



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006

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

NEWS RELEASE

FOR RELEASE

December 16, 2021

Contact: Marlys Gaston
515/281-5834

Auditor of State Rob Sand today released a report on the Iowa Department of Education, Division of Vocational Rehabilitation Services for the year ended June 30, 2020.

The Iowa Department of Education, Division of Vocational Rehabilitation Services is responsible for determining eligibility of individuals for vocational rehabilitation and the nature and scope of vocational rehabilitation services to be provided. In addition, the Division has assumed the duties relating to making determinations of disability under the Social Security Act pursuant to an agreement between the Division and the Social Security Administration.

AUDIT FINDING:

Sand reported one finding pertaining to the Iowa Department of Education, Division of Vocational Rehabilitation Services. The finding can be found on page 3 of this report. The finding addresses a lack of segregation of duties over the initial receipt listing. Sand provided the Department with a recommendation to address the finding.

The finding discussed above is repeated from the prior year. Division management have a fiduciary responsibility to provide oversight of the Division'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 web site at <https://auditor.iowa.gov/reports/audit-reports/>.

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**REPORT OF RECOMMENDATIONS TO THE
IOWA DEPARTMENT OF EDUCATION, DIVISION OF
VOCATIONAL REHABILITATION SERVICES**

JUNE 30, 2020

**Iowa Department of Education
Division of Vocational Rehabilitation Services**



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Rob Sand
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December 3, 2021

Iowa Department of Education, Division of Vocational Rehabilitation Services.
Des Moines, Iowa

To David Mitchell, Administrator of the Iowa Vocational Rehabilitation Services:

I am pleased to submit to you the Report of Recommendations for the Iowa Department of Education, Division of Vocational Rehabilitation Services for the year ended June 30, 2020. The report includes a finding pertaining to the Department's internal control which resulted from the fiscal year 2020 audit.

I appreciate the cooperation and courtesy extended by the officials and employees of the Iowa Division 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 Department of Education
Division of Vocational Rehabilitation Services**



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December 3, 2021

To the Members of the State Board of Education:

The Iowa Department of Education, Division of Vocational Rehabilitation Services is part of the State of Iowa and, as such, has been included in our audits of the State's Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2020.

In conducting our audits, we became aware of an aspect concerning the Division's operations for which we believe corrective action is necessary. As a result, we have developed a recommendation which is reported on the following pages. We believe you should be aware of the recommendation which pertains to the Division's internal control. The recommendation has been discussed with Division personnel and their response to the recommendation is included in this report. While we have expressed our conclusion on the Division's response, we did not audit the Division's responses and, accordingly, we express no opinion on it.

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

Should you have questions concerning the above matter, we shall be pleased to discuss it with you at your convenience. Individuals who participated in our audit of the Division are listed on page 4 and they are available to discuss the matter with you.

Handwritten signature of Marlys K. Gaston in black ink.

Marlys K. Gaston, CPA
Deputy Auditor of State

cc: Honorable Kim Reynolds, Governor
Kraig Paulsen, Interim Director, Department of Management
Timothy McDermott, Interim Director, Legislative Services Agency

Report of Recommendations to the Iowa Department of Education,
Division of Vocational Rehabilitation Services

June 30, 2020

Findings Reported in the State's Single Audit Report:

No matters were reported.

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

No matters were reported.

Other Findings Related to Internal Control:

(1) Initial Receipt Listing

Criteria – Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same employee. This segregation of duties helps prevent losses from employee error or dishonesty.

Condition – IVRS does not have procedures in place to prevent entries from being altered/deleted from the initial receipt listing spreadsheet.

Cause – Lack of adequate controls for the initial receipt listing spreadsheet.

Effect – A lack of controls could adversely affect IVRS's ability to prevent or detect and correct misstatements, errors or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation – Controls should be implemented to prevent entries from being altered/deleted from the initial receipt listing spreadsheet.

Response – IVRS will address this internal control weakness by utilizing the security features of Google Sheets, which allows a user to lock cells from editing after their entry. This will ensure that all entries are recorded. Any entries made in error will have notations and/or correcting statements on subsequent lines in lieu of the ability to delete the entry line.

Conclusion – Response accepted.

Finding Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to the Iowa Department of Education,
Division of Vocational Rehabilitation Services

June 30, 2020

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Tiffany M. Ainger, CPA, Manager
Micaela A. Tintjer, CPA, Senior Auditor

Other individuals who participated in the audit include:

Adjoa S. Adanledji, Senior Auditor II
Silvester K. Rutto, Staff Auditor
Megan A. Waldbillig, Staff Auditor
Sally S. Downing, Assistant Auditor
Mackenzie A. Niday, Assistant Auditor