisting of the Penitentiary proper, a maximum security facility, the John E. Bennett unit, a medium security dormitory, and the Montrose and Augusta units, two minimum security farm dormitories.

Anamosa State Penitentiary – A penal institution for men consisting of the reformatory proper, a medium security facility, and Luster Heights, a minimum security facility. A primary objective is to release individuals who have learned to cope with their problems and live within the rules of society.

Iowa Medical and Classification Center - Oakdale – A forensic psychiatric hospital for persons displaying evidence of mental illness or psychosocial disorders and requiring diagnostic services or treatment in a security setting, a security unit for persons requiring confinement in a security setting and a classification unit for the reception, orientation and classification of inmates before placement in the most appropriate correctional institution according to necessary security and custody arrangement and the assessed service needs of the inmates.

Mount Pleasant Correctional Facility – A medium security facility for men primarily for treatment of inmates who exhibit treatable personality disorders, with or without accompanying history of drug or alcohol abuse. Under the direction of a superintendent, the Institution emphasizes a treatment program directed toward developing the inmate's social skills to aid in his return to community life.

Clarinda Correctional Facility – A medium security facility primarily for chemically dependent, mentally retarded and socially inadequate offenders.

North Central Correctional Facility - Rockwell City – A minimum security facility for men.

Iowa Correctional Institution for Women - Mitchellville – A minimum security correctional institution for women providing care, custody and rehabilitative services.

Newton Correctional Facility – A minimum security release center utilized for the preparation of inmates of the correctional institutions for discharge, work release or parole. The Institution provides inmates with actual practice in functioning within society and with feedback regarding their performance.

Fort Dodge Correctional Facility – A medium security prison designed to house 750 adult male offenders in a double occupancy celled environment. The Facility specializes in assisting inmates making the transition to civilian living.

Iowa Department of Corrections

Overview

Scope

We have calculated an average cost per inmate at each Institution for the five years ended June 30, 2004, based on their general fund expenditures. Certain reclassifications and changes have been made to these expenditures to provide comparable averages between Institutions. Therefore, expenditure amounts and cost per inmate averages may differ from those used for statewide financial statement purposes. These reclassifications and changes are as follows:

- (1) Operating transfers, primarily reimbursements to other state agencies for services, have been reclassified as expenditures for purposes of this report.
- (2) At the inception of a capital lease, total principal payments are recorded as expenditures and as other financing sources for statewide purposes. For purposes of this report, we have included only the current year principal and interest payments as expenditures.
- (3) Canteen operations have been excluded from general fund expenditures since the canteen is a self-supporting operation at each Institution.
- (4) Non-cash assistance, consisting of USDA commodities, has been excluded from general fund expenditures.

For these Institutions, expenditures do not include the cost of improvements and additions to buildings financed by certificates of participation.

Summary Observation

The average cost per inmate ranged from \$16,626 at the North Central Correctional Facility - Rockwell City to \$37,664 at the Iowa State Penitentiary in Fort Madison for fiscal year 2004. The average cost per inmate has generally remained constant or increased over the past five years at each Institution.

While total general fund expenditures have increased 16.5%, from \$174,977,042 for fiscal year 2000 to \$203,863,034 for fiscal year 2004, the average number of inmates has increased 16.6%, from 7,332 to 8,547, and the average daily cost per inmate has remained consistent, from \$65.39 to \$65.35, over the same period.

Iowa Department of Corrections

Schedules

Institutions Under the Control of the Iowa Department of Corrections

Average Cost Per Inmate by Institution
(Unaudited)

For the Last Five Fiscal Years

	Year ended June 30, 2000			
	Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate
Iowa State Penitentiary - Fort Madison	880	483	\$ 32,975	90.34
Anamosa State Penitentiary	1,252	393	19,124	52.40
Iowa Medical and Classification Center - Oakdale	798	333	25,463	69.76
Mount Pleasant Correctional Facility	974	302	21,136	57.91
Clarinda Correctional Facility	838	290	21,462	58.80
North Central Correctional Facility- Rockwell City	387	113	18,760	51.39
Iowa Correctional Institution for Women - Mitchellville	388	194	30,282	82.96
Newton Correctional Facility	1,005	373	22,441	61.48
Fort Dodge Correctional Facility	810	382	26,616	72.92
Total	7,332	2,863	\$ 23,865	65.39

Year ended June 30, 2001				Year ended June 30, 2002			
Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate	Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate
900	496	\$ 35,134	96.26	892	484	\$ 34,565	94.70
1,290	387	19,150	52.47	1,309	368	18,533	50.79
812	334	26,911	73.73	817	323	26,855	73.58
1,028	332	21,418	58.68	970	327	21,891	59.98
853	284	21,248	58.21	870	285	21,234	58.18
411	118	18,286	50.10	450	109	16,332	44.75
480	220	26,232	71.87	509	198	24,257	66.46
1,089	376	21,697	59.44	1,061	344	21,098	57.81
1,098	402	23,011	63.04	1,186	386	20,475	56.10
7,961	2,949	\$ 23,530	64.46	8,064	2,824	\$ 22,706	62.21

Institutions Under the Control of the Iowa Department of Corrections

Average Cost Per Inmate by Institution
(Unaudited)

For the Last Five Fiscal Years

	Year ended June 30, 2003			
	Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate
Iowa State Penitentiary - Fort Madison	925	513	\$ 37,676	103.22
Anamosa State Penitentiary	1,288	355	19,434	53.24
Iowa Medical and Classification Center - Oakdale	884	320	25,345	69.44
Mount Pleasant Correctional Facility	1,001	314	21,634	59.27
Clarinda Correctional Facility	885	279	21,063	57.71
North Central Correctional Facility- Rockwell City	478	105	15,557	42.62
Iowa Correctional Institution for Women - Mitchellville	541	195	23,709	64.95
Newton Correctional Facility	1,137	334	20,397	55.88
Fort Dodge Correctional Facility	1,236	366	20,118	55.12
Total	8,375	2,781	\$ 22,794	62.45

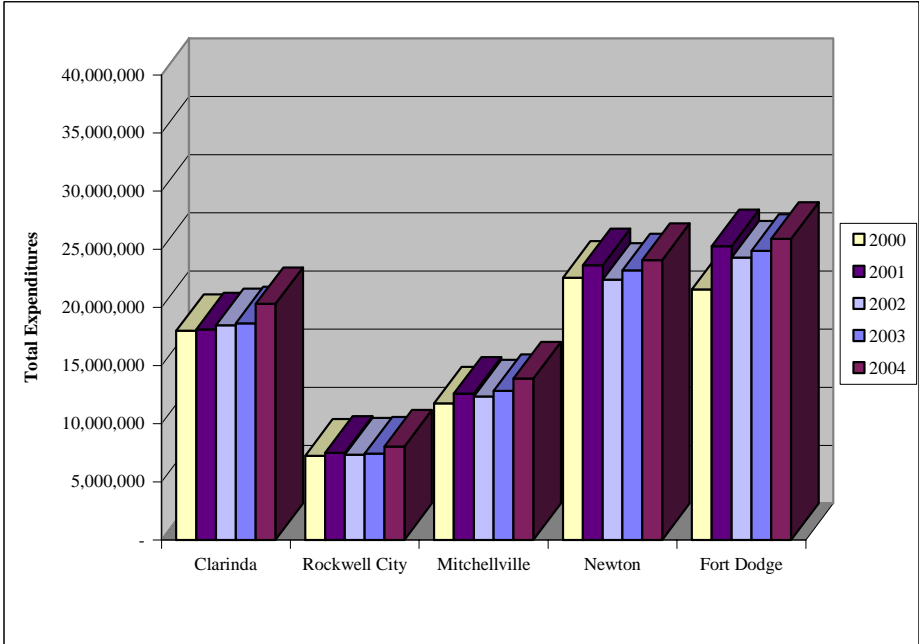
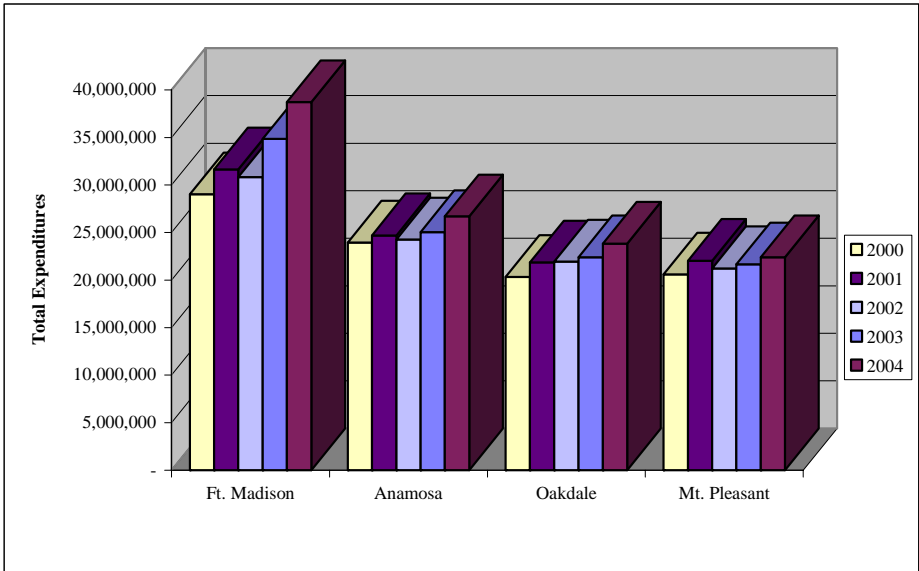
Year ended June 30, 2004				
Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate	
1,056	555	\$ 37,664	100.45	
1,311	363	20,367	55.80	
762	322	31,285	85.71	
1,083	302	20,673	56.64	
844	276	24,055	65.90	
484	106	16,626	45.55	
578	194	24,029	65.83	
1,188	338	20,274	55.54	
1,241	367	20,866	57.17	
8,547	2,823	\$ 23,852	65.35	

Iowa Department of Corrections

Institutions Under the Control of the Iowa Department of Corrections

Average Cost Per Inmate Information by Institution
 Total Expenditures
 (Unaudited)

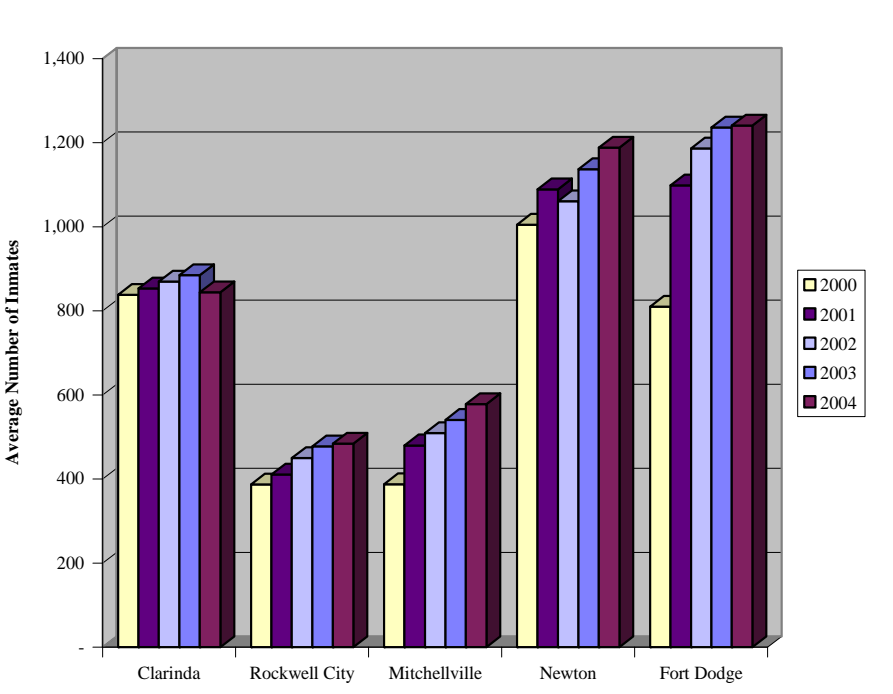
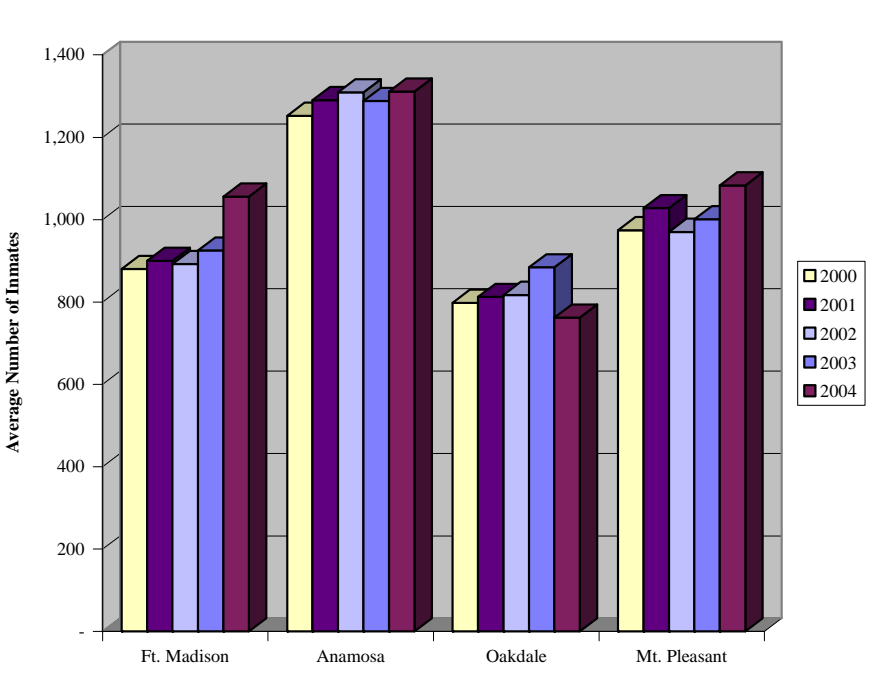
For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Corrections

Average Cost Per Inmate Information by Institution
 Average Number of Inmates
 (Unaudited)

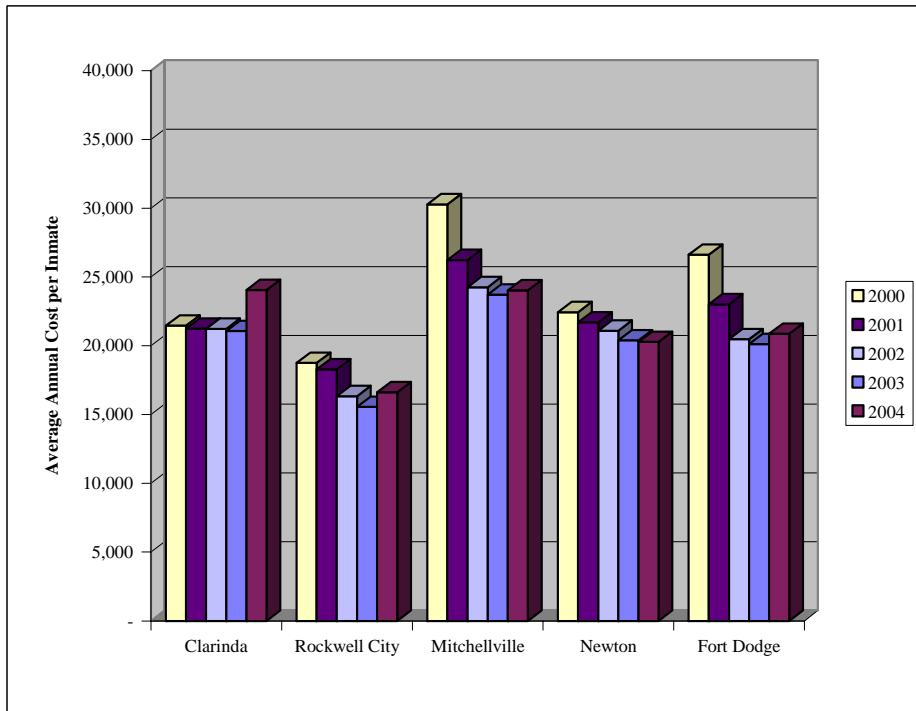
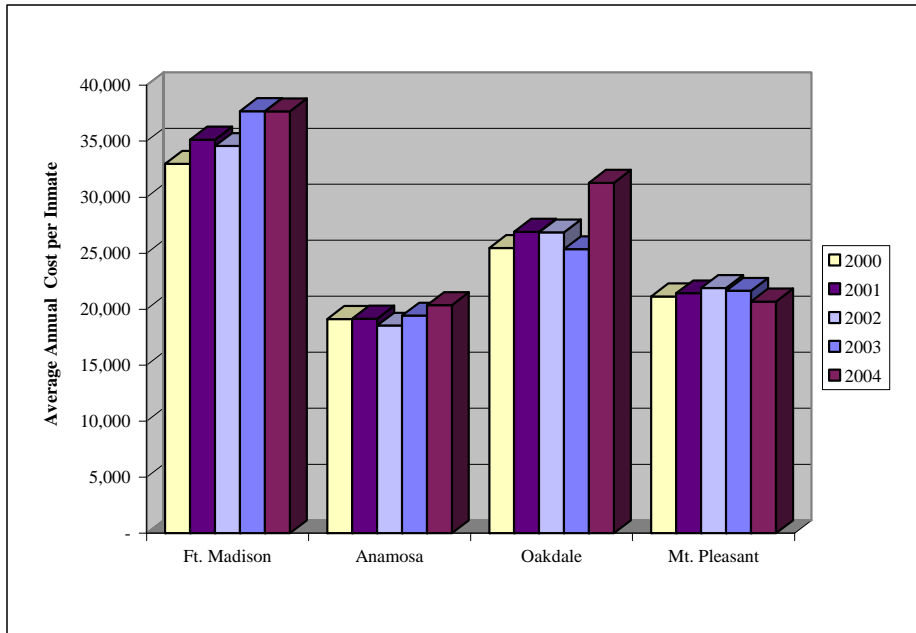
For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Corrections

Average Cost Per Inmate Information by Institution
Average Annual Cost per Inmate
(Unaudited)

For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2000

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 22,776,784	18,858,050	16,244,741	15,032,467
Travel	10,297	96,308	89,714	76,431
Supplies and materials	2,976,010	2,915,380	1,835,687	2,645,103
Contractual services	2,695,179	1,304,918	1,544,329	1,475,083
Capital outlay	170,367	314,823	423,284	956,495
Claims and miscellaneous	388,771	453,651	181,836	401,067
Licenses, permits and refunds	989	-	-	-
Total	\$ 29,018,397	23,943,130	20,319,591	20,586,646

Iowa					
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
12,415,006	5,164,574	8,482,310	16,713,907	14,314,016	130,001,855
160,603	32,557	76,183	159,117	93,299	794,509
2,825,931	816,981	1,335,288	2,777,050	2,477,040	20,604,470
1,578,719	734,846	693,564	1,757,957	2,030,028	13,814,623
555,276	358,312	1,026,041	605,858	2,360,510	6,770,966
451,325	152,788	135,916	538,870	283,109	2,987,333
770	-	-	788	739	3,286
17,987,630	7,260,058	11,749,302	22,553,547	21,558,741	174,977,042

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2001

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 24,393,563	19,604,677	17,172,893	16,162,246
Travel	47,647	38,776	101,243	81,895
Supplies and materials	3,944,515	2,523,739	2,295,042	2,761,950
Contractual services	2,139,431	1,851,603	1,790,236	2,115,202
Capital outlay	619,422	223,576	301,192	469,774
Claims and miscellaneous	474,684	461,565	190,880	426,821
Licenses, permits and refunds	918	-	-	-
Total	\$ 31,620,180	24,703,936	21,851,486	22,017,888

Iowa					
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
13,329,186	5,582,202	10,110,372	17,865,269	17,654,659	141,875,067
78,239	34,518	55,112	129,120	115,143	681,693
2,642,832	719,058	1,155,120	2,794,838	2,764,357	21,601,451
1,454,030	789,730	846,548	1,858,783	2,849,366	15,694,929
176,472	219,584	238,042	438,268	1,539,269	4,225,599
442,456	170,608	186,034	541,662	342,129	3,236,839
1,104	-	-	209	975	3,206
18,124,319	7,515,700	12,591,228	23,628,149	25,265,898	187,318,784

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2002

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 25,447,732	19,573,666	17,507,726	16,942,233
Travel	61,420	38,635	76,495	54,569
Supplies and materials	2,760,708	2,587,510	2,205,519	2,233,947
Contractual services	1,879,237	1,480,653	1,558,687	1,341,980
Capital outlay	199,885	75,687	400,392	258,275
Claims and miscellaneous	477,996	503,184	191,909	403,612
Licenses, permits and refunds	4,556	-	-	-
Total	\$ 30,831,534	24,259,335	21,940,728	21,234,616

Iowa					
Clarinda Correctional Facility	North Central Correctional Facility Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
13,950,993	5,565,379	10,023,685	17,359,932	18,318,476	144,689,822
61,149	31,156	25,884	92,599	55,109	497,016
2,489,052	704,738	1,088,188	2,578,463	2,363,154	19,011,279
1,382,128	747,370	891,775	1,680,398	2,957,397	13,919,625
154,982	94,618	71,205	228,024	234,713	1,717,781
434,772	206,002	246,240	445,019	326,267	3,235,001
740	-	-	198	27,663	33,157
18,473,816	7,349,263	12,346,977	22,384,633	24,282,779	183,103,681

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2003

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 28,489,841	20,169,286	18,263,996	17,527,117
Travel	119,664	61,935	92,324	74,761
Supplies and materials	2,998,965	2,757,099	2,053,622	2,213,916
Contractual services	2,503,381	1,443,139	1,688,579	1,276,816
Capital outlay	236,660	141,244	97,557	147,127
Claims and miscellaneous	497,655	458,456	208,830	415,567
Licenses, permits and refunds	4,573	-	-	-
Total	\$ 34,850,739	25,031,159	22,404,908	21,655,304

Iowa					
Clarinda Correctional Facility	North Central Correctional Facility Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
14,665,722	5,716,796	10,486,754	17,758,872	18,423,549	151,501,933
63,579	35,368	35,824	80,346	87,496	651,297
2,111,743	695,661	1,178,638	2,786,717	2,494,669	19,291,030
1,374,541	702,018	835,695	1,928,342	3,248,398	15,000,909
24,539	128,229	81,329	209,011	266,977	1,332,673
399,508	158,245	208,060	423,941	338,681	3,108,943
869	-	-	3,987	6,098	15,527
18,640,501	7,436,317	12,826,300	23,191,216	24,865,868	190,902,312

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2004

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 32,509,487	21,808,107	19,500,778	18,100,803
Travel	90,445	47,104	116,095	75,236
Supplies and materials	3,090,665	2,756,521	2,154,399	2,431,842
Contractual services	2,155,293	1,508,297	1,737,208	1,263,857
Capital outlay	306,861	119,586	132,469	95,720
Claims and miscellaneous	560,087	461,036	197,891	421,434
Licenses, permits and refunds	4,059	-	-	-
Total	<u>\$ 38,716,897</u>	<u>26,700,651</u>	<u>23,838,840</u>	<u>22,388,892</u>

Iowa					
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
15,520,112	6,169,374	11,178,936	19,193,618	20,481,253	164,462,468
129,006	42,301	129,953	96,415	37,270	763,825
2,338,590	775,950	1,247,033	2,505,179	2,542,797	19,842,976
1,662,216	628,513	1,009,344	1,720,194	2,252,252	13,937,174
242,589	280,627	118,319	172,183	253,176	1,721,530
408,710	150,415	205,124	397,422	324,112	3,126,231
888	-	-	345	3,538	8,830
20,302,111	8,047,180	13,888,709	24,085,356	25,894,398	203,863,034

Institutions Under the Control of the Iowa Department of Corrections

Inmate Population Statistics
(Unaudited)

Year ended June 30, 2004

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale
Population beginning of year	926	1,301	767
Admissions:			
Admissions and transfers in	732	780	5,652
Released:			
Transfers out	138	354	5,258
Paroles	169	87	43
Work release	73	134	27
Parole/discharges	31	33	24
Expiration of sentence	158	141	64
Shock probation	12	11	27
Return to probation	-	-	-
Transfers out to OWI facility	11	2	128
Transfers out to MHI	-	-	36
Escapes	-	-	4
Release by Court Order	1	1	-
Iowa compact transfers out	1	-	-
Compact prisoners from other states out	1	2	1
Appeal bond	-	1	13
Deaths	3	-	4
Total released	598	766	5,629
Population end of year	1,060	1,315	790
Average number of inmates	1,056	1,311	762

Mount Pleasant Correctional Facility	Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Iowa Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility
1,080	849	479	564	1,172	1,252
902	860	566	739	2,093	1,354
323	266	52	103	675	385
220	173	223	357	503	324
157	169	180	122	234	174
48	58	13	54	39	281
155	126	73	43	446	127
19	13	15	38	14	48
-	-	-	1	101	-
-	1	25	-	38	1
-	-	-	-	-	-
-	-	-	-	1	-
6	-	-	5	-	2
-	-	-	-	27	6
1	-	-	-	-	-
1	-	-	-	-	-
-	-	-	1	1	1
930	806	581	724	2,079	1,349
1,052	903	464	579	1,186	1,257
1,083	844	484	578	1,188	1,241

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 and Other Matters:

Capital Assets – Chapter 7A.30 of the Code of Iowa requires each Institution to maintain a written, detailed, up-to-date inventory of all real and personal property belonging to the state and under their charge, control and management. The following conditions were noted:

- One asset acquired during the fiscal year was not included on the capital asset listing.
- Three assets were improperly omitted from the capital asset listing.
- Six assets acquired during the fiscal year did not have a state identification tag affixed.
- Deletions were not properly supported and properly authorized.
- Depreciation amounts were not reported correctly on the GAAP Package.

Recommendation – The Institution should take the necessary steps to ensure an up-to-date capital asset listing is maintained and new assets are tagged. The Institution should also ensure deletions are supported and were properly authorized and equipment and depreciation amounts are accurately reported on the GAAP Package.

Response – Assets will be added to the asset listing in fiscal year 2005. Assets will be marked with the appropriate state identification tag. A new deletion form will be implemented in fiscal year 2005.

Incorrect depreciation amounts will be corrected in fiscal year 2005 and depreciation amounts will be more accurately monitored before the GAAP Package is submitted.

Conclusion – Response accepted.

Staff:

Questions or requests for further assistance should be directed to:

Steven M. Nottger, CPA, Manager
Kip M. Druecker, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Trevor L. Theulen, Staff Auditor
Brandon J. Yuska, Assistant Auditor

Findings and Recommendations for Anamosa State Penitentiary

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 and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Kay F. Dunn, CPA, Manager
Billie Jo Heth, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Cynthia R. Ellingson, Assistant Auditor

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 and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Steven M. Nottger, CPA, Manager
Kip M. Druecker, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Daniel L. Grady, Assistant Auditor
Carmon K. Kutcher, Assistant Auditor

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 and Other Matters:

Inmate Clothing Inventory – The Institution utilizes a perpetual inventory system to account for inmate clothing. For 7 of 15 items tested, annual inventory counts did not agree with the quantity on hand per the perpetual inventory system.

Recommendation – The Institution should implement procedures to ensure perpetual inventory records are accurate and up-to-date.

Response – The Institution does quarterly spot checks of perpetual inventory locations. Clothing issue showed discrepancies, so a full physical inventory count was taken on 4-5-04. The Institution continues to monitor this location and will institute a monthly spot check to ensure proper inventory valuation.

Conclusion – Response accepted.

Staff:

Questions or requests for further assistance should be directed to:

Cynthia L. Weber, CPA, Manager
Ryan J. Johnson, CPA, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Scott P. Boisen, Staff Auditor
Jennifer R. Edgar, Staff Auditor
Heather L. Templeton, Staff Auditor
Daniel L. Grady, Assistant Auditor
Carmon K. Kutcher, Assistant Auditor
Bobbie J. Zediker, Assistant Auditor

Report of Recommendations to Clarinda Correctional Facility

June 30, 2004

Findings Reported in the State's Single Audit Report:

No matters were noted.

Findings Related to Internal Control:

Initial Receipt Listing – The Institution did not maintain an initial listing of checks and cash received through the mail.

Recommendation – All incoming mail should be opened by an employee who is not authorized to make entries to the accounting records. This employee should prepare a listing of cash and checks received on at least a periodic basis. The mail should then be forwarded to the accounting personnel for processing. Later, the same listing should be compared to the cash receipt records.

Response – We began listing the checks on a periodic basis, when the auditors mentioned it on their last visit for the fiscal year 2004 audit. Our process now includes comparing that listing with the cash receipt records.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

Imaged Checks – Chapter 554D.114 of the Code of Iowa allows the Institution to retain cancelled checks in an electronic format and requires retention in this manner to include an image of both the front and back of each cancelled check. The Institution receives cancelled checks through electronic image, but does not obtain an image of the back of each cancelled check as required.

Recommendation – The Institution should obtain and retain an image of both the front and back of each cancelled check as required.

Response – Both banks we have accounts with have been notified that from now on, we will require images of both sides of the cancelled checks. Both banks have acknowledged by a letter that they will begin doing this.

Conclusion – Response accepted.

Findings and Recommendations for Clarinda Correctional Facility

June 30, 2004

Staff:

Questions or requests for further assistance should be directed to:

K. David Voy, CPA, Manager
Heather L. Templeton, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Paul F. Kearney, CGFM, Senior Auditor
Jessica L. Christiansen, Assistant Auditor
Michael J. Gentry, Jr., Assistant Auditor
Jeffrey L. Lenhart, Assistant Auditor
Brandon J. Yuska, Assistant Auditor

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 and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Pamela J. Bormann, CPA, Manager
Stephanie A. Bernard, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Donna R. Neubauer, Assistant Auditor

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 and Other Matters:

Capital Assets – Chapter 7A.30 of the Code of Iowa requires each Institution to maintain a written, detailed, up-to-date inventory of all real and personal property belonging to the state and under their charge, control and management. Assets that are deleted from this inventory are to be approved by the appropriate individual. Two of the five assets that were deleted were not properly approved.

Recommendation – The Institution should ensure that all assets deleted from the inventory listing are properly approved by the appropriate individual.

Response – We have gone over the capital assets inventory deletions procedures with our staff. We stressed to them the importance of keeping track of all assets that are deleted and to make sure we have the proper approval to delete by the Business Manager or the Assistant Business Manager.

Conclusion – Response accepted.

Staff:

Questions or requests for further assistance should be directed to:

Ronald D. Swanson, CPA, Manager
Tammy A. Wolterman, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Marc D. Johnson, Staff Auditor
Andrea M. Pothast, Assistant Auditor
Scott D. Trauger, Assistant Auditor

Findings and Recommendations for Newton Correctional Facility

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 and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Joe T. Marturello, CIA, Manager
M. Crystal A. Berg, CPA, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Andrea M. Pothast, Assistant Auditor

Findings and Recommendations for Fort Dodge Correctional Facility

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 and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Steven M. Nottger, CPA, Manager
Sheila M. Jensen, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Cheryl R. McNaught, Assistant Auditor