



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

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NEWS RELEASE

FOR RELEASE September 25, 2020

Contact: Marlys Gaston
515/281-5834

Auditor of State Rob Sand today released a report on the Iowa Board of Parole for the year ended June 30, 2019.

The Board has the primary responsibility for enhancing overall public safety by making evidence-based and informed parole decisions for the successful re-entry of offenders back into the community to become productive and responsible citizens.

AUDIT FININGS:

Sand reported two findings pertaining to the Board. The findings are found on page 3 of this report. The findings address incorrect recording of prepaid expenses and lack of independent approval of certain travel claims. Sand provided the Board with recommendations to address each of the findings.

The two findings discussed above are repeated from the prior year. The Board of Parole has a fiduciary responsibility to provide oversight of the Board's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

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

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**REPORT OF RECOMMENDATIONS TO THE
IOWA BOARD OF PAROLE**

JUNE 30, 2019

Iowa Board of Parole



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Telephone (515) 281-5834 Facsimile (515) 281-6518

September 17, 2020

Iowa Board of Parole
Des Moines, Iowa 50319

Dear Members of the Iowa Board of Parole:

I am pleased to submit to you the Report of Recommendations for Iowa Board of Parole for the year ended June 30, 2019. The report includes findings pertaining to the Board's internal control and compliance which resulted from the fiscal year 2019 audit.

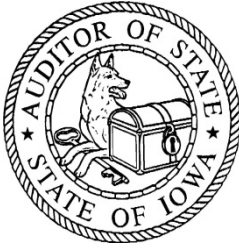
I appreciate the cooperation and courtesy extended by the officials and employees of the Iowa Board of Parole throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand".

Rob Sand
Auditor of State

Iowa Board of Parole



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September 17, 2020

To the Members of the Iowa Board of Parole:

The Iowa Board of Parole is a part of the State of Iowa and, as such, has been included in our audit of the State's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019.

In conducting our audit, we became aware of two aspects concerning the Board's operations for which we believe corrective action is necessary. As a result, we have developed recommendations which are reported on the following page. We believe you should be aware of these recommendations, which pertain to the Board's internal controls. These recommendations have been discussed with Board personnel and their responses to the recommendations are included in this report. While we have expressed our conclusions on the Board's responses, we did not audit the Iowa Board of Parole's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Board of Parole, citizens of the State of Iowa and other parties to whom the Iowa Board of Parole may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Iowa Board of Parole during the course of our audits. Should you have questions concerning the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the Board are listed on page 4 and they are available to discuss these matters with you.

Marlys K. Gaston, CPA
Deputy Auditor of State

cc: Honorable Kim Reynolds, Governor
David Roederer, Director, Department of Management
Glen P. Dickinson, Director, Legislative Services Agency

June 30, 2019

Finding Reported in the State's Report on Internal Control:

No matters were reported.

Other Findings Related to Internal Control:

- A. Pre-paid Expenses – An effective internal control system provides for internal controls related to ensuring proper accounting for all pre-paid expenses by maintaining appropriate accounting records and ensuring the records are reviewed by an independent person. During the year, there were two instances in which expenditures should have been recorded as a pre-paid expense. Both instances were for software licenses that were fully expensed in the year the contracts were entered into rather than accounting for the contracts as a pre-paid expense and allocating the costs over the appropriate period.

Recommendation – The Board should ensure all pre-paid expenses are properly recorded.

Response – The Iowa Board of Parole will ensure that pre-paid expenses are properly recorded.

Conclusion – Response accepted.

- B. Travel Expenses – An effective internal control system provides for internal controls related to ensuring proper accounting for all travel expenses by maintaining appropriate accounting records and ensuring the records are approved by an independent person. During the year, five travel claims of five claims tested were approved for reimbursement by the same individual who incurred the travel expenses.

Recommendation – The Board should ensure all travel expenses are properly approved by an independent person. The authorization should be documented by the signature or initials of the approver and the date of the approval.

Response – The Iowa Board of Parole will ensure that a department head or separate person signs off on each other's travel.

Conclusion – Response acknowledged. The authorization should be documented by the signature or initials of the Board Chair or Vice Board Chair and the date of the authorization.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to the Iowa Board of Parole

June 30, 2019

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Tiffany M. Ainger, CPA, Manager
Molly N. Kalkwarf, Staff Auditor