



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

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NEWS RELEASE

FOR RELEASE _____ August 29, 2008

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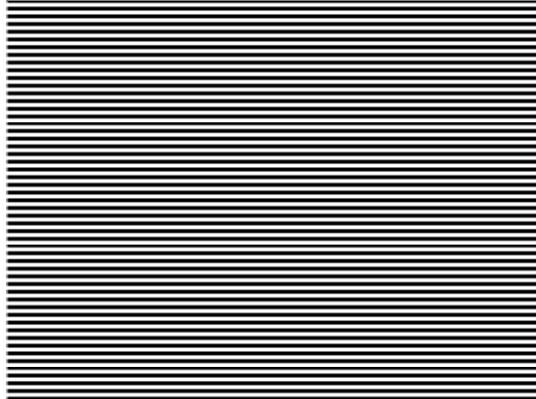
Auditor of State David A. Vaudt today released a report on the Iowa Law Enforcement Academy for the year ended June 30, 2007.

The Iowa Law Enforcement Academy is responsible for developing training programs, establishing hiring standards for law enforcement officers and setting standards for law enforcement service.

Vaudt recommended the Academy improve its control procedures over gift shop receipts and disbursements. In addition, Vaudt recommended the Academy deposit receipts as required by the Code of Iowa.

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

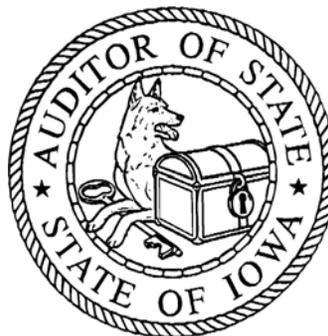
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**REPORT OF RECOMMENDATIONS TO THE
IOWA LAW ENFORCEMENT ACADEMY**

JUNE 30, 2007

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



David A. Vaudt, CPA
Auditor of State





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August 27, 2008

To the Members of the
Iowa Law Enforcement Academy Council:

The Iowa Law Enforcement Academy 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, 2007.

In conducting our audits, we became aware of certain aspects concerning the Academy'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 Academy's internal control and compliance with statutory requirements and other matters. These recommendations have been discussed with Academy 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 Law Enforcement Academy, citizens of the State of Iowa and other parties to whom the Academy 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 Academy 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 Academy 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 Chester J. Culver, Governor
Charles J. Krogmeier, Director, Department of Management
Timothy C. Faller, Interim Director, Legislative Services Agency

Report of Recommendations to the
Iowa Law Enforcement Academy

June 30, 2007

Findings Reported in the State's Single Audit Report:

No matters were noted.

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

No matters were noted.

Other Finding Related to Internal Control:

Gift Shop – During our review of internal control, the existing control activities in the Academy's gift shop were evaluated in order to determine activities, from a control standpoint, were designed to provide reasonable assurance regarding the achievement of objectives in the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. The following weaknesses in the Academy's gift shop were noted:

- One individual is responsible for ordering, receiving, sales and maintaining gift shop inventory
- An inventory listing is not maintained
- Pre-numbered receipts are not issued
- A physical inventory is not performed annually

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the Academy should review the operating procedures of the gift shop to obtain the maximum internal control possible under the circumstances. The Academy should utilize existing personnel to provide additional control through segregation of ordering, receiving and sales. In addition, an inventory listing should be maintained and an inventory count should be performed at least annually by an independent person. Pre-numbered receipts should be issued for all sales.

Response – This comment is identical to the one received for the FY 2006 audit. That audit was done late during FY 2007, so there was no time left in the fiscal year during which changes could be implemented. Beginning July 1, 2007, the following changes were implemented in response to the comment:

- Two individuals are responsible for ordering and selling merchandise for the gift shop. These two individuals are not involved in maintaining gift shop inventory.
- A third individual receives merchandise as it comes in, counts it, and reports any receiving discrepancies to the Academy accountant.
- The Academy accountant is responsible for maintaining computerized inventory records.
- All sales are being recorded on pre-numbered receipts (they are sequentially numbered).
- A physical inventory will be taken at least annually. During FY 2008 a physical inventory has been taken as of the end of the first and third quarters and there will also be a year-end physical inventory.

Conclusion – Response accepted.

Report of Recommendations to the
Iowa Law Enforcement Academy

June 30, 2007

Finding Related to Statutory Requirements and Other Matters:

Receipt Deposits - Chapter 12.10 of the Code of Iowa requires ninety percent of all fees, commissions and moneys received to be deposited within ten days succeeding the collection. The remainder of the funds shall be deposited within 30 days. Two of seventeen receipts tested were not deposited timely. In addition, cash receipts were identified as being held up to six months before being deposited.

Recommendation - The Academy should deposit receipts as required by the Code of Iowa.

Response - This comment is identical to the one received for the FY 2006 audit. That audit was done late in FY 2007, so there was no time left in the fiscal year during which changes could be implemented. Beginning July 1, 2007, the following changes were implemented in response to the comment:

- With agreement from the auditors office, cash deposits are made monthly instead of semi-annually.
- All other deposits are prepared weekly and processed immediately in order to comply with the 10 day requirement.

Conclusion - Response accepted.

Report of Recommendations to the
Iowa Law Enforcement Academy

June 30, 2007

Staff:

Questions or requests for further assistance should be directed to:

Suzanne R. Dahlstrom, CPA, Manager
Shelley M. Klingbeil, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audit include:

Lori M. Dinville, Assistant Auditor