



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

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**NEWS RELEASE**

FOR RELEASE \_\_\_\_\_

July 18, 2006

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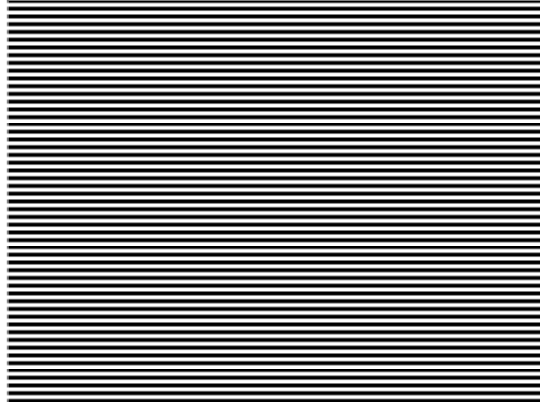
Auditor of State David A. Vaudt today released a report on the Iowa Civil Rights Commission for the year ended June 30, 2005.

The Iowa Civil Rights Commission is charged with investigating, holding hearings and rendering decisions on any complaints of unfair or discriminatory practices in public accommodations, employment, credit, housing, apprenticeship programs, on-the-job training programs and vocational schools on the basis of age, race, creed, color, sex, religion, national origin or disability; and with planning and conducting programs designed to eliminate racial, religious, cultural and intergroup tensions.

Vaudt recommended the Commission segregate the duties of receipt processing from the collection and reconciling function. Vaudt also recommended the Commission review attendance of appointed commission members for compliance with Code requirements and maintain proper support for capital asset disposals.

A copy of the report is available for review in the Iowa Civil Rights Commission, the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/reports.htm>.

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**REPORT OF RECOMMENDATIONS TO THE  
IOWA CIVIL RIGHTS COMMISSION**

**JUNE 30, 2005**

Office of  
**AUDITOR  
OF STATE**  
State Capitol Building • Des Moines, Iowa



**David A. Vaudt, CPA**  
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July 14, 2006

To Ralph Rosenberg, Executive Director of the  
Iowa Civil Rights Commission:

The Iowa Civil Rights Commission is a part of the State of Iowa and, as such, has been included in our audits of the State's Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2005.

In conducting our audits, we became aware of certain aspects concerning the Commission's operations for which we believe corrective action is necessary. As a result, we have developed recommendations which are reported on the following pages. We believe you should be aware of these recommendations pertaining to the Commission's internal control, compliance with statutory requirements and other matters. These recommendations have been discussed with Commission personnel and their responses to these recommendations are included in this report.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Civil Rights Commission, citizens of the State of Iowa and other parties to whom the Iowa Civil Rights Commission 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 Commission during the course of our audits. Should you have questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the Commission are listed on page 6 and they are available to discuss these matters with you.

DAVID A. VAUDT, CPA  
Auditor of State

WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

cc: Honorable Thomas J. Vilsack, Governor  
Michael L. Tramontina, Director, Department of Management  
Dennis C. Prouty, Director, Legislative Services Agency

Report of Recommendations to the  
Iowa Civil Rights Commission

June 30, 2005

**Findings Reported in the State's Single Audit Report:**

No matters were noted.

**Finding Related to Internal Control:**

Segregation of Duties – During our review of internal control, the existing control activities are evaluated in order to determine incompatible duties, from a control standpoint, are not performed by the same employee. This segregation of duties helps to prevent losses from employee error or dishonesty and, therefore, maximizes the accuracy of the Commission's financial statements. During our review of the cash receipt cycle, we noted the same individual who processes cash receipts also is responsible for collecting and reconciling the cash receipts to the billing listing and to the deposit.

Recommendations – The Commission should ensure the accountability of receipts by properly segregating the duties of the processing of receipts from the collection and reconciling functions.

Response – A receptionist will prepare an initial listing. The Clerk Specialist will deliver documents to the Iowa Department of Public Health for on-line processing through the accounting system. Upon approval (quarterly effort), the Clerk Specialist will reconcile.

Conclusion – Response acknowledged. Reconciliation responsibilities should be independent of collection and processing. The appropriateness of these procedures will be reviewed during the subsequent audit.

**Findings Related to Statutory Requirements and Other Matters:**

- (1) Commission Meeting Attendance – The Iowa Civil Rights Commission consists of seven members appointed by the Governor. According to Chapter 69.15 of the Code of Iowa, any person who has been appointed by the Governor to any board shall be deemed to have submitted a resignation if the person does not attend three or more consecutive regular meetings or the person attends less than one-half of the regular meetings within any period of twelve calendar months beginning on July 1 or January 1.

The attendance of one member of the Iowa Civil Rights Commission did not comply with these attendance requirements.

Recommendation – The Executive Director should review the attendance of appointed Commission members for compliance with the requirements and determine action to be taken.

Response – Commission had moved to increase virtual meetings. Director has talked with Commissioners about attendance policies.

Conclusion – Response acknowledged. The Commission should comply with the Code of Iowa.

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Iowa Civil Rights Commission

June 30, 2005

- (2) Capital Assets – Chapter 7A.30 of the Code of Iowa requires each Department of the State to keep a written, detailed, up-to-date inventory of all real and personal property belonging to the State. Two current year deletions tested did not have proper documentation approving the disposal of the assets.

Recommendation – The Commission should develop procedures to ensure proper documentation is maintained to support the approval of the disposition of capital assets.

Response – The Commission will compile a listing of disposed capital assets. The Clerk Specialist plans to attend training.

Conclusion – Response acknowledged. Documentation of the approval of capital asset disposals should also be maintained.

Report of Recommendations to the  
Iowa Civil Rights Commission

June 30, 2005

**Staff:**

Questions or requests for further assistance should be directed to:

Suzanne R. Hanft, CPA, Manager  
Cheryl R. Moya, CPA, Staff Auditor  
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Bradley A. Meisterling, Assistant Auditor