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NEWS RELEASE

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FOR RELEASE December 28, 2018

The Office of Auditor of State today released a report on a review of the Iowa Finance Authority (IFA) for the period January 1, 2016 through March 31, 2018. State Auditor Mary Mosiman directed her staff to perform the review after concerns were raised regarding spending and accounting practices at IFA following the termination of former Executive Director David Jamison on March 24, 2018. Specifically, concerns were expressed regarding spending authority given to Mr. Jamison during his tenure as Executive Director and IFA's use of a personal PayPal® account to collect agency fees.

Concerns were also expressed regarding a lease for office space entered into by IFA prior to Mr. Jamison's termination. The lease was approved by IFA's Board of Directors and the Executive Council of Iowa. The procedures performed for the review identified a number of management decisions made by Mr. Jamison which were not in the taxpayers' best interest. Some of Mr. Jamison's decisions resulted in unnecessary costs to taxpayers, including certain travel costs, leasing vehicles, and payroll increases.

IFA management decisions made by Mr. Jamison for which concerns were identified included:

- relocating IFA offices to a new location without disclosing the cost savings of renovating IFA's current location to the IFA Board and Executive Council,
- delegating spending authority to other IFA employees,
- leasing vehicles at a greater cost than other available options, and
- providing employees step or merit increases in excess of typical amounts and after an employee's promotion.

The report identified a number of management decisions were not in the taxpayers' best interest and resulted in \$549,399.21 of improper disbursements, unsupported disbursements, and disbursements which do not meet the test of public purpose. The \$26,816.99 of improper disbursements identified includes \$21,453.29 of credit card purchases by IFA employees, and \$5,363.70 of travel reimbursements for IFA employees. In addition, the report identified

\$32,069.75 of unsupported disbursements which includes \$26,805.74 of relocation reimbursements issued to an IFA employee and \$5,264.01 of credit card purchases by IFA employees.

The \$490,512.47 of disbursements which did not meet the test of public purpose includes \$328,184.61 of payroll and IFA's share of payroll related costs for FICA and IPERS for larger than typical pay increases, \$89,233.00 for construction manager fee for tenant improvements at the leased building, \$40,467.41 for leasing of vehicles, \$18,700.00 for an additional review of costs related to renovating the current IFA building and leasing new space, \$11,764.62 for expenses incurred for Board meetings held outside the City of Des Moines, and \$2,162.83 of expenses incurred on IFA's credit cards and travel reimbursements.

On July 30, 2018, Eide Bailly issued their forensic accounting report for the period July 1, 2015 through May 2018. The report did not identify any concerns regarding internal controls, spending authority limits, use of corporate credit cards by Mr. Jamison, expense reimbursements to Mr. Jamison, or use of PayPal accounts. In addition, Eide Bailly issued a forensic accounting report in response to Iowa State Legislation House File 2493 on November 26, 2018 for the period January 1, 2011 through June 30, 2018. In addition to reviewing transactions by Mr. Jamison, testing for the second report included credit card use and travel costs incurred by all IFA personnel. The report had findings similar to those included in the earlier report.

In accordance with Chapter 16 of the *Code of Iowa*, the IFA Board of Directors has the general control, supervision, and regulation of all programs administered by IFA; however, IFA has voluntarily chosen to follow certain State rules and procedures regarding the allowability of travel costs and other matters related to payroll established by Iowa Department of Administrative Services (DAS). The report includes recommendations to ensure compliance with policies established by the DAS and procedures for travel expenses, credit card policies, and improvements regarding oversight of IFA operations. IFA officials have already implement a number of corrective actions in these areas. The report also concluded unless there is a valid business purpose, all authorities within State government, including IFA, should be held to the same rules and oversight as all other State agencies. In addition, the report recommended the Legislature consider requiring IFA to be audited on an annual basis by the Office of Auditor of State as are all other authorities.

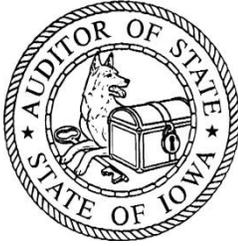
A copy of the report is available for review on the Auditor of State's web site at <https://auditor.iowa.gov/reports/audit-reports/> and in the Office of Auditor of State.

**REPORT ON REVIEW
OF THE
IOWA FINANCE AUTHORITY

FOR THE PERIOD
JANUARY 1, 2016 THROUGH MARCH 31, 2018**

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Auditor of State's Report

To the Members of the Iowa Finance
Authority Board of Directors:

As a result of concerns regarding certain management decisions, we conducted a review of the Iowa Finance Authority (IFA). We have applied certain tests and procedures to financial transactions of IFA for the period January 1, 2016 through March 31, 2018, unless otherwise noted. Based on a review of relevant information and discussions with IFA officials and personnel, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Interviewed certain IFA staff members and Board members to obtain an understanding of information provided to the Iowa Finance Authority Board (Board) and explanations for certain procedures and transactions.
- (3) Examined documentation regarding costs to relocate IFA offices, including reports addressing space requirements, costs of renovating the current location, and leasing options, to determine propriety. We also reviewed the State of Iowa Executive Council meeting minutes and interviewed members to determine what information was presented to the Council for its consideration regarding the relocation of IFA offices and any discussions the former Executive Director of IFA held with Executive Council members regarding the relocation.
- (4) Reviewed Board meeting minutes for the period January 1, 2016 through June 30, 2018 to identify information presented to the Board and significant actions taken by the Board regarding the lease for relocated operations and other concerns identified during our testing.
- (5) Examined certain purchases made with IFA credit cards to determine if they were supported by adequate documentation, appropriate for IFA's operations, were in the best interest of the taxpayers, and complied with IFA policies. We also examined certain travel costs not paid with IFA's credit cards to determine propriety.
- (6) Examined travel reimbursements issued to certain IFA employees and Board members to determine propriety.
- (7) Evaluated bank activity for IFA bank accounts to determine if balances were appropriate for IFA operations.
- (8) Examined account records and interviewed IFA staff members to obtain an understanding of the delegation of authority to certain IFA staff members. Based on information obtained, we also examined instances in which budgeted expenditures were exceeded to determine the propriety of the unanticipated costs.
- (9) Examined payroll for selected IFA employees for the period January 1, 2010 through June 30, 2018 to determine compliance with DAS pay grades and class codes for certain positions. We also examined pay increases for a sample of IFA employees to determine if pay increases were reasonable.

- (10) Evaluated the use of leased vehicles by IFA to determine propriety and compared the leases to using fleet vehicles from Department of Administrative Services (DAS) to determine the costs associated with leasing the vehicles.
- (11) Obtained an understanding of the circumstances surrounding the establishment of certain PayPal® accounts used to process IFA transactions. Examined and evaluated the sources of funds deposited in the PayPal® accounts and subsequent account activity to determine if collections were properly deposited in IFA's bank account.
- (12) Reviewed independent attorney's report with interviews from IFA employees and Mr. Jamison.
- (13) Interviewed Mr. Jamison to obtain an understanding of certain management decisions and certain financial transactions.

As a result of these procedures, a number of managements decisions were identified which were not in the taxpayers' best interest. Some of the decisions resulted in unnecessary costs to taxpayers, including certain travel costs, building and vehicle leases, marketing expenses, and expenses related to the forensic accounting review. Specifically, we identified \$549,399.21 of improper and unsupported disbursements and disbursements not in the taxpayers' best interest. In addition, the IFA Board and Executive Council were not given the opportunity to evaluate the office space options because they were not provided available information. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Review Summary and **Exhibits A** through **Q** of this report.

The procedures described above do not constitute an audit of financial statements conducted in accordance with U.S. generally accepted auditing standards.

We would like to acknowledge the assistance extended to us by personnel of IFA, and Iowa Finance Authority Board of Directors during the course of our review.



ANDREW E. NIELSEN, CPA
Deputy Auditor of State

December 17, 2018

Report on Review of the
Iowa Finance Authority

Review Summary

Background Information

The Iowa Finance Authority (IFA) is a State entity which is to be operated in accordance with Chapter 16 of the *Code of Iowa (Code)* and Chapter 265 of the Iowa Administrative Code (IAC). In accordance with Chapter 16 of the *Code*, the Iowa finance authority board of directors (Board) was established with the sole authority to have general control, supervision, and regulation of all programs. According to the IAC, IFA's mission is "to finance, administer, advance and preserve affordable housing and to promote community and economic development for Iowans."

The Board consists of 9 voting members who are appointed by the Governor and serve 6-year staggered terms. Appointed members are subject to approval by the Iowa Senate. The Board also includes the Treasurer of State (or a designee) as a non-voting, ex-officio member.

In addition, according to section 16.5(1)(u) of the *Code*, IFA can "exercise generally all powers typically exercised by private enterprises engaged in business pursuits unless the exercise of such power would violate the terms of Chapter 16 of the *Code* or the Constitution of the State of Iowa." However, section 16.2(8) of the *Code* states "the net earnings of the authority, beyond that necessary for retirement of its notes, bonds, or other obligations, or to implement the public purposes and programs herein authorized, shall not inure to the benefit of any person other than the state." In addition, "upon termination of the existence of the authority, title to all property owned by the authority, including any net earnings of the authority, shall vest in the state." Therefore, IFA has a fiduciary duty to ensure all financial transactions benefit the State and are in the best interest of the taxpayers.

IFA administers 4 primary programs, which include:

- Homeownership – This single family program assists individuals in buying homes and with down payments and closing costs.
- Iowa Title Guaranty (ITG) – This program issues residential and commercial title insurance certificates for affordable housing.
- Housing tax credits – This program allocates funding to create and/or preserve safe and affordable homes for Iowa families.
- State revolving funds – This program helps Iowa communities obtain low-interest loans for wastewater and drinking water infrastructure.

In accordance with section 16.6 of the *Code*, the Executive Director is appointed by the Governor, subject to confirmation by the Senate. The Executive Director serves at the pleasure of the Governor and is to be selected primarily for administrative ability and knowledge in the field, without regard to political affiliation. The Governor establishes the salary of the Executive Director within a range established by the General Assembly. The Executive Director is responsible for management, development, and operation of IFA. In addition, the Executive Director, as secretary of the Board, is to keep minutes of the Board meetings.

David Jamison was appointed by Governor Terry Branstad as the Executive Director in January 2011 and terminated from the position by Governor Kim Reynolds on March 24, 2018. According to media reports, Mr. Jamison's employment was terminated as a result of "credible allegations of sexual harassment against" him. Governor Reynolds also named Carolann Jensen as the interim Executive Director at the time Mr. Jamison's employment was terminated. Ms. Jensen served as IFA's Chief Programs Officer.

After Mr. Jamison's termination, IFA faced additional public scrutiny regarding several decisions which had been made by Mr. Jamison and approved by the Board, including relocating IFA operations and establishing a lease for a newly renovated office building, the use of personal PayPal® accounts for IFA operations, and delegating spending authority to multiple employees who were allowed to spend significant amounts from discretionary accounts. The public comments also included concerns Board members met outside public meetings.

As a result of the initial and subsequent concerns, several entities reviewed financial transactions of IFA and/or decisions and actions taken by Mr. Jamison. The resulting reports issued by the entities are briefly summarized in the following paragraphs.

- On April 27, 2018, Governor Reynolds ordered an independent investigation of the sexual harassment allegations be performed. The Board approved funding for the investigation and, on May 2, 2018, the Board formally retained the law firm engaged to conduct the investigation. On September 20, 2018, the firm issued a report which concluded "Mr. Jamison indeed engaged in sexually harassing conduct as described" by the individuals who initially brought the allegations to the Governor's attention.
- Prior to May 1, 2018, representatives of the Office of Auditor of State contacted Ms. Jensen regarding the items for which IFA had been facing public scrutiny and discussed a pending review of these items to be conducted by the Office of Auditor of State. In addition, representatives of the Office of Auditor of State met with Ms. Jensen on May 1, 2018 to discuss reports of IFA's plans to engage a CPA firm given that the Office of Auditor of State would be performing certain testing procedures. The discussion with Ms. Jensen included concerns the CPA firm would be duplicating the Office's planned testing procedures and the related cost for the work performed by the CPA firm.

On May 2, 2018, State Auditor Mary Mosiman publicly announced the Office of Auditor of State would perform a review of IFA's operations. Auditor Mosiman recused herself from participating in the engagement because there may have been a perceived lack of independence. Professional standards require auditors to be independent in both fact and appearance.

- On May 2, 2018, Ms. Jensen signed an agreement with a CPA firm to perform certain testing which closely followed the planned testing procedures previously discussed with representatives of the Auditor of State. On July 30, 2018, Eide Bailly issued their forensic accounting report which stated in part "appropriate internal controls appear to be in place, no spending authority limit violations were identified, corporate credit card use, expense reimbursements, and travel payment voucher expenditures by the former Executive Director appear to be business-related, and PayPal accounts used by IFA are business accounts and all funds deposited into these accounts have been deposited into IFA's general fund."
- According to House File 2493, an independent investigation should be conducted to review IFA financial transactions. The review should include "an analysis of all expenses reimbursed by the State to the former director of the authority and all employees of the authority for the period January 1, 2011 through June 30, 2018. Such expenses shall include all travel, lodging, meals, beverages, personal services, entertainment, office expenses, and all other expenditures not included in the authority's budget." A report with a summary of the results should be provided to the General Assembly no later than December 1, 2018. On November 26, 2018, Eide Bailly issued their forensic accounting report in response to Iowa State Legislation House File 2493. Their forensic accounting report stated in part "appropriate internal controls appear to be in place, corporate credit card use, expense reimbursements, and travel payment voucher expenditures by the former Executive Director and all other IFA personnel appear to be business-related, and PayPal accounts used by IFA are business accounts and all funds deposited into these accounts have been deposited into IFA's general fund."

As a result of the concerns identified after Mr. Jamison's termination, the Office of Auditor of State performed the procedures detailed in the Auditor of State's report for the period January 1, 2016 through March 31, 2018, or for extended periods as appropriate.

Detailed Findings

These procedures identified a number of management decisions made by Mr. Jamison which were not in the taxpayers' best interest. IFA management decisions made by Mr. Jamison for which concerns were identified include, but are not limited to, the following:

- Leasing a building instead of renovating the building owned by IFA since 2006.
- Delegation of authority to spend unbudgeted funds.
- Travel reimbursements for IFA employees and Board members.
- Credit card purchases made by IFA employees.
- Leasing vehicles for IFA use.

We identified \$26,816.99 of improper disbursements, including excess costs incurred on IFA credit cards and improperly reimbursed travel related expenses. In addition, we identified \$32,069.75 of unsupported disbursements made using IFA credit cards.

Also, we identified \$490,512.47 of disbursements which were not in the taxpayers' best interest, including \$328,184.61 of payroll and IFA's share of payroll related costs for FICA and IPERS for larger than typical pay increases, \$89,233.00 for construction manager fees on tenant improvements property leased by IFA, \$40,467.41 of excess costs incurred for leasing vehicles, \$18,700.00 for services provided by Public Financial Management, and \$11,764.62 for expenses incurred at Board meetings held outside Des Moines. In addition, the IFA Board and Executive Council were not given the opportunity to evaluate the office space options because they were not provided available information.

The \$549,399.21 of improper and unsupported disbursements and disbursements not in the taxpayers' best interest are summarized in **Exhibit A** and a detailed explanation of each finding follows.

IOWA FINANCE AUTHORITY EXPENDITURES

As previously stated, we performed a limited review based on items for which IFA had been facing public scrutiny and risk areas we identified during discussions with IFA staff. The concerns identified include, but are not limited to,

- office building lease,
- delegation of authority for spending, and
- credit card purchases.

Each finding is explained in detail in the following paragraphs.

Lease for Office Space

In a letter dated February 8, 2018, Mr. Jamison requested Executive Council of Iowa (Executive Council) approval of a lease for office space at 1963 Bell Avenue in Des Moines for the purpose of "Headquarters for the Iowa Finance Authority and its divisions."

At the time of the request, IFA offices were operating from a building located at 2015 Grand Avenue in Des Moines. The building was purchased by IFA for \$1,700,000.00 on June 8, 2006 and it was previously occupied by the Iowa Lottery Authority. The building owned by IFA has been

described by an appraiser as a “general-purpose office building.” It was originally constructed in 1927 and remodeled in 1985 and 2007. According to the Polk County Assessors website, the building was last assessed in 2007 at \$1,813,000.00 because the class changed from commercial to government. However, based on IFA’s fiscal year 2018 financial statement audit, the building has a net book value of \$2,332,000.

The 4 Executive Council members present at the February 12, 2018 meeting unanimously approved the lease presented by Mr. Jamison on behalf of IFA. Mr. Jamison was present at the meeting in the event members had questions. State Treasurer Michael Fitzgerald was absent from the meeting. However, an April 25, 2018 newspaper article stated, in part, “Newly released records and State Treasurer Michael Fitzgerald indicate the decision was made without board [Executive Council] members being informed about a \$6 million savings and a third-party recommendation that the agency stay put.” We confirmed with Treasurer Fitzgerald the statement attributed to him is correct. He also stated he met with Mr. Jamison in the Treasurer of State’s Office prior to the Executive Council meeting held on February 12, 2018 to discuss the proposed lease. Treasurer Fitzgerald reported Mr. Jamison explained why the lease was a “good deal” and it would be cheaper and would save IFA money. Treasurer Fitzgerald stated the costs of options other than leasing were not discussed during the meeting. However, he did recall Mr. Jamison reporting the current building contained asbestos.

To determine if the Executive Council was provided sufficient information to make an informed decision regarding the proposed lease and to determine if relocating IFA operations was in the best interest of taxpayers, we reviewed cost estimates prepared by IFA staff regarding the potential relocation of IFA’s offices. We also reviewed cost reports prepared by architect and consulting firms, Design Alliance and Public Financial Management, respectively. In addition, we reviewed minutes of IFA Board of Directors meetings to determine what information was presented and/or discussed during public meetings. We also spoke with certain IFA Board and Executive Council members.

During our assessment of whether the decision to lease the property was properly vetted and if the appropriate parties had sufficient information to make that decision, we considered the following:

- Executive Council - We reviewed the documentation included in the Executive Council’s packet for the February 12, 2018 meeting which included a one-page letter sent to the Executive Council by Mr. Jamison. It was addressed to the Administrative Secretary of the Executive Council. A copy of the letter is included in **Appendix 1**. As illustrated by the **Appendix**, the letter stated, in part, “Accordingly, pursuant to that section of the Iowa Code [16.5(2)], the enclosed and following described lease for office space for the Iowa Finance Authority is hereby submitted for Executive Council approval.” Based on the documentation we were provided and as illustrated by **Appendix 1**, the packets did not include a copy of the lease. In addition, the packets did not contain any type of analysis performed regarding the potential relocation of IFA’s operations, plans for the building owned by IFA. Based on the copy of the packets we were provided, the Executive Council members were only provided the letter which included a description of the lease.

However, based on information we obtained from IFA staff, Mr. Jamison was provided a cost comparison prior to the Executive Council meeting which showed the cumulative costs over 20 years of obtaining a loan to pay for renovation costs at 2015 Grand Avenue were less than the cost of leasing 1963 Bell Avenue.

We spoke with Executive Council members who reported Mr. Jamison met with members individually prior to the February 12, 2018 Executive Council meeting to discuss the potential lease for the 1963 Bell Avenue property. According to Treasurer Fitzgerald and Auditor Mosiman, limited financial information for the lease was provided by Mr. Jamison during the “pre-meetings.” Auditor Mosiman stated she received documents from Mr. Jamison which showed the cost of the lease over 10 years; however, she did not recall receiving any documentation illustrating the

cost of renovating the building. In addition, Secretary Pate reported he had several questions for Mr. Jamison regarding how common costs such as utilities, snow removal, as such would be allocated for the leased space during the period when there were no other tenants in the 1963 Bell Avenue property.

Each Executive Council member we spoke with reported Mr. Jamison explained the current IFA building has asbestos and it would be expensive to remove so the option to lease appeared more economical.

According to Auditor Mosiman, a 1 page document which summarized the lease was presented to the Executive Council members on February 12, 2018. Both Auditor Mosiman and Secretary Pate reported Mr. Jamison was present for the meeting in the event there were any questions; however, no questions were asked of him.

- IFA Board – The IFA Board had primary responsibility to perform due diligence to inquire and review supporting documentation for all options related to the lease in order to ensure the best option was selected. In addition to reviewing minutes from IFA Board meetings, we spoke with individual board members regarding information they received about potentially relocating IFA offices.

When we asked Board members if they were provided cost information regarding the relocation of IFA offices, we received inconsistent responses. According to a Board member we spoke with, he did not receive any cost information comparing renovating the current IFA building to leasing 1963 Bell Avenue until the lease had been entered into. However, another Board member reported she received a cost comparison prepared by IFA staff. She also stated the information in the cost comparison appeared general in nature and was not very specific. In addition, she stated it appeared Mr. Jamison only provided the information he wanted the Board to see and, based on the information presented to the Board, the Board decided it was better to lease.

Based on discussions with other Board members, they recalled receiving cost comparisons and other documents such as charts and graphs for determining which option was the best for IFA. However, none of the Board members were able to show us the information they reported they received.

In addition to discussing cost comparisons, we also asked Board members if they received reports identified in the minutes as presented to Board, including the Design Alliance report, facilities assessment report, and an appraisal on the current IFA building. Some of the Board members indicated they received the Design Alliance report and the facilities assessment report while others stated they did not receive these reports. According to the Board members we spoke with, none of them remembered if the Board requested an appraisal of the IFA building or if the appraisal was requested by Mr. Jamison without Board direction.

We also asked Board members if the needed building renovations, costs of renovating and leasing, or any other discussions related to moving IFA's operations were discussed outside of Board meetings. According to Board members we spoke with, any discussions regarding potentially relocating would have been discussed in the administrative committee meetings which occur prior to the Board meetings. The administrative committee meetings included discussions with IFA staff members and the former Chief Administrative Officer who was responsible for researching the various options. However, the committee meetings were not open to the public and agendas were not prepared for these meetings.

- Cost Estimates and Lease Terms – While Executive Council members and IFA Board members reported not receiving detailed cost information, we obtained certain documentation including cost estimates and third party reports. We discussed information from these sources with IFA officials and verified the information when possible. Based on these discussions and our review, we determined information

provided by IFA which compared leasing 1963 Bell Avenue with renovating 2015 Grand Avenue did not include consistent methodologies to estimate costs. As a result, we recalculated estimates for leasing 1963 Bell Avenue and renovating 2015 Grand Avenue. The estimated cumulative costs prepared by IFA are summarized in **Table 1**.

The estimated costs calculated by IFA included a difference in methodology for certain operating expenses. In addition, it included a \$2,800,000 reduction for the value of the building. Because the value of the building should not have been deducted from the renovating costs and consistent methodology should have been used to determine expenses, we recalculated the estimated renovation costs which are also included in **Table 1**.

Table 1

Length of Lease /Loan	Lease	Renovate per IFA	Difference	Recalculated Renovate	Difference
10 years	\$ 8,352,277	7,521,217	831,060	10,319,378	(1,967,101)
15 years	12,259,721	9,239,207	3,020,514	11,532,050	727,671
20 years	16,869,098	11,033,966	5,835,132	12,865,563	4,003,535

As illustrated by the **Table** the estimated renovation costs prepared by IFA demonstrate renovation was less costly than leasing.

We also reviewed the terms of the lease established in February 2018 and compared the lease to requirements established by DAS. Based on our review and discussions with DAS officials, the lease terms were not beneficial to the State of Iowa and were not consistent with standard lease terms for other properties leased by other state entities.

As illustrated by **Table 1**, the estimated costs prepared by IFA at the time the lease was signed show it was more costly to lease than to renovate the existing building. However, based on our review of Board minutes and recordings and discussions with IFA Board members and Executive Council members, these cost estimates were not provided by Mr. Jamison. As a result, the Board members and Executive Council members were not informed IFA had estimated the lease costs would exceed renovation costs.

We spoke with Mr. Jamison regarding the lease established at 1963 Bell Avenue, he stated it was approximately a 2 year process in determining new office space was needed. He reported the property at 2015 Grand Avenue was fairly full and he anticipated growth in the number of FTE positions over the next several years. He also state there were significant HVAC issues which would require approximately \$1,000,000 to repair. Mr. Jamison also explained he had discussions early in the process with the Director of DAS, Governor and Lieutenant Governor. Mr. Jamison also reported presentations regarding the cost of leasing were made to the Board, IFA staff, and individual meetings with Executive Council members.

When we asked Mr. Jamison about the changed conclusion in the Design Alliance report, he stated he felt Design Alliance provided a report which the vendor thought was responsive to IFA's desires rather than an independent assessment. However, Mr. Jamison did not specifically address why the conclusion in the report from Design Alliance was changed. In addition, he indicated the addition to the existing property proposed by Design Alliance was not appealing to him. However, he explained IFA had considered the wants and desires of employees in their work environment.

Mr. Jamison also stated IFA had established a 10 year goal to achieve certain milestones. In conjunction with the 10 year goal, he did not anticipate establishing a lease for longer than 10 year term. He further stated having a term of this length would require IFA leadership to re-evaluate the propriety of leasing versus owning a facility after 7 to 8 years.

In addition he reported, the CFO “was not a fan” of leasing property; however, she confirmed IFA had the financial resources for a lease and leasing would not impair their bond rating. As a result, he felt leasing was appropriate.

After reviewing cost estimates for office space options, lease terms, and information provided to the IFA Board and Executive Council, we determined leasing the property at 1963 Bell Avenue was not in the best interest of taxpayers. The building at 2015 Grand Avenue was large enough to meet the needs of IFA and by constructing an addition to the building, it would have met the needs of IFA for approximately 20 years and would have been more cost-effective in the long term. In addition, by renovating the current building, IFA would be adding value to the property. Conversely, the estimated cost of leasing was net of proceeds from the sale of the property at 2015 Grand Avenue, cost more than renovating over the long term, and left IFA without office space at the end of the comparison period.

While state entities, such as IFA, are not obligated to select the least costly options when making management decisions, the justification for any choice should be documented. The basis for leasing 1963 Bell Avenue was not documented or discussed with officials we spoke with.

Additional information regarding our consideration of the lease is found on the following pages, including preliminary actions, Board minutes and records, IFA cost estimates, third party reports, cost comparisons, and evaluation of lease terms.

Preliminary Actions – During our fieldwork, we identified email correspondence on June 10, 2015 regarding IFA’s future space needs between Mr. Jamison and the Executive Leadership team, which is primarily composed of the senior administrators at IFA. Attached with the email correspondence was a memo from IFA’s Space Needs Committee outlining future staff growth to help define future space needs. A copy of the memo is included in **Appendix 2**. As illustrated by the **Appendix**, correspondence included a notation the space needs for the next 3-5 years included an additional 5-7 employees. It also included “pros and cons” for staying at the current building. However, it does not address the anticipated space needs.

On October 7, 2015, Mr. Jamison requested an appraisal from Nelsen Appraisal Associates, Inc. for the IFA building located at 2015 Grand Avenue. According to the report from the vendor, the IFA building was appraised at \$1,700,000 if were to be sold “as is.”

On January 26, 2016, the former Iowa Title Guaranty (ITG) Director emailed IFA’s Chief Financial Officer (CFO) stating she had met with a representative of Hubbell Realty and was presented a full analysis report on IFA’s options to renovate, buy, or lease. The CFO responded to the former ITG Director stating she thought IFA was still waiting on a survey to outline priorities for a new space and did not realize a report was already completed by Hubbell Realty. According to the former ITG Director’s response, IFA needed to decide if they are staying or leaving the current building so time would not be wasted if Mr. Jamison and/or IFA Board decided to renovate. However, the Hubbell representative would present his report and explain all the numbers and details during his presentation. It is unclear why Hubbell Realty was contacted prior to determining space needs and prior to discussions with Board members. Our expectation would be for IFA to identify the amount of space needed prior to meeting with a realtor.

On February 15, 2016, Mr. Jamison shared with the IFA Executive Leadership team a report performed by Modus regarding the HVAC (heating, ventilation, and air conditioning) assessment at IFA’s building. The report completed by Modus on November 17, 2015 included a “probable cost” of \$660,000 if certain changes were made, including replacing pneumatic controls with new direct digital controls, changing the units to dedicated outside air handling units and adding fan coils to the spaces, and completing some deferred maintenance items. However, the report disclosed asbestos abatement and architectural items were not included in the cost but historically those costs could be twice the mechanical estimate provided.

According to an email on June 13, 2016, the former ITG Director, Mr. Jamison, and 2 DAS representatives had a meeting on May 31, 2016. The email did not identify what information was discussed at the meeting; however, on July 21, 2016, a DAS representative emailed the former ITG Director building proposals for IFA. A copy of the DAS report summary page has been included in **Appendix 3**. As illustrated by the **Appendix**, DAS' estimate for renovating the current building ranged from \$3,700,000.00 to \$7,300,000.00 (options 1a and 1b), the estimate for building a new building ranged from approximately \$6,500,000.00 to \$7,900,000.00, and purchasing an existing building ranged from approximately \$4,100,000.00 to \$6,400,000.00 (options 3a and 3b). The **Appendix** also illustrates the estimated cost of constructing a new building was \$7,242,170.00. The report did not draw any conclusions. It only presented different options, including a "basic needs" renovation at the current location, a "complete interior" renovation at the current location, relocating to a newly-constructed building (as either a purchase or a lease), and moving to a different already existing building as either a purchase or lease.

On August 23, 2016, Mr. Jamison met with the DAS Director, Department of Management staff, and the Governor's Chief of Staff to discuss the current building needs, potential future growth and remedial options, such as renovating the current building, leasing office space, and/or building/renovating a new building. As a result of this meeting, DAS engaged Design Alliance to perform the assessment phase which began in November 2016.

Board Minutes and Recordings – As previously stated, Mr. Jamison was responsible for preparing the minutes of Board meetings. The minutes we reviewed document Mr. Jamison was the Board Secretary. Based on our review of Board minutes, the following actions were identified regarding the potential relocation of IFA.

At the November 2016 Board meeting, Mr. Jamison reported Design Alliance was awarded the contract to determine space needs and work was scheduled to begin in December. At the February 2016 Board meeting, Mr. Jamison reported Design Alliance was in the final stages of their work and a report would be presented to the Board in March. At the March 2017 meeting, the minutes state a representative of Design Alliance presented an overview of the assessment and reported "the next step is for IFA to decide a route in which to proceed."

The minutes for April 12, 2017 Board meeting, list presentations by an IFA representative regarding the Design Alliance assessment and an employee engagement survey. However, the minutes do not describe the presentations or the results of the assessment and survey. The minutes for the July 2017 Board meeting state Mr. Jamison provided an update for leasing options for office space. No additional information was recorded in the minutes. The Board packet for the meeting did not include any documents regarding this matter.

The minutes from the October 2017 Board meeting document "Mr. Jamison gave a brief history on the building needs assessment by Design Alliance and criteria for a building search. He stated that he had narrowed a search for a lease or purchase option to a three mile radius of the current building as well as other priorities that were determined in staff focus groups. Mr. Jamison recommended a lease of 1963 Bell Avenue, pending further pricing information and negotiations. According to an audio recording of the meeting, Mr. Jamison answered several questions from the Board, including flooding concerns, lease terms, future growth, staff needs, and costs, and stated he hoped to come back to the Board in November with final pricing and a request to execute the lease." The Board packet for the meeting did not include any documents regarding this matter.

The minutes from the November 2017 Board meeting state "Mr. Jamison gave a brief update on potential IFA office move indicating the IFA team was working out potential lease agreement details." Additional information was not provided regarding the types of details being worked on. According to the audio recording of the meeting, the Board did not have any questions regarding the lease.

At the December 6, 2017 Board meeting, the Board approved Resolution GEN 17-01 which authorized Mr. Jamison to negotiate and execute a lease for office space at 1963 Bell Avenue subject to certain terms. Of the 7 Board members present for the meeting, 6 voted for the Resolution and 1, who is employed by Hubbell Realty, abstained due to a conflict of interest. The Resolution and related attachment containing the specified terms is included in **Appendix 4**. As illustrated by the **Appendix**, the Resolution stated, in part, “the Board has been presented by the Executive Director with certain tentatively agreed upon lease terms for the Property, which the Board finds to be generally acceptable...” However, we did not identify an instance in which the Board received any documentation regarding the proposed lease.

In addition, the Exhibit A portion of **Appendix 4** states, in part, “Be on terms and for an initial rental amount substantially consistent with the terms previously disclosed to the Board”; however, no lease terms were documented in the Board minutes or packets provided to Board members. As a result of these 2 statements in **Appendix 4**, it appears Mr. Jamison provided documentation regarding the proposed lease to Board members outside the monthly Board meetings.

The minutes from the February 2018 Board meeting document Mr. Jamison provided the Board with a “brief overview of [Resolution] 18-01” regarding the lease agreement for the office space for IFA operations. The minutes also state Mr. Jamison reported the “next steps include a meeting with the Executive Council to get their approval, meeting with our architectural firm to finalize a floor plan and to get quotes for furniture.” The minutes document “The move should happen the 3rd quarter of 2018.”

A copy of the Resolution is included in **Appendix 5**. As illustrated by the **Appendix**, the Board authorized Mr. Jamison to execute the lease and spend up to \$3.5 million, which was not in the current budget, for capital expenditures related to the move to the new property. The Resolution also included the Board’s approval to decrease the estimated market value of the property at 2015 Grand Avenue, which would result in an estimated loss of \$600,000.00 in IFA’s financial statements for fiscal year 2018.

According to the minutes from the June 6, 2018 Board meeting, “Chair Heil stated the board requested additional information that was relevant to 10, 15, and 20 year lease terms and to discuss the viability of any options other than the lease.” The Board assigned “the Interim Executive Director to have a third party financial analysis of the Design Alliance renovation estimates, with and without the building addition, and the signed lease of 1963 Bell office space to include a 10, 15, and 20 year analysis.” As a result of the Board’s directive, IFA engaged Public Financial Management (PFM) to conduct an analysis. The minutes from the June 19, 2018 Board meeting document a representative of PFM presented a report to the IFA Board. The minutes state a lengthy discussion took place regarding the analysis prepared by PFM after the presentation. The minutes also document after the discussion the Board members present voted unanimously to proceed with the lease of 1963 Bell Avenue. According to the minutes, the presentation by PFM was the only item discussed during the 47 minute meeting.

In addition to examining Board minutes prepared by Mr. Jamison and the Interim Executive Director, we listened to audio recordings of the Board meetings to obtain an understanding of additional information presented to or discussed with the Board to determine if the Board was aware of the options and the associated costs. As previously stated, by listening to the audio recordings, we determined the Board meetings included conversation or questions regarding flooding concerns in the area of 1963 Bell Avenue, lease terms, future growth potential, staff needs/wants list, and property taxes.

We also determined a Board member asked for financials or a cost comparison between leasing and renovating during the October 4, 2017 meeting. Mr. Jamison responded the estimated cost to renovate the current building was between \$6.5 million and \$7.0 million but would provide the Board more accurate numbers once available. Mr. Jamison also stated leasing became an option due to the significant cost associated with renovating the current building. As disclosed in the

summary of the Board minutes, no additional cost information was provided to the Board during the monthly Board meetings or in the packets provided to the Board members.

Based on discussions with IFA staff, we determined Board members met in small groups, referred to as “committee meetings,” prior to the public Board meetings. According to IFA staff, committees are not formally established, agendas were not prepared for the committee meetings, minutes were not kept, and recordings were not made. IFA staff members also reported there is action taken at the Board meetings regarding topics discussed in the committee meetings; however, additional discussion is not held at the public meetings regarding the reasons for the actions taken. As a result, we were unable to determine if the potential relocation was discussed in small groups before any of public meetings and if was discussed, what information was provided or what questions were asked. Because there is no discussion in the Board meetings of topics discussed in the committee meetings and there are no records maintained regarding the meetings, it appears the Board intended to not provide any information publicly about the topics addressed. Additional information regarding the committee meetings is discussed in a later section of this report.

IFA Cost Estimates – During our fieldwork, IFA officials provided us a copy of a cost comparison performed by IFA’s financial staff. When we inquired of IFA officials when the cost estimate was prepared, we were told it was prepared in early November 2017 and updated in mid-November. The cost estimate, which is summarized in **Table 2**, is the final estimate prepared by the financial staff and it was provided to Mr. Jamison. However, according to an IFA official, “Mr. Jamison did not allow presentation to the Board.” The IFA official we spoke with would not comment and did not have any additional information on why Mr. Jamison would not allow the information to be presented to the Board. As previously stated, when we spoke with certain Board members, we received inconsistent responses regarding whether or not they received this information.

Table 2

Length of Lease/Loan	Cumulative Estimated Costs		
	Lease 1963 Bell Ave.	Renovate 2015 Grand Ave.	Difference
10 years	\$ 8,352,277	7,521,217	831,060
15 years	12,259,721	9,239,207	3,020,514
20 years	16,869,098	11,033,966	5,835,132

The amounts used to prepare the estimated costs for the lease were obtained from the lease signed by Mr. Jamison on February 12, 2018. We tested the amounts used to calculate the total costs summarized in **Table 2** by tracing the costs for the lease to the documents obtained from IFA staff members, lease terms, and the costs IFA estimated to purchase new furniture and move to the new location. The lease for the property at 1963 Bell Avenue specified it was for approximately 43,411 square feet in Suite 200 on the second floor of the building. The lease also provided the following terms regarding costs to be paid by IFA:

- A commencement date of the earlier of IFA conducting business in the location or 10 days after the Landlord’s notification of completing of improvements described in the lease.
- Base rent of \$0 for the first 4 months and a base rent which increased every 12 months and ranged from \$9.4 to \$11.23 per square foot, which equated to a monthly rent of \$34,006.07 to \$40,640.40. The lease also specified the base rent rates if IFA chose to renew the lease after 10 years of occupancy.
- Additional monthly rent for IFA’s proportionate share of the annual operating expenses and premises operating expenses. The lease specified the additional rent would be \$20,837.27 per month for the calendar year ending December 31, 2018. After January 1, 2019, the Landlord is responsible for providing IFA with a reasonable estimate of the annual operating expenses and premises operating expenses, which will be the basis for the monthly additional monthly rent for that calendar year.

In addition, the landlord, as soon as practicable, is to provide IFA a statement for the year just ended specifying the actual operating expenses, IFA's share, and the total IFA had paid the following year. Any adjusted payment due from IFA is to be paid to the landlord within 30 days, or, if IFA overpaid actual expenses, the excess would be credited to IFA's next payment.

- Provided for a 2% estimated increase per year for the additional rent.

As previously stated, the Board minutes from the February 7, 2018 meeting document, "The move should happen the 3rd quarter of 2018." According to an IFA official, a commencement date had not been established as of October 8, 2018. However, IFA officials estimated occupancy will begin in mid-December 2018. The cost estimate prepared by IFA included the following assumptions:

- The \$5.76 per square foot rate was used to calculate the additional rent for the first 12 months of occupancy. The rate was then increased 2% per year from the \$5.76 base rate for subsequent years. Because the estimated increase was based on the \$5.76 cost per square foot each year, there was not a compounding effect to the increase.
- The \$8,352,277 cost included in **Table 2** for the first 10 years of the lease is net of the estimated \$1,850,000 sale of the property at 2015 Grand Avenue and includes the related estimated \$92,500.00 broker commission calculated by IFA.
- The \$8,352,277 cost also includes \$720,000 estimated cost of furniture for the building, \$138,000 for technology for the building, and \$16,625.00 for moving expenses during the first 4 months of occupancy.
- As previously stated, the lease specified the additional rent for IFA's proportionate share of the annual operating expenses and premises operating expenses would be \$20,837.27 per month for the calendar year ending December 31, 2018. Also, IFA believed they would begin occupancy during the 3rd quarter of 2018. As a result, the additional rent amount to include in the calculation of the cost estimate for the lease should have been \$20,837.27 for at least the first 4 months of the lease term.

However, IFA instead used a summary of detailed estimated operating expenses obtained from the Landlord. IFA's proportionate share of these costs calculated to be \$17,979.42 per month rather than the \$20,837.27 included in the lease agreement. As a result, the cost estimate calculated by IFA was less than the actual terms of the lease.

We also verified the amounts used to calculate the total costs for the renovation. The cost estimate prepared by IFA includes a \$2,800,000.00 reduction of renovation costs for the first 10 years. According to an IFA official, this amount was the assumed "value of the renovated 2015 Grand [Avenue] asset after 10 years." The IFA official also reported "the \$2.8 million was reduced from the 10 years of expenses since there would be a 'value' of the building depending on the depreciation of the building, current real estate market, etc." Because the value of the building and depreciation which may be incurred does not affect the cost comparison of renovating to leasing, it is not clear why IFA would reduce renovation costs by the estimated value of the building.

The cost estimate prepared by IFA also included the following costs and assumptions for the estimated renovation costs.

- IFA would incur a \$7,500,000.00 loan for the cost of the renovations with a term of 8 years at 2.5% interest. After 8 years, there were no additional loan costs included in the estimated renovation costs. The \$7,500,000.00 loan amount was determined based on renovation costs totaling \$7,483,000.00. The estimated renovation costs were obtained from the CFO and include construction costs with an addition, updated HVAC, relocation expenses for temporary office space, and furniture.

- Annual operating expenses and janitorial services. The estimates included for year 1 of the estimates were based on historical data maintained by IFA for its operating expenses. Estimated costs for the following years assumed a 2% increase from the prior year. As a result, each increase resulted in a cumulative effect of the increase.

As previously stated, the 2% annual rate increases used to estimate “the annual operating expenses and premises operating expenses” for each year for the lease option was based on the first year’s costs rather than the prior year. As a result, there was not a compounding effect to the increase. The methodologies used should have been consistent between the 2 estimates. The difference in methodologies was favorable to the lease option, i.e. the 2% increase had less impact to the lease option.

Because the cost estimates calculated by IFA included a difference in methodology for calculation of the annual increase for operating expenses and janitorial services, we have recalculated the estimates using the same methodology applied in the estimates IFA calculated for the lease option. We also added the \$2,800,000.00 reduction made by IFA for the value of the building back into the estimated costs of renovation during the first 10 years.

However, we did not increase the estimated cost of the lease for the difference between the \$17,979.42 of monthly additional rent used by IFA and the \$20,837.27 specified in the lease agreement because, at the time our fieldwork ended, IFA estimated they would not occupy 1963 Bell Avenue until mid-December 2018. Because the \$20,837.27 monthly rate established by the lease agreement expires effective December 31, 2018, the \$17,979.42 rate used by IFA was determined to be more reliable. Our recalculated estimates for the renovation of 2015 Grand Avenue are compared to the IFA estimates for the lease option and summarized in **Table 2** as previously discussed.

As illustrated by **Table 2**, removing the \$2,800,000 cost reduction from year 10’s estimated renovation costs resulted in the lease option being less costly than the renovation costs at the 10 year mark. However, after 20 years, the estimated cost of renovating 2015 Grand Avenue was less than the estimated costs associated with the lease option.

Based on information obtained from an IFA official on October 8, 2017, the only lease signed for the property at 1963 Bell Avenue is the one signed by Mr. Jamison on February 12, 2018. IFA is planning to move operations in mid-December 2018.

Appraisal of 2015 Grand Avenue Property – As previously stated, the \$8,352,277 cost included in **Table 2** for the first 10 years of the lease is net of the estimated \$1,850,000 sale of the property at 2015 Grand Avenue and includes the related estimated \$92,500.00 broker commission. During our review of documents obtained from IFA, we examined an invoice from Nelsen Appraisal Associates, Inc. which was dated October 16, 2015. The invoice shows the order number for the services provided was 201509-05. As a result, it appears the service was requested and/or performed near September 5, 2015. IFA paid \$2,500.00 for the appraisal.

The report received from Nelson Appraisal Associates, Inc. shows the market value of the property as of October 7, 2015 was \$1,700,000 “as is.” The report also specified Mr. Jamison as the “client” and identified the intended use of the report as “Decisions by Ownership.”

The minutes from the September through December 2015 Board meetings did not include any notations regarding a request for or results from an appraisal. In addition, the Board packets do not include any documents regarding the appraisal.

If the Board was considering the possibility of relocating IFA offices, an appraisal of the existing building would be a logical first step. However, we did not identify any documentation which showed this was a consideration of the Board. Likewise, if Mr. Jamison was considering the possibility, there should have been preliminary discussions with the Board members. When we spoke with Board members, some stated they had no idea or could not recall when the first discussions occurred regarding the possibility of relocating IFA offices. However, a Board member

reported they spoke about possibly renovating or relocating in general terms, but not in depth, starting in 2013.

Design Alliance Report - During our review, we obtained and reviewed the reports prepared by Design Alliance on March 20, 2017. According to the report, Design Alliance provided IFA with different options which included renovation of the current building with and without an addition, renovation/lease of an existing building other than the one owned by IFA, and a new building. The cost estimates associated with the options are summarized in **Table 3**. According to a representative of Design Alliance, the report did not include a leasing option because at the time they performed their analysis, they were not made aware leasing was being considered by IFA. They understood IFA would continue to own the building.

Table 3

Description	Estimated Cost Range
Renovation of 2015 Grand Avenue:	\$6,809,009 to \$7,482,455
Renovation of different existing building	\$7,786,459 to \$8,113,895
New construction	\$11,488,015 to \$12,051,925

The report also included the following conclusion:

“The Iowa Finance Authority Executive Leadership Committee and staff were closely involved in the assessment process. Workshops were performed to gather initial information and meetings were held with representatives from all departments in order to assess the current and future needs of the organization from the employees’ perspective. Representatives from DAS [Iowa Department of Administrative Services] were involved to help direct the assessment process and aide in the determination of the probable costs for leasing, relocation, and moving expenses.

The program analysis indicated the current building appears to have the capacity to meet the anticipated growth and departmental needs of the agency for the next 15 to 20 years. The building and site have been well maintained and require only minor repair. Most of the current building needs would be directed towards replacement of building components such as windows and storefront systems, a complete interior renovation, (including new mechanical, electrical and telecommunication equipment), along with the abatement of existing asbestos within the building. It is estimated construction will take 11 to 14 months to perform the outline scope of work for the renovation project.”

In addition, the renovation to the current building addressed all the cons identified in the memo date June 10, 2015 which is included in **Appendix 2**. According to Board members we spoke with, an edited version of the report was provided to them; however, they could not recall when it was received.

Public Financial Management Report – At the June 6, 2018 Board meeting, the Board directed Ms. Jensen to obtain a third party financial analysis of the Design Alliance renovation estimates, with and without the building addition, and the signed lease of the 1963 Bell Avenue office space, including a 10, 15, and 20 year analysis. As a result, PFM was engaged to perform the review.

According to PFM’s report dated June 13, 2018, they reviewed costs associated with renovating the current building without an addition, renovating the current building with an addition, and leasing at 1963 Bell Avenue for 10, 15, and 20 years. The renovation costs identified at the 10 year term included renovation, financing, and operating costs. For the 15 and 20 year terms, the reported costs were cumulative and include on-going operating expenses. The lease costs also include operating expenses. **Table 4** summarizes the costs identified in the report for these options.

Table 4

Length of Term	Renovate without Addition	Renovate with Addition	Lease
10 years	\$ 10,745,281	11,244,740	8,310,508
15 years	12,063,324	12,562,783	12,581,652
20 years	13,554,569	14,054,027	17,343,318

As illustrated by the **Table**, PFM concluded at the 10 year mark the cumulative costs to lease 1963 Bell Avenue were less than the costs to remain at 2015 Grand Avenue, either with or without renovations. However, at the 20 year mark, it was less costly to remain in the property at 2015 Grand Avenue. The cost difference between renovating and not renovating the 2015 Grand Avenue property at the 20 year mark was approximately \$500,000.

On April 18, 2018, Ms. Jensen obtained a quote from Hubbell Realty which stated IFA would incur a cost of \$5.75 million to terminate the lease signed by Mr. Jamison in February 2018. This cost was not included in PFM’s report and it was not documented in the Board minutes.

As previously stated, at the June 19, 2018 Board meeting, a representative of PFM presented the report to the Board. After the presentation and what the minutes describe as a “lengthy discussion,” the Board members present voted unanimously to proceed with the lease of 1963 Bell Avenue.

PFM’s report repeatedly refers to numbers used in Design Alliance’s report. In addition, a note in PFM’s report stated “PFM has based this analysis on the cost of capital identified in the Design Alliance report dated March 30, 2017. PFM has not independently verified the validity or accuracy of this information.” Design Alliance’s report and PFM’s report address renovating the current building with and without and addition. The only significant difference between the reports prepared by PFM and Design Alliance was the projected costs of the lease IFA had already entered into. As previously stated, the IFA financial staff had prepared a comparison of the costs based on the lease in November 2017. As a result, the information was readily available.

PFM invoiced IFA \$18,700.00 for the facility options cost analysis. IFA paid this amount in July 2018. However, as previously stated, each component of the cost analysis was already available. According to IFA Board members we spoke with, IFA hired PFM to conduct an independent review of renovating the current building and the leased property at 1963 Bell Avenue to obtain another opinion due to all the newspaper articles and public discussions regarding the building.

However, the lease was signed on January 12, 2018 and IFA knew it would cost \$5.75 million to terminate the lease prior to contracting PFM. As a result, paying an additional \$18,700.00 for an independent assessment of the information already in hand is not in the best interest of the taxpayers. As a result, the \$18,700.00 is included in **Exhibit A** as a cost that does not meet the test of public purpose.

Comparison of Costs – **Table 5** summarizes the estimated costs prepared by IFA, Design Alliance and Public Financial Management for renovating the current building, or leasing space. In addition, the estimated costs are shown for 10 year, 15 year, and 20 year time periods.

Table 5

Description	Source of Estimated Costs		
	IFA	Design Alliance ^	Public Financial Management
Renovate with addition:			
10 years	\$ 10,319,378	7,482,455	11,244,740
15 years	11,532,050	-	12,562,783
20 years	12,865,563	-	14,054,027
Leasing *:			
10 years	8,352,277	-	8,310,508
15 years	12,259,721	-	12,851,652
20 years	16,869,098	-	17,343,318

^ - Design Alliance did not estimate costs over several different time periods but provided a total estimated construction cost range for renovating current building. Auditor included the maximum cost range in the 10 year line for comparative purposes. In addition, Design Alliance did not provide leasing information because at the time of their review, leasing space was not explored as an option.

* - Cost after the sale of the current IFA building.

As illustrated by the **Table**, the estimated cost of renovating the current building compared to leasing was more expensive for the 10 year option; however, renovating the current building allows IFA to maintain ownership of the building and the estimated cost over a time period longer than 10 years is comparative if not less than leasing space.

In addition to reviewing estimated costs, we reviewed the space needs for IFA. According to report prepared by Design Alliance, the square footage of the IFA building is 30,566 and the Department of Administrative Services (DAS) guideline recommended 25,735 square feet based on staff, conference rooms, utilities room, etc. The report also included a 20 year outlook of square footage needs for IFA building and DAS guidelines. Based on the 20 year outlook, IFA would need 31,745 square feet and DAS recommended 28,392 square feet. The current building has enough square footage for the space and staffing needs at the current IFA levels; however, according to Design Alliance's report, the future needs of the building indicated a 1,179 square footage shortage which would be fixed by adding a 1,180 addition and reconfiguring the current office space layouts. During our review, we requested documentation which showed how the future growth for personnel and space were calculated. According to the Interim Executive Director, documentation was not available to determine how Mr. Jamison calculated the future growth needs. As a result, it is unclear if an addition to the current building would be necessary.

Also, based on discussions with IFA employees, several employees liked the current building and did not think moving was in IFA's best interest. However, IFA employees stated when Mr. Jamison had an idea, there was not very much anyone could do to persuade him otherwise. IFA employees indicated Mr. Jamison wanted to move and that was the path he took. The information provided by the IFA employees is consistent with Mr. Jamison obtaining an appraisal of the 2015 Grand Avenue property in October 2015, which was prior to any discussion of potential relocation of IFA's offices. There was not a need to obtain an appraisal of the building in October 2015, other than determining its market value for sale purposes. As previously stated, initial discussions recorded in the Board minutes regarding consideration of relocating IFA offices did not occur prior to November 2016. According to IFA staff members, they and Board members relied on the 2015 appraisal during cost comparisons rather than obtaining a new appraisal.

Lease Terms – In addition to the terms previously described, during our review of the lease established for the property at 1963 Bell Avenue, we identified the following:

- The lease was signed by a representative of Hubbell Realty Company (HRS Bell Avenue, LLC) on January 12, 2018 and by Mr. Jamison on behalf of IFA on February 12, 2018.

- The annual operating expenses to be paid by IFA include costs of operating, maintaining, and repairing common areas of the building and surrounding areas IFA is to share with other tenants. However, currently there are no other tenants in the building for IFA to share costs with. We are unable to determine if this will impact the estimated costs in IFA's analysis. IFA is also to pay a management fee to the Landlord equal to 5% of the gross rents received by the Landlord from IFA.
- The common areas made available by the Landlord for IFA's use include, but are not limited to a fitness room, shared conference rooms, a rooftop patio, and first floor patio.
- The lease states, in part, "Tenant understands and agrees that Landlord shall enter into a construction contract with Hubbell Construction Services, LLC to act as construction manager for the construction of all the leasehold tenant improvements as described and depicted on the plans and specifications attached." The lease also states, "All Tenant Improvements shall be at Tenant's sole cost and expense. Tenant agrees to pay Landlord's contractor a 6% construction manager fee on the actual cost of construction of the Tenant Improvements."

Compliance with DAS Square Footage Standards – As previously stated, we reviewed the space needs for IFA. According to report prepared by Design Alliance, the square footage of the IFA building is 30,566 and the DAS guideline recommended 25,735 square feet based on staff, conference rooms, utilities room, etc. The report from Design Alliance also included a 20 year outlook of square footage needs for IFA building and DAS guidelines. Based on the 20 year outlook, IFA would need 31,745 square feet and DAS recommended 28,392 square feet. The current building has enough square footage for the space and staffing needs at the current IFA levels; however, according to Design Alliance's report, the future needs of the building indicated a 1,179 square footage shortage which would be fixed by adding a 1,180 addition and reconfiguring the current office space layouts. However, according to DAS square footage guidelines, the addition to the building would not be necessary as the current IFA has enough square footage without the addition to the building.

The lease signed by Mr. Jamison for the property at 1963 Bell Avenue was for 43,411 square feet. As a result, it is clear the leased space exceeds the necessary amount.

Comparison of Lease Terms to Standard State of Iowa Lease Terms – During our review of IFA's lease for 1963 Bell Avenue, we contacted a DAS representative to obtain standard language used in leases established by the State of Iowa and compared it to the IFA lease to determine reasonableness and compliance with State guidelines. According to the DAS representative, a copy of a standard lease entered into by the State of Iowa was provided to IFA for its use; however, the standard language was not used for the IFA lease. We were unable to determine why the standard State of Iowa leasing language was not used to ensure all parties were treated fairly.

We also discussed the subletting portion of the IFA lease with a DAS representative to determine if the language was reasonable and if the property could be sublet by another State agency. Based on this discussion, the rent per square foot is comparable to other leases entered into; however, the DAS representative we spoke with did not indicate if another State agency would sublet this property.

In addition, according to the IFA lease, the tenant agrees to pay landlord's contractor a 6% construction manager fee on the actual cost of the construction of the tenant improvements. Based on estimated tenant improvements, the construction manager fee totaled \$89,233.00. According to a DAS representative, charging the tenants for improvements is not a practice the State of Iowa would agree to in a lease and the cost of improvements are usually covered by the landlord for State of Iowa leases. As a result, the \$89,233.00 estimate does not meet the test of public purpose and is included in **Exhibit A**.

Overall, the DAS representative we spoke with stated the IFA lease “does not favor the State” based on her review of the lease.

Delegation of Spending Authority

After Mr. Jamison’s employment was terminated, a former IFA employee alleged spending authority provided to Mr. Jamison by the Board was sub-delegated to other IFA employees which allowed them to spend thousands of dollars without Board approval. The allegation was publicly reported in a newspaper article dated April 29, 2018. According to the article, the former employee also stated that at Mr. Jamison’s discretion, “multiple employees ... were allowed to spend tens of thousands of dollars on the organization’s behalf without board approval.” When we spoke with the former employee, she specified the CFO was delegated \$15,000. She also stated there was no tracking of expenditures made with the delegated funds and there was no process or documentation of approval for the delegations.

The April 29, 2018 newspaper article also stated, in part, Ms. Jensen reported “The Finance Authority allowed Jamison to spend as much as \$100,000 each year that was not in the budget.” The article also stated she reported, “Jamison, in turn, allowed each member of his leadership team – four employees – to individually spend as much as \$10,000 of that amount.” However, based on review of supporting documentation and discussion with IFA personnel, the sub-delegations were more than \$10,000 for each leadership team member and the sub-delegation was provided to more IFA staff than only leadership team members for non-budgeted operating or capital expenditures.

In addition to reviewing supporting documentation and discussing delegation of authority with IFA personnel, we asked Board members why a delegation of authority was necessary because the Board does not approve all expenditures. According to a Board member we spoke with, the delegation of authority was a policy but the Board member did not recall the delegation ever being used. Based on discussions with other Board members, they didn’t recall the Board making this a policy but now looking back, it was probably not a good decision.

According to Resolution Gen 16-01, which was signed by Mr. Jamison on August 3, 2016, the Board delegated Mr. Jamison the authority to sub-delegate to individual IFA employees spending authority in amounts up to \$50,000 each for non-budgeted operating or capital expenditures. Board minutes, also prepared by Mr. Jamison, include a notation regarding approval of the resolution. A copy of the resolution is included in **Appendix 6**. As illustrated by the **Appendix**, the Resolution states, in part, “The Board delegates to the Executive Director the authority to sub-delegate in writing, to individual employees of IFA, spending authority in amounts up to \$50,000 each for non-budgeted operating or capital expenditures and all other authority not retained above.” During our testing, we identified a similar resolution which was authorized by the Board on February 1, 2012.

However, the Resolution does not say if the \$50,000 was a per transaction basis or a total for the fiscal year. In addition to Resolution Gen 16-01, we determined IFA has a policy for spending authority limits by employee for budgeted and non-budgeted expenditures. A copy of the policy is included in **Appendix 7**. As illustrated by the **Appendix**, there are 14 individuals with authority to spend between \$10,000 and \$100,000 on non-budgeted expenditures and the total of the non-budgeted expenditures is \$400,000. However, the policy does not state whether these limits are per transaction or for a fiscal year. Based on discussions with Board members, no one could specifically recall if the limits were per transaction or per fiscal year.

We discussed the delegation of authority with certain IFA employees to determine if anyone has used their delegation of authority and to obtain an understanding of the process and how expenses paid with the “delegated funds” are recorded and tracked. Based on discussions with IFA accounting personnel, non-budgeted items are not tracked separately and are not processed in a manner that is different from budgeted expenditures. All invoices are assigned appropriate accounting codes and entered in the accounting system. As a result, it is not possible to readily

determine which expenses were incurred as part of budgeted operations compared to those incurred as a result of using a delegation of authority.

Because expenses incurring from delegation of authority are not tracked separately, we discussed with certain IFA employees whether they have used their delegation of authority. According to 3 of the 5 employees interviewed, they have not used their delegation of authority because, based on their understanding, it was created for emergency situations for items which were needed but were not identified during the budgeting process. None of the 3 had encountered an emergency situation for which budgeted funds were not available.

The remaining 2 individuals stated they had used the delegation of authority once during the time period of our review. However, both individuals stated the expenditure either caused a budget to be exceeded because the cost exceeded the anticipated cost determined during the budgeting process or the expenditure had not been anticipated during the budgeting process. According to the Tara Lawrence, the former Iowa Title Guaranty Director, she used her delegation of authority to pay approximately \$100,000 in insurance claims for bond policies and taxes which had not been budgeted. We observed the related invoice for \$116,150.00 which was dated July 25, 2017. In addition, Ms. Lawrence stated the Executive Director, Mr. Jamison, should have approved this expense as the amount exceeded her delegated authority amount of \$25,000. However, his initials or signature were not on the invoice. As a result, Ms. Lawrence approved an expenditure above her authorized amount which not in compliance with IFA's accounts payable policies and procedures.

In addition, Ms. Jensen described an instance in which the cost of a speaker for a training event exceeded the anticipated amount which caused her education expense line item to go over budget by approximately \$5,000; therefore, causing her to use her delegation of authority. Ms. Jensen stated this overage may be viewed as a non-budgeted use of her delegation of authority.

Each of the individuals with a delegation of authority is to sign an acknowledgment of the sub-delegation. The acknowledgments document the amount of non-budgeted expenditures the individual may approve and the terms for the sub-delegation. During our testing, IFA representatives were unable to locate the acknowledgment for 1 individual with a sub-delegation.

When we asked Mr. Jamison about the delegation of spending authority, he stated it had always existed to a certain extent. He also stated the delegation of spending authority preceded his time as Executive Director at IFA. However, during his tenure, he felt he and the leadership staff had been more specific about delegation of spending authority. He also stated he was not comfortable with the level of detail in earlier delegations of spending authority and it was not specific as it needed to be. So IFA staff got a little more detailed about the process of delegating spending authority. However, Mr. Jamison's statements are not consistent with statements from other IFA official who stated that there was no tracking of these expenses and the policy was not specific to spending limits, such as per transaction or total for fiscal year.

During our fieldwork, Ms. Jensen had started the process of removing all non-budgeted delegation of authority language from Resolution Gen 16-01 and removing sub-delegation of authority for non-budgeted expenditures for IFA employee due to the excessiveness of the amounts. On June 6, 2018, the Board approved removing the ability of the Executive Director to approve non-budgeted operating or capital expenditures. Based on discussions with Board members, removing delegation of authority was done due to the public perception and for transparency.

Dave Jamison's Travel Reimbursements and Credit Card Activity

As an entity of the State, IFA could have participated in the State's procurement card program, which is managed by DAS and contracts with U.S. Bank. However, during our review, we determined 21 IFA employees had credit cards issued by Wells Fargo in the names of IFA. In accordance with the Code of Iowa, IFA has its own spending authority. As a result, credit cards

from a bank were established rather than participating in the State's procurement card program. According to Mr. Jamison, credit cards were established prior to his tenure.

According to IFA's credit card policy dated December 2016, the credit cards were only to be used for valid business purposes including travel-related expenses, meeting-related expenses, and general expense items within the individual cardholder's scope of authority and delegated spending limits. In addition, IFA credit cards were not to be used for personal expenditures.

IFA established controls over credit card disbursements made with agency funds. Specifically, original receipts for all items not travel related were required to be attached. Copies of travel related items were to be attached unless the original receipt had already been submitted with a travel claim. Receipts were to contain the vendor name, date of the purchase, time, city, state, an itemization of what was purchased, and the cost.

Also, if the receipt included costs for more than one person, a list of employees included on the receipt was to be provided. Cardholders received a credit card statement which the cardholder reviewed, signed, and dated as acknowledgement of charges. In addition, cardholders or their supervisors were responsible for coding the charges to the appropriate account number based on the receipt. After the statements were coded, they were submitted to the accounts payable department for payment.

For travel related expenses, IFA chose to follow DAS travel reimbursement policies and procedures such as meal and hotel guidelines and mileage reimbursement rate. All IFA travel reimbursement claims are to record all expenses incurred regardless of who incurred the expense. After all expenses have been documented, charges incurred on an IFA credit card are to be deducted from the total expenses to arrive at a net reimbursement total due to the employee. However, DAS distinguishes the use of credit cards between procurement cards and travel cards. In accordance with DAS policy, procurement cards are not to be used for travel costs. In addition, travel cards are not to be used for in-state lodging, in-state meals, parking, fuel, or baggage fees. Costs of this nature are to be paid by the employee and submitted on a reimbursement claim. As a result, IFA's use of credit cards does not comply with DAS policy for travel related expenses.

Because travel related expenses can be charged to IFA credit cards or on an individual's travel reimbursement claim, we reviewed credit card disbursements and travel reimbursements simultaneously for the period January 1, 2016 through March 31, 2018.

During our review of reimbursements to employees and purchases made with the IFA credit cards, we identified transactions which were improper, unsupported, and were not in the taxpayers' best interest. Transactions were classified as improper if they appeared personal in nature, were not reasonable for IFA operations, or were not in compliance with DAS policies and procedures for travel related expenses. Transactions were classified as unsupported if appropriate documentation was not available or it was not possible to determine if the disbursements were related to IFA operations or were personal in nature. Transactions were classified as not in the taxpayers' best interest if they appeared to be unnecessary expenses and were not in the best interest of the taxpayers. Other transactions were classified as reasonable if they were for IFA operations and/or the vendor, the amount, and frequency were appropriate for IFA operations. We also identified transactions related to certain IFA Board meetings; however, these transactions will be discussed in a separate section of the report. The improper and unsupported transactions and the transactions not in the taxpayers' best interest are explained in detail in the following paragraphs.

As part of our review, we also examined activity on certain credit cards and travel reimbursements to identify IFA employees who traveled or used their credit cards more often than other employees. Based on this comparison, we determined Mr. Jamison traveled more often than other IFA employees which resulted in more credit card charges and travel reimbursements.

We identified a number of purchases, including alcohol, during our testing of receipts attached to Mr. Jamison’s IFA credit card, some of which were during normal working hours. We also identified instances in which a whole bottle of wine or multiple bottles of wine were purchased. However, we did not identify any instance for which Mr. Jamison was reimbursed for the purchase of an alcoholic beverage or IFA paid for an alcohol beverage he purchased.

The State of Iowa’s Substance Abuse Policy prohibits employees from possessing, consuming, purchasing/selling, or manufacturing alcoholic beverages or controlled substances while they are conducting state business or are on state property. The policy also prohibits driving a state vehicle or a personal vehicle when the employee is engaged in state business, within an 8 hour period after consuming an alcoholic beverage.

During our testing, we identified 7 instances where the receipt submitted by Mr. Jamison for a meal purchased mid-day included 1 or more alcoholic beverages. Specifically, we identified the 7 instances listed in **Table 6**.

Date	Time	Location	Description	Amount
01/12/16	12:03 pm	Washington DC	2 glasses of wine; travel day to Des Moines	\$ 20.00
07/28/16	1:59 pm	Chicago Airport	1 bottle of Corona Light; travel day to Indianapolis	6.85
08/31/16	12:28 pm	Mount Horeb, WI	“Pint Reg”; traveling by car from Milwaukee	4.50
09/23/16	10:48 am	Charlotte Airport	1 Santa Margherita Pino; travel day to Miami	15.00
12/06/16	1:50 pm	Washington DC	1 Golden Monkey; travel day to Des Moines	10.00
04/28/17	10:11 am	Minneapolis, MN	1 Bailey’s; traveling by car from Minneapolis, returned to Des Moines at 2pm	6.00
12/05/17	10:03 am	Ronald Reagan Airport	1 Mimosa; travel day to Des Moines	6.60

For the 7 instances listed, Mr. Jamison did not take any vacation or otherwise record that he was on “personal time.” Each of the instances occurred on days when Mr. Jamison was traveling to or returning from an out of town event. In 2 instances, he was traveling by car. For the instance identified on April 28, 2017, Mr. Jamison’s travel claim shows he returned to Des Moines at 2:00 pm. As a result, it is apparent he returned to the IFA office, rather than his home in Ames. However, there is no way to determine if there are any additional instances where he bought alcohol during his work hours but did not submit a receipt for reimbursement.

When we spoke with Mr. Jamison, he stated he was not aware of the State’s policy which prohibited consumption of alcohol during the work day. He also acknowledged he purchased alcohol during the day while traveling for IFA and explained he did not consume alcohol during meetings and/or conferences.

For a number of the instances where Mr. Jamison purchased alcohol, he was also traveling with other IFA employees. While it is socially acceptable to have a reasonable amount of alcohol while dining after work hours, to purchase large quantities as the Executive Director sets a tone of acceptability for other employees with whom he was traveling.

We also identified instances where Mr. Jamison purchased alcohol with his evening meal. These instances did not violate the State of Iowa’s Substance Abuse Policy and Mr. Jamison was not reimbursed for these expenses nor did IFA incur any costs related to these purchases. As a result, we have not included these purchases in the report. His travel and other credit card charges have been explained in more detail in the following paragraphs.

Disbursements to Mr. Jamison - We identified 47 travel reimbursements issued to Mr. Jamison for the period January 1, 2016 through March 31, 2018. We tested the travel reimbursements to determine compliance with DAS policies and procedures for in-state and out-of-state travel. As a

result of these procedures, we identified 23 travel reimbursements issued to Mr. Jamison which did not comply with DAS policies and procedures. **Exhibit B** summarizes the 23 travel reimbursements which totaled \$992.79.

Of the \$992.79 of improper disbursements identified, \$462.63 was due to excess mileage claimed by Mr. Jamison. In accordance with DAS policies, because Mr. Jamison resided in Story County but was domiciled in Des Moines, he was allowed mileage reimbursement for the miles driven in excess of his regular commuting miles. As a result, Mr. Jamison was not allowed to be reimbursed for the number of miles between his residence and the IFA office in Des Moines. However, Mr. Jamison did not properly exclude his commuting miles from his residence to IFA on 14 occasions.

In addition, we identified \$318.76 reimbursed for meals above maximum amounts or for meals incurred before or after allowable departure and return times. For example, in accordance with DAS policies and procedures, an employee is allowed to claim dinner if the employee returns after 7:00 pm. However, on Mr. Jamison's travel reimbursement form for a trip he took from October 30, 2016 through November 1, 2016, he claimed meals for lunch and dinner on November 1, 2016 which totaled \$39.78 even though he removed his car from the airport parking facility at 6:51 pm. As a result, Mr. Jamison would only be allowed to claim breakfast and lunch meals which would have totaled \$20.00. Mr. Jamison received an excess meal reimbursement of \$19.78 for that day because he returned prior to 7:00 pm.

We also identified an instance in which Mr. Jamison attended a one-day meeting in Topeka, Kansas in February 2018 and incurred hotel charges for 3 nights' lodging totaling \$317.10. Other IFA employees who attended the same event stayed for only 1 night. Because an agenda or minutes were not available, we were unable to determine why Mr. Jamison would need to stay 2 additional nights. We determined because Topeka, KS is approximately 4 hours from Des Moines, one night of lodging would be reasonable, depending on the start time of the meeting. The cost of the remaining two nights totaling \$211.40 was not reasonable.

The \$992.79 of improper travel reimbursements listed in **Exhibit B** are included in **Exhibit A**.

Mr. Jamison's IFA Credit Card Activity - As previously stated, travel related expenses can be charged to IFA credit cards. Also as previously stated, IFA chose to follow DAS travel reimbursement policies and procedures for travel related expenses, such as meal and hotel guidelines and mileage reimbursement rate. However, DAS distinguishes the use of credit cards between procurement cards and travel cards. In accordance with DAS policy, procurement cards are not to be used for travel costs. In addition, travel cards are not to be used for in-state lodging, in-state meals, parking, fuel, or baggage fees. Costs of this nature are to be paid by the employee and submitted on a reimbursement claim. As a result, IFA's use of credit cards does not comply with DAS policy for travel related expenses.

Because of the amount of travel conducted by Mr. Jamison, we reviewed Mr. Jamison's credit card activity for the period of January 1, 2016 through March 31, 2018. For the period of our review, Mr. Jamison charged approximately \$54,000 on his credit card for travel related costs and general expenses items. Some transactions incurred prior to January 1, 2016 were included in our testing because the related credit card bill was paid after January 1, 2016.

We identified improper purchases made with Mr. Jamison's IFA credit card which were all travel related expenses. The improper purchases identified are described in the following paragraphs:

- Hotels exceeding State rate – According to DAS policy 210.205, the allowance for lodging should not exceed a maximum of \$65.00 per day, plus taxes. The maximum lodging rate applies to the entire state. In addition, for reimbursement over the defined maximum lodging rate, a reasonable explanation for additional lodging reimbursement must be included with the travel payment. During our review of hotel charges, we identified 20 instances totaling \$1,480.22 where the hotel rate charged and paid was higher than the approved DAS amount. The 20 instances are

listed in **Exhibit C**. We reviewed the travel reimbursement claims submitted by Mr. Jamison. Neither the claim nor attached receipts included an explanation for the additional lodging rate. In addition, there were no notations made on the credit card statements documenting why the maximum lodging rate was exceeded. As a result, the additional charges above the DAS approved maximum lodging rate do not appear to meet the test of public purpose nor do they comply with DAS Policy 210.205.

- Hotel Charges in or near Des Moines – As previously stated, Mr. Jamison’s domicile was Des Moines. As a result, meals or hotel charges in Des Moines or surrounding areas were not allowable for reimbursement to him. We identified \$1,055.84 of hotel charges in or near Des Moines on Mr. Jamison’s IFA credit card which are listed in **Exhibit C**. Based on supporting documentation available, a majority of the hotel charges did not include a purpose such as conference name or meeting. Mr. Jamison resided in Story County which is approximately 30 minutes from Des Moines and his job duties typically did not require him to work late into the evening which would have prevented him from returning home.

We identified 7 hotel charges in Des Moines starting February 2, 2016 through March 11, 2018. The hotel charges ranged from \$81.76 for one night to \$244.16 for two nights. In addition, for the hotel charge on February 2, 2016, the supporting documentation showed Mr. Jamison stayed at the hotel from February 2, 2016 through February 5, 2016. However, for February 3, 2016 through February 5, 2016, a different credit card was used which was not an IFA credit card.

When we asked Mr. Jamison about these types of charges, he stated at times he stayed in the Des Moines area the night before he had an early morning flight or the night of a late returning flight when traveling for IFA purposes. However, we identified credit card charges for lodging in the Des Moines for nights which did not fit the circumstances described by Mr. Jamison.

We identified a \$750.75 charge on March 9, 2018 from Lake Panorama National Resort. Based on review of supporting documentation, there were 5 guest houses rented for a night and a town house rented for 2 nights by Mr. Jamison. The supporting documentation showed 4 of the 5 guest houses were rented for IFA employees while the remaining guest house was rented for a facilitator. Due to lack of supporting documentation, we were unable to determine why a facilitator was necessary for the Executive Leadership Team Annual Planning meeting. The town house rented by Mr. Jamison was for two nights for which Mr. Jamison was the only occupant for the night of March 7, 2018. On March 8, 2018, Mr. Jamison and the former Chief Administrative Officer occupied the town house. We were unable to determine why the Planning meeting could not be held at IFA or in the Des Moines area during regular business hours. In addition, we were unable to determine why Mr. Jamison needed to stay at the town house the evening of March 7, 2018. As a result, the rental of the town house for March 7, 2018, which totaled \$168.00, is improper and included in **Exhibit C**. The remaining \$582.75 of the \$750.75 guest house and town house rentals appears reasonable.

The \$1,480.22 for hotels exceeding the State rate and the \$1,055.84 for hotel charges in or near Des Moines totaling \$2,536.06 are included in **Exhibit A** as an improper disbursement.

- Meals – According to a DAS memo dated July 5, 2017, effective July 31, 2017, taxable meals consumed by individuals when traveling on behalf of the State with no overnight stay will no longer be reimbursed. During our review, we identified 2 instances where Mr. Jamison claimed and was reimbursed for meals totaling \$97.85 while traveling with no overnight stay.

In addition, we identified 26 meals purchased with Mr. Jamison’s IFA credit card totaling \$1,583.05 for a group of individuals or for Mr. Jamison which did not have a purpose documented, no specific meeting or conference attended, or did not

appear to be in the best use of taxpayer's funds. For example, we identified 3 charges to Americana Restaurant in Des Moines totaling \$130.93 between February 1, 2016 and February 4, 2016. In addition, we identified a \$155.69 charge to Court Avenue Brewing Company in Des Moines on February 14, 2016. Supporting documentation for these 4 charges did not identify a purpose for the meals or attendees.

We also identified a charge to John and Nicks Steak House in Clive, IA on March 18, 2016 for \$246.75 and a charge to Nicks Bar and Grill in Clive, IA on April 22, 2016 for \$268.79. Based on the amount of these 2 charges and the vendor, the transactions were meals for multiple individuals; however, the individual's names were not documented and the purpose for the gathering was not documented. As a result, we were unable to determine why the charges were incurred. We attempted to discuss the meals with IFA representatives but they were unable to provide an explanation for the meals.

According to DAS Policy 210.108, no meals will be reimbursed within the official domicile unless a meal is provided and is an integral part of a meeting, conference, retreat, or special event, and prior approval obtained from the department head. In addition, DAS defined "integral" as the employee is required to stay through the meal time(s) and the employee's presence is essential to the continuation of the meeting while business is conducted. Because meeting agendas, list of attendees, and purpose of meeting were not documented and could not be identified through discussions with IFA staff, we were unable to determine the necessity of the meals identified. As a result, the meals were determined to be improper.

The \$1,680.90 total of the improper meals identified is included in **Exhibit D**.

- Excess Tip Amounts – According to DAS Policy 210.102, tips are allowable at appropriate locations for no more than 15% of the allowable meal expenses, before taxes, up to the maximum meal expense allowed for reimbursement. During our review, we identified 89 instances where Mr. Jamison tipped more than the allowed 15% which totaled \$86.57. The 89 instances are included in **Exhibit D**.

The \$1,680.90 of improper meals and \$86.57 of excess tips totaling \$1,767.47 are included in **Exhibit A** as an improper disbursement.

- Excess Parking – According to DAS Policy 210.135, parking at the Des Moines International Airport will be reimbursed at the lowest economy rate. The lowest economy rate for the period of our review was \$7.00 per day. During our review, we identified 16 instances where parking rates exceeded the maximum limit totaling \$388.00. The 16 instances are listed in **Exhibit E**. According to IFA employees we spoke with, travel reimbursement claims may be prepared with total charges incurred to reflect actual amounts paid, but then should be reduced to allowable rates. However, Mr. Jamison's travel reimbursement claims were not properly reduced.
- Transportation – According to DAS Policy 210.325, advance seat selection, when purchased at the time of booking the flight, is a reimbursable expense. However, advance seat selection does not include any type of upgrade to anything other than, or in addition to, the most economical, standard, advance seat selection offered. During our review of charges incurred on Mr. Jamison's credit card, we identified 11 charges for seat upgrades totaling \$289.15 and are listed in **Exhibit E**.

In addition, we identified one taxi cab charge for \$10.00 on October 30, 2017 in Colorado. Based on our review of supporting documentation for Mr. Jamison's trip to Denver, Colorado, Mr. Jamison's IFA business travel ended on October 17, 2017. We were unable to determine if this charge was delayed being posted to Mr. Jamison's IFA credit card. However, Mr. Jamison did not include the \$10.00 taxi cab charge on his travel reimbursement. As a result, the taxi cab charge on his credit card is improper.

The \$388.00 for excess parking and \$299.15 of transportation totaling \$687.15 are included in **Exhibit A** as an improper disbursement.

- Conferences – We identified a \$195.00 charge on March 17, 2017 from Greater Des Moines. Based on supporting documentation available, the charge was for Business Etiquette and Dining Tutorial registration. We were unable to determine how this class benefited IFA and how it benefited the taxpayers. The \$195.00 conference registration fee is included in **Exhibit A** as an improper disbursement.
- Other Purchase – On February 12, 2017, Mr. Jamison purchased a new fast charge wireless charging station for \$55.99. However, all cell phones are issued a power adapter for charging. A wireless charger was not necessary in order to charge the cell phone; therefore, it is improper. The \$55.99 for charging station is included in **Exhibit A** as an improper disbursement.

In addition to improper disbursements, we identified 14 credit card purchases totaling \$735.90 for which supporting documentation was not available. The 14 purchases identified are listed in **Exhibit F** and some are described in the following paragraphs.

- Flight Charges – We identified 2 transactions related to flight charges outside of normal ticket purchases totaling \$354.01.

On May 26, 2016 and on January 19, 2018, there was a \$200.00 charge and a \$154.01 charge on Mr. Jamison's IFA credit card to United, respectively. Detailed supporting documentation was not available for either charge to determine the reason for the charges. In addition, we were unable to locate any additional follow-up by IFA employees responsible for reviewing credit card charges and travel reimbursements requesting an explanation of the 2 charges. Based on discussions with IFA representatives, they are unable to determine the reason for the charges.

- Parking Ramps – During our review, we identified 7 transactions totaling \$135.75 for parking ramps in Des Moines. We reviewed supporting documentation; however, the documentation only included the location of the parking ramp. Supporting documentation did not identify the conference, the meeting, or the purpose of the transaction. As a result, we were unable to determine if the parking ramp charges were personal in nature or for IFA operations.
- Other Purchases – As illustrated in **Exhibit D**, we identified 2 purchases totaling \$119.59 incurred on Mr. Jamison's IFA credit card. On March 15, 2016, Mr. Jamison purchased a new cell phone battery for \$63.60. According to an IFA representative, Mr. Jamison was issued a cell phone by IFA for his use. However, we were unable to determine if the battery was for his personal cell phone or his IFA cell phone.

Due to the lack of supporting documentation for these transactions, we were unable to determine if the disbursements were personal in nature or for IFA operations. As a result, the \$735.90 total is included on **Exhibit A** as unsupported disbursements.

We also identified a \$166.47 charge to The Port Restaurant in Panora, IA on March 8, 2018. This charge was during the same time period charges were incurred for the use of guest houses and town houses in Panora for IFA's Executive Leadership Team Annual Planning meeting. These charges were not in the best interest of the taxpayers because the meetings identified could have been held in the Des Moines area or at IFA during regular business hours to reduce expenses.

Due to a lack of supporting documentation and details documenting the public purpose, we were unable to determine how these meals meet the test of public purpose and how these expenses were in the best interest of the taxpayers.

The \$165.86 of disbursements for which the public purpose could not be determined are included in **Exhibit A**. The remaining \$0.61 has been included in **Exhibit A** as an improper expenses as it exceed the 15% allowable tip.

We also identified \$786.82 of meals and lodging charges by Mr. Jamison to attend IFA Board meetings in Mason City and Decorah. These expenses will be discussed in further detail in a later section.

Other IFA Credit Card Activity

Top Administrators – As previously stated, we examined activity on certain IFA credit cards and travel reimbursements to identify IFA employees who traveled or used their credit cards more often than others. We determined certain top IFA administrators traveled more often than others. As a result, we reviewed credit card activity for Ms. Jensen, Interim Executive Director; Brian Crozier, former Chief Administrative Officer; Lori Beary, Community Development Director; and Cindy Harris, Chief Financial Officer for the period January 1, 2016 through March 31, 2018.

As previously stated, IFA follows DAS travel reimbursement policies and procedures for travel related expenses, such as meal and hotel guidelines and mileage reimbursement rate. However, DAS distinguishes the use of credit cards between procurement cards and travel cards. In accordance with DAS policy, procurement cards are not to be used for travel costs. In addition, travel cards are not to be used for in-state lodging, in-state meals, parking, fuel, or baggage fees. Costs of this nature are to be paid by the employee and submitted on a reimbursement claim. As a result, IFA's use of credit cards do not comply with DAS policy for travel related expenses.

We identified improper disbursements which includes meals, hotels charges, sales tax, excess tips, and other purchases. The expenses are as followed:

- Meals – During our review, we identified 12 instances where meals were purchased totaling \$2,379.82 for a group of individuals which did not have a purpose documented, no specific meeting or conference attended, or did not included a list of attendees. The 12 instances are listed in **Exhibit G**.

As previously stated, according to DAS Policy 210.108, no meals will be reimbursed within the official domicile unless if a meal is provided and is an integral part of a meeting, conference, retreat, or special event, and prior approval obtained from the department head. In addition, DAS defined “integral” as the employee is required to stay through the meal time(s) and the employee's presence is essential to the continuation of the meeting while business is conducted. IFA officials were unable to provide additional documentation or an explanation as to why the meetings needed to be held during meal times. Due to the lack of supporting documentation and details documenting the purpose of the events, we were unable to determine the necessity of the meals. As a result, the meals were determined to be improper.

- Excess Tip Amounts – According to DAS Policy 210.102, tips are allowable at appropriate locations for no more than 15% of the allowable meal expenses, before, taxes, up to the maximum meal expense allowed for reimbursement. We identified 3 instances where employees tipped more than the allowed 15% which totaled \$25.99 which are listed in **Exhibit G**.

The \$2,379.82 for meals and \$25.99 of excess tips totaling \$2,405.81 are included in **Exhibit A** as an improper disbursement.

- Hotels exceeding State rate – According to DAS policy 210.205, the allowance for lodging in Iowa should not exceed a maximum of \$65.00 per day, plus taxes. In addition, for reimbursement over the defined maximum lodging rate, a reasonable explanation for additional lodging reimbursement must be included with the travel payment.

We identified 7 instances totaling \$298.74 where the hotel rate paid exceeded the approved DAS amount. The 7 instances are listed in **Exhibit H**. As illustrated by the **Exhibit**, The hotel rates charged ranged from \$101.18 to \$136.64. We reviewed the travel reimbursement claims submitted by the IFA employees, but they did not include an explanation for the additional costs. There were also no

notations on the credit card statements documenting why the maximum lodging rate was exceeded. As a result, the additional charges in excess of the DAS approved maximum lodging rates do not appear to meet the test of public purpose nor do they comply with DAS Policy 210.205.

- Hotel Charges in or near Des Moines – We identified a \$210.56 hotel charges at the Marriott in Des Moines on September 9, 2016. The charge was incurred on Mr. Crozier’s IFA credit card. The supporting documentation shows the charge was for lodging on September 6 and 7, 2016.

The supporting documentation available did not include a purpose or explanation, such as a conference name or meeting. However, IFA held the annual Housing Iowa Conference at the Des Moines Marriott on September 7, 2016 and September 8, 2016. While the conference was an IFA sponsored event, the event started at 8:00 a.m. and ended at 5:00 p.m. Mr. Crozier resided in Warren County which is less than 30 minutes from Des Moines and his job duties did not typically require him to work late into the evening which would have prevented him from returning home.

The \$298.74 for hotels exceeding State rate and \$210.56 for hotel charges in or near Des Moines totaling \$509.30 are included in **Exhibit A** as an improper disbursement.

- Television and antenna – We identified a TV and antenna purchased for the breakroom at IFA. The purchases totaled \$279.95 and were located in the lower level of IFA in the employee’s breakroom. While a TV would be an allowable purchase for a conference room, the purpose of the TV in the breakroom is to provide entertainment to IFA employees and not in a location accessible to the public for general use. As a result, the purchase of these items is not an appropriate use of public funds. Therefore, the \$279.95 is included in **Exhibit A** as an improper disbursement.
- Sales Tax – As a State entity, IFA is exempt from sales tax. However, we identified \$85.69 of sales tax incurred for purchases at OfficeMax, Costco, and Wal-Mart made by IFA employees with the IFA credit cards tested. **Table 7** lists the _ instances and amounts of sales tax incurred. The \$85.69 of sales tax is included in **Exhibit A** as an improper disbursement.

Table 7

Date	Vendor	Description	Amount
02/18/16	Gusto Pizza	Pizza and brownies	\$ 6.66
06/29/16	Office Max	Copy paper	2.28
06/29/16	Caseys General Store	Pizza	1.62
03/14/17	Costco	Television	15.00
03/14/17	Wal-Mart	Television antenna	1.80
05/31/17	HyVee	Catering	49.00
07/07/17	Office Max	Extension cord	1.08
10/23/17	Costco	Pop, cookies, hamburger buns, salad	6.84
12/21/17	Office Max	USB cables	1.41
Total			\$ 85.69

- Flight Charges – We identified 4 charges related to flights outside of normal ticket purchases totaling \$60.00. The 4 charges occurred on February 23, 2018 and were for early flight check-ins. According to a DAS representative, because early check-in was not a requirement but rather a personal preference, the additional cost incurred would not be eligible for reimbursement.

In addition, we identified 3 charges for seat upgrades totaling \$45.07. According to DAS Policy 210.325, advance seat selection, when purchased at the time of booking the flight, is a reimbursable expense. However, advance seat selection does not include any type of upgrade to anything other than, or in addition to, the most economical, standard, advance seat selection offered.

The \$60.00 for early flight check-ins and \$45.07 for seat upgrades totaling \$105.07 are included in **Exhibit A** as an improper disbursement.

In addition to improper disbursements, we identified 42 purchases totaling \$1,077.79 for which supporting documentation was not available. The 42 purchases are listed in **Exhibit I** and described in the following paragraphs.

- Gas Purchases – As illustrated in **Exhibit I**, we identified 30 fuel purchases totaling \$606.95 incurred on various IFA credit cards. Because IFA does not maintain vehicle usage logs or other travel logs, we were unable to determine if the fuel charges were for an IFA vehicle or a personal vehicle.
- Parking Ramps and Car Washes – We identified 9 transactions totaling \$81.00 for parking ramps and car washes in Des Moines area. We reviewed supporting documentation; however, the documentation only included the location of the parking ramp and the car wash. Supporting documentation did not identify the purpose of the transaction. As a result, we were unable to determine if the parking ramp charges were personal in nature or for IFA operations.
- Meal – We identified a transaction to Café Benelux in Milwaukee, Wisconsin for \$21.99 on August 30, 2016. Based on supporting documentation, Ms. Jensen traveled to Milwaukee for an IFA event; however, because a detailed receipt was not available, we were unable to determine if the items purchased complied with DAS policies.

Due to the lack of supporting documentation for these transactions, we were unable to determine if the disbursements were personal in nature or for IFA operations. As a result, the \$1,077.79 total is included on **Exhibit A** as unsupported disbursements.

We also identified a credit card charge incurred on October 14, 2016 totaling \$35.90 which did not appear to meet the test of public purpose. According to supporting documentation, a banquet breakfast at Embassy Suites in Des Moines was held and Mr. Jamison, the CFO, and a representative from Wells Fargo were in attendance. However, because the purpose of the meeting was not documented, we were unable to determine how the meal met the test of public purpose and how the expense was in the best interest of the taxpayers. The \$35.90 transaction is included in **Exhibit A**.

We also identified \$2,257.44 of meals and lodging charges to attend IFA Board meetings in Mason City, Cedar Rapids, and Decorah. These expenses will be discussed in further detail in a later section.

Other IFA Employees - As previously stated, we reviewed credit card activity for the top administrators, including Mr. Jamison, for the period January 1, 2016 through March 31, 2018. We also reviewed credit card activity for the remaining IFA credit cards for the period January 1, 2016 through March 31, 2018.

We identified \$12,825.80 of improper purchases made with other IFA employee's credit cards. The purchases are listed in **Exhibit J** and are described in the following paragraphs.

- Meals and Food – We identified 101 purchases for meals or food related items. Purchases occurred at restaurants, box stores, and hotels. These purchases include donuts, lunch, and candy for IFA Board meetings, Iowa Agricultural Development Division Board meetings, Iowa Title Guaranty (ITG) Board meetings, and staff

functions such as staff anniversaries, work groups, team meetings, and lunch and learn meetings totaling \$12,367.64. The charges range in amounts from \$3.98 for water at Wal-Mart to \$1,165.00 at the Iowa Taproom.

As previously stated, according to DAS Policy 210.108, no meals are to be reimbursed within the official domicile unless a meal is provided and is an integral part of a meeting, conference, retreat, or special event, and prior approval obtained from the department head. In addition, DAS defined “integral” as the employee is required to stay through the meal time(s) and the employee’s presence is essential to the continuation of the meeting while business is conducted. Because meeting agendas, list of attendees, and documented purpose of the meetings were not available and could not be identified through discussions with IFA staff, we were unable to determine the necessity of the meal.

In addition, several of the lunches identified as meals for Board members included sandwiches for more than the 9 Board members. For example, on April 13, 2016, there were 14 sandwiches purchased from In the Bag; however, there are only 9 Board members. Documentation was not available to determine which Board members or employees received a lunch provided by IFA. As result, we have considered the meals improper.

- Decorations – We identified 15 purchases for balloons, party supplies, wreaths, and other decorations totaling \$458.16. IFA officials were not able to provide a reason or additional supporting documentation for these purchases. As a result, we were unable to determine the purpose for the items purchased.

The \$12,825.80 of improper food, candy, and decoration expenses are included in **Exhibit A** as improper disbursements.

In addition to improper disbursements, we identified 15 transactions totaling \$3,450.32 for which supporting documentation was not available. Vendors included restaurants, businesses, gas stations, department stores, and grocery stores. The 15 transactions identified are listed in **Exhibit K**. As illustrated by the **Exhibit**, supporting documentation was not available for a \$1,278.32 transaction to Prairie Meadows or \$1,166.00 transaction to Solar Winds. Due to the lack of supporting documentation, we were unable to determine if the disbursement was personal in nature or for IFA operations. As a result, the \$3,450.32 total is included in **Exhibit A** as unsupported disbursements.

We also identified several credit card purchases totaling \$1,890.06 which do not appear to meet the test of public purpose. The disbursements identified are listed in **Exhibit L** and summarized in the following paragraphs.

- Meals and Food – We identified 4 charges totaling \$221.40 for meals for lender realtor workshops, meetings with attorneys, and meetings with other outside businesses. Because supporting documentation lacked sufficient details or was not available, we were unable to determine the purpose of these meetings and determine if providing a meal was necessary and reasonable. IFA officials could not provide explanations for the charges.
- Marketing – We identified 22 charges totaling \$1,190.90 for purchases, including, but not limited to, fruit baskets, ribbons, Facebook, and RAGBRAI. Based on supporting documentation available, the charges were related to various marketing activities. However, we were unable to obtain details regarding what marketing activities these items were purchased for. Therefore, we were unable to determine the public purpose of these purchases.
- Purchases – As illustrated by **Exhibit L**, we identified 4 charges totaling \$361.10 for purchases, including, but not limited to, plants and/or flowers, iPad Air 2 case, and furniture. The items listed in **Exhibit** do not meet the test of public purpose and are not in the best interest of the taxpayers.

- Supplies – We identified 5 charges totaling \$116.66 for paper products such as cups, plates, and napkins. It appears staff used these supplies; however, we were unable to determine the public purpose of these purchases.

The \$1,890.06 total of the purchases listed in **Exhibit L** is included in **Exhibit A**.

During our review, we also identified \$1,682.74 of catering charges for IFA Board meetings in Mason City. This expense will be discussed in further detail in a later section.

Travel Reimbursements

We reviewed travel reimbursements to IFA Board members and certain IFA employees to determine compliance with DAS policies and procedures for the period January 1, 2016 through March 31, 2018. As previously stated, IFA follows DAS travel reimbursement policies and procedures for travel related expenses, such as meal and hotel guidelines and mileage reimbursement rate. To perform testing, we obtained and reviewed DAS policies for in-state and out-of-state travel, reimbursement thresholds for Board members, and domiciles for IFA employees and Board members.

Board Members – We examined 97 travel reimbursements to Board members between January 1, 2016 and March 31, 2018. As a result of our testing, we identified 17 instances of non-compliance with DAS policies and procedures for travel reimbursements which total \$1,147.69. The 17 travel reimbursements are listed in **Exhibit M**.

Of the 17 travel reimbursements, 2 were issued to a Board member who resides in West Des Moines and consist of mileage claimed from West Des Moines to Des Moines (round trip) for monthly IFA Board meetings. The 2 travel reimbursements total \$154.44. According to DAS Policy 210.106, a Des Moines domicile includes all of Polk County and any of its contiguous metropolitan areas which extend into the adjoining counties. As a result, employees or Board members living in West Des Moines have a Des Moines domicile and are not allowed to claim mileage from West Des Moines to Des Moines.

During the period of our testing, there were 2 Board members who resided in the Des Moines metropolitan area. In addition to the 2 claims totaling \$154.44, the Board member also received 2 travel reimbursements which included mileage in excess of what is allowed by DAS Policy 201.107. Specifically, the policy states the reimbursement is limited to the “extra miles traveled in excess of commuting miles.” Because the Board member is not authorized to receive reimbursement for mileage incurred between their residence and the IFA office, the same number of miles must be deducted from the distance traveled when not meeting at the IFA office. The 2 travel reimbursements for which the commuting miles were not deducted were related to a trip to Mason City in 2016 and a trip to Cedar Rapids in 2017. The excess mileage reimbursement received for the 2 trips totaled \$15.99.

We also identified a travel reimbursement for which the maximum hotel rate was exceeded by \$46.78. According to DAS Policy 210.245, the maximum reimbursable amount for Board members is \$98.00 plus tax, anywhere in the state. Supporting documentation provided with the travel claim did not include any notations regarding approval or authorization to exceed the rate established by DAS. In addition, there was no explanation documented for exceeding the maximum rate.

As illustrated by **Exhibit M**, we identified 4 travel reimbursements to Board members for which maximum daily meal allowance rates or the 15% tip allowance established by DAS policies and procedures were exceeded by a total of \$8.95.

In addition, we identified 8 travel reimbursements totaling \$921.53 for which a Board member from Coralville was reimbursed lodging costs for staying overnight in Des Moines the night before a Board meeting and a night in Cedar Rapids to attend a Board meeting. The drive from Coralville

to Cedar Rapids is approximately half an hour. In addition, the drive from Coralville to Des Moines takes approximately an hour and a half. As a result, the Board member would need to leave Coralville between 7:00 am and 7:30 am to arrive in time for Committee meetings which start around 9:00 or 9:30. However, if the Board member planned to attend only the public Board meetings, which start at 11:00, departure time from Coralville could be delayed to between 9:00 am and 9:30 am.

Based on discussions with IFA personnel, each Board member has the option to either arrive the night before or arrive the morning of Board meetings. If the Board member arrives the night before, the Board member is reimbursed for lodging costs. However, leaving at approximately 7:00 am is not an unreasonable departure time. As a result, we have identified the lodging costs associated with hotel stays in Des Moines the night before a Board meeting for the Board member as improper disbursements.

We also identified the lodging costs to stay in Cedar Rapids as improper because Coralville is approximately 30 minutes from Cedar Rapids. The Board member’s lodging cost in Cedar Rapids was associated with a Board meeting and IFA’s annual Housing Iowa Conference; however, due to the proximity of the Board member’s personal residence, reimbursement of the lodging costs was unnecessary and not a good use of taxpayers’ funds.

The \$1,147.69 of improper travel reimbursements listed in **Exhibit M** are included in **Exhibit A**.

In addition to lodging reimbursements, Board members, who are compensated for their time serving on the Board, are also reimbursed for mileage and any meals incurred as a result of their travel. **Table 8** summarizes the total reimbursements issued to Board members for attending Board meetings in Des Moines. The costs summarized in the **Table** do not include travel costs associated with Board members attending Board meetings in locations other than Des Moines and training events in locations such as Washington DC.

Description	Amount Reimbursed
Mileage	\$ 7,424.43
Lodging	2,694.45
Meals	51.14
Other	138.70
Total	<u>\$ 10,308.72</u>

In addition to the lodging reimbursements identified as improper payments in **Exhibit M**, the **Table** includes a number of lodging reimbursements for a Board member who is domiciled in Burlington. The approximate travel time between Burlington and Des Moines is 2 hours and 45 minutes. The lodging reimbursements to the Board member between January 1, 2016 and March 31, 2018 totaled \$1,150.36. Because the lodging reimbursements to the Board member residing in Burlington comply with DAS policy, they were not identified as improper disbursements and are not included in **Exhibit J**.

As illustrated by the **Table**, IFA has reimbursed Board members \$10,308.72 from January 1, 2016 through March 31, 2018 for costs associated with attending Board meetings. Based on the amount of reimbursements IFA has issued for this type of cost, consideration should be given to periodically holding Board meetings electronically because Board meetings last an average of 50 minutes. Due to the length of the meeting and the amount IFA incurred for travel reimbursements for Board attendance, it appears periodic electronic meetings could be more cost effective.

Other IFA Travel Reimbursements - We obtained and reviewed DAS policies for in-state and out-of-state travel, reimbursement thresholds for Board members, and domiciles for IFA employees and Board members. We reviewed 183 travel reimbursements for the period of our review. Of the 183 travel reimbursements, we identified 84 instances of non-compliance with DAS policies and procedures for travel reimbursements. The 84 improper travel reimbursements identified are summarized in the following paragraphs.

- Lodging reimbursements which exceed State rate – According to DAS policy 210.205, the allowance for lodging should not exceed a maximum of \$65.00 per day, plus taxes. The maximum lodging rate applies to the entire state. In addition, for reimbursement over the defined maximum lodging rate, a reasonable explanation for additional lodging reimbursement must be included with the travel payment.

During our review of hotel charges, we identified 10 instances for which the lodging costs incurred exceeded the approved DAS amount. The excess reimbursements for these instances totaled \$608.10. We reviewed the travel reimbursement claims submitted by the IFA employees and we were unable to locate an explanation for the additional lodging rate. In addition, there were no notations made on the credit card statements documenting why the maximum lodging rate was exceeded. As a result, the additional charges above the DAS approved maximum lodging rate do not appear to meet the test of public purpose nor do they comply with DAS Policy 210.205.

- Hotel Charges in or near Des Moines – We identified a reimbursement of \$315.84 for hotel charges at the Marriott in Des Moines. The reimbursement was issued to Beth Mahaffey. As illustrated by **Exhibit N**, the supporting documentation shows the charge was for lodging on September 6 and 7, 2016 for the former Business Development Director and an Intern.

The supporting documentation available did not include a purpose or explanation, such as a conference name or meeting. However, IFA held the annual Housing Iowa Conference at the Des Moines Marriott on September 7, 2016 and September 8, 2016. While the conference was an IFA sponsored event, the event started at 8:00 a.m. and ended at 5:00 p.m. The former Business Development Director and the Intern resided in Polk County and their job duties did not typically require them to work late into the evening which would have prevented them from returning home.

The \$608.10 for hotels exceeding the State rate and \$315.84 for hotels in metro which totaled \$923.94 are listed in **Exhibit N** and are included in **Exhibit A** as an improper disbursement.

- Mileage – According to DAS Policy 210.107, regardless of whether an employee is an office employee or a field employee, no transportation costs are allowed between any employee’s place of residence and office (official domicile). We identified 26 instances totaling \$700.12 where IFA employees were reimbursed for mileage between their place of residence and the IFA office.
- Travel – According to DAS Policy 210.300, a cost comparison between flying and driving must be included on the travel payment when the ordinary means of transportation are not utilized. In addition, DAS Policy 210.300 states if the airfare, divided by the number of miles, is less than the allowable reimbursable mileage rate per mile, it is more economical to fly. However, during our review, we identified a trip to Chicago in which an employee decided to fly instead of drive but a cost comparison was not completed for this out-of-state travel. In addition, supporting documentation available did not provide an explanation or justification explaining why flying was the best mode of transportation, as required by DAS policy.

Based on supporting documentation, airfare per mile was \$1.03; however, the mileage rate was \$0.39. As a result, it would have been more economical for the employee to drive instead of fly. As a result, the \$273.72 reimbursement was identified as improper.

In addition, we identified 2 charges for seat upgrades totaling \$35.98. According to DAS Policy 210.325, advance seat selection, when purchased at the time of booking the flight, is a reimbursable expense. However, advance seat selection does not include any type of upgrade to anything other than, or in addition to, the most economical, standard, advance seat selection offered. As a result, the seat upgrades of \$35.98 are improper.

- Excess Parking – According to DAS Policy 210.135, parking at the Des Moines International Airport will be reimbursed at the lowest economy rate. The lowest economy rate for the period of our review was \$7.00 per day. During our review, we identified 2 instances where parking rates exceeded the maximum limit by \$31.62. According to IFA employees, travel reimbursement claims may include the total costs incurred, but payments are reduced to reflect to excess charges; however, the travel reimbursement claims for the payments identified were not reduce to reflect the additional charges.

The \$700.12 for mileage, \$309.70 for travel, and \$31.62 for parking which totaled \$1,041.44 are listed in **Exhibit O** and are included in **Exhibit A** as an improper disbursement.

- Meals – We identified several instances in which employees were reimbursed for meal costs in excess of daily allowable maximums established by DAS Policy 210.205 and meal costs which were reimbursed even though the meal was provided at a conference, which does not comply with DAS Policy 210.305. We identified \$334.78 of excess meal costs reimbursed to the employees which did not comply with DAS policies.
- Excess Tip Amounts – According to DAS Policy 210.102, tips are allowable at appropriate locations for no more than 15% of the allowable meal expenses, before, taxes, up to the maximum meal expense allowed for reimbursement. We identified 9 instances in which IFA employees were reimbursed for tips which exceeded the allowed 15%. The excess reimbursements totaled \$18.08.
- Alcohol – According to DAS Policy 210.205 for in-state meals and DAS Policy 210.305 for out of state meals, alcoholic beverages are not an allowable reimbursable expense regardless of the source of public monies. During our review, we identified 2 purchases of alcohol while at a conference which were reimbursed. The amount reimbursed to employees totaled \$15.51.

The \$334.78 for meals, \$18.08 in excess tips, and \$15.51 for alcohol which totaled \$368.37 are listed in **Exhibit P** and are included in **Exhibit A** as an improper disbursement.

- Cell Phone – Of the travel reimbursements tested, we did not identify reimbursement for costs associated with cell phones with the exception of 1 individual. We identified 12 reimbursements to the Steve Ferguson, a Program Specialist, which totaled \$889.47 for a portion of his cell phone bill. The 12 reimbursements are listed in **Exhibit Q**. Based on the Mr. Ferguson's cell phone bill, he had unlimited voice services. However, each month he determined an allocation of the number of minutes for personal calls and calls on behalf of IFA then applied the percentage of IFA calls to his total bill amount. For example, for his cell phone bill dated January 10, 2017, he allocated 78.94% of the cost, or \$80.45, to IFA.

It is not uncommon for individuals to carry cell phones as a primary personal communication device. As a result, it does not appear reasonable an employee

would be able to allocate a significant portion of each month's cell phone bill to IFA and be reimbursed the cost when calls related to IFA did not result in additional costs to him.

The \$889.47 for cell phone reimbursements are included in **Exhibit A** as an improper disbursement.

In addition to improper disbursements, we identified 2 reimbursements totaling \$26,805.74 for which supporting documentation was not available. Of the 2 reimbursements, 1 was related to relocation expenses reimbursed to an IFA employee totaling \$26,783.71. Because independent documentation from a third party was not provided for some of the relocation expenses, we were unable to verify the accuracy of the amount reported. The remaining disbursement of \$22.03 was for meals for which a receipt could not be located. Since receipts could not be located, we were unable to determine if the reimbursement for the \$22.03 meal complied with DAS policies and procedures and IFA policies and procedures. As a result, the \$26,805.74 is included on **Exhibit A** as unsupported disbursements.

Also, we identified 4 travel reimbursements totaling \$71.01 which do not appear to meet the test of public purpose. The disbursements are listed in **Table 9** and described in the following paragraphs.

Date	Description	Amount
01/12/18	Wal-Mart - candy	28.83
12/14/16	Dunkin Donuts - donuts for Board meeting	10.59
01/13/17	Italian Villages - meals for 2 non-IFA employees	19.94
02/08/17	Dunkin Donuts - dozen donuts for meeting	11.65
Total		\$ 71.01

The \$71.01 total from **Table 9** is included in **Exhibit A** as not meeting the test of public purpose.

During our review of travel reimbursements issued to IFA employees, we also identified \$1,838.82 of meals, mileage, and lodging charges by various IFA employees to attend Board meetings in Mason City and Decorah. These expenses will be discussed in further detail in the following section of this report.

Board Events Outside Des Moines

During our review of Board minutes, we identified 2 Board meetings and a Board Workshop held outside of the Des Moines area during the period January 1, 2016 through March 31, 2018. The 3 Board events identified were held in Mason City in June 2016, Decorah in April 2017, and Cedar Rapids in September 2017. A quorum was present for each of the events and minutes are available for each event. In addition to the Board members, a number of IFA employees also traveled to the events. Specifically, according to the minutes, 10 IFA staff members in addition to Mr. Jamison attended the meeting in Mason City, 12 IFA staff members attended the Board Workshop in Decorah, and 8 IFA staff members attended the Board meeting in Cedar Rapids.

As previously stated, we identified reimbursements to Mr. Jamison, Board members, and IFA staff related to certain IFA Board events on IFA staff credit cards and travel reimbursements. While we were able to determine the costs incurred for the Board events in Mason City and Decorah, we were not able to accurately determine the costs associated with the Board meeting in Cedar Rapids which was held at the same time as IFA's Housing Iowa Conference. Board members and IFA staff members who attended both the Cedar Rapids Board meeting and the conference documented the costs they incurred were related to their trip to Cedar Rapids, but did not distinguish which event the costs related to.

Table 10 summarizes the costs incurred by IFA for the Board meetings held in Mason City and Decorah.

Table 10			
Costs Incurred	Location of Board Event		Total
	Mason City	Decorah	
IFA credit cards:			
Lodging	\$ 1,514.20	1,586.86	3,101.06
Meals	420.02	222.76	642.78
Rental and Catering	1,682.74	-	1,682.74
Gas	-	21.24	21.24
Subtotal	3,616.96	1,830.86	5,447.82
Travel reimbursements:			
Mileage	1,711.04	1,923.88	3,634.92
Lodging	1,330.56	1,342.88	2,673.44
Meals	8.44	-	8.44
Subtotal	3,050.04	3,266.76	6,316.80
Grand Total	\$ 6,667.00	5,097.62	11,764.62

As illustrated by the **Table**, for 2 of the Board events held outside Des Moines, the cost incurred by IFA totaled \$11,764.62. In comparison, the average travel costs incurred by IFA for Board members for meetings held in Des Moines from January 1, 2016 through March 31, 2018 is \$355.47. No travel costs are incurred by IFA for staff when meetings are held in Des Moines.

According to an IFA representative, Board meetings and workshops are held in locations outside of Des Moines where Board members can tour significant IFA funded projects and meet with community leaders and officials. The IFA representative also reported Board member attendance was polled prior to the meeting and workshop to ensure a quorum would occur.

We reviewed the minutes of the meetings in Mason City and Cedar Rapids and the workshop held in Decorah. The action taken by the Board during the meetings is summarized in the following paragraphs.

- Mason City – Held at Historic Park Inn. The meeting was called to order at 11:44 am and adjourned at 11:56 am. A quorum was established with 7 members present. During the 12 minute meeting the following items were unanimously approved.
 - Items on the consent agenda.
 - The FY2017 budget, which was presented by the CFO who reported there had not been any changes from the draft budget distributed the previous month.
 - A resolution regarding Housing for the Homeless Demonstration Set-Aside Award.
 - A \$50,000 grant to Siouxland Habitat for Humanity.
 - 3 resolutions related to Iowa Agricultural Development Division.
 - \$43,000,000 of Private College Facility Revenue Bonds for Coe College.
 - A resolution to change the schedule of loan payments regarding \$10,741,000 of Midwestern Disaster Area Bonds issued for the GMT Corporation in 2011.

- Decorah – Board Workshop and Bus Tour. The minutes document the workshop session began at 9:00 am and concluded at 11:30 am. The minutes were very brief and disclose Mr. Jamison spoke about the purpose of the workshop, topics, and structure of the agenda. The minutes also stated Mr. Crozier presented the facilities assessment and employee engagement survey results. However, according to IFA’s website, there were no Board materials uploaded from this meeting.
- Cedar Rapids – Held during the same period as the Housing Iowa conference sponsored by IFA. The minutes document the meeting was called to order at 5:15 pm with a quorum of Board members, IFA staff, and 18 others present. The meeting was adjourned at 5:21 pm. During the 6 minute meeting, the following items were approved by the Board. All votes were unanimous, with the exception of approval of Low-Income Housing Tax Credits Allocation Plan, for which Board member Aust abstained.
 - Items on the consent agenda.
 - The resolution regarding the allocation plan, from which a Board member abstained.
 - A resolution regarding a Local Housing Trust Fund Certification for Story County.

When we asked Mr. Jamison about the Board meetings held outside Des Moines, he explained the benefit he perceived by gathering Board members outside of routine meeting locations for an overnight event to facilitate team building and focus. According to Mr. Jamison, the number of topics discussed during the official Board meetings held at these events were purposely kept to a minimum in order to facilitate workshop environment and open dialogue between Board members. Mr. Jamison also stated these events were open to the public and no one would be turned away from attending. He also stated he consulted with IFA’s general counsel to ensure compliance with open meetings requirements.

Since the 3 Board meetings occurring outside of Des Moines ranged from 6 minutes to 2½ hours (including a tour), holding these Board meetings of short durations outside of Des Moines does not appear to be in the best interest of the taxpayers. As a result, the \$11,764.62 of costs summarized in **Table 10** are included in **Exhibit A** as costs which do not meet the test of public purpose.

Board Compensation

Board members receive \$50.00 per meeting. As stated previously, the Board typically meets once each month. During our review of Board minutes, we determined Board meetings typically start at 11:00 am and usually last approximately half an hour. While a Board meeting occasionally exceeds half an hour, it is not unusual for them to last less than that time. IFA routinely provides lunch to Board members following the monthly meetings and often provides snacks and/or beverages. These costs have been included in **Exhibits** previously referenced.

Committee Meetings

Also as previously stated, based on discussions with IFA staff, we determined Board members met in small groups, referred to as “committee meetings,” prior to the public Board meetings. According to IFA staff, committees are not formally established, agendas were not prepared for the committee meetings, minutes were not kept, and recordings were not made. IFA staff members also reported there is no discussion in the Board meeting of topics discussed in the committee meetings. As a result, we were unable to determine what is discussed, what information is provided, and what questions are asked. Because there is no discussion in the Board meetings of topics discussed in the committee meetings and there are no records maintained regarding the meetings, it appears the Board intended to not provide any information publicly about the topics addressed.

According to IFA representatives, committee meetings were not formally established, did not have agendas, and minutes were not taken. In addition, the Board has 2 committees which are the Administrative Committee and the Programs committee. During conversations with IFA employees, it was determined IFA Board members held the committee meetings prior to the monthly Board meetings at the Board Chair's request.

According to IFA Board members we spoke with, each committee has 4 IFA Board members serving. However, the IFA Board consisted of 9 members and based on discussions with IFA Board members, it was unclear as to what would occur if all 9 members were present since a 5th Board member in either of the committees would make it a quorum and therefore, a public meeting.

Based on discussions with certain Board members, the committee meetings allow Board members to work with IFA staff, ask questions of staff, and discuss any items on the agenda for the IFA Board meeting. However, when we asked Board members if any discussions with staff and any discussion regarding items on the committee agendas were discussed in the IFA public Board meetings, they stated items were discussed in the public meeting. However, based on our review of the audio recordings of the Board meetings especially during discussions about renovating or leasing, we did not identify any reference to discussions held during committee meetings or questions or conversations held between Board members and IFA employees.

When we asked Mr. Jamison about the committee meetings, he stated they were background information for Board members. He also stated they were held at the discretion of the current Board Chair and each time a new Board Chair was named, he discussed with them having committee meetings was not necessary. He stated Board members preferred having committee meetings and asking staff detailed questions in a non-quorum setting.

We discussed the committee meetings with the Interim Executive Director and she stated sometimes committee meetings occur before Board meetings and staff are asked questions. According to the Interim Executive Director, she wishes to end staff participation in these committee meetings and have questions of staff asked during the public Board meetings. In addition, she is aware the committee meetings appear to be held to avoid having discussions of items in a public setting. However, she stated the committee meetings have now been made open to the public but when asked how IFA is notifying the public they are welcome to attend the committee meetings she stated "they are not posting anything to let the public know as it is not a public meeting due to not having a quorum but if someone from the public comes in, they are allowing those individuals to sit in on the meetings."

During attendance of the August 2018 Board meeting, an auditor arrived early for the Board meeting and noted a committee meeting being held in a conference room; however, the auditor was not told about the meeting nor was the auditor invited to attend or sit in on the meeting. It appears the committee meetings are used to avoid having discussions of various topics in a public setting which could explain why Board meetings often last 30 minutes or less and, at times, were only 6 or 12 minutes long and items are approved unanimously and there is not a lot of detail included in the Board minutes.

Payroll

As an authority and according to section 16.6 of the *Code*, IFA is not required to comply with DAS pay grades; however, pay grades should be reasonable based on IFA's operations. According to IFA representatives, IFA follows DAS policies and procedures regarding payroll and IFA's payroll is processed by DAS. As a result, we reviewed a sample of 15 IFA employees' salaries to determine compliance with DAS established pay grades for the period July 1, 2017 through April 5, 2018. During our review, we did not identify any instances of non-compliance with DAS pay grades for the 15 employees tested.

In addition to reviewing compliance with DAS established pay grades, we reviewed 15 IFA employees pay increases, such as merit increases and promotions, for reasonableness for the period January 7, 2011 through June 30, 2018. As a result of our testing, we determined 6 employees, most of whom who are part of the IFA Executive Team or work closely with the Executive team, received significantly higher step increases or promotions than other IFA employees and most State employees. **Table 11** summarizes the 6 employees' starting wages, highest step or merit increase, number of promotions, ending salary, and overall salary increase.

Table 11

Employee	Years at IFA	Starting Salary	Highest Step Increase	Number of Promotions	Ending Salary	Salary Increase (Beg. To End)
Executive Assistant	10	\$ 25,625.60	7.99%	2	\$ 75,982.40	196.5%
Director of Communications	10	37,336.00	9.00%	3	115,772.80	210.1%
Former ITG Director	7	83,054.40	8.57%	2	135,844.80	63.6%
Director of Single Family	4	58,032.00	4.52%	2	115,502.40	99.0%
Former Business Development Director	6	61,214.40	9.00%	-	88,587.20	44.7%
Former Director of Government Relations	7	58,323.20	9.01%	1	114,649.60	96.6%

Based on our testing, we determined typical step increases for other IFA employees tested averaged approximately 4.5%; however, we identified a number of employees who did not receive step increases at their eligibility date either due to performance or the employee was at the top of their range.

In addition, for the 6 employees identified, several received promotions which resulted in pay increases in excess of the amount needed to meet the minimum salary in their new pay grade. For example, the Director of Single Family was promoted to a Public Service Manager on May 20, 2016. At the time of her promotion, her annual salary was \$75,316.80. According to DAS Classification and Pay Plans, her new position of Public Service Manager had a salary range of \$78,166.40 to \$111,259.20. Instead of increasing her pay to meet the minimum salary guidelines for her new position which would have been a 3.78% increase in pay or providing a 5% increase, IFA increased her salary by 34.91% which placed her annual salary at \$101,608.00.

We also determined several employees received a step or merit increase within 6 months of their promotion. For example, the Executive Assistant was promoted on December 12, 2012 which resulted in a 16.97% increase. However, on June 7, 2013, she received a step or merit increase of an additional 4.53%. In addition, we identified the Director of Single Family received a step or merit increase of 4.50% on May 20, 2016. However, on the same day, she received a promotion which resulted in a 34.91% increase. After such a significant salary increase from the promotion, it would be unusual for an employee to receive an addition step or merit increase within 6 months. However, if a step or merit increase were granted, the reason for such an increase should be clearly documented. We did not locate documentation of this nature.

As a result of significant salary increases from promotions and step or merit increases, we reviewed the 6 employees PDQs and performance reviews to determine if the step or merit increases and promotions were justified and reasonable. During our review of the employee PDQs, we observed "exceeds expectation" on several of the performance reviews for the 6 employees. However, we also identified an instance where employees receiving an overall "exceeds expectation" performance review but 3 of the 4 goals within the review stated "meets expectation" while the remaining goal indicated "exceeds expectation." Additional notes or documentation were not available; as a result, we were unable to determine how the overall "exceeds expectation" rating was determined.

During a discussion with Mr. Jamison, he explained his expectation was only employees who perform at the “exceeds expectation” level would receive a merit increase. He also stated, employees who received a “meets expectation” rating would only receive a cost of living adjustment. However, he also stated, he did not have a structured or consistent process applied between employees.

In addition, we identified an instance where Mr. Jamison conducted a verbal performance review with the Director of Communications in March 2012. The documentation provided to support the performance review did not have any notations or indications of how the employee performed during the review period. The explanations provided, if any, do not warrant the high increases provided.

Based on our testing, individual step and/or merit increases and promotions are within the ranges established by DAS. However, based on our experience with testing payroll for state agencies and our review of the other step or merit increases provided to other IFA employees during the same time frame, the step or merit increases and promotions authorized by Mr. Jamison for certain employees were unusually large increases over a short time period.

Because pay increases for the 6 employees were significantly higher than the average IFA employee and performance reviews did not justify such a large increase for certain employees, we reviewed and recalculated annual salaries for the 6 employees. We used actual increases received by employees unless the increase exceeded 5%. If the increase exceeded 5%, a maximum of 5% increases were used for steps or merit increases and increases to the minimum for the pay scale if the employees were promoted. As a result of these procedures, we identified 6 employees received larger promotions compared to other IFA employees.

Table 12 summarizes the payroll, IFA’s share of FICA and IPERS for the 6 employees due to larger promotions and step or merit increases than other IFA employees, and the total.

Employee Title	Payroll	IFA’s Share of		Total
		FICA	IPERS	
Executive Assistant	\$ 51,852.95	3,966.79	4,607.16	60,426.90
Director of Communications	55,221.41	4,224.46	4,926.61	64,372.48
Director of Single Family	56,752.46	4,341.64	5,068.10	66,162.20
Former ITG Director	43,865.93	3,364.40	3,917.45	51,147.78
Former Business Development Director	18,799.14	1,438.06	1,678.60	21,915.80
Former Director of Government Relations	55,038.57	4,210.51	4,910.37	64,159.45
Total	\$ 281,530.46	21,545.86	25,108.29	328,184.61

As illustrated by **Table**, we identified \$281,530.46 of payroll and \$46,654.15 of payroll related costs for IFA’s share of FICA and IPERS.

As the former Executive Director, Mr. Jamison used the authority of his position and awarded larger pay increases to certain employees. Mr. Jamison’s actions resulted in payroll costs which were not reasonable or necessary for IFA operations. While Mr. Jamison was awarding larger pay increases, other agencies had limited resources and were trying to cut budgets. In addition, the larger pay increases also have a direct effect on IPERS benefits for these employees who are receiving unnecessarily high increases to their salaries. Because IPERS is calculated based on the employees highest five year average salary, larger pay increases cause IPERS benefits to be increased.

While the *Code* allows IFA to determine pay for its employees, the *Code* also states “the net earnings of the authority ... shall not inure to the benefit of any person other than the state.” The

larger pay provided to certain employees at IFA illustrates IFA officials continue to operate as if IFA funds are endless. However, the funds generated by IFA are still taxpayer funds and should be handled with the highest degree of fiduciary responsibility.

As a result, the \$328,184.61 of payroll and payroll related costs are included in **Exhibit A** as a disbursement not in the best interest of the taxpayers.

Learfield Sports, LLC Marketing

During our review of expenditures, we identified 4 payments issued to Learfield Sports, LLC for the period November 2017 through February 2018. The invoice for each of the 4 payments stated “2017-2018 Hawkeye, Cyclone and Panther Sports Properties, LLC Sponsorship.” The payments are listed in **Table 13**.

Table 13

Invoice Date	Amount
11/09/17	\$ 12,312.50
12/12/17	12,312.50
01/17/18	12,312.50
02/09/18	12,312.50
Total	\$ 49,250.00

As illustrated by the **Table**, IFA paid \$49,250.00 over a 4 month time period for the 2017-2018 Hawkeye, Cyclone, and Panther Sports Properties, LLC Sponsorships. Based on discussions with IFA employees, IFA entered into a 3-year contract with Hawkeye Sports Properties, LLC, Cyclone Sports Properties, LLC, and Panther Sports Properties, LLC for marketing and sponsorship. We obtained a copy of the contract and determined, over the 3-year contract period, IFA is to pay a total of \$152,248.00 for marketing and sponsorship at the 3 State Universities.

After reviewing the benefits IFA was to receive as a result of the contract, we inquired of an appropriate IFA official if anyone from IFA attended their selected games for each of the universities and the subsequent disposition of the tickets provided to IFA. According to an IFA employee, IFA notified the universities the only individuals using the tickets would be the military homeowners recognized on-court for the hero of the game and their respective lenders. IFA staff and Mr. Jamison had a display table prior to the game, participated in the radio interviews, and coordinated the on-court recognition but did not attend any of the basketball games.

According to IFA employees we spoke with, Mr. Jamison wanted this contract but other IFA representatives did not think it was good idea. After Mr. Jamison was terminated from employment, the Interim Executive Director tried to end the contract but was unsuccessful. As a result, IFA will incur \$102,998.00 for sponsorship of games in the upcoming seasons in addition to the \$49,250.00 already spent.

Vehicle Leases

As previously stated, IFA employees were reimbursed for mileage if the employee used their own vehicle. However, IFA leases 4 vehicles, of which 3 are available for staff to use to travel. The remaining vehicle was assigned to a specific employee for use during the workday to visit construction sites.

According to an IFA official, the vehicles were leased from Enterprise under a 3 year contract signed in January 2015. IFA entered into a new lease contract with Ruan Car Leasing on October 5, 2017. When we asked whether the DAS fleet service was considered as an option, the IFA official reported the accounting department prepared a cost analysis which was presented to Mr. Jamison. The analysis identified a significant price difference between leasing vehicles and using DAS fleet vehicles of approximately \$20,000. The IFA employee stated Mr. Jamison

responded “\$20,000 for advertising isn’t too bad.” Because the leased vehicles have IFA logos, Mr. Jamison considered the logos a form of advertising for the agency. We were not able to review the cost analysis provided to Mr. Jamison because a copy was not maintained. However, we were provided a copy of a cost analysis IFA accounting staff performed between leasing vehicles and purchasing them. That analysis also showed a significant cost savings by purchasing the vehicles for the 3 year lease period then selling them for estimated market value.

IFA also prepared an analysis which compared the cost of leasing vehicles to using DAS fleet vehicles, which we reviewed. **Table 14** summarizes the cost per mile for the leased vehicles and DAS fleet and the potential savings.

Table 14

Description	Fiscal Year			Total
	2016	2017	2018	
Estimated cost per mile:				
Lease vehicles	\$ 0.580	0.610	0.596	
DAS fleet	0.370	0.370	0.370	
Difference	0.210	0.240	0.229	
Miles traveled	61,501	57,689	59,355	
Potential Savings	\$ 12,915.21	13,989.58	13,562.62	40,467.41

To calculate the estimated cost per mile for the leased vehicles, IFA staff used the actual amounts paid to the vendor and divided the total by fiscal year by the number of miles the leased vehicles were driven during the same period. We verified the estimated cost per mile calculated by IFA staff.

DAS fleet vehicles are available to IFA for a flat fee per day for trips less than 50 miles. However, if the vehicle is driven more than 50 miles per day, the fee becomes \$.37 per mile. To determine if it was appropriate to use the \$.37 per mile rate, we compared it to the actual per mile rate IFA paid DAS for fleet vehicles which were used during fiscal years 2016 through March 31 of fiscal year 2018. For each fiscal year, the \$.37 per mile rate used in **Table 14** exceeded the actual per mile rate IFA paid to DAS based on the daily fee and mileage cost. As a result, using the \$.37 per mile rate is conservative.

As illustrated by the **Table**, over \$40,000.00 could have been saved by using the DAS fleet service vehicles rather than leasing vehicles during fiscal years 2016 and 2017 and through March 31 of fiscal year 2018.

In addition to reviewing the cost associated with leasing vehicles, we attempted to review the vehicle usage to determine if the leased vehicles were used enough to justify the expense. However, we determined vehicle usage logs were not maintained. As a result, we were unable to determine who used the vehicle, the destination, the miles, and fuel expense related to the travel and we were unable to determine if the leased vehicles were used enough in relation to the cost of leasing them.

The potential savings of \$40,467.41 has been included in **Exhibit A** as a cost which does not meet the test of public purpose.

Eide Bailly CPA Firm

As previously stated, representatives of the Office of Auditor of State met with Interim Executive Director, Ms. Jensen, on May 1, 2018 to discuss IFA’s plans to engage Eide Bailly knowing the Office of Auditor of State would be performing procedures. The discussion included concerns Eide Bailly would duplicate procedures planned by the Office of Auditor of State. Ms. Jensen stated she would discuss the concerns identified with the Board and make a decision from there.

According to certain Board members we spoke with, engaging Eide Bailly was done as another precautionary step and they were hired because IFA Board members were impressed with their professionalism and thoroughness displayed by Eide Bailly's financial audit team.

According to IFA Board minutes, on May 2, 2018, the Board approved hiring Eide Bailly to perform a special audit of the fiscal years 2016, 2017, and 2018 financials. Eide Bailly is the accounting firm which audited IFA's finances for fiscal years 2016 and 2017 and has a contract with IFA to audit fiscal year 2018.

According to a discussion held between the Interim Executive Director and representatives of the Office of Auditor of State, the Interim Executive Director stated she was setting the scope of Eide Bailly's review and wanted to know if the Office of Auditor of State would be reviewing the same areas. Based on reviewing Eide Bailly's agreement with IFA, the scope of their forensic review consisted of the following:

- Conducting interviews to determine any internal control deficiencies.
- Reviewing policies and procedures for accounting processes.
- Examining certain expenditures including credit card expenditures and supporting documentation.
- Examining Mr. Jamison's delegation of authority.
- Examining the use of PayPal accounts.

PAYPAL® ACCOUNTS

As previously stated, a concern was identified regarding IFA's use of employees' personal PayPal® accounts to collect revenue for IFA. As a result of this concern, we discussed the accounts with IFA representatives and examined supporting documentation. We confirmed 2 accounts were established with PayPal® by IFA employees prior to our testing period of January 1, 2016 through March 31, 2018. However, authority for the 2 accounts was reassigned to an IFA official in May 2015.

We examined PayPal® account histories and bank statements for the period of our testing. We also held discussions with certain IFA employees to obtain an understanding of how PayPal® was being used by IFA, the purpose of the PayPal® accounts, and to determine if collections received in the PayPal® accounts were properly deposited in IFA's bank accounts. The 2 PayPal® accounts are for the Single Family program and the Housing Conference. The Single Family account was used to collect fees used to administer the Mortgage Credit Certificate program. The Housing Conference account was used to collect registration fees for IFA's Housing Conference held each September.

During our testing, we determined the PayPal® accounts are reconciled on a monthly basis. We also verified all withdrawals from the accounts were properly deposited into IFA's general fund bank account. We determined additional testing was not necessary.

IFA BOARD OVERSIGHT

During our review, we determined the IFA Board did not properly carry out its fiduciary responsibilities as officials of the Board due to:

- Board members participated in committee meetings; however, based on review of Board minutes and certain audio files of Board meetings, there was nothing mentioned of items discussed during committee meetings. It appears committee meetings were held to avoid discussion in a public setting.
- Monthly meetings lasted an average of 50 minutes of which few questions were asked by the Board to Mr. Jamison or staff regarding projects or operations. In addition, Board meetings held outside of Des Moines sometimes only lasted 6 to 12 minutes with all members voting unanimously on agenda items during these abbreviated meetings.

- Decisions were made by Board members without sufficient detail such as renovating the current building or leasing and leasing vehicles rather than using the DAS motor pool.

CONCLUSION

A number of management decisions made by Mr. Jamison were not in the taxpayers' best interest. As illustrated by **Exhibit A**, we identified over \$490,000 of disbursements from IFA which were not in the taxpayers' best interest. While IFA is established as an Authority rather than a State Agency and proceeds earned by IFA are not returned to the State's General Fund as is done with most Executive Branch agencies, the funds generated by IFA are still taxpayer funds and should be handled with the highest degree of fiduciary responsibility.

Based on our observations and experience related to disbursements at State agencies, we determined there appears to be less concern regarding budgets and more "discretionary" spending at IFA than other State agencies. In addition, IFA operates more like a private company rather than a governmental entity even though they are supported by public funds. During Mr. Jamison's tenure, more than sufficient funding was available for IFA operations which contributed to an environment where IFA officials did not need to worry about how much money was spent. For example, according to the former ITG Director's PDQ, a question was asked if filling of the vacancy will result in any cost savings. Mr. Jamison's response to this question was "IFA is self-funded and does not use any state appropriations to fund this position."

While IFA does not receive any State appropriations, IFA is supported by federal and state funds which are received from the taxpayers. There is no reason why all authorities within State government, including IFA, should not comply with DAS policies and rules. As illustrated by the example, the culture at IFA illustrates a lack of concern for the use of taxpayer funds. In addition, IFA does not illustrate the same concern regarding funding sources compared to other State Agencies. This is demonstrated by the following:

- Mr. Jamison's decision to relocate IFA offices to a new location without providing information or disclosing the cost savings of renovating IFA's current location to the parties responsible for making decisions.
- Delegating purchasing authority to other IFA employees.
- The decision to lease vehicles at a significantly greater cost than other available options.
- Providing employees step or merit increases in excess of typical amounts and after an employee's promotion.
- Allowing employees to use IFA credit cards while traveling instead of the employee incurring the expenses and seeking reimbursement for allowable travel expenses.
- Reimbursing employees for the purchase of alcohol and providing meals to employees.
- Non-compliance with DAS rules and guidelines, even though IFA chose to follow those rules and guidelines.
- Larger pay increases to certain Executive Team members or employees who work closely with the Executive Team.

While these decisions, and others, which were not in the best interest of taxpayers rest with Mr. Jamison, none of the other officials at IFA voiced their concerns to Board members directly, the Governor, or other reporting entities such as the Office of Auditor of State, their annual financial statement auditors, or Citizen's Ombudsman's Office. In addition, the Board members did not question requests brought to them by Mr. Jamison or demand sufficient detail to make decisions.

When we met with Mr. Jamison, he stated, even though IFA was a self-funded agency and they were not operating with State funds, they were using public funds and they had a public trust to uphold. He also stated IFA staff needed to make sure there was nothing done which they should not be proud of and that they were working to make Iowans lives better.

While the new administration of IFA has made decisions such as tightening controls over the use of credit cards and removing the delegation of spending authority granted to IFA employees, these decisions have been driven by the interim Executive Director. The Board should be playing a more active role in tightening controls and ensuring they meet their fiduciary responsibilities. For example, during the Board meeting held in August 2018, Board members expressed concern IFA employees were required to seek reimbursement for travel expenses rather than using an IFA credit card. It is a common practice for State employees to seek reimbursement for travel expenses after an appropriate review and approval process has been completed. Typically, State employees are not allowed to hold agency credit cards and make discretionary purchases.

Because IFA has been given “authority” status, they were able to by-pass controls and therefore, proper oversight was not provided. In addition, IFA was not providing proper transparency with regards to meetings outside of Board meetings which the public should have access to and not being held accountable for the use of taxpayer funds. While IFA has been designated as an authority, it remains a part of State government and should adhere to the same rules and regulations as other State Agencies. Unless there is a valid business purpose, all authorities should be held to the same rules and oversight as all other State Agencies. In addition, all authorities, except IFA, are required to be audited on an annual basis by the Office of Auditor of State. As a result, the Legislature should consider similar requirements for IFA to receive an annual audit performed by the Office of Auditor of State.

Recommended Control Procedures

As part of our review, we reviewed the procedures used by the Iowa Finance Authority (IFA). An important aspect of internal control is to establish procedures which provide accountability for assets susceptible to loss from errors and irregularities. These procedures provide the actions of one individual will act as a check on those of another and provide a level of assurance errors or irregularities will be identified within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen IFA’s internal controls.

- (A) Validation of Minutes – During our review, we identified Mr. Jamison, as the Board Secretary, was the only individual signing Board Resolutions. Because he was also the Executive Director making requests for Board approval, he should not have been the sole signor on the Resolutions approved by the Board

Recommendation – The Board should ensure resolutions and minutes are reviewed and independent party to ensure accuracy of items discussed. In addition, the Board should consider designating another Board member to sign Resolutions in addition to the Executive Director to ensure accuracy and proper segregation of duties.

- (B) Building Lease – IFA entered into a contract to lease property at 1963 Bell Avenue. The estimated costs prepared by IFA at the time the lease was signed show it was more costly to lease than to renovate the existing building. However, based on our review of Board minutes and recordings and discussions with IFA Board members and Executive Council members, these cost estimates were not provided by Mr. Jamison. As a result, the Board members and Executive Council members were not informed IFA had estimated the lease costs would exceed renovation costs.

In addition, based on our review of cost estimates for office space options, lease terms, and information provided to the IFA Board and Executive Council, we determined leasing the property at 1963 Bell Avenue was not in the best interest of taxpayers. The

building at 2015 Grand Avenue was large enough to meet the needs of IFA and by constructing an addition to the building, the building would have met the needs of IFA for approximately 20 years and would have been more cost-effective in the long term. In addition, by renovating the current building, IFA would be adding value to the property. Conversely, the estimated cost of leasing was net of proceeds from the sale of the property at 2015 Grand Avenue, cost more than renovating over the long term, and will leave IFA without office space at the end of the lease period.

Recommendation – The IFA Board should ensure sufficient information is provided to the Board and a sufficient understanding is obtained prior to making decisions, such as leasing and renovating the current building over a long-term to ensure taxpayers funds are spent appropriately.

- (C) Delegation of Authority – We identified 21 delegations of authority to various IFA employees. In addition, Res 16-01 does not authorize employees other than the Executive Director to delegate authority. However, the Executive Director authorized department heads to delegate authority to subordinate employees at amounts ranging from \$10,000 to \$20,000.

Also, the concept of delegation of authority for non-budgeted expenditures was not properly discussed with employees. Per discussion with numerous staff, employees were unsure if delegations were per transaction or for fiscal year, calendar year, etc. Although discretionary purchases may have been made by employees, there is no monitoring or tracking process in place. Tracking was not considered necessary since there was no noticeable abuse of spending limits and operating expenditures typically fell under budget so “non-budgeted” expenditures were not considered to be excessive.

We identified an instance of non-budgeted expenditure exceeding the employee’s delegated amount. In addition, we identified 1 of the 21 delegations was not supported by a delegation form and could not be verified.

Recommendation – Delegations of Authority authorized by the Board should not occur but if allowed, should be monitored and tracked to see if employees are staying within their delegation. Only employees who are authorized to delegate authority should be allowed to authorize delegations of authority. The purpose of delegations should be conveyed to employees. During our review, IFA started to remove all non-budgeted expenditure delegations of authority.

- (D) Credit Cards – We identified 22 VISA credit cards outside of Department of Administrative Services (DAS) procurement cards. During our review of the credit cards, we identified the following:

1. Travel expenses such as meals, tips, additional flight charges, and hotels exceeded the approved rates established by DAS.
2. Hotel charges in and around the Des Moines area.
3. Purchases for a gift card and TV.

In addition, IFA had a credit card policy which required supporting documentation; however, we determined IFA paid the charges incurred without having supporting documentation. Also, the purpose of charges such as meals, did not include documentation of the purpose of meal or a list of individuals attending.

We also identified non-compliance with DAS policies regarding allowable travel expenses.

Recommendations – IFA should ensure all charges are properly supported and document the reason for purchases. The credit card policy should be reviewed and

credit cards should be approved by DAS. During our review, IFA suspended all credit card use; however, we were unable to determine if IFA planned to resume credit card activity or discontinue use. In addition, during our review, IFA began using the State's p-card and the applicable policies for travel purchases.

(E) Travel Reimbursements – We identified several concerns regarding IFA employee and IFA Board member's travel reimbursements. Specifically, we identified:

1. Mileage claimed within domicile.
2. Meals and tips reimbursed in excess of approved amounts established by DAS.
3. Hotel charges in excess of DAS approved rates.
4. Hotel charges for hotels in Des Moines.
5. An employee was reimbursed for an alcohol purchase made during a mid-day meal and another employee was reimbursed for an alcohol purchase during an evening meal.
6. Cell phone reimbursement for employee who allocated a significant portion of each month's bill to IFA operations.
7. Travel related expenses for parking in excess of reimbursable amount and preferred seating on flights.

Recommendations – IFA should ensure compliance with DAS policies and procedures for all travel related expenses such as mileage, meals and hotel charges.

(F) Supporting Documentation – During our review, we identified several instances where supporting documentation was not available or could not be located for credit card charges.

Recommendations – IFA should ensure all supporting documentation is maintained for all credit cards charges and attached to the appropriate credit cards statement.

(G) Certain Board Meetings – During our review, we identified 3 IFA Board meetings which were held outside of Des Moines. For the 3 Board meetings, hotel, meals, and mileage were incurred for IFA employees and IFA Board members to attend. The Board meeting held in Mason City lasted 12 minutes and IFA incurred costs of \$6,667.00. The Board meeting held in Decorah lasted 2½ hours which included a bus tour and IFA incurred costs of \$5,097.62. The remaining Board meeting was held in Cedar Rapids along with IFA's Housing Iowa Conference. Because staff and Board members attended the conference, we were unable to break out the costs of the Board meeting. These costs appeared excessive and were not in the best interest of the taxpayers.

Recommendation – IFA should review practices of holding Board meetings outside to Des Moines to ensure the benefit outweighs the cost of the expenses for IFA Board members and IFA employees to attend.

(H) Vehicle Leases – We identified procedures are not in place to properly account for and track vehicle usage as sufficient documentation could not be obtained. In addition, we identified IFA leased vehicles instead of using the DAS motor pool despite IFA preparing a cost analysis which illustrated it would be more economical to use the DAS motor pool than leasing.

Recommendation – IFA should consider the cost of leasing vehicles compared to using DAS fleet services to ensure funds spent are in the best interest of the taxpayers. In addition if lease vehicles are maintained, a policy should be in place to properly track

and account for usage and vehicle usage logs should be maintained to properly support miles driven, location, gas purchases and employees using the vehicle.

- (I) Salary Increases – Mr. Jamison authorized several large promotions and step or merit increases to certain IFA employees. Performance evaluations or explanations provided did not warrant such high increases.

Recommendation – IFA should ensure promotions and step or merit increases received are reasonable and performance evaluations properly document the reason for the increase.

- (J) Board Oversight – IFA Board members have a fiduciary responsibility to provide oversight of IFA’s operations and financial transactions. Oversight is typically defined as the “watchful and responsible care” a governing body exercises in its fiduciary capacity.

Meetings are held each month and are frequently an hour long or less. In addition, as previously stated, Board members are only able to review the information they are provided by IFA officials.

Based on our observations and the procedures we performed, we determined the Board failed to exercise proper fiduciary oversight. The lack of appropriate oversight permitted the Former Executive Director to exercise too much control over the financial operations of IFA.

Recommendation – Oversight by the Board is essential and should be an ongoing effort. Board members should exercise due care and review all pertinent information. The Board should also ensure sufficient information is prepared and provided to them for making decisions and appropriate policies and procedures are adopted, implemented, and monitored to ensure compliance.

Exhibits

**Report on Review
of the
Iowa Finance Authority**

Report on Review of the
Iowa Finance Authority

Summary of Findings
For the period January 1, 2016 through March 31, 2018

Description	Exhibit/ Table/ Page Number	Improper	Unsupported	Public Purpose	Total
Disbursements:					
Building lease:					
Payment to PFM	Page 18	\$ -	-	18,700.00	18,700.00
Construction manager fee	Page 21	-	-	89,233.00	89,233.00
Credit card and travel reimbursements:					
Travel reimbursements to David Jamison	Exhibit B	992.79	-	-	992.79
Mr. Jamison's credit card:					
Hotels	Exhibit C	2,536.06	-	-	2,536.06
Meals and tips	Exhibit D	1,767.47	-	165.86	1,933.33
Travel and parking	Exhibit E	687.15	-	-	687.15
Conference	Page 28	195.00	-	-	195.00
Other purchase	Page 28	55.99	-	-	55.99
Unknown	Exhibit F	-	735.90	-	735.90
Top administrator's credit card disbursements:					
Meals and tips	Exhibit G / Page 32	2,405.81	-	35.90	2,441.71
Hotels	Exhibit H	509.30	-	-	509.30
TV and supplies	Page 31	279.95	-	-	279.95
Flight charges	Page 31	105.07	-	-	105.07
Sales Tax	Table 7	85.69	-	-	85.69
Unknown	Exhibit I	-	1,077.79	-	1,077.79
Other credit card disbursements	Exhibit J / Exhibit K / Exhibit L	12,825.80	3,450.32	1,890.06	18,166.18
Board members travel reimbursements	Exhibit M	1,147.69	-	-	1,147.69
Other IFA travel reimbursements:					
Hotels	Exhibit N	923.94	-	-	923.94
Travel related expenses	Exhibit O / Page 37	1,041.44	26,783.71	-	27,825.15
Meals and tips	Exhibit P / Table 9 / Page 38	368.37	22.03	71.01	461.41
Cell phone charges	Exhibit Q	889.47	-	-	889.47
Board events outside Des Moines	Table 10	-	-	11,764.62	11,764.62
Excess payroll	Table 12	-	-	328,184.61	328,184.61
Vehicle lease	Table 14	-	-	40,467.41	40,467.41
		\$ 26,816.99	32,069.75	490,512.47	549,399.21

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
01/27/16	Mileage reimbursed for trip from Des Moines to Cedar Rapids on 12/02/15 and returning to Ames on 12/03/15.	Commuting miles were not properly deducted on return trip. 36.9 miles * .39 = 14.39 improper
06/09/16	Mileage for round trip from Ames to Pella and Coralville from 04/05/16 to 04/06/16 and mileage for round trip from Ames to Creston on 04/14/16.	Commuting miles were not properly deducted for the trips. 36.9 miles * 4 * .39 = 57.56 improper
06/23/16	Meals reimbursed for 05/31/16 totaled the maximum \$23.00 allowable for lunch and dinner.	Because Mr. Jamison did not leave Des Moines until noon, he was not allowed to claim reimbursement for lunch. Overpayment of \$8.00.
06/23/16	Mileage for round trip from Ames to Fort Dodge on 06/06/16 and mileage for round trip from Ames to Mason City from 06/08/16 to 06/09/16.	Commuting miles were not properly deducted for the trips. 36.9 miles * 4 * .39 = 57.56 improper
08/12/16	Mileage for trip from Des Moines to Cedar Rapids to Ames on 07/12/16.	Commuting miles were not properly deducted on return trip. 36.9 miles * .39 = 14.39 improper
09/14/16	Mileage from Ames to Milwaukee round trip (358x2x.39) CDFA Roundtable Conference Milwaukee, WI.	Commuting miles were not properly deducted for round trip. 36.9 miles * 2 * .39 = 28.78 improper
09/14/16	Meals claimed during trip to Milwaukee included lunch and dinner on 08/29/16 and lunch on 08/31/16. The meals reimbursed totaled \$39.95.	For Milwaukee, lunch reimbursements are limited to \$9.00; however, \$9.95 was reimbursed for the lunch purchased on August 31, 2016.

Amount	Allowable	Improper
\$ 100.23	85.84	14.39
402.48	344.92	57.56
47.40	39.40	8.00
252.33	194.77	57.56
97.11	82.72	14.39
279.24	250.46	28.78
39.95	39.00	0.95

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Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
10/25/16	Meals claimed during trip to Miami from 09/23/16 to 09/28/16 included 4 breakfasts, 3 lunch, and 4 dinners. Meals reimbursed totaled \$210.50.	Lunch was provided at the conference on 09/24/16 and should not have been reimbursed. Reimbursement for breakfast and dinner on 09/24/16 should have been limited to the \$25.46 actually spent rather than the \$49.40 reimbursed. Overpayment for the day's meals was \$23.94. In addition, breakfast was provided at the conference on 09/27/16 and should not have been reimbursed. Reimbursement for lunch and dinner on 09/27/16 should have been limited to the \$38.69 actually spent rather than the \$50.00 daily maximum for Miami. Overpayment for the day's meals totaled \$11.31. Improper meal reimbursements for the trip totaled \$35.25.
11/02/16	Mileage from Ames -Cedar Rapids-Iowa City - Cedar Rapids (175 miles x .39) on 10/19/16; mileage from Cedar Rapids-Marion-Des Moines (143 miles x .39).	Commuting miles were not properly deducted from total miles. 36.9 miles * 2 * .39 = \$28.78
11/02/16	Reimbursement for \$4.82 lunch on 10/20/16 included a \$1.00 gratuity.	Gratuity reimbursed exceeded allowable amount of 15% of the cost of the food (prior to sales tax) by \$.32.

Amount	Allowable	Improper
210.50	175.25	35.25
124.02	95.24	28.78
28.82	28.50	0.32

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Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
12/21/16	Reimbursed \$263.34 for 606 miles claimed for trip from Ames to Des Moines to Spencer to Arnolds Park back to Ames.	While 606 miles were claimed for Ames-DSM-Spencer-Arnolds Park-Ames, 416 miles is the quickest route. No other stops were identified on the travel claim or credit card support. In addition, the miles from Ames to Des Moines should not be reimbursed because they are commuting miles and commuting miles should be deducted for return trip from Arnolds Park to Ames. The proper reimbursement for mileage should have totaled $(416 - 36.9 - 36.9 = 342.2) * .39 = 133.46$
12/22/16	Reimbursed for 2 round trips starting in and returning to Ames.	Commuting miles were not properly deducted on 2 round trips. $36.9 \text{ miles} * 4 * .39 = 57.56$ improper

Amount	Allowable	Improper
236.34	133.46	102.88

292.50	234.94	57.56
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Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
12/22/16	Meals claimed during trip to Austin, TX from 10/30/16 to 11/01/16 included 2 breakfasts, 2 lunches, and 3 dinners. Meals reimbursed totaled \$117.14.	Breakfast was provided at the conference on 10/31/16 and 11/01/16 and should not have been reimbursed. Reimbursement for lunch and dinner on 10/31/16 should have been limited to the \$18.78 actually spent for dinner rather than the \$27.36 reimbursed. Overpayment for the day's meals was \$8.58. In addition, the travel claim and documentation submitted shows Mr. Jamison's flight returned to Des Moines at 6:41pm on 11/01/16 and he removed his car from the airport parking facility at 6:51 pm. Reimbursement is allowed only for dinner when the traveler returns after 7:00pm. As a result, meal reimbursement for 11/01/16 should have been limited to the \$11.00 maximum allowed for lunch rather than the \$39.78 reimbursed. Overpayment for the day's meals was \$28.78. Improper meal reimbursements for the trip totaled \$37.36.

Amount	Allowable	Improper
117.14	79.78	37.36

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Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
12/22/16	Meals claimed during a trip to Washington DC from 12/04/16 to 12/06/16 included 1 breakfast and 1 lunch and totaled \$35.00.	Receipt for parking at the airport shows Mr. Jamison checked his car out of the lot at 6:42pm on 12/06/16. As a result, he was not eligible for reimbursement for dinner on that day and the maximum amount of meals he was allowed for breakfast and lunch was \$20.00. Overpayment for the day totaled \$15.00.
02/06/17	Meals claimed during an overnight trip to Burlington and Davenport from 01/25/17 to 01/26/17 included 1 dinner and 1 breakfast. Meals reimbursed totaled \$29.67.	Because of the time Mr. Jamison left the IFA office on 01/25/17, he was not eligible to be reimbursed for lunch. As a result, his dinner reimbursement was limited to \$15.00 instead of the \$23.00 he was reimbursed.
02/24/17	Mileage reimbursed for round trip from Ames to Waterloo on 02/16/17.	Commuting miles were not properly deducted for round trip. 36.9 miles * 2 * .39 = 28.78 improper
03/23/17	Hotel costs for 3 nights lodging for trip to Topeka, KS from 02/20/17 to 02/23/17. Trip was for a 1 day conference.	Other IFA employees attending the meeting stayed only 1 night. Reason for 2 additional nights of lodging was not documented and determined to be unnecessary.
04/24/17	Mileage reimbursed for round trip to Decorah from 04/10/17 to 04/12/17. Trip started from IFA office.	Commuting miles were not properly deducted on return trip. 36.9 miles * .39 = 14.39 improper

Amount	Allowable	Improper
35.00	20.00	15.00
29.47	21.47	8.00
77.22	48.44	28.78
317.10	105.70	211.40
147.42	133.03	14.39

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
05/11/17	Meals claimed during a trip to Chicago and Wever, IA from 04/17/17 to 04/19/17 included 1 breakfast, 1 lunch, and 1 dinner. Meals reimbursed totaled \$73.09	Due to departure time, meals eligible for reimbursement on 04/17/17 included lunch and dinner and were limited to the lesser of actual cost or \$41.00. Mr. Jamison's travel claim included a \$37.95 dinner, but did not include \$12.26 paid for lunch on that date with an IFA credit card. Because IFA paid the \$12.26 incurred on the credit card for lunch, dinner was limited to \$28.74 rather than the \$37.95 Mr. Jamison was reimbursed. Overpayment for the day totaled \$10.46.
05/23/17	Mileage reimbursed for round trip to Waterloo from 05/06/17 to 05/09/17.	Commuting miles were not properly deducted on trip to Waterloo. 36.9 miles * .39 = 14.39 improper
06/02/17	Mileage reimbursed for trip from Ames to Council Bluffs to Sioux City back to Ames from 05/25/17 to 05/26/17.	Commuting miles were not properly deducted from total miles. 36.9 miles * 2 * .39 = \$28.78
06/02/17	Meals reimbursed during the trip to Council Bluffs and Sioux City from 05/25/17 to 05/26/17 included 1 breakfast, 2 lunches, and 1 dinner. Total meal reimbursement was \$52.99.	Because Mr. Jamison did not leave before 6:00am on 05/25/16, he was not eligible for reimbursement for breakfast. He was reimbursed \$28.00 for the day instead of the allowed \$23.00. Overpayment of \$5.00.

Amount	Allowable	Improper
73.09	62.63	10.46
83.46	69.07	14.39
171.21	142.43	28.78
52.99	47.99	5.00

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
07/07/17	Meals reimbursed during a trip to Cedar Rapids and Davenport from 06/05/17 to 06/07/17 totaled \$58.65 and included 2 breakfasts, 1 lunch, and 2 dinners.	Because Mr. Jamison did not leave before 6:00am on 06/05/16, he was not eligible for reimbursement for breakfast. He was reimbursed \$28.00 for the day instead of the allowed \$23.00. Overpayment of \$5.00 for the day. In addition, because he returned to the Des Moines area at 10:00 am on 06/07/17, his breakfast reimbursement for the day should have been limited to \$5.00 instead of the \$20.14 he was reimbursed. Overpayment of \$15.14 for the day. Total overpayments for the 2 days was \$20.14.
08/14/17	Mileage reimbursed for trip from Ames to Waterloo on 07/27/17, then to Cedar Rapids and returning to Ames on 07/28/17.	Commuting miles were not properly deducted from total miles. 36.9 miles * 2 * .39 = \$28.78
08/23/17	Mileage for round trip from Ames to Forest City on 08/21/17.	Commuting miles were not properly deducted from total miles. 36.9 miles * 2 * .39 = \$28.78
10/03/17	Mileage reimbursed for round trip from Ames to Cedar Rapids from 09/05/17 to 09/08/17. Also, mileage reimbursed for round trip from Ames to Coralville and Ottumwa back to Ames from 09/12/17 to 09/14/17.	Commuting miles were not properly deducted from total miles for both of the 2 trips. 36.9 miles * 4 * .39 = \$57.56

Amount	Allowable	Improper
58.65	38.51	20.14
103.35	74.57	28.78
69.03	40.25	28.78
261.30	203.74	57.56

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
11/09/17	Reimbursed \$43.00 for breakfast, lunch, and dinner on 10/14/17. Reimbursed \$21.96 for breakfast on 10/15/18. Reimbursed \$25.00 for dinner on 10/16/17. Reimbursed \$22.15 for dinner on 10/17/17. Reimbursed \$43.00 for breakfast and lunch on 10/18/17.	Because Mr. Jamison did not arrive at the Des Moines airport until 7:00 am on 10/14/17, he was not eligible for breakfast reimbursement that day. In addition, lunch was provided by the conference on 10/14/17; however, support attached to the travel claim states he did not attend the lunch. Because lunch was available, he is not eligible for reimbursement of lunch. The maximum he was allowed for meal reimbursement on 10/14/17 was the \$17.22 actual cost for dinner which is less than the \$43.00 he was reimbursed. Overpayment for the day is \$25.78. In addition, Mr. Jamison was eligible for \$20.00 of meal reimbursements for breakfast and lunch on the day following the conference, which is \$23.00 less than the amount reimbursed to him. Total over payments of \$48.78.
12/28/17	Meals claimed during a trip to Washington DC from 12/01/17 to 12/05/17 included 2 breakfasts, 4 lunches, and 2 dinners. Meals reimbursed totaled \$113.11.	Mr. Jamison's IFA credit card was used to pay for a meal and a tip on 12/01/17. The tip exceeded the allowable amount by \$.41. In addition, Mr. Jamison was not eligible for breakfast on 12/04/17 because it was provided at the conference, but he received a \$8.75 reimbursement for the meal. Total overpayments of \$9.16.

Amount	Allowable	Improper
106.11	57.33	48.78

112.66	103.50	9.16
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Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to David Jamison
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Travel Reimbursement Description	Additional Information
04/19/18	Meals reimbursed during a trip from Des Moines to Davenport on 03/05/17 to 03/06/17 and meals in Washington DC from 03/06/18 to 03/07/18 after flying there from Davenport.	Mr. Jamison was eligible for \$23.00 of meal reimbursements on 03/05/17, which is \$18.11 less than he was reimbursed. In addition, he was reimbursed \$1.00 and \$.50 more than allowed for tips he paid on 03/06/17 and 03/07/17, respectively. Total overpayments of \$19.61.

Amount	Allowable	Improper
91.86	72.25	19.61
\$ 4,017.98	3,025.19	992.79

Report on Review of the
Iowa Finance Authority

David Jamison's Improper Hotel Charges
For the period January 1, 2016 through March 31, 2018

Post Date	Transaction Description	Amount	Description from attached receipt
12/04/15	RESIDENCE INN CE RAPID CEDAR RAPIDS IA	\$ 101.92	\$101.92 w tax for 12/2/15
02/04/16	STAYBRIDGE SUITES WEST DES MOINIA	81.76	1 night 2/2 - Other nights on Different card 2/2-2/5
04/08/16	MARRIOTT CORAVLE CONF IOWACITY IA	186.56	\$186.56 w tax 4/5/16 for Conference
05/13/16	HOTEL GREENFIELD GREENFIELD IA	202.36	Just credit card receipt no breakdown of room fees (For EOS?)
05/27/16	HARDROCK HOTEL SIOUX CITY IA	155.68	\$155.68 w tax 5/24
06/03/16	DOUBLETREE CEDAR RAPID CEDAR RAPIDS IA	102.99	5/31 1 night at \$102.99 w tax
06/05/16	IOC BETTENDORF - HOTEL BETTENDORF IA	105.68	6/1 1 night at \$105.68 w tax and fee
06/24/16	RCGR RIVERSIDE HOTEL RIVERSIDE IA	99.68	No receipt
09/18/16	MARRIOTT CORAVLE CONF IOWA CITY IA	287.10	\$135.07 per night w tax x 2. 9/13- 9/14. \$8.48 parking x 2
12/06/16	MARRIOTT DES MOINES DES MOINES IA	98.24	No Support
12/11/16	STAYBRIDGE SUITES DES MOINES IA	221.76	No support- 2 nights
12/16/16	BRIDGES BAY RESORT ARNOLDS PARK IA	130.90	\$119 + 5.95 State Tax + \$5.95 Hotel Tax 12/14 1 night
03/12/17	FAIRFIELD INN & SUITES DES MOINES IA	119.84	3/8 \$119.84 w tax 1 night

Improper

	Hotel Amt Exceeding State	Hotels in Metro	Total	Reasonable
\$	26.00	-	26.00	75.92
	-	81.76	81.76	-
	94.00	-	94.00	92.56
	56.76	-	56.76	145.60
	82.88	-	82.88	72.80
	30.19	-	30.19	72.80
	32.88	-	32.88	72.80
	26.88	-	26.88	72.80
	124.54	-	124.54	162.56
	-	98.24	98.24	-
	-	221.76	221.76	-
	60.05	-	60.05	70.85
	-	119.84	119.84	-

Report on Review of the
Iowa Finance Authority

David Jamison's Improper Hotel Charges
For the period January 1, 2016 through March 31, 2018

Post Date	Transaction Description	Amount	Description from attached receipt
03/31/17	MARRIOTT CEDAR RAPIDS 319-393-6600 IA	270.54	3/27-3/28 \$135.27 per night w tax x 2
05/12/17	ISLE WATERLOO-HOTEL WATERLOO IA	302.39	Hotel for Conference; \$156.79 w tax for 5/6, \$72.80 for 5/7-5/8, Paid \$7.49 gift charge on personal card
05/21/17	HOTEL JULIEN DUBUQUE 563-5564200 IA	223.90	5/16-5/18 \$99.00 per night + tax x 2
05/28/17	HARDROCK HOTEL SIOUX CITY IA	166.88	5/25 166.88 for 1 night w tax
06/08/17	DOUBLETREE CEDAR RAPID CEDAR RAPIDS IA	107.23	Bottle of Water \$2.00, 6/5 hotel stay \$105.23 including tax/fees. Doubletree Cedar Rapids
06/09/17	IOC BETTENDORF - HOTEL BETTENDORF IA	105.68	6/7 ISLE Hotel Stay Bettendorf, Room \$89.00, Facilities \$6.00, Tax \$6.23, Tax \$4.45= \$105.68
07/31/17	THE BLACKHAWK HOTEL 319-2771161 IA	140.12	King Suite \$125.10 1 night 7/27+ Tax= \$140.12
09/17/17	HOMEWOOD SUITES BY HILTONCORALVILLE IA	206.74	9/12/17-9/13 \$103.37 per night x 2= \$206.74
11/12/17	AIRPORT HOLIDAY INN - DE DES MOINES IA	244.16	11/7-11/9 \$122.08 per night x 2
11/13/17	AMERISTAR CASINO CO.BLUF COUNCIL BLUFFI A	211.68	1 night \$189.00 + \$22.68 tax
11/13/17	AMERISTAR CASINO CO.BLUF COUNCIL BLUFFIA	211.68	1 night \$189.00 + \$22.68 tax (For Tara Lawrence)
02/02/18	RESIDENCE INN DES MOIN DES MOINES IA	122.08	1/30 \$122.08

Improper

Hotel Amt Exceeding State	Hotels in Metro	Total	Reasonable
124.94	-	124.94	145.60
83.99	-	83.99	218.40
68.00	-	68.00	155.90
94.08	-	94.08	72.80
28.00	-	28.00	79.23
32.88	-	32.88	72.80
67.32	-	67.32	72.80
58.26	-	58.26	148.48
-	244.16	244.16	-
138.88	-	138.88	72.80
138.88	-	138.88	72.80
-	122.08	122.08	-

Report on Review of the
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David Jamison's Improper Hotel Charges
For the period January 1, 2016 through March 31, 2018

Post Date	Transaction Description	Amount	Description from attached receipt
03/08/18	HOLIDAY INNS 563-3442900 IA	183.61	\$183.61 w tax for 1 night 3/5
03/11/18	IN •LAKE PANORAMA NATIONA641-7552080 IA	750.75	Panorama Resort; 3/8 Guest House 5,6,7,8,9 \$82.95 each. Town House 102 3/7 and 3/8 \$336.00
	Grand Total	<u>\$ 5,141.91</u>	

Improper

Hotel Amt Exceeding State	Hotels in Metro	Total	Reasonable
110.81	-	110.81	72.80
-	168.00	168.00	582.75
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\$ 1,480.22	1,055.84	2,536.06	2,605.85

Report on Review of the
Iowa Finance Authority

David Jamison's Improper Meals and Tips
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Post Date	Transaction Description	Amount	Description from attached receipt
01/13/16	TAXICHARG WASHINGTONDC WASHINGTON DC	\$ 18.38	1/12 Cab Charge including \$3.05 tip
01/13/16	DC TAXI G656 LONG ISLAND NY	11.65	1/12 Cab Charge
01/14/16	CURB 2028104482 DC	10.01	1/13 Cab Charge
01/14/16	CURB WASHINGTON DC	11.09	1/13 Cab Charge
01/14/16	OLD EBBITT GRILL WASHINGTON DC	18.45	Meatloaf \$14.95 Tax \$1.50 Tip \$2.40
02/02/16	AMERICANA DES MOINES IA	37.54	Lunch for two; BLT \$10.50, 2 Coffees at \$2.89 each, Soda at \$2.89, Avacado Chicken \$12.86, Tip \$4.50. Tax \$1.87
02/03/16	AMERICANA DES MOINES IA	34.71	Loaded Mac \$15.00, Salmon \$4.00, Cheese Panini \$9.50, Tax \$1.71 Tip \$4.50
02/04/16	PALMERS DELI & MARKET INGDES MOINES IA	18.51	Palmers Deli, Not itemized
02/05/16	EXILE DES MOINES IA	35.00	Lunch for 2; French Dip \$10.00, Chk Salad Sand \$9.00, Fries \$2.00, Coffee \$2.59 x 3, Tax \$1.73, Tip \$4.50
02/05/16	PALMERS DELI & MARKET INGDES MOINES IA	32.80	Palmers Deli, Not itemized
02/05/16	AMERICANA DES MOINES IA	58.68	Misc food for Guests, receipt is cutoff
02/07/16	EXILE DES MOINES IA	41.36	Lunch for 2: Sliders \$11.00, Tender Salad \$12.00, Coffee \$2.59x4, Tax \$2.00, Tip \$6.00
02/14/16	COURT AVENUE BREWING CO DES MOINES IA	155.69	Lunch for 9 guests, \$20.00 tip
03/02/16	HAMILTON'S BAR & GRILL WASHINGTON DC	15.18	Iced Tea \$1.99, Taco Salad \$9.99 Tax \$1.20 \$2.00 Tip
03/04/16	TAXICHARG WASHINGTONDC WASHINGTON DC	21.00	Cab Charge including \$3.00 tip
03/03/16	BULLFEATHERS WASHINGTON DG	19.54	Lone Star Burger \$12.99, Iced Tea \$2.50, Tax \$1.55, Tip \$2.50
03/20/16	JOHN AND NICKS STEAK PRIMCLIVE IA	246.75	Group Food: Misc Items. 8 guests
04/24/16	NICKS BAR & GRILL CLIVE IA	268.79	Dinner and Dessert for 7 people
04/28/16	PRAIRIE MEADOWS - RESTAURAltoona IA	94.95	Breakfast for 8 guests
05/08/16	SNOW KING - FOOD AND B JACKSON HOLE WY	71.96	Egg BLT \$13.00, Brisket Sand. \$15.00, Sliders \$18.00, Sliders \$18.00, Side Salad \$2.00, Discount - \$6.60, Tax \$3.56, Tip \$9.00

Improper			Reasonable	Public Purpose	Board Meetings	Unsupported
Meals	Excess Tip	Total				
-	0.75	0.75	17.63	-	-	-
-	0.55	0.55	11.10	-	-	-
-	0.80	0.80	9.21	-	-	-
-	0.64	0.64	10.45	-	-	-
-	0.16	0.16	18.29	-	-	-
37.54	-	37.54	-	-	-	-
34.49	0.22	34.71	-	-	-	-
18.51	-	18.51	-	-	-	-
35.00	-	35.00	-	-	-	-
32.80	-	32.80	-	-	-	-
58.68	-	58.68	-	-	-	-
40.36	1.00	41.36	-	-	-	-
154.89	0.80	155.69	-	-	-	-
-	0.20	0.20	14.98	-	-	-
-	0.30	0.30	20.70	-	-	-
-	0.18	0.18	19.36	-	-	-
246.28	0.47	246.75	-	-	-	-
263.52	5.27	268.79	-	-	-	-
94.69	0.26	94.95	-	-	-	-
-	0.09	0.09	71.87	-	-	-

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Iowa Finance Authority

David Jamison's Improper Meals and Tips
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Post Date	Transaction Description	Amount	Description from attached receipt
05/12/16	COUNTRY KITCHEN STUART STUART IA	33.10	Chicken \$9.49, Iced Tea \$2.49, Ribs \$12.99, Coffee \$1.99, Tax \$1.39, Tip \$4.25
05/13/16	OLIVE BRANCH GREENFIELD IA	129.24	Sm Meat Combo Pizza \$10.95, Lasagna \$10.95, Steak Kbobs \$10.95 x 2, Tip \$17.00
05/13/16	OLIVE BRANCH GREENFIELD IA	75.45	Not itemized can't see breakdown of food
05/15/16	OLIVE BRANCH GREENFIELD IA	63.00	Not itemized can't see breakdown of food
05/18/16	DSM IOWA TAP RM DES MOINES IA	14.51	Faded Receipt- Burger and French fries - can't see tip amount
05/18/16	VTS SUN TAXI CHICAGO LONG IS CITY NY	59.30	Taxi Charge including \$9.80 tip
05/19/16	MELI CAFE ON DEARS CHICAGO IL	22.68	Farm Bowl \$15.00, Coffee \$2.65, Tax \$2.03 Tip \$3.00
05/23/16	GIORDANO'S ON JACKSON CHICAGO IL	12.75	Sausage Combo \$9.95, Tax \$1.14, Tip \$1.66
05/24/16	AMERICANA DES MOINES IA	75.49	Faded Receipt - Pork Chop \$13.xx Add Chicken \$3.xx, Tea \$2.xx, Sandwhich \$13.xx, Soda \$2.xx, Burger \$12.xx, Tuna Salad \$15.99. Tip \$10.00 - Business Lunch
05/27/16	IHOP #5424 SIOUX CITY IA	27.74	No receipt
05/27/16	PERKINS 3859 15138597 SIOUX CITY IA	27.11	Chorizo \$8.59, Coffee \$2.29, Tip \$3.40, Tax \$.76, Build a breakfast \$8.99, Coffee \$2.29 Tax \$.79 - Breakfast with Mark Leonard IADD Board Member
06/02/16	WHITE STAR ALE HOUSE CEDAR RAPIDS IA	28.10	Sirloin \$18.95, Salad \$3.95 Tax \$1.60, Tip \$3.60
06/02/16	LOS COMPADRES MEXICAN BARCEDAR RAPIDS IA	11.40	\$9.25 Buffet, Tax \$.65, Tip \$1.50
06/03/16	CAFE INDIGO DAVENPORT IA	16.27	Coffee \$2.25, Apple Crisp \$10.99, Tax \$.93, Tip \$2.10
06/10/16	Prime N Wine MASON CITY IA	436.50	Misc food for 8+ guests - Includes gratuity \$98.86, - \$250 gift card
06/13/16	SQ *YELLOW CAB#178 Seattle WA	52.56	Cab Charge including \$8.76 tip
06/14/16	BERNARDS ON SENECA SEATTLE WA	7.80	Bacon and Egg over hard
06/17/16	YELLOW CARD SERVICES INC 206-3434360 WA	48.00	6/16 Cab Fare including \$8.00 tip
06/19/16	AFRICA LOUNGE SEATAC WA	15.64	Breakfast Cibattia \$9.25, Coffee \$3.25, Tax \$1.19. Tip \$1.95
07/11/16	AMERICANA DES MOINES IA	60.88	No receipt
07/17/16	BENTLEYS RESTAURANT WOODSTOCK VT	36.40	Filet and Frites \$29.00, Tax \$2.90, Tip \$4.50

Improper			Reasonable	Public Purpose	Board Meetings	Unsupported
Meals	Excess Tip	Total				
32.89	0.21	33.10	-	-	-	-
129.08	0.16	129.24	-	-	-	-
75.26	0.19	75.45	-	-	-	-
63.00	-	63.00	-	-	-	-
14.51	-	14.51	-	-	-	-
-	2.37	2.37	56.93	-	-	-
-	0.35	0.35	22.33	-	-	-
-	0.17	0.17	12.58	-	-	-
74.64	0.85	75.49	-	-	-	-
27.74	-	27.74	-	-	-	-
-	0.08	0.08	27.03	-	-	-
-	0.16	0.16	27.94	-	-	-
-	0.11	0.11	11.29	-	-	-
-	0.11	0.11	16.16	-	-	-
-	16.48	16.48	-	-	420.02	-
-	2.19	2.19	50.37	-	-	-
-	0.27	0.27	7.53	-	-	-
-	2.00	2.00	46.00	-	-	-
-	0.07	0.07	15.57	-	-	-
60.88	-	60.88	-	-	-	-
-	0.15	0.15	36.25	-	-	-

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07/17/16	THE POUR HOUSE SOUTH BURLING VT	12.50	Cajun Flank Steak, Eggs Benedict, Iced Tea, \$9.95, Tax \$.90, Tip \$1.55
07/29/16	YOLK INDIANAPOLIS IN	28.40	Coffee \$2.75, Steak and Eggs \$20.00, Tax \$2.05, Tip \$4.00
07/30/16	SQ *HAD DISH MOGOS TAXI Plainfield IN	46.50	Cab Fare including \$7.75 tip
09/19/16	NEW UNION BREWERY CORALVILLE IA	22.61	Fish and Chips \$16.00, Iced Tea \$2.50 Tax \$1.11, Tip \$3.00
09/26/16	MONTY'S SUNSET MIAMI BEACH FL	114.15	4 Guests Dinner: 18% Service Charge Included. (4 guests were IFA employees at the conference)
09/30/16	FONTAINEBLEAU VIDA MIAMI BEACH FL	34.29	Coffee \$5.00, Chorizo Skillet \$22.00, Tax \$2.43, Service Charge \$4.86
10/20/16	COBBLE HILL CEDAR RAPIDS IA	33.09	Duck breast \$27.00, Tax \$1.89, Tip \$4.20
10/23/16	RAMSEYS METRO MARKET MARION IA	5.82	Chili cup \$3.00, Chips \$1.50, Tax \$0.32, Tip \$1.00
11/02/16	SHERATON AUSTIN HOTEL F MUSTIN TX	23.57	Short Rib Sand. \$16.00, Soda \$3.00, Tax \$1.57, Tip \$3.00
11/03/16	BLUE DAHLIA BISTRO AUSTIN TX -	15.27	Coffee \$2.50, Frittata Sausage \$9.95 Tax \$.82, Tip \$2.00
11/02/16	SQ *FISHWALEKU@GMAIL.COM Clarkston GA	31.90	Cab Charge w/ \$4.20 tip
11/15/16	CHILIS G09 ORD20258141 CHICAGO IL	16.36	Buger with Fries \$12.79, Tip \$2.10, Tax \$1.58
12/01/16	ORCHARD GREEN REST IOWA CITY IA	29.19	Pork Chop \$24.00 Tax \$1.44, Tip \$3.75
12/02/16	MIDTOWN FAMILY RESTAURANTIOWA CITY IA	14.28	Coffee \$2.09, Omlette \$9.49, Tax .70, Tip \$2
12/15/16	COUNTRY KITCHEN STUART STUART IA	35.36	3 Guests Breakfast; Sampler \$6.99 Tea \$2.29, Omlete \$9.79 Coffee \$1.99, Bfast Duo \$5.49 Tea \$2.29, Tax \$2.02, Tip \$4.50 - TG Board (Judy H, Tara, Dave)
02/23/17	CRACKER BARREL #177 TOPEKTOPEKA KS	12.80	Coffee \$2.19, Old Time Bacon \$7.89, Tax \$0.92, Tip \$1.80
03/06/17	VIP CAB COMPANY ALEXANDRIA VA -	20.08	Cab fare including \$3.00 tip
03/09/17	HYATT HOTELS WASH F & B WASHINGTON DC	142.89	Dinner for 6 guests; All Board Members
03/08/17	DC VIP CAB WASHINGTON DC -	5.85	Cab Fare including \$1.00 tip
03/10/17	HYATT HOTELS WASH F & B WASHINGTON DC	23.35	Parfait \$10, Coffee \$4.00, Juice \$4.50, Tax \$1.85, Tip \$3.00
03/09/17	UNOCHICAGOGRILL#701 WASHINGTON DC -	21.10	Deep Dish \$12.99, Tea \$2.99, Tax \$1.60 Tip \$3.52

Improper			Reasonable	Public Purpose	Board Meetings	Unsupported
Meals	Excess Tip	Total				
-	0.06	0.06	12.44	-	-	-
-	0.59	0.59	27.81	-	-	-
-	1.94	1.94	44.56	-	-	-
-	0.22	0.22	22.39	-	-	-
-	1.30	1.30	112.85	-	-	-
-	0.81	0.81	33.48	-	-	-
-	0.15	0.15	32.94	-	-	-
-	0.32	0.32	5.50	-	-	-
-	0.15	0.15	23.42	-	-	-
-	0.13	0.13	15.14	-	-	-
-	0.04	0.04	31.86	-	-	-
-	0.18	0.18	16.18	-	-	-
-	0.15	0.15	29.04	-	-	-
-	0.26	0.26	14.02	-	-	-
17.36	-	17.36	18.00	-	-	-
-	0.15	0.15	12.65	-	-	-
-	0.44	0.44	19.64	-	-	-
-	4.14	4.14	138.75	-	-	-
-	0.27	0.27	5.58	-	-	-
-	0.22	0.22	23.13	-	-	-
-	0.12	0.12	20.98	-	-	-

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03/29/17	WHITE STAR ALE HOUSE CEDAR RAPIDS IA	20.84	Prime Rib \$16.95, Tax \$1.19, Tip \$2.70
04/20/17	The Gage Chicago IL	32.88	Iced Tea \$3, Fish and Chips \$19, \$ Coffee \$3, Tax \$2.88, Tip \$5.00
04/30/17	THE LOCAL MINNEAPOLIS MN	19.01	Cod and Chips \$14.99, Tax \$1.62, Tip \$2.40
05/09/17	ISLE WATERLOO-BUFFETT WATERLOO IA	10.82	Breakfast Buffet \$8.82, Tip \$2.00
05/09/17	MONTAGE CEDAR FALLS IA	31.82	Sirloin \$26.00, Tax \$1.82, Tip \$4.00
05/19/17	HOTEL JULIEN DUBUQUE IA	13.70	Coffee \$2.00, Biscuits and Gravy \$8.00, Tax \$.70, Tip \$3.00
05/19/17	SHOT TOWER INN DUBUQUE IA	25.28	3 guests; Special \$6.95, Basket \$9.20, Tea \$1.87 x 2. Tip \$4.00
05/19/17	SUNSHINE FAMILY RESTAUAANDUBUQUE	10.64	Sunshine Eggs Over Hard \$6.95, Coffee \$1.59, Tip \$1.50
05/26/17	CKE THE BUCK SNORTS 25 SCOUNCIL BLUFFIA	14.16	1 Swamp Donkey \$11.50, Online Order \$.81 Tax, Tip \$1.85
05/28/17	MC CARTHY & BAILEYS SIOUX CITY IA	30.12	Grilled Ribeye \$24.50, Tax \$1.72, Tip \$3.90
06/08/17	BOOZIES DAVENPORT IA	10.51	Sante Fe Egg Rolls Avacado Ranch \$7.95, 0.56 tax, 2.00 tip= \$10.51
06/09/17	IOC BETT-BUFFET BETTENDORF IA	20.14	ISLE Buffet \$14.99, Coffee \$1.50, Tax \$1.15, Tip \$2.50= \$20.14
06/20/17	MAX LAGERS ATLANTA GA	32.51	Ribs \$26.00, \$4.20 tip, \$2.31 tax= \$32.51
06/25/17	BIG KAHUNA ATLANTA GA	27.04	Unsweetened Tea \$2.75, Baja Steak and Fries \$18.99, tax 1.85, tip 3.45= \$27.04
07/17/17	POUR LA FRANCE B DENVER CO	16.68	Omlette \$11.00, Coffee \$2.50, Tax \$1.08, Tip \$2.10= \$16.68
07/17/17	OJAI RESORT PUB OJAI CA	19.66	Carnitas Taco \$16.00, Tax \$1.16, Tip \$2.50= \$19.66
07/21/17	OJAI RESORT OAK GRILL OJAI CA	61.63	Petite Ceasar Salad \$11.00, Seared Halibut \$39.00= \$50.00, Tip \$8, Tax \$3.63= \$61.63
07/23/17	OJAI CAFE EMPORIUM Ojai CA	18.43	2 Unlce Sam Waffle \$12.00, Coffee \$2.95, Tax \$1.08, Tip \$2.40= \$18.43
07/30/17	THE PUMP HAUS CEDAR FALLS IA	16.27	Iced Tea \$2.50, Bacon Cheddar Wrap \$8.99, Sweet potato fries \$1.50, ranch \$.25, tax .93, tip \$2.10= \$14.17
08/09/17	DRAKE DINER 1111 25TH ST IA	60.52	No Receipt
08/29/17	FRIEDRICHS DES MOINES IA	8.77	Not itemized- No tip given

Improper			Reasonable	Public Purpose	Board Meetings	Unsupported
Meals	Excess Tip	Total				
-	0.16	0.16	20.68	-	-	-
-	1.25	1.25	31.63	-	-	-
-	0.15	0.15	18.86	-	-	-
-	0.68	0.68	10.14	-	-	-
-	0.10	0.10	31.72	-	-	-
-	1.50	1.50	12.20	-	-	-
-	1.02	1.02	24.26	-	-	-
-	0.22	0.22	10.42	-	-	-
-	0.12	0.12	14.04	-	-	-
-	0.22	0.22	29.90	-	-	-
-	0.81	0.81	9.70	-	-	-
-	0.03	0.03	20.11	-	-	-
-	0.30	0.30	32.21	-	-	-
-	0.19	0.19	26.85	-	-	-
-	0.07	0.07	16.61	-	-	-
-	0.10	0.10	19.56	-	-	-
-	0.50	0.50	61.13	-	-	-
-	0.16	0.16	18.27	-	-	-
-	0.11	0.11	16.16	-	-	-
60.52	-	60.52	-	-	-	-
8.77	-	8.77	-	-	-	-

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09/01/17	HOLIDAY INN KEY BRIDGE ARLINGTON VA	31.53	Charge for "Vantage Point" on Receipt - Breakfast burrito \$9.99, Tax \$1, Tip \$3, missing other receipt
09/01/17	KAPNOS TAVERNA DCA WASHINGTON DC	20.09	Gyro Pork \$15.99, tax \$1.60, tip \$2.50= \$20.09
09/10/17	WHITE STAR ALE HOUSE CEDAR RAPIDS IA	573.32	30 Guests Food ("Museum Food") Salad \$8.95 add Salmon \$5.95. Lemon Chicken \$12.95, Turkey Brie \$9.95, 20 10oz Prime Rib at \$18.95- \$379.00, 3 Pork Chop at \$13.95- \$41.85. \$82.56 auto gratuity (18%), Tax \$32.11 - Midwest Colab
09/10/17	DUBLIN CITY PUB CEDAR RAPIDS IA	26.88	2 entrees- Calla's Salad \$8.99, Tenderloin \$9.99, Iced Tea \$2.50, Cheese \$1.00, Tax \$1.40, Tip \$3.00
09/17/17	MURPHY'S BAR AND GRILL RIVERSIDE IA	30.65	Lunch for two people- Cheeseburger \$9.00, Patty Melt \$12.00, Beverage Charge \$4.00, Tax \$1.75, Tip \$3.90
10/20/17	DW'S 285 DINER CONIFER CO	18.57	Italian Sausage Burger \$11.99, Soft Drink \$2.99, Tax \$0.84, Tip \$2.40
11/12/17	STOKES OLD MARKET OMAHA NE	37.35	Ribeye Steak \$29.95, Tax \$2.90, Tip \$4.50
11/12/17	712 LLC COUNCIL BLUFFIA	13.50	Iced Tea \$2.75, Ceasar Salad \$8.00, Tax \$.75, Tip \$2.00
11/12/17	AMERISTAR CASINO BELLA'S COUNCIL BLUFFIA	14.93	Bella Skillet \$9.49, Coffee \$2.59, Tax \$0.85, Tip \$2.00
12/07/17	SAND G RESTAURANT QUANTICO VA	9.21	Cheeseburger meal \$7.21 + tip \$2.00
12/14/17	ICE HOUSE RESTAURANT & LOCLARINDA IA	37.74	Dinner for 3 guests. Iced Tea \$1.95, Porkloin \$8.75, Steak Sandwich \$8.95, Veggie \$.75 smothered + \$1.25, Steak Sandwich \$8.95. Tax \$2.14, Tip \$5.00
02/02/18	Foundmg Farmers DC Washington DC	23.08	Coffee \$4.25, Breakfast \$14.00, Tax \$1.83, Tip \$3.00
02/02/18	HOTEL LOMBARDY WASHINGTON DC	190.25	1/31 \$148.09 night. + \$24.76 café charge. - \$17.40 credit (See below)
02/25/18	HOTEL LOMBARDY WASHINGTON DC	389.82	2/20-2/22 \$182.53 per night x 2. \$24.76 Café Charge - \$14.00 Breakfast \$3 Coffee, \$1.70, \$3.00 tip
02/25/18	CAFE LOMBARDY WASHINGTON DC	24.76	\$14.00 breakfast, \$3.00 coffee, \$1.70 tax, \$3.00 tip
03/08/18	HYATT REGENCY WASHINGTON WASHINGTON D	452.54	\$407.54 Room w tax 3/6. Lunch \$19.50, Breakfast \$25.50

Improper			Reasonable	Public Purpose	Board Meetings	Unsupported
Meals	Excess Tip	Total				
-	1.50	1.50	12.49	-	-	17.54
-	0.10	0.10	19.99	-	-	-
-	16.24	16.24	557.08	-	-	-
9.79	0.88	10.67	16.21	-	-	-
11.87	1.80	13.67	16.98	-	-	-
-	0.15	0.15	18.42	-	-	-
-	0.01	0.01	37.34	-	-	-
-	0.39	0.39	13.11	-	-	-
-	0.19	0.19	14.74	-	-	-
-	0.92	0.92	8.29	-	-	-
37.33	0.41	37.74	-	-	-	-
-	0.27	0.27	22.81	-	-	-
-	0.45	0.45	189.80	-	-	-
-	0.45	0.45	389.37	-	-	-
-	0.45	0.45	24.31	-	-	-
40.50	4.50	45.00	407.54	-	-	-

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03/09/18	THE PORT RESTAURANT PANORA IA	166.47	Multiple Guests food: Pasta \$15.00 x 2, Sirloin 20.00+ Asparagus 2.00+ Deburgo \$2.95, Filet 21.00+Asparagus 2.00, Shrimp Alfredo \$18.00, Shrimp Risotto \$18.00 + 2.00 asparagus, Salmon Risotto \$18.00 + \$2.00 asparagus. Tax \$9.52, Tip \$21.00
03/15/18	THE TWISTED FORK 25 OMAHA NE	28.86	2 Smokehouse BBQ Burger \$10.95 each. Add Bacon \$1.00. Tax \$1.64 \$0.57, Tip \$3.75
	Grand Total	<u>\$ 5,756.30</u>	

Improper						
Meals	Excess Tip	Total	Reasonable	Public Purpose	Board Meetings	Unsupported
-	0.61	0.61	-	165.86	-	-
-	0.31	0.31	28.55	-	-	-
\$ 1,680.90	86.57	1,767.47	3,385.41	165.86	420.02	17.54

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David Jamison's Improper Travel and Parking
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Post Date	Transaction Description	Amount
12/12/15	DM AIRPORT PARKING RAMP DES MOINES IA	\$ 39.00
01/18/16	DM AIRPORT PARKING RAMP DES MOINES IA	65.00
05/20/16	OM AIRPORT PARKING RAMP DES MOINES IA	39.00
07/15/16	UNITED 0162929937596800-932-2732 TX	39.00
07/15/16	UNITED 0162929937595800-932-2732 TX	39.00
07/15/16	UNITED 0162929937599800-932-2732 TX	32.00
07/15/16	UNITED 0162929937597800-932-2732 TX	32.00
07/15/16	UNITED 0162929937598800-932-2732 TX	27.00
07/15/16	UNITED 0162929937594800-932-2732 TX	27.00
07/15/16	UNITED 0162929937600800-932-2732 TX	25.00
07/15/16	UNITED 0162929937605800-932-2732 TX	25.00
07/16/16	UNITED 0162609940264800-932-2732 TX	25.00
07/21/16	DM AIRPORT PARKING RAMP DES MOINES IA	65.00
07/30/16	DM AIRPORT PARKING RAMP DES MOINES IA	29.00
09/29/16	AMERICAN AIR0010638108067FORT WORTH TX	8.99
11/03/16	OM AIRPORT PARKING RAMP DES MOINES IA -	39.00
11/17/16	DM AIRPORT PARKING RAMP DES MOINES IA	39.00
12/08/16	OM AIRPORT PARKING RAMP DES MOINES IA	39.00
03/10/17	DES MOINES AIRPORT AUTHORDES MOINES IA	70.00
06/26/17	DES MOINES AIRPORT AUTHORDES MOINES IA	70.00
07/30/17	DES MOINES AIRPORT AUTHORDES MOINES IA	84.00
09/01/17	DES MOINES AIRPORT AUTHORDES MOINES IA	56.00
10/22/17	DES MOINES AIRPORT AUTHORDES MOINES IA -	84.00
10/31/17	UNION TAXI 303-922-2222 CO	10.00
02/04/18	DES MOINES AIRPORT AUTHOR DES MOINES IA	28.00
02/25/18	DES MOINES AIRPORT AUTHORDES MOINES IA	34.00
03/09/18	DES MOINES AIRPORT AUTHORDES MOINES IA	42.00
03/08/18	AMERICAN AIR0010619039836FORT WORTH TX	9.16
	Grand Total	<u><u>\$ 1,121.15</u></u>

Description from attached receipt	Improper			
	Travel	Excess Parking	Total	Reasonable
12/10-12/12 Parking	\$ -	18.00	18.00	21.00
1/12-1/16 Parking Charge	-	30.00	30.00	35.00
5/16-5/18 Parking	-	18.00	18.00	21.00
Economy Plus Upgrade for Each Flight	39.00	-	39.00	-
Economy Plus Upgrade for Each Flight	39.00	-	39.00	-
Economy Plus Upgrade for Each Flight	32.00	-	32.00	-
Economy Plus Upgrade for Each Flight	32.00	-	32.00	-
Economy Plus Upgrade for Each Flight	27.00	-	27.00	-
Economy Plus Upgrade for Each Flight	27.00	-	27.00	-
Economy Plus Upgrade for Each Flight	25.00	-	25.00	-
Economy Plus Upgrade for Each Flight	25.00	-	25.00	-
Economy Plus Upgrade for Each Flight	25.00	-	25.00	-
7/17-7/21 Parking	-	30.00	30.00	35.00
7/28-7/30 Parking	-	8.00	8.00	21.00
Upgrade to Preferred Seating	8.99	-	8.99	-
10/30-11/1 Parking	-	18.00	18.00	21.00
11/13-11/15 Parking	-	18.00	18.00	21.00
Parking at airport 12/4/16 - 12/6/16	-	18.00	18.00	21.00
3/4-3/8 Parking	-	35.00	35.00	35.00
6/19-6/23 parking	-	35.00	35.00	35.00
Parking from 7/15-7/20- \$84.00	-	42.00	42.00	42.00
8/27-8/30 Parking	-	28.00	28.00	28.00
10/14-10/19 Parking	-	42.00	42.00	42.00
No Receipt	10.00	-	10.00	-
1/31-2/1 Parking	-	14.00	14.00	14.00
2/20-2/22 Parking	-	13.00	13.00	21.00
3/5-3/7 Parking	-	21.00	21.00	21.00
Upgrade to preferred seats	9.16	-	9.16	-
	\$ 299.15	388.00	687.15	434.00

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David Jamison's Unsupported Credit Card Transactions
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Post Date	Transaction Description	Amount	Description from Attached Receipt
02/17/16	PARKING RAMPS DES MOINES IA	\$ 7.00	2/12 Parking 3rd and Court
03/16/16	PP*MOBILESPOT 402-935-2244 IA	63.60	New Phone Battery
05/06/16	KECK AIRPORT PARKING DESMOINES IA	24.00	No receipt
05/24/16	PARKING METERS DES MOINES IA	1.50	No receipt
05/29/16	UNITED 0162925567398800-932-2732 TX	200.00	No receipt
06/02/16	PARKING RAMPS DES MOINES IA	6.00	Parking 5/27 Des Moines 3rd and Court
09/30/16	DM AIRPORT PARKING RAMP DES MOINES IA	78.00	Lost Receipt
11/29/16	IOWA ASSOCIATION OF BUSI 515-235-0562 IA	75.00	No receipt
11/30/16	GREATER DESMOINES 515-286-4950 IA	45.00	No receipt- Registration for luncheon
04/23/17	THE GREATER DES MOINES DES MOINES	9.00	4/20 parking 7th and Locust
09/01/17	HOLIDAY INN KEY BRIDGE ARLINGTON VA	31.53	Charge for "Vantage Point" on Receipt- Breakfast burrito \$9.99, Tax \$1, Tip \$3, missing other receipt
10/13/17	THE GREATER DES MOINES DES MOINES IA	10.25	10/11 Parking in DSM
11/17/17	GREATER DESMOINES 515-286-4950IA	45.00	Missing receipt
01/21/18	AMERICAN AIR0012168368173FORT WORTH TX	154.01	Additional Fare Fee
	Grand Total	<u>\$ 749.89</u>	

Reasonable	Unsupported	Improper
-	7.00	-
-	63.60	-
-	24.00	-
-	1.50	-
-	200.00	-
-	6.00	-
-	78.00	-
-	75.00	-
-	45.00	-
-	9.00	-
12.49	17.54	1.50
-	10.25	-
-	45.00	-
-	154.01	-
<hr/>	<hr/>	<hr/>
\$ 12.49	735.90	1.50

Report on Review of the
Iowa Finance Authority

Improper Meals by Other Administration
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Employee	Date	Transaction Description	Amount	Description from receipt
Cindy Harris	02/18/16	GUSTO PIZZA GO DES MOINES IA	\$ 117.66	Business Lunch: 3 Brownies at \$4, 4 14" Pizzas \$18 x2, \$19 x2, 1/2 Pan Salad \$25.00. \$6.66 Tax.
Lori Beary	06/24/16	PAPA JOHN'S #02170.COM 515-274-4949 IA	49.98	6/23 For Single Family Planning Mtg. \$5.00 tip. Not itemized.
Carolann Jensen	06/29/16	CASEYS GEN STORE 3098 WDM IA	28.60	Medium Taco Pizza \$13.99, Medium Supreme \$12.99, Tax \$1.62
Carolann Jensen	06/29/16	OFFICEMAX/OFFICEDEPOT641 0800-463-3768 IA	40.24	Copy Paper 9.49 x 4. \$2.28 tax
Brian Crozier	08/24/16	COURT AVENUE BREWING CO DES MOINES IA	146.88	8 guests; misc lunch food + \$21.32 gratuity
Carolann Jensen	08/30/16	CAFE BENELUX MILWAUKEE WI	21.99	\$18.99 + \$3.00 tip- not itemized
Carolann Jensen	09/21/16	HY VEE 1151 DES MOINES IA	55.92	Cookies and Donuts, \$39.96 Donut, \$15.96 Cookies
Cindy Harris	10/14/16	EMBASSY SUITES DESMOIN DES MOINES IA	35.90	Banquet Breakfast; Jamison and Harris w/ Wells Fargo
Brian Crozier	11/16/16	SMOKEY ROW COFFEE - 4 DES MOINES IA	82.67	11/16 Mtg- Coffee and Lunch for 8; \$10.00 tip, less than 15%
Brian Crozier	03/20/17	COURT AVENUE BREWING CO DES MOINES IA	89.04	Food for 5 guests. \$11.00 tip. \$73.62 before tax
Lori Beary	05/31/17	HY VEE 1192 FORT DODGE IA	759.00	Catering and Kitchen Delivery \$710.00, Tax \$49.00, (For IADD Board Mtg and Workshop)
Carolann Jensen	07/07/17	OFFICEMAX/OFFICEDEPOT641 00ES MOINES IA	19.07	25 foot extension cord, \$1.08 Sales Tax
Brian Crozier	10/23/17	COSTCO WHSE #0788 WEST DES MOINIA	316.29	Coke, Mtn Dew, Plates, Hamburger buns, Cookies, Salad, Chips, Water, Brisket, Pork. \$6.84 tax included
Brian Crozier	12/21/17	OFFICEMAXI OFFICEDEPOT6410 DES MOINES IA	24.89	USB cable \$10.49, USB cable \$12.99, tax \$1.41
Cindy Harris	02/20/18	GUSTO PIZZA CO DES MOINES IA	99.64	2 Jenny Bars, 3 14" Pizzas, 1/2 pan salad, \$5.64 tax, no tip- for Meeting with S & P

Improper			Total	Public Purpose	Reasonable	Unsupported
Sales Tax	Meals	Tips in Excess				
\$ 6.66	111.00	-	117.66	-	-	-
-	49.98	-	49.98	-	-	-
1.62	26.98	-	28.60	-	-	-
2.28	-	-	2.28	-	37.96	-
-	144.39	2.49	146.88	-	-	-
-	-	0.15	0.15	-	-	21.84
-	55.92	-	55.92	-	-	-
-	-	-	-	35.90	-	-
-	82.67	-	82.67	-	-	-
-	89.04	-	89.04	-	-	-
49.00	710.00	-	759.00	-	-	-
1.08	-	-	1.08	-	17.99	-
6.84	309.45	-	316.29	-	-	-
1.41	-	-	1.41	-	23.48	-
-	99.64	-	99.64	-	-	-

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Improper Meals by Other Administration
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Employee	Date	Transaction Description	Amount	Description from receipt
Lori Beary	03/21/18	AMERICANA DES MOINES IA	588.42	Single Family Planning Meeting: Iowa Chop \$25 x5, Wedge Salad \$4.50, Pot Pie \$21, Salmon \$25x4, Chicken \$21, Scallops \$31x2, Cobb Salad \$14.00, Meatloaf \$19.00, Ribeye \$29, Burger \$14.50, MacnCheese \$19, Rangoon Dip \$10.50x2, Tax \$28.02, 20% gratuity \$93.40.
Lori Beary	03/21/18	GUSTO PIZZA CO DES MOINES IA	135.68	Single Family Planning Meeting: \$135.68 no itemized description
			<u>\$ 2,611.87</u>	

Improper			Total	Public Purpose	Reasonable	Unsupported
Sales Tax	Meals	Tips in Excess				
-	565.07	23.35	588.42	-	-	-
-	135.68	-	135.68	-	-	-
\$ 68.89	2,379.82	25.99	2,474.70	35.90	79.43	21.84

Report on Review of the
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Improper Hotel Charges by Other Administration
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Employee	Date	Transaction Description	Amount	Description from Receipt
Lori Beary	05/12/16	HOTEL GREENFIELD GREENFIELD IA	\$ 202.36	5/11-5/12 Total Charge \$202.36 w tax
Cindy Harris	05/12/16	HOTEL GREENFIELD GREENFIELD IA	107.68	5/12 1 night at \$107.68 w tax
Carolann Jensen	05/12/16	HOTEL GREENFIELD GREENFIELD IA	107.68	5/12 1 night at \$107.68 in Greenfield, IA. Including historic preservation fee \$3.00 & early check in fee of \$5.00.
Brian Crozier	09/09/16	MARRIOTT DES MOINES DES MOINES IA	210.56	\$105.28 w tax x 2 nights. 9/6- 9/7
Brian Crozier	11/16/16	DOUBLETREE CEDAR RAPID CEDAR RAPIDS IA	123.15	11/14 \$123.15 1 night
Carolann Jensen	03/23/17	COURTYARD OMAHA LAVIST LAVISTA	282.56	\$148.84 3/20 \$128.77 3/21, \$4.95 Data Service Charge
Carolann Jensen	09/14/17	FAIRFIELD INN DAVNPORT DAVENPORT IA	136.64	9/27 Stay \$136.64 advance deposit applied
Lori Beary	09/29/17	FAIRFIELD INN DAVNPORT DAVENPORT IA	127.68	9/27 \$127.68 w/ tax included
			\$ 1,298.31	

Improper			
Hotels Exceeding State	Hotels in Metro	Total	Reasonable
56.76	-	56.76	145.60
34.88	-	34.88	72.80
31.88	-	31.88	75.80
-	210.56	210.56	-
51.00	-	51.00	72.15
4.85	-	4.85	277.71
64.49	-	64.49	72.15
54.88	-	54.88	72.80
\$ 298.74	210.56	509.30	789.01

Report on Review of the
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Unsupported Credit Card Charges by Other Administration
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Employee	Date	Transaction Description	Amount
Carolann Jensen	12/10/15	QT515 04005153 DESMOINES IA	\$ 18.90
Carolann Jensen	12/10/15	QT515 04005153 DESMOINES IA	6.10
Carolann Jensen	01/04/16	PARKING RAMPS DES MOINES IA	5.00
Carolann Jensen	02/24/16	MISTER CAR WASH #721 DES MOINES IA	13.00
Carolann Jensen	02/24/16	KUM & GO #4 LAMONI IA	11.20
Carolann Jensen	02/25/16	QT 515 04005153 DES MOINES IA	20.40
Carolann Jensen	03/01/16	PARKING RAMPS DES MOINES IA	5.25
Carolann Jensen	03/10/16	QT 515 04005153 DES MOINES IA	9.00
Cindy Harris	03/31/16	PAYPAL *WCDA MPHS 402-935-7733 CA	200.00
Carolann Jensen	04/18/16	PARKING RAMPS DES MOINES IA	4.00
Carolann Jensen	05/13/16	QT 515 04005153 DES MOINES IA	20.00
Brian Crozier	05/27/16	PARKING RAMPS DES MOINES IA	7.00
Brian Crozier	06/09/16	QT 515 04005153 DES MOINES IA	28.31
Carolann Jensen	06/16/16	BP#9472598EZ MART LLC BONDURANT IA	16.70
Carolann Jensen	06/19/16	QT 515 04005153 DES MOINES IA	21.90
Carolann Jensen	08/30/16	CAFE BENELUX MILWAUKEE WI	21.99
Carolann Jensen	09/30/16	GASEYS GEN STORE 2164 ANKENY IA	19.94
Brian Crozier	10/20/16	WMD GAS GO Loo2on12 MALCOM IA	28.08
Carolann Jensen	11/18/16	BONDURANT LASER WASH 515-2028282 IA	11.00
Carolann Jensen	11/21/16	KUM & GO #0536 DES MOINES IA	15.00
Brian Crozier	12/08/16	QT 515 04005153 DES MOINES IA	12.87
Carolann Jensen	02/22/17	BP#820994200WNTOWN AMOCO TOPEKA KS	22.01
Carolann Jensen	03/08/17	CASE VS GEN STORE 2870 AL TOON A IA	7.80
Carolann Jensen	03/10/17	KUM & GO #0536 DES MOINES IA	24.10
Carolann Jensen	03/20/17	KUM & GO #76 ADAIR IA	12.14
Carolann Jensen	03/22/17	CASEYS GEN STORE 3204 MINDEN	12.90
Carolann Jensen	03/24/17	KUM & GO #0536 DES MOINES IA	20.50
Brian Crozier	04/12/17	KVVIK STAR 62900006296 DECORAH IA	21.24
Carolann Jensen	07/19/17	KUM & GO #22 GRINNELL IA	27.80
Carolann Jensen	07/25/17	CASEYS GEN STORE 2924 MARION IA	22.60
Carolann Jensen	07/26/17	QT515 04005153 DES MOINES IA	10.40
Carolann Jensen	07/28/17	DES MOINES AIRPORT AUTHORDES MOINES IA/	28.00
Carolann Jensen	08/04/17	BIRCH ISLAND REAL ESTATE 617-905-6340 MA	168.00

Description from Receipt	Unsupported	Improper
9.797 gallons at \$1.929 gallon, filled up on 12/10/15 at 10:30 am	18.90	-
3.161 gallons at \$1.929 gallon, filled up on 12/10/15 at 2:11 pm	6.10	-
1/4 3rd and Court Parking Charge	5.00	-
Executive Car Wash, 2/24/16 at 4:14 pm	13.00	-
6.873 gallons at \$1.629 per gallon, 2/24/16 at 6:53 pm in Lamoni, IA	11.20	-
12.005 gallons at \$1.699 per gallon, 2/25/16 at 6:57 pm in Des Moines, IA	20.40	-
Parking 9th and Locust 3/1/16 from 12:43 pm to 3:23 pm	5.25	-
4.523 gallons at \$1.989 per gallon, 3/10/16 at 12:50 pm	9.00	-
Paypal to Wyoming Community Development- no reason	200.00	-
4/18 Parking 3rd and Court, 1:14 pm to 3:11 pm	4.00	-
9.094 gallons at \$2.199 per gallon, 5/13/16 at 5:12 pm in Des Moines, IA	20.00	-
Parking 5/27 3rd and Court	7.00	-
12.316 gallons at \$2.299 per gallon	28.31	-
7.595 gallons at \$2.199 per gallon, 6/19/16 at 2:54 pm in Des Moines	16.70	-
9.780 gallons at \$2.239 per gallon, 6/16/16 at 8:30 pm. No city located on	21.90	-
\$18.99 + \$3.00 tip- not itemized	21.84	0.15
9.366 gallons at \$2.129 per gallon, on 9/30/16 at 9:30 in Ankeny (pm or a	19.94	-
12.768 gallons at \$2.199 per gallon	28.08	-
Ultimate Car wash 11/17/16 at 7:08 pm in Bondurant	11.00	-
7.735 gallons at \$1.939 per gallon, on 11/21 at 8:52 am in Des Moines, IA	15.00	-
5.151 gallons at \$2.499 per gallon	12.87	-
10.291 gallons at \$2.139 per gallon, 2/22 at 2:34 pm in Topeka, KS	22.01	-
3.483 Gallons at \$2.239 per gallon, 3/8/17 at 9:39 am in Altonna, IA	7.80	-
10.910 gallons at \$2.209 per gallon, 3/10/17 at 7:32 pm in Des Moines, IA	24.10	-
5.326 gallons at \$2.279 per gallon, 3/20 at 6:33 pm in Adair, IA	12.14	-
5.612 gallons at \$2.299 per gallon, 3/22/17 at 1:48 pm in Minden, IA	12.90	-
9.674 gallons at \$2.119 per gallon, 9:38 am in Des Moines, IA	20.50	-
8.965 gallons x \$2.369 per gallon	21.24	-
13.056 gallons at \$2.129 per gallon	27.80	-
10.765 gallons at \$2.099 per gallon	22.60	-
4.838 gallons at \$2.149 per gallon	10.40	-
7/27-7/28 parking	28.00	-
Consulting Service Charge- No Description	168.00	-

Report on Review of the
Iowa Finance Authority

Unsupported Credit Card Charges by Other Administration
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Employee	Date	Transaction Description	Amount
Brian Crozier	09/01/17	QT560 04005609 DES MOINES IA	60.01
Brian Crozier	09/22/17	CASEYS ROCK FALLS ROCK FALLS IL	19.60
Carolann Jensen	09/28/17	CASEYS GEN STORE 2769 WILLIAMSBURG IA	28.60
Carolann Jensen	09/28/17	KUM & GO #0536 DES MOINES IA	8.10
Carolann Jensen	10/25/17	KUM & GO #121 URBAN DALE IA	25.90
Lori Beary	12/13/17	PARKING RAMPS DES MOINES IA	4.00
Brian Crozier	01/10/18	Quick Star Mtni Mart DES MOINES IA	3.75
Brian Crozier	02/15/18	HY VEE GAS 5162 DUBUQUE IA	25.45
Brian Crozier	02/16/18	CASEYS ROCK FALLS ROCK FALLS IL	29.40
			<u>\$ 1,077.94</u>

Description from Receipt	Unsupported	Improper
20.420 gallons at \$2.939 per gallon	60.01	-
8.524 gallons at \$2.299 per gallon	19.60	-
11.445 gallons at \$2.499 per gallon	28.60	-
3.375 gallons at \$2.399 per gallon	8.10	-
10.797 gallons at \$2.399 per gallon	25.90	-
12/13 Parking 9th and Locust	4.00	-
Windshield Wiper Fluid	3.75	-
9.792 gallons at \$2.599 per gallon	25.45	-
12.255 gallons at \$2.399 per gallon	29.40	-
	<u>\$ 1,077.79</u>	<u>0.15</u>

Report on Review of the
Iowa Finance Authority

Improper Credit Card Transactions for Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Jess Flaherty	12/02/15	IN THE BAG	\$ 119.45
Tara Lawrence	01/05/16	IN THE BAG	52.30
Jess Flaherty	01/06/16	IN THE BAG	118.45
Tara Lawrence	01/07/16	HYVEE 1530 PLEASANY HILL IA	52.05
Jess Flaherty	01/08/16	GUSTO PIZZA CO DES MOINES IA	80.00
Tara Lawrence	01/21/16	DOLLAR GENERAL #6735 DES MOINES IA	39.57
Josh McRoberts	02/11/16	JIMMY JOHNS #1067 DES MOINES IA	165.71
Ashley Jared	03/07/16	HYVEE 1759 URBANDALE IA	28.33
Jess Flaherty	03/07/16	WALGREENS #5777 DES MOINES IA	28.01
Tara Lawrence	03/08/16	IN THE BAG	152.40
Jess Flaherty	03/09/16	IN THE BAG	128.89
Jess Flaherty	03/24/16	PRICE CHOPPER DES MOINES IA	13.98
Jess Flaherty	04/13/16	IN THE BAG	162.95
Jess Flaherty	05/10/16	IN THE BAG	133.75
Jess Flaherty	05/18/16	IN THE BAG	86.95
Jess Flaherty	05/27/16	COURT AVENUE BREWING CO DES MOINES IA	123.47
Jess Flaherty	05/31/16	GUSTO PIZZA CO DES MOINES IA	80.56
Jess Flaherty	06/01/16	IN THE BAG	97.55
Steve Ferguson	06/22/16	HYVEE 1850 WASHINGTON IA	737.77

Description per supporting documentation	Improper	Reasonable	Total
10 Sandwiches/salads and Delivery Fee	119.45	-	119.45
4 Sandwiches/Salads and delivery fee	52.30	-	52.30
10 Sandwiches/salads and Delivery Fee	118.45	-	118.45
Asst roll & donuts 12ct and napkins	52.05	-	52.05
No Receipt	80.00	-	80.00
Hershey milk chocolate bars (10), tissue paper (3), marshmallows (4), curling ribbon (2), barilla spaghetti (3), tin canister, valentine smarties and sixlets (3), Deco canister, sm fountain, febreze shades starter, tax \$2.07)	39.57	-	39.57
20 bags of chips and 2 party platters	165.71	-	165.71
Hersheys, Kit Kat, Tootsie Roll York Peppermint	28.33	-	28.33
(2) Lifesaver, Mars Variety, Hershey Assortment	28.01	-	28.01
13 sandwiches/salads and delivery fees	152.40	-	152.40
Food delivery (Sandwiches)	128.89	-	128.89
Kcups	13.98	-	13.98
14 sandwiches and salads and delivery fee	162.95	-	162.95
10 sandwiches and salads and delivery fee	133.75	-	133.75
7 sandwiches and delivery fee	86.95	-	86.95
(7) Dinners - chicken parmesan; soda and pork sandwich; chicken sandwich, soda, salad with salmon; fish tacos; salad with chicken; soda and pizza	123.47	-	123.47
(3) Brownie, (2) 14" Pizzas, Salad	80.56	-	80.56
7 sandwiches and delivery fee	97.55	-	97.55
Catering \$649.50 (50 at \$12.99), illegible \$40.00, tax \$48.27	737.77	-	737.77

Report on Review of the
Iowa Finance Authority

Improper Credit Card Transactions for Other Staff
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Per Credit Card Statement

Cardholder	Date	Description	Amount
Jess Flaherty	06/24/16	COSTCO WHSE #0788 WEST DES MOIN IA	269.72
Wes Peterson	06/28/16	PRICE CHOPPER DES MOINES IA	9.98
Ashley Jared	06/28/16	QT 515 04005153 DES MOINES IA	7.96
Jess Flaherty	06/29/16	IN THE BAG	63.70
Jess Flaherty	07/06/16	IN THE BAG	129.40
Carolann Jensen	07/12/16	ORLANDOS LLC DES MOINES IA	70.84
Tara Lawrence	07/12/16	PARTY CITY DES MOINES IA	35.33
Tara Lawrence	07/12/16	DOLLAR TREE DES MOINES IA	16.96
Christine Wetzler	07/19/16	GUSTO PIZZA CO DES MOINES IA	81.24
Jess Flaherty	07/26/16	GUSTO PIZZA CO DES MOINES IA	74.20
Jess Flaherty	08/04/16	IN THE BAG	117.00
Jess Flaherty	08/24/16	IN THE BAG	85.60
Ashley Jared	09/05/16	WAL-MART #3762 WEST DES MOINIA	25.44
Ashley Jared	09/06/16	IOWA TAPROOM DES MOINES IA	1,165.00
David Swanson	09/09/16	COURT AVENUE BREWING CO DES MOINES IA	69.73
Jess Flaherty	09/14/16	PALMERS DELI&MARKET INGDES MOINES IA	43.38
Jess Flaherty	09/21/16	PALMERS DELI&MARKET INGDES MOINES IA	66.86

Description per supporting documentation	Improper	Reasonable	Total
KS Water, MTHN Dinner, CHINET Plate, (3) Pork shoulder, GR.SIR.Patty, Peel Garlic, 35Pk Diet Coke, 35pk Sprite, 60Ct Cookies, Hamburg buns, FRITO 54Ct, fritolay 30ct, (3) potato salad, picnic pack, Rays BBQ sause, cookies 24ct , tax 2.78	269.72	-	269.72
2 20lbs bags of ice	9.98	-	9.98
4 bags of Ice	7.96	-	7.96
5 sandwiches and salads and delivery fee	63.70	-	63.70
11 sandwiches and salads and delivery fee	129.40	-	129.40
Pepperoni pizza, cheese pizza, IT sausage and mushroom pizza, Veggie pizza, combo pizza	70.84	-	70.84
Plates, retirement decorations, napkins, retirement cups and plates, tinsel shape sun	35.33	-	35.33
Napkins, clear bowls, tblcvr, tablecovers	16.96	-	16.96
Cheese and pepperoni pizza, spartacus pizza, cheese with tomato, peppers and onions	81.24	-	81.24
Spartacus pizza, Fromage-a-trois pizza, salads, 2 brownies	74.20	-	74.20
10 sandwiches and salads and delivery fee	117.00	-	117.00
7 sandwiches and delivery fee	85.60	-	85.60
(6) 8x10 Frames	25.44	-	25.44
(4) Wonton Tacos, (4) Poppers, (3) Egg Rolls, (5) Popcorn CHX, (4) Tenderlions, (4) Fruit Trays, (2) Veggie Plate	1,165.00	-	1,165.00
Black n tan reuben, beef enchilada, BBQ Pork, Beef enchilada, soda	69.73	-	69.73
Apple orchard box, sub box, market chicken box, reg luncheon, add meat, magic bar	43.38	-	43.38
Reg Luncheon, add meat, lg teri chicken, 2 cookies, 2 magic bars, 3 4oz salads, market tuna, sub, beef eater	66.86	-	66.86

Report on Review of the
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Improper Credit Card Transactions for Other Staff
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Per Credit Card Statement

Cardholder	Date	Description	Amount
Tara Lawrence	09/27/16	AMERICANA DES MOINES IA	58.12
Tara Lawrence	10/04/16	IN THE BAG	155.85
Steve Harvey	10/04/16	GUSTO PIZZA CO DES MOINES IA	41.34
Mark Thompson	10/05/16	PRICE CHOPPER DES MOINES IA	8.99
Jess Flaherty	11/02/16	IN THE BAG	115.00
Ashley Jared	11/08/16	GUSTO PIZZA CO DES MOINES IA	109.18
David Swanson	11/18/16	COURT AVENUE BREWING CO DES MOINES IA	78.62
Tara Lawrence	11/21/16	STAR BAR	54.51
Steve Harvey	11/22/16	PIZZA HUT	33.52
Mark Thompson	11/23/16	SMOKEY ROW COFFEE-4 DES MOINES IA	33.17
Jess Flaherty	11/29/16	IN THE BAG	87.60
Tara Lawrence	12/07/16	IN THE BAG	163.25
Jess Flaherty	12/07/16	IN THE BAG	85.60
Jess Flaherty	01/31/17	IN THE BAG	119.45
Tara Lawrence	02/06/17	GUSTO PIZZA CO DES MOINES IA	127.00
Tara Lawrence	02/28/17	IN THE BAG	150.85
Jess Flaherty	03/01/17	IN THE BAG	94.85
Jess Flaherty	03/10/17	HONEY CREEK-RESTURANT MORAVIA IA	228.73
Jess Flaherty	03/10/17	HONEY CREEK-RESTURANT MORAVIA IA	121.38
Ashley Jared	03/27/17	WALGREENS #7833 DES MOINES IA	59.50
Jess Flaherty	03/28/17	HONEY CREEK-FRONT DESK MORAVIA IA	462.70
Megan Miller	03/28/17	TARGET 0001018 WEST DES MOINIA	19.94

Description per supporting documentation	Improper	Reasonable	Total
Bristo Panini, Beet Salad, Mediterranean Chop, Soda	58.12	-	58.12
13 sandwiches/salads and delivery fees	155.85	-	155.85
No items listed	41.34	-	41.34
Office (12)pk Rolls	8.99	-	8.99
10 sandwiches and salads and delivery fee	115.00	-	115.00
(5) 14" Pizzas	109.18	-	109.18
(4) Lunches - soda and grazino pizza; black n tan reuben; soda and pineapple ham pizza; chicken parmesan	78.62	-	78.62
(2) Catfish Plate, Steak Salad, Cuban Sandwich	54.51	-	54.51
(2) LG Pizza, (2) 2 Liter Soda	33.52	-	33.52
No Receipt	33.17	-	33.17
7 sandwiches and delivery fee	87.60	-	87.60
14 sandwiches and salads and delivery fee	163.25	-	163.25
Food delivery (Sandwiches)	85.60	-	85.60
10 sandwiches and salads and delivery fee	119.45	-	119.45
(4) 14" Pizza, 10" Pizza, Pan Salad	127.00	-	127.00
13 sandwiches/salads and delivery fees	150.85	-	150.85
8 sandwiches and salads and delivery fee	94.85	-	94.85
(3)Ribyee, New York Strip, Catfish, Satuteed Walleye, Salad	228.73	-	228.73
The Schnitzel, Cup of Soup, Ceaser Salad, Bowl of Soup, Classic Club, Buffalo Wrap, The Classic Way, Crispy Chx Salad, Ceasar Wrap, (4) tea, soda	121.38	-	121.38
Gift Card, Tide to Go	4.55	54.95	59.50
Banquet Charges	462.70	-	462.70
2 5x11 frames	19.94	-	19.94

Report on Review of the
Iowa Finance Authority

Improper Credit Card Transactions for Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Tara Lawrence	04/03/17	STAR BAR DES MOINES IA	25.18
Ashley Jared	04/06/17	GUSTO PIZZA CO DES MOINES IA	85.86
Ashley Jared	04/17/17	HY VEE 1889 WEST DES MOINIA	22.78
Ashley Jared	04/19/17	BLACK SHEEP SOCIAL CLUB	37.30
Jess Flaherty	05/03/17	IN THE BAG 515-2017772 IA	107.05
Tara Lawrence	05/15/17	GUSTO PIZZA CO DES MOINES IA	167.48
Tara Lawrence	05/22/17	DISTRICT 36 WINE BAR & GRANKENY IA	16.78
Tara Lawrence	06/06/17	IN THE BAG 515-2017772 IA	117.45
Carolyn M Nutt	06/16/17	PALMERS DELI & MARKET	100.23
Jess Flaherty	07/11/17	PRICE CHOPPER DES MOINES IA	35.43
Jess Flaherty	07/12/17	IN THE BAG 515-2017772 IA	109.50
Jess Flaherty	07/13/17	PRICE CHOPPER DES MOINES IA	11.77
Jess Flaherty	07/19/17	IN THE BAG 515-2017772 IA	119.45
Jess Flaherty	07/19/17	IN THE BAG 515-2017772 IA	96.65
Tara Lawrence	07/19/17	PRICE CHOPPER DES MOINES IA	12.69
Jess Flaherty	08/02/17	IN THE BAG 515-2017772 IA	118.00
Jess Flaherty	08/10/17	BRUEGGERS #3747 DES MOINES IA	16.84
Beth Mahaffey	08/15/17	GUSTO PIZZA CO DES MOINES IA	109.64
Beth Mahaffey	08/15/17	PRICE CHOPPER DES MOINES IA	18.46
Beth Mahaffey	08/15/17	GUSTO PIZZA CO DES MOINES IA	17.49
Beth Mahaffey	08/15/17	HY VEE 1759 URBANDALE IA	7.98
Beth Mahaffey	08/16/17	PALMERS DELI & MARKET INGDES MOINES IA	113.99
Jess Flaherty	08/24/17	IN THE BAG 515-2017772 IA	87.60
Tara Lawrence	08/30/17	AMERICANA DES MOINES IA	68.12

Description per supporting documentation	Improper	Reasonable	Total
2 NR Panini	25.18	-	25.18
No detailed itemized receipt	85.86	-	85.86
Florals	22.78	-	22.78
Featured sandwich, rest of receipt missing	37.30	-	37.30
9 sandwiches and salads and delivery fee	107.05	-	107.05
7 pizzas and 1/2 pan salad	167.48	-	167.48
Crusted chicken salad	16.78	-	16.78
10 sandwiches, wraps and salads and delivery fee	117.45	-	117.45
Sandwich box lunches	100.23	-	100.23
Paper plates, gold peak, coke, bottled water	3.02	32.41	35.43
8 sandwiches, wraps and salads	109.50	-	109.50
Cookies and cake	11.77	-	11.77
8 sandwiches and salads and delivery fee	119.45	-	119.45
7 sandwiches and salads and delivery fee	96.65	-	96.65
18 chocolate bars	12.69	-	12.69
7 sandwiches and salads and delivery fee	118.00	-	118.00
1 Big bagel bundle and cc sandwich BGL	16.84	-	16.84
Cheese bread, 3 14" pizzas and half pan salad	109.64	-	109.64
Water bottles, party cups, chips ahoy, dr pepper, pepsi, canada dry	18.46	-	18.46
3 brownies and 1 gluten free brownie	17.49	-	17.49
Blueberry scones 6ct and cranberry orange scones	7.98	-	7.98
10 sandwiches and 10 salads and delivery charge	113.99	-	113.99
10 sandwiches and salads and delivery fee	87.60	-	87.60
BLT, beet salad, club salad and soda	68.12	-	68.12

Report on Review of the
Iowa Finance Authority

Improper Credit Card Transactions for Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Ashley Jared	09/05/17	HY VEE 1148 DES MOINES IA	166.89
Tara Lawrence	09/19/17	IN THE BAG 515-2017772 IA	91.53
Tara Lawrence	09/28/17	GATEWAY MARKET DES MOINES IA	97.46
Marilee Mitchell	10/02/17	WAUKEE HY VEE 1873 WAUKEE IA	30.81
Ashley Jared	10/03/17	HY VEE 1148 DES MOINES IA	22.79
Jess Flaherty	10/04/17	IN THE BAG 515-2017772 IA	119.45
Elizabeth Krugler	10/04/17	HY VEE 1887 WEST DES MOINES	33.91
Elizabeth Krugler	10/04/17	HY VEE 1887 WEST DES MOINES	2.11
Tara Lawrence	10/05/17	AMERICANA DES MOINES IA	98.28
Elizabeth Krugler	10/09/17	HY VEE 1148 DES MOINES IA	21.20
Ashley Jared	10/11/17	IOWA TAPROOM	1,000.00
Marilee Mitchell	10/27/17	GUSTO PIZZA CO DES MOINES IA	63.60
Marilee Mitchell	11/02/17	IN THE BAG 515-2017772 IA	41.80
Ashley Jared	11/07/17	HOBBY-LOBBY #258 DES MOINES IA	58.28
Elizabeth Krugler	11/20/17	HOBBY-LOBBY #258 DES MOINES IA	160.92
Elizabeth Krugler	11/21/17	WAL-MART #1361	1.58
Elizabeth Krugler	11/30/17	TARGET 00000695 WEST DES MOINIA	29.35
Jess Flaherty	12/05/17	IN THE BAG 515-2017772 IA	162.25
Marilee Mitchell	12/06/17	IN THE BAG 515-2017772 IA	75.20
Jess Flaherty	12/15/17	DUNKIN #351108 Q35 W DES MOINES IA	23.30
Jess Flaherty	12/17/17	MARRIOTT WEST DES MOIN WEST DES MOINIA	756.39
Tara Lawrence	01/17/18	WALGREENS #7833 DES MOINES IA	5.82
Marilee Mitchell	02/07/18	IN THE BAG 515-2017772 IA	114.53

Description per supporting documentation	Improper	Reasonable	Total
Jumbo pack of variety muffins, \$100 visa gift card, \$50 visa gift card	5.99	160.90	166.89
6 salads and sandwiches with delivery fee	91.53	-	91.53
Catering costs - salads and sandwiches	97.46	-	97.46
life savers, sensations white, werthers original hard candy, klnx facial tissue, simply done 6" designer, simply foam cup	30.81	-	30.81
18 foil ballons	22.79	-	22.79
10 sandwiches and salads and delivery fee	119.45	-	119.45
Latex balloons, sand weight	33.91	-	33.91
Sand weight	2.11	-	2.11
Rangoon dip, cheese panini, soda, cobb salad, and club salad	98.28	-	98.28
Balloon Bouquet	21.20	-	21.20
No itemized receipt	1,000.00	-	1,000.00
3 14" pizzas	63.60	-	63.60
3 sandwiches and salads and delivery fee	41.80	-	41.80
Home décor	58.28	-	58.28
Christmas and florals	160.92	-	160.92
Brown wreath	1.58	-	1.58
Automotive hardware and 5 wreath holders	29.35	-	29.35
14 Sandwiches and salads and Delivery Fee	162.25	-	162.25
6 Sandwiches and salads and Delivery Fee	75.20	-	75.20
2 dozen donuts	23.30	-	23.30
Lounge rental and sandwiches and soups with soda	756.39	-	756.39
Hershey Milk Chocolate	5.82	-	5.82
10 Sandwiches and salads and Delivery Fee	114.53	-	114.53

Report on Review of the
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Improper Credit Card Transactions for Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Tara Lawrence	02/14/18	WALGREENS #3773 URBANDALE IA	17.46
Marilee Mitchell	02/27/18	DUNKIN #351108 Q35 W DES MOINES IA	11.65
Ashley Jared	03/02/18	HY VEE 1148 DES MOINES IA	101.84
Rhonda Kimble	03/08/18	SAMSCLUB #6344 DES MOINES IA	19.98
Marilee Mitchell	03/14/18	IN THE BAG 515-2017772 IA	102.10
Tara Lawrence	03/21/18	HOTEL RENOVO	594.03
Beth Mahaffey	03/22/18	LA MIE BAKERY & RESTAURANDES MOINES IA	29.50
Lori Beary	03/22/18	BRUEGGERS #3747 DES MOINES IA	26.65
Jess Flaherty	03/28/18	IN THE BAG 515-2017772 IA	119.00
Tara Lawrence	03/29/18	GUSTO PIZZA CO DES MOINES IA	86.92
Tara Lawrence	03/29/18	PRICE CHOPPER DES MOINES IA	20.13
			<hr/> \$ 13,074.06 <hr/>

Description per supporting documentation	Improper	Reasonable	Total
Hershey Milk Chocolate	17.46	-	17.46
12 donuts	11.65	-	11.65
Berry blend hula bo \$34.68, Melon mix hula bowl \$30.73, and Melon Mix hula bowl \$30.67	101.84	-	101.84
Breakfast Tray	19.98	-	19.98
9 Sandwiches and salads and Delivery Fee	102.10	-	102.10
Mezzo Meeting and Continental (7people @ \$12.99 EA)	594.03	-	594.03
10 cinnamon rolls and holiday cookie pack	29.50	-	29.50
2 Big Bagel Bundle	26.65	-	26.65
10 Sandwiches/salads and Delivery Fee	119.00	-	119.00
Quarterly Planning working lunch - no itemized receipt	86.92	-	86.92
Pretzel sticks, mounds mini, and spring water	20.13	-	20.13
	\$ 12,825.80	248.26	13,074.06

**Report on Review
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Report on Review of the
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Unsupported Credit Card Charge for Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Ashley Jared	01/14/16	IA PORK PRODUCERS	\$ 100.00
Ashley Jared	03/11/16	PRAIRIE MEADOWS RACE ALTOONA IA	1,278.32
Steve Ferguson	03/31/16	GIT N GO 28 DES MOINES IA	17.71
Beth Mahaffey	04/15/16	AT THE CAR WASH JOHNSTON IA	8.00
Ashley Jared	05/18/16	WM SUPERCENTER #1764 DES MOINES IA	13.96
Ashley Jared	07/22/16	HYVEE 1148 DES MOINES IA	14.31
Ashley Jared	08/19/16	IOWA STATE BAR ASSOCIATIO	300.00
Ashley Jared	09/04/16	WALGREENS #4714 DES MOINES IA	105.95
Ashley Jared	09/21/16	HYVEE 1148 DES MOINES IA	109.90
Ashley Jared	09/23/16	GURU BBQ DES MOINES IA	90.00
Christine Wetzler	11/02/16	AI SQUARED	49.00
Ashley Jared	01/05/17	QT 515 04005153 DES MOINES IA	27.18
David Swanson	01/27/17	SOLARWINDS	1,166.00
Ashley Jared	02/23/17	HAWKEYE CTRG 75258186	149.50
Ashley Jared	03/22/17	KUM&GO #443 WILLIAMSBURG IA	20.49
Total			<u>\$ 3,450.32</u>

Report on Review of the
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Schedule of Public Purpose Credit Card Transactions by Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Ashley Jared	02/01/16	HYVEE 1148 DES MOINES IA	\$ 55.00
Ashley Jared	03/08/16	WALGREENS #7833 DES MOINES IA	7.41
Ashley Jared	03/08/16	WALGREENS #7833 DES MOINES IA	40.49
Jess Flaherty	04/27/16	PRICE CHOPPER DES MOINES IA	68.33
Ashley Jared	06/03/16	DOLLAR GENERAL #6735 DES MOINES IA	53.00
Ashley Jared	06/14/16	HYVEE 1148 DES MOINES IA	41.71
Tara Lawrence	10/26/16	THE*POPCORNFACORY.COM	78.99
Ashley Jared	12/20/16	DOLLAR-GENERAL #8594 DES MOINES IA	21.20
Ashley Jared	12/20/16	DOLLAR-GENERAL #8594 DES MOINES IA	5.30
Ashley Jared	12/22/16	PRICE CHOPPER DES MOINES IA	8.86
Ashley Jared	12/23/16	AMAZON DIGITAL SVCS AMZN	1.29
Ashley Jared	12/31/16	FACEBK QB8CVAND62	20.00
Ashley Jared	02/08/17	PAYPAL*INTERNATION	45.00
Jess Flaherty	02/08/17	PAYPAL*INTERNATION	25.00
Ashley Jared	03/02/17	HYVEE 1148 DES MOINES IA	35.23
Ashley Jared	03/16/17	HYVEE 1148 DES MOINES IA	56.75
Tara Lawrence	03/21/17	CENTRO RESTURANT DES MOINES IA	34.14
Ashley Jared	04/26/17	THE*POPCORNFACORY.COM 800-3232676 IL	269.98

Description per Supporting Documentation	Public Purpose					Total
	Food for Meetings	Marketing	Supplies	Purchases		
Fruit Basket	\$ -	55.00	-	-	-	55.00
Reese, Starburst, Mars, Nestle Crunch, Skittles, Airheads	-	7.41	-	-	-	7.41
Sathers Estr Egg Stuffers 25oz	-	40.49	-	-	-	40.49
Plastic cups, Paper plates, Napkins, table cvrs	-	-	68.33	-	-	68.33
50 Large shoppers pk (tur, grn, pur)	-	53.00	-	-	-	53.00
(2) Variety Pack Cookies, 2 8lbs Ice Bag, Girardelli milk & C, Value Napkin, 24Pk PURKIF	-	41.71	-	-	-	41.71
Say It in Color Tin & Tower- 7 Tier	-	-	-	78.99	-	78.99
(2)Champagne Glit Ribbon, (2) Red Glit Ribbon	-	21.20	-	-	-	21.20
Red Glit Ribbon	-	5.30	-	-	-	5.30
(4) Band Aids, (4)PLAS STRIP	-	8.86	-	-	-	8.86
No receipt	-	1.29	-	-	-	1.29
No receipt	-	20.00	-	-	-	20.00
Behind the Scenes with RAGBRAI	-	45.00	-	-	-	45.00
Behind the Scenes with RAGBRAI	-	25.00	-	-	-	25.00
Chocolate Chip Cookies, Cream Cheese Brownies, Fudge Brownies, Sugar Cookies, 12Pk Coke, 12Pk Diet Pepsi, 28 Pk Spring Water	-	35.23	-	-	-	35.23
Sweet P STPATS Cookies, Variety Pack Cookies, Nestle Assorted Mina, Reeses cups Minis, Wonka Mix Ups Jumbo	-	56.75	-	-	-	56.75
Geore Club, Crab Cake Salad	34.14	-	-	-	-	34.14
100ct cheese popcorn and 100ct carmel popcorn	-	269.98	-	-	-	269.98

Report on Review of the
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Schedule of Public Purpose Credit Card Transactions by Other Staff
For the period January 1, 2016 through March 31, 2018

Per Credit Card Statement

Cardholder	Date	Description	Amount
Ashley Jared	05/24/17	RIB CRIB 52 MASON CITY IA	28.11
Ashley Jared	06/02/17	FACEBK 6BDPYCNSN2 650-5434800 CA	25.00
Steve Ferguson	06/08/17	NICKS BAR & GRILL CLIVE IA	29.40
Ashley Jared	06/23/17	MICHAELS STORES 3101 W DES MOINES IA	334.85
Ashley Jared	06/23/17	WALGREENS #7833 DES MOINES IA	8.46
Jess Flaherty	06/29/17	PRICE CHOPPER DES MOINES IA	12.60
Ashley Jared	06/30/17	FACEBK 7MPM3DJSN2 650-5434800	25.00
Ashley Jared	08/02/17	AMAZON MKTPLACE PMTS AMZN.COM/BILLWA	87.32
Jess Flaherty	10/31/17	TARGET 00000695 WEST DES MOINIA	10.37
Jess Flaherty	12/07/17	PRICE CHOPPER DES MOINES IA	10.68
David Swanson	01/23/18	AMAZON MKTPLACE PMTS AMZN.COM/BILLWA	129.24
Tara Lawrence	02/23/18	CENTRO RESTAURANT DES MOINES IA	61.38
Ashley Jared	03/02/18	PRICE CHOPPER DES MOINES IA	14.68
Beth Mahaffey	03/06/18	TRADER JOES 3721 QPS WEST DES MOINIA	65.55
Ashley Jared	03/02/18	BRUEGGERS #3747 DES MOINES IA	59.32
Elizabeth Krugler	03/21/18	HY VEE 1155 DES MOINES IA	23.94
Rhonda Kimble	04/02/18	SAMSCLUB #6344 DES MOINES IA	96.48
			<u><u>\$ 1,890.06</u></u>

Description per Supporting Documentation	Public Purpose				
	Food for Meetings	Marketing	Supplies	Purchases	Total
Diet coke, chicken wrap and pigman sandwich	-	28.11	-	-	28.11
No receipt	-	25.00	-	-	25.00
Coke, iced tea, 2 salad & bowl platters	29.40	-	-	-	29.40
Custom framing and 2 med eng plateadh	-	334.85	-	-	334.85
Internet photo	-	8.46	-	-	8.46
Forks and clear tumbler	-	-	12.60	-	12.60
No receipt	-	25.00	-	-	25.00
Leick 10060 Rustic Oak Chairside end table	-	-	-	87.32	87.32
Dixie ware	-	-	10.37	-	10.37
Dixie plates and napkins	-	-	10.68	-	10.68
9 KHOMO iPad Air 2 Case - Dual super Slim Black Cover with Rubberized back and Smart Feature	-	-	-	129.24	129.24
Greek sald, side centro combo, side centro with salmon	61.38	-	-	-	61.38
Dixie Plates, forks, napkins, and asst napkins	-	-	14.68	-	14.68
4 Gerbera plants, 10 Cyclamen small	-	-	-	65.55	65.55
4 Big Bagel Bundle	-	59.32	-	-	59.32
Various Cookies	-	23.94	-	-	23.94
2 breakfast trays, 2 cookie trays, vanity fair, 2 MM 45 pack f	96.48	-	-	-	96.48
	\$ 221.40	1,190.90	116.66	361.10	1,890.06

Report on Review of the
Iowa Finance Authority

Improper Mileage and Lodging Reimbursements
For the period January 1, 2016 through March 31, 2018

Date	Board Member	Amount	Description
1/13/2016	Shaner Magalhaes	\$ 96.32	Lodging: one room, arrived 1/5/16 departed 1/6/16. Room rate: \$86/night + taxes. (Note on TP that Individual approved rate higher than the state's limit).
3/17/2016	Michel Nelson	104.77	Meals: 2/28/16: Dinner \$15.65; 2/29/16: Dinner \$23.98; 3/1/16 Lunch \$13.18, Dinner \$52.35, Total \$65.53 (maxed at \$41.00); 3/2/16 Lunch \$15.94, Dinner \$8.20, Total \$24.14.
03/17/16	Ruth Randleman	135.13	Meals: 2/28/16: Lunch \$22.19; 2/29/16: Lunch \$10.87, Dinner \$71.50, Total: \$82.37 (Maxed at \$50.00); 3/1/16: Lunch \$10.75 [Should only be \$8.74 (6.99 for food + 10% tax = .699 + 15% tip = \$1.05), however, individual met max for the day regardless.], Dinner \$43.00, Total: \$57.40 (Maxed at \$41.00), 3/2/16: Lunch \$13.04 [should only be \$12.49 (\$9.99 for food + 10% tax = \$1.00 + 15% tip = 1.50)]; 3/3/16: Lunch \$8.90.
06/15/16	Joan Johnson	60.06	Mileage: (For FY16) West Des Moines to Des Moines (RT) on 7/1, 8/6, 10/7, 11/4, 12/2, 1/6, and 5/10. (22 miles * .39 = \$8.58 * 7 = \$60.06.)
06/15/16	Joan Johnson	101.79	Mileage: West Des Moines to Alden to Mason City to West Des Moines \$101.79 = 261 miles * .39. (for a conference/meeting in Mason City.)
10/17/16	Martha Bell	133.15	Lodging: Date Arrived 9/7/16, Departed on 9/8/16 - One night. Room Rate: 133.28 + Tax.

	Reasonable	Improper
\$	-	96.32
	102.77	2.00
	134.58	0.55
	-	60.06
	93.21	8.58
	-	133.15

Report on Review of the
Iowa Finance Authority

Improper Mileage and Lodging Reimbursements
For the period January 1, 2016 through March 31, 2018

Date	Board Member	Amount	Description
10/17/16	Shaner Magalhaes	266.30	Lodging: Date Arrived 9/6/16, departed 9/8/16 - Two nights. Room rate: \$119/night + Tax.
2/8/2017	Shaner Magalhaes	119.84	Lodging: Date arrived 1/31/17, Departed 2/1/17 - One night. Room rate \$107/night + Tax. (Note on TP the Individual approved rate higher than the state's limit).
04/20/17	Ruth Randleman	142.88	Meals: 3/5/17 Lunch \$13.30, Dinner \$30.86, Total \$44.16 (Maxed at \$41.00); 3/6/17 Dinner \$32.10; 3/7/17 Dinner 50.48 (Maxed at \$50); 3/8/17 Lunch \$19.78 (Should only be \$18.73 because of 15% Tax).
05/10/17	Shaner Magalhaes	119.84	Lodging: Date Arrived 5/2/17, Departed on 5/3/17 - One night. Room Rate: 107 + Tax.
06/14/17	Joan Johnson	94.38	Mileage: (For FY17) WDSM to DSM (RT) for July, Aug, Sept, Oct, Nov, Dec, Feb, 3/1/17, 3/30/17, May, and June. (22 miles * .39 * 11 = \$94.38)
7/14/2017	Shaner Magalhaes	72.80	Lodging: One room, arrived on 7/11/17, departed 7/12/17 - one night. Room rate: \$65/night + taxes.
10/9/2017	Joan Johnson	135.42	Lodging: One room, arrived on 9/6/17, departed 9/7/17 - one night. Room rate: \$119/night + taxes.
10/09/17	Shaner Magalhaes	108.81	Mileage: West Des Moines to Cedar Rapids (RT) 279 miles * .39 = \$108.81.

Reasonable	Improper
219.52	46.78
-	119.84
141.83	1.05
-	119.84
-	94.38
-	72.80
-	135.42
101.40	7.41

<u>Reasonable</u>	<u>Improper</u>
-	122.08
-	122.08
149.31	5.35
<hr/>	
\$ 942.62	1,147.69
<hr/>	

Report on Review of the
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Improper Travel Reimbursements to IFA Employees for Hotels
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
05/11/16	Wesley Peterson	Overnight lodging in Coralville, IA on 09/08/16 and 09/09/16	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$113.30
06/22/16	Wesley Peterson	Multiple trips to Iowa locations, including Sioux City, Cedar Rapids, Bettendorf, Fort Dodge, Ames and Mason City.	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$146.90
10/19/16	Beth Mahaffey	Housing Iowa Conference in Des Moines from 09/06/16 to 09/07/16	Hotel charges at Des Moines Marriott for Beth Mahaffey for 2 nights and IFA Intern for a night. Both employees are domiciled out of Des Moines. Total over payment for 3 nights at hotel is \$315.84.
10/27/16	Brian Crozier	Trip to Cedar Rapids, IA from 10/19/16 to 10/20/16.	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$5.55.
01/17/17	Taraney Lawrence	Trip to Arnolds Park, IA for 12/14/16 to 12/15/16	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$27.05.
05/03/17	Debora Franklin	Trip to Cedar Rapids from 3/27/17 to 3/28/17	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$53.17
07/06/17	Beth Mahaffey	Trip to Council Bluffs from 5/25/17 to 5/26/17, to Cedar Rapids from 6/5/17 then to Bettendorf on 6/6/17 to 6/7/17	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$160.34
09/06/17	Debora Franklin	Trip to Muscatine & Burlingtona from 8/2/17 to 8/24/17	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$23.90
01/12/18	Debora Franklin	To trip to Dubuque 12/14/18 to 12/15/18	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$34.32

Amount	Improper			
	Hotel Exceeding State Rate	Hotels in Metro	Total	Reasonable
\$ 257.60	113.30	-	113.30	144.30
475.23	146.90	-	146.90	328.33
480.36	-	315.84	315.84	164.52
78.35	5.55	-	5.55	72.80
97.90	27.05	-	27.05	70.85
125.32	53.17	-	53.17	72.15
453.19	160.34	-	160.34	292.85
168.20	23.90	-	23.90	144.30
404.67	34.32	-	34.32	370.35

Report on Review of the
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Improper Travel Reimbursements to IFA Employees for Hotels
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
02/15/18	Debora Franklin	Trip to Independence, IA, Dyersville, IA, and Farley, IA 1/31/18 to 2/1/18	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$27.53
03/29/18	Debora Franklin	Trip to Sioux City & Spirit Lake from 3/21/18 to 3/23/18	Hotel rate exceed State rate of \$65/night plus taxes resulting in an overpayment of \$16.04

Improper				
Amount	Hotel Exceeding State Rate	Hotels in Metro	Total	Reasonable
172.48	27.53	-	27.53	144.95
159.69	16.04	-	16.04	143.65
<u>\$2,872.99</u>	<u>608.10</u>	<u>315.84</u>	<u>923.94</u>	<u>1,949.05</u>

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees
for Travel Related Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
01/27/16	Rita Eble	Airfare cost for trip to Washington DC from 01/09/16 to 01/14/16.	\$17.98 price for preferred seating
04/21/16	Rita Eble	Roundtrip to Kansas City from 04/04/16 to 04/07/16.	Commuting milers were not properly deducted on trip. 115 miles * .39 = 44.85
06/02/16	Taraney Lawrence	Trip to Greenfield, IA from 05/12/16 to 05/13/16.	Commuting miles not properly deducted on trip. 19.2 miles * .39 = 7.49
06/16/16	Patricia Schneider	Claimed mileage roundtrip from Clive to Des Moines for 01/05/16 and 03/08/16.	Because she lives in Clive, Clive is considered part of Des Moines domicile; therefore, would not be eligible for mileage reimbursement between place of residence and IFA. 38 miles * .39 = 14.82
06/16/16	Patricia Schneider	Roundtrip from Clive to Mason City from 06/08/16 to 06/09/16.	Commuting miles not properly deducted on trip. 18 miles * .39 = 7.02
06/27/16	Rita Eble	Claimed mileaged round trip from Greenfield to Carroll on 06/17/16.	Commuting miles not properly deducted on trip. 115 miles * .39 = \$44.85
06/29/16	Lori Beary	Roundtrip from personal residence to Washington, IA on 06/22/16.	Commuting miles not properly deducted on trip. 76 miles * .39 = 29.64
08/05/16	Rita Eble	Roundtrip from personal residence to Greenfield on 07/27/16.	Commuting miles not properly deducted from trip. 115 miles * .39 = 44.85
08/31/16	Rita Eble	Roundtrip from personal residence to Spencer on 08/25/16.	Commuting miles not properly deducted from trip. 115 miles * .39 = 44.85

Improper					
Amount	Mileage	Parking	Travel	Total	Reasonable
\$ 264.18	-	-	17.98	17.98	246.20
180.96	44.85	-	-	44.85	136.11
45.24	7.49	-	-	7.49	37.75
14.82	14.82	-	-	14.82	-
100.62	7.02	-	-	7.02	93.60
59.28	44.85	-	-	44.85	14.43
60.84	29.64	-	-	29.64	31.20
171.60	44.85	-	-	44.85	126.75
180.57	44.85	-	-	44.85	135.72

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Improper Travel Reimbursements to IFA Employees
for Travel Related Expenses
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Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
09/19/16	Matthew Rousseau	Roundtrip from personal residence to Iowa City on 09/09/16.	Commuting miles not properly deducted from the trip. 15.20 miles * .39 = 5.93
11/28/16	Matthew Rousseau	Roundtrip from personal residence to Newton, IA on 11/14/16.	Commuting miles were not properly deducted from trip. 15.60 miles *.39 = 6.08.
12/09/16	Melody Burns	Trip to several locations in Iowa from 11/16/16 to 11/17/16.	Commuting miles were not properly deducted from trips. 184 miles *.39 = 71.76.
12/14/16	Patricia Schneider	Claimed mileage roundtrip from Clive to Des Moines for 10/04/16 and 12/06/16.	Because she lives in Clive, Clive is considered part of Des Moines domicile; therefore, would not be eligible for mileage reimbursement between place of residence and IFA. 36 miles * .39 = 14.04
01/04/17	Karla Martinez	Claimed mileage in Council Bluffs for 12/13/16 to 12/15/16.	Because she is domiciled out of Council Bluffs, would not be eligible for mileage reimbursement between place of residence and IFA. 37 miles * .39 = \$14.43
01/13/17	Steve Ferguson	Claimed mileage roundtrip from Urbandale and Adel for 12/14/16 and 12/20/16.	Because he is domiciled in Des Moines; would not be eligible for mileage reimbursement between place a residence and IFA. 17 miles *.39 = \$6.63.
01/25/17	Rita Eble	Trip to Washington DC from 01/07/17 to 01/10/17.	\$18 price for preferred seating.

Improper					
Amount	Mileage	Parking	Travel	Total	Reasonable
82.68	5.93	-	-	5.93	76.75
69.03	6.08	-	-	6.08	62.95
181.35	71.76	-	-	71.76	109.59
14.04	14.04	-	-	14.04	-
14.43	14.43	-	-	14.43	-
22.23	6.63	-	-	6.63	15.60
220.20	-	-	18.00	18.00	202.20

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees
for Travel Related Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
02/08/17	Melody Burns	Trips to Des Moines from 01/05/17 and 01/27/17.	Commuting miles were not properly deducted from trips. 184 miles *.39 = 71.76.
02/08/17	Karla Martinez	Claimed mileage in Council Bluffs for 01/17/17 and 01/18/17.	Because she is domiciled out of Council Bluffs, would not be eligible for mileage reimbursement between place of residence and IFA. 21 miles *.39 = \$8.19
02/08/17	Steve Ferguson	Trip to several locations in Iowa from 01/10/17 to 01/31/17.	Because he is domiciled in Des Moines; would not be eligible for mileage reimbursement between place a residence and IFA. 11 miles *.39 = \$4.29.
02/27/17	Melody Burns	Trips to Des Moines from 02/06/17 and 02/08/17.	Commuting miles were not properly deducted from trips. 96 miles *.39 = 37.44.
03/17/17	Jessica Flaherty	Trip to Honey Creek Resort from 03/09/17 to 03/10/17.	Commuting miles were not properly deducted from trips. 94 miles *.39 = 36.66.
03/17/17	Brian Crozier	Trip to Honey Creek Resort from 03/09/17 to 03/10/17.	Commuting miles were not properly deducted from trips. 50 miles *.39 = 19.50
04/11/17	Melody Burns	Trip to Omaha, NE from 03/28/17 to 03/29/17.	Commuting miles were not properly deducted from trips. 150 miles *.39 = 58.50
04/20/17	Matthew Rousseau	Trip to Decorah from 4/11/17 to 4/12/17.	Commuting miles were not properly deducted from trips. 15.6 miles *.39 = 6.08

Improper					
Amount	Mileage	Parking	Travel	Total	Reasonable
71.76	71.76	-	-	71.76	-
46.41	8.19	-	-	8.19	38.22
19.89	4.29	-	-	4.29	15.60
37.44	37.44	-	-	37.44	-
45.24	36.66	-	-	36.66	8.58
75.66	19.50	-	-	19.50	56.16
144.30	58.50	-	-	58.50	85.80
158.34	6.08	-	-	6.08	152.26

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees
for Travel Related Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
04/20/17	Matthew Rousseau	Trip to Cedar Falls on 4/7/17.	Commuting miles were not properly deducted from trips. 15.6 miles *.39 = 6.08
06/08/17	Patricia Schneider	Mileage from Clive to Des Moines.	Because she lives in Clive, Clive is considered part of Des Moines domicile; therefore, would not be eligible for mileage reimbursement between place of residence and IFA. 18 miles * .39 = 7.02
06/27/17	Jason Froehlich	Roundtrip from Ankeny to Des Moines for ITG Board Meeting.	Because he lives in Ankeny, Ankeny is considered part of Des Moines domicile; therefore, would not be eligible for mileage reimbursement between place of residence and IFA. 34 miles * .39 = 13.26
07/06/17	Ashley Jared	Trip to Washington, DC from 5/8/17 to 5/11/18.	Maximum parking reimbursement is \$7 per day; therefore, overpayment of \$28.
07/06/17	Melody Berns	Trip from 6/27/17 to 6/28/17.	Commuting miles were not properly deducted from trips. 190 miles *.39 = 74.10
07/18/17	Matthew Rousseau	Trip to Chicago from 6/25/17 to 6/27/17.	Based on a cost comparison, it would have been more economical to drive to Chicago rather than flying; therefore, overpayment of \$273.72

Improper					
Amount	Mileage	Parking	Travel	Total	Reasonable
78.00	6.08	-	-	6.08	71.92
7.02	7.02	-	-	7.02	-
13.26	13.26	-	-	13.26	-
147.53	-	28.00	-	28.00	119.53
120.90	74.10	-	-	74.10	46.80
563.41	-	-	273.72	273.72	289.69

Report on Review of the
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Improper Travel Reimbursements to IFA Employees
for Travel Related Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
01/19/18	Jerry Floyd	Trip to Washington, DC 1/7/18 to 1/9/18.	Since Uber was used, it was compared to parking allowable for 3 days totaling \$21 for the travel period. Overpayment of \$3.62.

Improper					
Amount	Mileage	Parking	Travel	Total	Reasonable
59.00	-	3.62	-	3.62	55.38
<u>\$ 3,270.23</u>	<u>700.12</u>	<u>31.62</u>	<u>309.70</u>	<u>1,041.44</u>	<u>2,228.79</u>

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
01/27/16	Rita Eble	Meals claimed during trip to Washington DC from 01/09/16 to 01/14/16. The meals reimbursed totaled \$227.74.	Continental breakfast was provided on 01/11/16 and 01/12/16, so should not have been reimbursed for these meals.
03/03/16	Taraney Lawrence	Trip to San Francisco, CA from 01/09/16 to 01/14/16.	Gratuity reimbursed exceeded allowable amount of 15% for taxi cab by \$2.51
03/03/16	Taraney Lawrence	Trip to San Francisco, CA from 01/09/16 to 01/14/16.	Reimbursement for dinner on 01/10/16 and dinner on 01/11/16 were over reimbursed for a total of \$50.00. Overpayment of \$50.00.
04/25/16	Lori Beary	Trip fto Washington DC from 03/20/16 to 03/24/16.	Reimbursement for dinner included alcohol; however, alcohol is not a reimbursable expense. As a result, there was an overpayment of \$10.00.
05/19/16	Wesley Peterson	Trip to Washington DC from 02/28/16 to 03/02/16.	Gratuity reimbursed exceeded allowable amount of 15% of the cost of the food (prior to sales tax) by \$0.41. In addition, breakfast was provided at the conference on 03/01/16 and should not have been reimbursed. Overpayment for the day was \$9.85. Total overpayment of \$10.26.
05/19/16	Wesley Peterson	Trip to Nashville, TN from 09/25/16 to 09/30/16.	Because arrival at Des Moines airport was after 11:00 pm on 09/25/15, he was not eligible for lunch reimbursement. Overpayment of \$14.32.

<u>Amount</u>	<u>Improper</u>			<u>Total</u>	<u>Reasonable</u>
	<u>Meals</u>	<u>Alcohol</u>	<u>Excess Tip</u>		
\$ 227.74	25.77	-	-	25.77	201.97
310.85	-	-	2.51	2.51	308.34
118.00	50.00	-	-	50.00	68.00
127.32	-	10.00	-	10.00	117.32
136.41	9.85	-	0.41	10.26	126.15
36.99	14.32	-	-	14.32	22.67

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
06/14/16	Lori Beary	Trip to Washington DC from 05/09/16 to 05/11/16.	Breakfast and lunch were provided at the conference on 05/10/16 and should not have been reimbursed. Reimbursement should have been limited to \$30.00 meal maximum rather than the \$41.25 actual meal. Overpayment of \$11.25.
08/05/16	Brian Crozier	Relocating from Papillion, NE to Norwalk, IA for 05/22/16 to 06/02/16	Reimbursed alcoholic beverage on 5/25/16 \$6.30 which consisted on \$5.51 for beverage and \$.79 tip. Total overpayment of \$6.30.
10/17/16	Beth Mahaffey	Trip to Miami Beach, FL from 09/23/16 to 09/27/16.	Because lunches were provided at the conference on 09/24/16, 09/25/16, and 09/26/16, lunches should not have been reimbursed. Total overpayment for the 3 days is \$20.53.
10/24/16	Debora Franklin	Trip to Scottsdale, AZ from 09/30/16 to 10/05/16.	Gratuity reimbursed exceeded allowable amount of 15% of the cost of the food (prior to the sales tax) by \$1.25.
10/24/16	Debora Franklin	Trip to Scottsdale, AZ from 09/30/16 to 10/05/16.	Reimbursement for dinner on 10/04/16 should have been limited to the \$28.28 actually spent for dinner rather than the \$30 reimbursed. Overpayment was \$1.72.

Improper					
Amount	Meals	Alcohol	Excess Tip	Total	Reasonable
55.24	11.25	-	-	11.25	43.99
791.50	-	5.51	0.79	6.30	785.20
160.35	20.53	-	-	20.53	139.82
135.30	-	-	1.25	1.25	134.05
90.00	1.72	-	-	1.72	88.28

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
10/25/16	Matthew Rousseau	Trip to Scottsdale, AZ from 10/02/16 to 10/07/16.	Gratuuity reimbursed exceeded allowable amount of 15% of the cost of food (prior to the sales tax) by \$8.24. In addition, breakfast was provided at conference on 10/3/16 therefore, would not be eligible to be reimbursed the \$20.77 spent on breakfast. overpayment was \$20.77. Also, on 10/04/16, there was a minibar charge to the hotel room for a bottled water for \$7.90; however, this charge would not be eligible for reimbursement. Overpayment of \$7.90. Total overpayment was \$36.91.
10/27/16	Taraney Lawrence	Trip to Scottsdale, AZ from 10/02/16 to 10/07/16.	Reimbursement for meals is allowed only for employees; however, on 10/05/16 at the Des Moines Airport, meals were purchased for employee and her guest totaling \$30. We allowed most expensive meal totaling \$16.66 but other meal totaling \$13.34 was not eligible for reimbursement. Overpayment of \$13.34.
10/27/16	Brian Crozier	Trip to Cedar Rapids, IA from 10/19/16 to 10/20/16.	Because he did not leave before 6:00 am, he would only be eligible for lunch and dinner totaling \$23.00. He was reimbursed \$25.66; therefore, overpaid \$2.66.
11/03/16	Steve Ferguson	Trip to Tampa, FL from 09/24/16 to 09/28/16.	Gratuuity reimbursed exceed allowable amount of 15% of the cost of the food (prior to sales tax) by \$0.16.

Improper					
Amount	Meals	Alcohol	Excess Tip	Total	Reasonable
129.36	28.67	-	8.24	36.91	92.45
101.07	13.34	-	-	13.34	87.73
28.08	2.66	-	-	2.66	25.42
69.48	-	-	0.16	0.16	69.32

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Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
11/04/16	Jessica Flaherty	Trip to Miami Beach, FL from 09/23/16 to 09/27/16.	Because breakfast was provided at the conference on 09/26/16 and 09/27/16 and should not have been reimbursed. Overpayment for 09/26/16 was \$20.11. In addition, \$27.00 was claimed and reimbursed on 09/27/16; however, the actual cost was \$11.16. Total overpayment for 09/27/16 was \$43.78. Total overpayment for 2 days was \$63.89.
12/14/16	Steve Ferguson	Trip to several locations in Iowa from 09/08/16 to 12/02/16.	Because lunch maximum reimbursement was \$8.00, on 11/29/16 he was reimbursed \$2.07 in excess of maximum reimbursement. Overpayment of \$2.07.
01/17/17	Taraney Lawrence	Trip to Arnolds Park, IA for 12/14/16 to 12/15/16	Reimbursement for meals is allowed only for employees; however, on 12/15/16 at Terrazzo Coffeehouse, 2 coffees were purchased for employee and her guest totaling \$8.25. We allowed most expensive coffee totaling \$4.25 but other coffee totaling \$4.00 was not eligible for reimbursement. Overpayment of \$4.00.

Improper					
Amount	Meals	Alcohol	Excess Tip	Total	Reasonable
187.70	63.89	-	-	63.89	123.81
19.41	2.07	-	-	2.07	17.34
12.30	4.00	-	-	4.00	8.30

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
01/25/17	Rita Eble	Trip to Washington DC from 01/07/17 to 01/10/17.	Because a continental breakfast was provided on 01/09/17 and 01/10/17, she would not be eligible for the breakfast reimbursement totaling \$18.21. In addition, lunch was provided at the conference on 01/09/17; therefore, \$7.79 should not have been reimbursed for lunch. Because breakfast and lunch were provided the daily max limit would be \$30. However, the limit was exceeded by \$7.49. Total overpayment was \$33.49.
03/17/17	Brian Crozier	Trip to Washington, D.C from 03/06/17 to 03/08/17	Gratuities reimbursed exceed allowable amount of 15% of the cost of the food (prior to sales tax) by \$1.22
03/23/17	Matthew Rousseau	Commerical Team meeting on 03/16/17	Because he is domiciled in Des Moines, he would not be eligible for meal reimbursements within the Des Moines area. Overpayment of \$8.00
04/13/17	Steve Ferguson	Trips in Iowa to Creston, Burlington, and Centerville from 3/6/17 to 3/9/17	3/24 - claimed and reimbursed \$8.15; however, lunch max is \$8.00. Improper \$0.15
04/20/17	Matthew Rousseau	Trip to New Orleans, LA from 4/1/17 to 4/4/17	Gratuities reimbursed exceeded allowable amount of 15% of the cost of food (prior to sales tax) by \$0.30. In addition, on 04/04/17, alcohol was reimbursed; therefore, the \$3.33 and gratuity of \$0.45 were overpaid by \$3.78. Total overpayment of \$4.08.

Improper					
Amount	Meals	Alcohol	Excess Tip	Total	Reasonable
179.63	33.49	-	-	33.49	146.14
104.84	-	-	1.22	1.22	103.62
8.00	8.00	-	-	8.00	-
74.10	-	-	0.15	0.15	73.95
90.54	3.33	-	0.75	4.08	86.46

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
05/16/17	Taraney Lawrence	Trip to Waterloo from 5/7/17 to 5/10/17	Gratuity reimbursed exceed allowable amount of 15% of the cost of the food (prior to sales tax) by \$0.15
06/01/17	Matthew Rousseau	Trip to Washington, DC from 4/30/17 to 5/8/17	Because breakfast and lunch were provided at the conference on 05/02/17, and should not have been reimbursed. Overpayment of \$20
06/02/17	Wesley Peterson	Trip to Washington, DC from 12/4/16 to 12/6/16	Gratuity reimbursed exceed allowable amount of 15% of the cost of the food (prior to sales tax) by \$1.54
06/21/17	Steve Ferguson	Trip to Bettendorf, Wilton, Cedar Rapids, and West Branch, from 6/6/17 to 6//17	Because maximum meal reimbursement on 06/06/17 was \$23.00, there was an overpayment of \$0.88.
11/01/17	Debora Franklin	Trip to Miami, FL from 10/6/17 to 10/15/17	Gratuity reimbursed exceed allowable amount of 15% of the cost of the food (prior to sales tax) by \$0.54
01/19/18	Jerry Floyd	Trip to Washington, DC 1/7/18 to 1/9/18	Because breakfast was provided at conference on 01/09/18 and should not be reimbursed, overpayment of \$10.01
02/23/18	Brain Crozier	Trip to Milwaukee, WI 2/15/18 to 2/16/18	Gratuity reimbursed exceed allowable amount of 15% of the cost of the food (prior to sales tax) by \$0.37
03/21/18	Jerry Floyd	Trip to Washington, DC 3/11/18 to 3/14/18	Because lunch was provided by the conference on 03/13/18, and should not have been reimbursed there is an overpayment of \$11.00.

Amount	Improper			Total	Reasonable
	Meals	Alcohol	Excess Tip		
31.33	-	-	0.15	0.15	31.18
114.15	20.00	-	-	20.00	94.15
101.71	-	-	1.54	1.54	100.17
89.92	0.88	-	-	0.88	89.04
76.82	-	-	0.54	0.54	76.28
39.13	10.01	-	-	10.01	29.12
19.56	-	-	0.37	0.37	19.19
199.16	11.00	-	-	11.00	188.16

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Meal Expenses
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim	Additional Information
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Improper					
Amount	Meals	Alcohol	Excess Tip	Total	Reasonable
<u>\$ 3,865.99</u>	<u>334.78</u>	<u>15.51</u>	<u>18.08</u>	<u>368.37</u>	<u>3,497.62</u>

Report on Review of the
Iowa Finance Authority

Improper Travel Reimbursements to IFA Employees for Cell Phone Charges
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim
09/19/16	Steve Ferguson	Trip to several locations in northeast Iowa from 08/30/16 to 09/01/16.
09/20/16	Steve Ferguson	Trip to several locations in northeast Iowa from 08/30/16 to 09/01/16.
12/14/16	Steve Ferguson	Trip to several locations in Iowa from 09/08/16 to 12/02/16.
12/14/16	Steve Ferguson	Trip to several locations in Iowa from 09/08/16 to 12/02/16.
12/14/16	Steve Ferguson	Trip to several locations in Iowa from 09/08/16 to 12/02/16.
12/14/16	Steve Ferguson	Trip to several locations in Iowa from 09/08/16 to 12/02/16.
01/13/17	Steve Ferguson	Claimed mileage roundtrip from Urbandale and Adel for 12/14/16 and 12/20/16.

Additional Information	Improper
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$67.27.	\$ 67.27
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$71.16.	71.16
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$84.14.	84.14
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$74.48.	74.48
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$74.01.	74.01
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$68.33.	68.33
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$80.55	80.55

Report on Review of the
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Improper Travel Reimbursements to IFA Employees for Cell Phone Charges
For the period January 1, 2016 through March 31, 2018

Date of Reimbursement Document	Employee Name	Description of Travel Claim
02/08/17	Steve Ferguson	Trip to several locations in Iowa from 01/10/17 to 01/31/17.
02/08/17	Steve Ferguson	Trip to several locations in Iowa from 01/10/17 to 01/31/17.
03/17/17	Steve Ferguson	Trip to several locations in Iowa from 02/02/17 to 03/02/17.
05/18/17	Steve Ferguson	Multiple trips in Iowa and cell phone reimbursement.
05/18/17	Steve Ferguson	Multiple trips in Iowa and cell phone reimbursement.

Additional Information	Improper
Double billing for cell phone charges paid on 1/13/2017. Overpayment of \$80.45.	80.45
Double billing for cell phone charges paid on 1/13/2017. Overpayment of \$67.89	67.89
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$89.04	89.04
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$80.12	80.12
Reimbursed cell phone charges; however, because the reimbursement is a significant portion of the charges, it is not reasonable. Overpayment of \$52.03	52.03
	<u>\$ 889.47</u>

Report on Review of the
Iowa Finance Authority

Staff

The review was performed by:

Annette K. Campbell, CPA, Director
Melissa J. Finestead, CFE, Senior II Auditor
Crystal D. Jimenez-Boender, Staff Auditor



Tamera S. Kusian, CPA
Deputy Auditor of State

Appendices

Report on Review of the
Iowa Finance Authority

Copy of Letter to Executive Council



February 8, 2018

Victoria Newton, Administrative Secretary
Iowa Executive Council
Capitol building
LOCAL

Dear Ms. Newton:

Pursuant to Iowa Code section 16.5(2), the Iowa Finance Authority is authorized to purchase or lease real property subject to the prior approval of the Executive Council. Accordingly, pursuant to that section of the Iowa Code, the enclosed and following described lease for office space for the Iowa Finance Authority is hereby submitted for Executive Council approval.

Lessor: HRC Bell Avenue, LLC

Lessee: Iowa Finance Authority

Term of Lease: One hundred twenty-four months

Legal Description: The Premises consist of approximately 43,411 square feet of Rentable Area, more or less, in Suite 200 of the second floor of the Building locally known as 1963 Bell Avenue, Des Moines, Iowa, legally described as follows:

The South 600 feet of Lot 2, except the South 15 feet, and except that part thereof conveyed to the City of Des Moines, Iowa, by Warranty Deed recorded in Book 3795, Page 165, and subject to easement for right of way conveyed by Warranty Deed recorded in Book 3407, Page 187, of the records in the Office of the County Recorder of Polk County, Iowa, in Solar-Meredith Place, an Official Plat, now included in and forming a part of the City of Des Moines, Iowa.

Purpose: Headquarters for the Iowa Finance Authority and its divisions.

<u>Rent:</u> Initial monthly base rent (following initial four month rent free period):	\$34,006.07
Initial monthly additional rent:	\$20,837.28
Total initial monthly rental:	\$54,843.35

Upon the Executive Council's approval of this lease, please notify the undersigned so that the Authority may proceed to execution of the lease.

Cordially,


David D. Jamison
Executive Director

Report on Review of the
Iowa Finance Authority

Copy of Email Dated June 10, 2015



To: Dave Jamison, Executive Director
From: Executive Leadership Team
Date: June 10, 2015
Re: Office Space Needs

Current Status: The current building has space limitations and we have many situations where there are 2 people sharing one office space. There is also a need for additional smaller conference rooms, or small group work spaces.

Projected 3-5 Year Needs: We discussed each program or department and the anticipated staff growth or reduction within that area in the next 3 to 5 years. The following table outlines expected growth.

	Current Staff	Staff Growth	Future Staff
Administration	9	1	10
Finance / Accounting	12	0	12
IT	3	1	4
Single Family	6	1 to 2	8
Multi Family	2	0	2
Federal & State Programs	9	0	9
Section 8	11	0	11
Compliance	7	1	8
LIHTC	6	0	6
Agricultural Development Div	2	0	2
Iowa Title Guaranty	16	1 to 2	18
State Revolving Fund	4	0	4
TOTAL	87	5 to 7	94

We also outlined the pros and cons of staying in the existing building:

Pros	Cons
Own it	Limited conference room space
Good location	Heating/cooling problems
Free parking	Overcrowded offices
No moving hassle/cost	Asbestos
	Limited ability to renovate to fit needs
	Little to no room to expand number of staff

**Report on Review
of the
Iowa Finance Authority**

Report on Review of the
Iowa Finance Authority

Copy of Summary Page from DAS Report

Iowa Finance Authority Evaluation - Summary



Options	Option 1a - Current Location Renovation - Basic Needs	Option 1b - Current Location Renovation - Complete Interior Renovation	Option 2 - New Building (New Location)	Option 3a - Purchase Existing space - Own	Option 3b - Purchase Existing Space-Own
Description	This option includes the renovation required for the Model HVAC study, the basic finishes required to accomplish this work and all new FFE.	This option will include a complete interior renovation with all new finishes, mechanical, electrical, some exterior envelope improvements. This option includes all new FFE.	This option would be an all new facility at a new location.	This option would be to purchase an existing property to own with minor renovations to suit needs. (4154 NW Urbancare Location)	This option would be to purchase an existing property to own with minor renovations to suit needs. (Crescent Chase location)
Building Square Footage	29050	29050	25000	39000	41080
Construction Cost	\$ 2,191,928	\$ 5,004,268	\$ 6,300,000	\$ 813,046	\$ 831,870
Soft Cost	\$ 232,125	\$ 529,955	\$ 667,170	\$ 86,102	\$ 88,095
Land Cost (Purchase)	\$ -	\$ -	\$ 950,000	\$ -	\$ -
Property Purchase	\$ -	\$ -	\$ -	\$ 3,900,000	\$ 6,162,000
Existing Property Value - Sell	\$ -	\$ -	\$ (2,000,000)	\$ (2,000,000)	\$ (2,000,000)
Move Cost	\$ 50,000	\$ 150,000	\$ 75,000	\$ 75,000	\$ 75,000
Temporary Office Space	\$ -	\$ 375,000	\$ -	\$ -	\$ -
FFE Cost	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Initial Consultation Allowance	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Cost	\$ 3,724,053	\$ 7,309,253	\$ 7,242,170	\$ 4,124,147	\$ 6,406,965
Cost Per Square Foot	\$ 128.19	\$ 251.61	\$ 289.69	\$ 105.75	\$ 155.96
			LEASE POTENTIAL	LEASE POTENTIAL	LEASE POTENTIAL

OPTION ANALYSIS	COST RANGE
Renovate Existing Property (Option 1a and 1b)	\$3.7 Million to \$7.3 Million
Build New (Option 2) with a +/- 10% factor	\$6.5 Million to 7.9 Million
Purchase New Property to Suit (Option 3a and 3b)	\$4.1 Million to \$6.4 Million

Report on Review of the
Iowa Finance Authority

Copy of Resolution GEN 17-01

RESOLUTION
GEN 17-01

WHEREAS, the Iowa Finance Authority (the “Authority”) has concluded that it is in need of different office space for its headquarters; and

WHEREAS, the Authority has tentatively identified space located at 1963 Bell Avenue in Des Moines, Iowa (the “Property”) as a suitable location, provided that an acceptable lease can be negotiated; and

WHEREAS, the Board has been presented by the Executive Director with certain tentatively agreed upon lease terms for the Property, which the Board finds to be generally acceptable, subject to the negotiation of certain remaining key provisions and an acceptable initial rental amount; and

WHEREAS, the Board desires the Executive Director to continue to negotiate a lease of the Property comprising substantially the terms previously proposed, subject to the provisions set forth on Exhibit A, attached hereto; and

WHEREAS, in the event the Executive Director is successful in negotiating such a lease, the Board desires to authorize the execution thereof by the Executive Director.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to negotiate and execute a lease for office space at 1963 Bell Avenue subject to the terms outlined on Exhibit A, attached hereto, so long as no legislative changes that would be likely to significantly adversely affect the Authority’s ability to perform under such a lease have been enacted or are pending.

SECTION 2. The authorization set forth herein shall continue in force until the end of the current fiscal year.

PASSED AND APPROVED this 6th day of December, 2017.

David D. Jamison, Secretary

Report on Review of the
Iowa Finance Authority

Copy of Resolution GEN 17-01

EXHIBIT A

Any lease by the Authority of space in the Property located at 1963 Bell Avenue in Des Moines Iowa shall:

- Be on terms and for an initial rental amount substantially consistent with the terms previously disclosed to the Board;
- Be subject to approval by the Executive Council prior to execution,
- Be subject to written notice being provided to the Government Oversight standing committees of the General Assembly prior to execution, and
- Include provisions stating substantially as follows:

1. **TERMINATION DUE TO LACK OF FUNDS OR CHANGE**

IN LAW. Notwithstanding any other provision of this Lease to the contrary and subject to the limitations, conditions and procedures set forth below, Tenant may terminate this Lease without penalty by giving sixty (60) days written notice to Landlord in the event of either of the following conditions:

- a. If an appropriation of funds by the General Assembly and the Governor in any fiscal year reduces the funds dedicated for continued fulfillment of this Lease by 10% or more compared to the prior fiscal year; or
- b. If there is a discontinuance of a program which reduces Tenant's revenue by more than 50%.

In the event Tenant elects to exercise its option to terminate under this section, Tenant shall be responsible for any payments due under this Lease until the expiration of the 60 day notice required herein.

In the event that an appropriation to cover the cost of this Lease becomes available within sixty (60) days subsequent to termination under this clause, the Tenant agrees to re-enter into a lease with the terminated Landlord under the same provisions, terms and conditions as the original Lease.

2. **REMEDY FOR NON-APPROPRIATION TERMINATION.**

In the event of termination of the Lease due to non-appropriation, the exclusive, sole and complete remedy of the Landlord shall be to recover and possess the property subject to this Lease. In the event of termination of this Lease due to non-appropriation, Tenant shall have no further liability.

**Report on Review
of the
Iowa Finance Authority**

Report on Review of the
Iowa Finance Authority

Copy of Resolution GEN 18-01

RESOLUTION
GEN 18-01

WHEREAS, the Iowa Finance Authority (the “Authority”) has concluded that it is in need of different office space for its headquarters; and

WHEREAS, the Authority has identified space located at 1963 Bell Avenue in Des Moines, Iowa (the “Property”) as a suitable location; and

WHEREAS, the Executive Director and staff have successfully negotiated a lease for the Property (the Lease”); and

WHEREAS, the Board desires to authorize the execution of the Lease by the Executive Director; and

WHEREAS, as a consequence of executing the Lease the Authority will need promptly to begin incurring capital expenses that are not in the current fiscal year’s budget for design, tenant improvements, IT infrastructure, and furniture for the Property; and

WHEREAS, the execution of the Lease will also require the Authority to write down the value of the Authority’s current headquarters building it owns, located at 2015 Grand Avenue in Des Moines, Iowa, to its estimated market value, which will result in a loss of approximately \$600,000, necessitating an amendment to the Authority’s FY 2018 budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute the Lease for office space at 1963 Bell Avenue, in Des Moines, Iowa.

SECTION 2. The Director is authorized to spend up to \$3.5 million for capital expenditures related to the execution of the Lease and the move of the Authority to the Property.

SECTION 3. The FY 2018 budget shall be amended to reflect both the projected capital expenditures referred to in Section 2, above, and the loss to be recognized on the Authority’s current headquarters property as a result of the execution of the Lease.

SECTION 4. The authorizations set forth herein shall continue in force until the end of the current fiscal year.

PASSED AND APPROVED this 7th day of February, 2018.

David D. Jamison, Secretary

Report on Review of the
Iowa Finance Authority

Copy of Resolution GEN 16-01

**RESOLUTION
GEN 16-01**

Delegation of Authority

WHEREAS, pursuant to section 16.2 of the Iowa Code; the Iowa Finance Authority (IFA) is established, and constituted a public instrumentality and agency of the state exercising public and essential governmental functions, to undertake programs which assist in attainment of adequate housing for low or moderate income families, elderly families, and families which include one or more persons with disabilities, and to undertake the various finance programs. The powers of the authority are vested in and shall be exercised by a board of nine members appointed by the governor subject to confirmation by the senate.

WHEREAS, IFA Board of Directors (the "Board") desires to delegate certain of these powers to facilitate the efficient day to day operations of IFA.

NOW, THEREFORE, the Board of IFA hereby resolves as follows:

1. The Board retains authority to approve, via formal board action, any and all:
 - a. strategic plans and strategic initiatives
 - b. annual operating budgets and budget amendments,
 - c. non-budgeted operating or capital expenditures exceeding \$100,000,
 - d. housing and state revolving fund loans,
 - e. material changes to existing agreements, other than HOME loans,
 - f. write-downs or write-offs of any housing or state revolving fund loan,
 - g. competitive grant awards regardless of funding source or program,
 - h. competitive tax credit awards,
 - i. new programs to be undertaken by IFA,
 - j. formal rulemaking actions or rule waivers,
 - k. conduit bond issues or material changes to existing issues,
 - l. debt financing agreements or material changes to existing agreements,
 - m. investment policy changes,
 - n. engagement of independent auditors of IFA's financial statements,
 - o. initiation or settlement of litigation; excluding foreclosure actions, trade receivable collection actions, and actions arising in the ordinary course of business of the Title Guaranty Division,
 - p. the adoption of bond inducement resolutions and authorizing resolutions, other than inducement resolutions for the beginning farmer loan program, authority to adopt which is hereby delegated to the Iowa Agricultural Development Board.
2. The Board delegates to the Executive Director all other authority, not retained or specifically delegated above, required to execute the day-to-day operations of IFA, including the Agricultural Development Division, and the IOWA-Jobs and IOWA-Jobs II programs.
3. The Board delegates to the Executive Director the authority to sub-delegate in writing, to individual employees of IFA, spending authority in amounts up to \$50,000 each for non-budgeted operating or capital expenditures and all other authority not retained above.
4. The Board delegates authority to the Director of the Title Guaranty Division, the Deputy Director of the Title Guaranty Division, and staff attorneys for the Title Guaranty Division to execute mortgage release certificates pursuant to Iowa Code section 16.92.

Report on Review of the
Iowa Finance Authority

Copy of Resolution GEN 16-01

5. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.
6. All resolutions, parts of resolutions or prior actions of IFA in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 3rd day of August 2016.



David D Jamison, Secretary

(Seal)



Report on Review of the
Iowa Finance Authority

Delegation of Authority

**Iowa Finance Authority
Accounts Payable Policies and Procedures**

SPENDING AUTHORITY LIMITS

The IFA Board of Directors may authorize, via formal resolution, the expenditure of IFA funds.

Individuals listed below are authorized to approve invoices and check requests on behalf of IFA, in accordance with all State and IFA rules and regulations, and within their functional area of responsibility for operating expenditures up to and not to exceed the following amounts:

Individual	Position	Budgeted	Non-Budgeted
David D Jamison	Executive Director	unlimited	\$100,000
Cindy Harris	Chief Financial Officer	unlimited	\$25,000
Steven E Harvey	Accounting Director	\$10,000	\$0
Carolann Jensen	Chief Program Officer	unlimited	\$25,000
Amber Lewis	Homelessness Program Coordinator	\$500	\$0
Julie Noland	Director of Compliance	\$10,000	\$0
Brian Sullivan	Director of Section 8	\$10,000	\$0
Dave Vaske	LIHTC Manager	\$10,000	\$0
Tara Lawrence	TG Director	unlimited	\$25,000
Matt Rousseau	Deputy Director	\$20,000	\$20,000
Matt Veldey	Commercial Attorney	\$25,000	\$25,000
Carla Pope	Senior Project Coordinator	\$20,000	\$20,000
Amy Montgomery	Commercial Attorney	\$20,000	\$20,000
Michael Moss	Claims Attorney (claim payments)	\$50,000	\$50,000
	(attorney fees)	\$10,000	\$10,000
Lori Beary	Chief Comm Dev Officer	unlimited	\$25,000
Brian Crozier	Chief Admin Officer	unlimited	\$25,000
Ashley Jared	Communications Director	unlimited	\$10,000
Wes Peterson	Assist to Exec Director	unlimited	\$10,000
Mark Thompson	General Counsel	unlimited	\$10,000