

NOTICE OF FY 2006 APPROPRIATIONS TRANSFERS FOR THE DEPARTMENT OF HUMAN SERVICES

Appropriations Transfers



The Fiscal Services Division of the Legislative Services Agency (LSA) received notification of two requests to transfer funds for FY 2006 within the Department of Human Services (DHS), pursuant to Section 8.39, Code of Iowa.

The transfers shift \$1.7 million from the General Fund appropriation for Child and Family Services (CFS) to the Family Investment Program (FIP), then shifts \$1.7 million in Temporary Assistance for Needy Families (TANF) funds from the FIP to CFS to replace the General Fund dollars. This results in no net loss of funds to either program.

The General Fund transfer allows the State to meet maintenance of effort (MOE) and work requirements for the FIP that are a condition of receiving federal TANF funds. The additional General Funds will allow the State to exceed its minimum MOE requirements for FY 2006. Cases that are funded by the excess are excluded from the federal caseload reduction calculation, which increases the FFY 2006 credit that assists the State in meeting FFY 2007 work participation requirements.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Lisa Burk (Ext. 17942) Kerri Johannsen (Ext. 14611)

NOTICE OF REALLOCATION OF FY 2006 FUNDS FOR THE STATE PUBLIC DEFENDER'S OFFICE

Reallocation

The Fiscal Services Division of the LSA was notified that \$50,000 was transferred from the State Public Defender's Office to the Indigent Defense Program, pursuant to Section 13B.4(7), Code of Iowa. The reallocation covers the expected fee claims against the Indigent Defense Program in FY 2006.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

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STATE APPEAL BOARD ACTION SUMMARY FOR FY 2006

Appeal Board

The State Appeal Board is comprised of the Director of the Department of Management, the State Auditor, and the State Treasurer. Chapter 25, Code of Iowa, provides the Board with the ability to approve claims against the State. The amount paid was \$6.2 million for FY 2006. The following table provides the amounts paid by State agencies over the last five years.

General Fund Payments for Settlements/Judgments

Department Names	FY02	FY03	FY04	FY05	FY06	5-YEAR TOTAL
Administrative Services (DAS)			\$359,273.43	\$187,669.50	\$0.00	\$546,942.93
General Services	\$478,808.04	\$170,091.00	\$2,500.00	\$0.00	\$0.00	\$651,399.04
Personnel	\$0.00	\$55,000.00	\$0.00	\$0.00	\$0.00	\$55,000.00
Revenue	\$45,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45,000.00
Administrative Services Total	\$523,808.04	\$225,091.00	\$361,773.43	\$187,669.50	\$0.00	\$1,298,341.97
Agriculture	\$0.00	\$24,232.88	\$0.00	\$0.00	\$42,000.00	\$66,232.88
Board of Nursing	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00
Civil Rights	\$0.00	\$0.00	\$43,000.00	\$0.00	\$0.00	\$43,000.00
Commerce-Banking	\$0.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00
Corrections						
Administration	\$0.00	\$50.40	\$1,555,574.39	\$1,287,641.27	\$406,946.10	\$3,250,212.16
Anamosa State Penitentiary	\$25,300.53	\$7,500.00	\$36,523.59	\$271,289.25	\$0.00	\$340,613.37
Clarinda Correctional Facility	\$0.00	\$80,000.00	\$0.00	\$2,000.00	\$0.00	\$82,000.00
Fifth Judicial District	\$0.00	\$7,000.00	\$0.00	\$0.00	\$0.00	\$7,000.00
Fort Dodge Correctional Facility	\$230.00	\$10,150.00	\$0.00	\$73,600.00	\$0.00	\$83,980.00
Iowa Correctional Institute for Women at Mitchellville	\$113,598.00	\$249,501.94	\$0.00	\$27,000.01	\$35,000.00	\$425,099.95
Iowa Medical Classification Center	\$3,250.00	\$35,444.81	\$0.00	\$23.00	\$0.00	\$38,717.81
Iowa State Penitentiary	\$1,323.80	\$232,373.49	\$5,814.82	\$15,652.06	\$642.50	\$255,806.67
Mt. Pleasant Correctional Facility	\$80.00	\$600.00	\$150.00	\$85,000.00	\$3,683.43	\$89,513.43
Newton Correctional Facility	\$8,600.00	\$25,898.32	\$2,250.00	\$0.00	\$0.00	\$36,748.32
Corrections Total	\$152,382.33	\$648,518.96	\$1,600,312.80	\$1,762,205.59	\$446,272.03	\$4,609,691.71
Economic Development	\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00
Education-Administration	\$56,743.48	\$0.00	\$0.00	\$0.00	\$200,684.31	\$257,427.79
Education-Voc Rehab	\$0.00	\$0.00	\$189,045.51	\$0.00	\$710.49	\$189,756.00
Governor's Office/Secretary of State	\$22,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,500.00
Human Services						
Administration	\$61,618.40	\$33,598.82	\$1,790,354.41	\$506,626.51	\$58,000.00	\$2,450,198.14
Cherokee Mental Health Institute	\$104,382.16	\$0.00	\$0.00	\$0.00	\$19,000.00	\$123,382.16
Glenwood Resource Center					\$480,000.00	\$480,000.00
Woodward Resource Center	\$30,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$80,000.00
Human Services Total	\$196,000.56	\$33,598.82	\$1,790,354.41	\$506,626.51	\$607,000.00	\$3,133,580.30
Human Services/Inspections & Appeals	\$0.00	\$12,488.21	\$0.00	\$0.00	\$0.00	\$12,488.21
Inspections & Appeals	\$474.55	\$0.00	\$40,540.43	\$0.00	\$65,000.00	\$106,014.98
Iowa Communications Network (ICN)					\$37.00	\$37.00
Iowa State Fair Authority	\$0.00	\$9,080.00	\$0.00	\$16,200.46	\$9,000.00	\$34,280.46
Iowa National Guard	\$5,670.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,670.00
Judicial Department	\$22,306.00	\$2,858.25	\$0.00	\$0.00	\$107,690.89	\$132,855.14
Natural Resources	\$95,942.73	\$197,481.86	\$160,660.00	\$89,954.36	\$100,713.76	\$644,752.71
Public Defense	\$0.00	\$0.00	\$0.00	\$700,000.00	\$1,102,000.00	\$1,802,000.00
Public Defense/Military					\$32,500.00	\$32,500.00
Public Health	\$0.00	\$4,000.00	\$0.00	\$0.00	\$0.00	\$4,000.00

Department Names	FY02	FY03	FY04	FY05	FY06	5-YEAR TOTAL
Public Safety	\$104,825.00	\$57,302.05	\$328,402.13	\$813.68	\$4,000.00	\$495,342.86
Public Safety/DNR	\$0.00	\$0.00	\$0.00	\$3,073,892.96	\$0.00	\$3,073,892.96
Public Strategies Group	\$0.00	\$0.00	\$0.00	\$91,000.00	\$0.00	\$91,000.00
Regents						
Administration	\$1,042.71	\$0.00	\$0.00	\$0.00	\$0.00	\$1,042.71
Iowa State University	\$88,117.00	\$149,519.00	\$524,283.78	\$15,765.00	\$1,972,108.00	\$2,749,792.78
University of Iowa	\$13,500.00	\$103,428.62	\$105,450.00	\$57,880.00	\$375,843.75	\$656,102.37
University of Iowa Hospitals &	\$1,420,883.20	\$1,949,776.33	\$1,867,471.08	\$1,867,981.30	\$507,296.25	\$7,613,408.16
University of Northern Iowa	\$0.00	\$0.00	\$0.00	\$50,000.00	\$500,000.00	\$550,000.00
Regents Total	\$1,523,542.91	\$2,202,723.95	\$2,497,204.86	\$1,991,626.30	\$3,355,248.00	\$11,570,346.02
State Public Defender	\$0.00	\$0.00	\$534.00	\$0.00	\$0.00	\$534.00
Workforce Development	\$801,646.08	\$814,407.32	\$1,215,884.93	\$106,325.00	\$148,155.21	\$3,086,418.54
TOTAL	\$3,530,841.68	\$4,231,783.30	\$8,252,712.50	\$8,526,314.36	\$6,221,011.69	\$30,762,663.53

Primary Road Fund

In addition to the General Fund payments in the table above, approximately \$346,000 was paid from the Primary Road Fund for settlements and judgments filed against the Department of Transportation.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Beth Lenstra (Ext. 16301) Sue Lerdal (Ext. 17794)

STATE APPEAL BOARD ACTION – DEPARTMENT OF PUBLIC DEFENSE

Refund

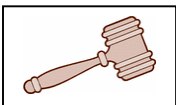
On July 5, the State Appeal Board approved a \$1.1 million refund for the federal National Guard Bureau to be paid by the Department of Public Defense according to terms and conditions of the 2005 settlement between the State and federal government. The payment is the second installment of a \$5.7 million settlement.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

INSTITUTE FOR TOMORROW'S WORKFORCE VIOLATED OPEN MEETINGS LAW

Court Ruling

The Institute for Tomorrow's Workforce has settled a lawsuit by admitting that it violated Chapter 21, Code of Iowa, regarding open meetings when the Board of Directors met in closed session on July 27 to select one of eight applicants to hire as a consultant. Polk County Judge Robert Hanson entered a ruling requiring the Institute to pay \$9,000 in attorney fees and court costs and specifying that Board members will be fined \$100 each if the Board meets in closed session again. The lawsuit was filed on behalf of the Iowa Freedom of Information Council, the *Des Moines Register*, the Iowa Newspaper Association, the *Waterloo/Cedar Falls Courier*, the *Cedar Rapids Gazette*, and the Associated Press. At the September 19 meeting of the ITW Board, Co-chairperson Marvin Pomerantz announced that he has paid the settlement from his personal funds.

Controversial Meeting



During the closed session, the Board discussed proposals from eight organizations seeking the opportunity to assist the ITW with two legislatively mandated studies, one to consider pay-for-performance incentives for teachers and the other to recommend improvements to Iowa's educational delivery system. Following the closed session, the Board voted unanimously to award the contract to Learning Point Associates (LPA) of Naperville, Illinois.

Contract Executed

The contract with LPA has been negotiated and signed. Under the terms of the contract, ITW will pay LPA \$115,140 in fees and an estimated \$10,200 in travel costs for the system study. For the teacher compensation study, LPA will receive \$459,110 in fees and an estimated \$22,000 in travel costs. The total amount of the contract is \$606,450 and is payable in six equal monthly installments through January 31, 2007. Fees for each study are to be invoiced separately, and travel costs are limited to a maximum of \$32,200.

The contract specifies that both parties are subject to open meetings and public records laws and that LPA agrees to be bound by the provisions of a 28E Agreement between the Department of Management, the ITW, and the Pay for Performance Commission. The contract specifies that the two studies are separately funded and the funding is not interchangeable. Learning Point Associates is required to maintain separate and complete records to account for all spending on each study.

More Information

The minutes of the July 27 closed session are available on the ITW web site at: http://www.tomorrowworkforce.org/ITW_Executive_Session-july27-06.pdf. Additional information is available from the LSA upon request.

STAFF CONTACT: Robin Madison (Ext. 15270)

INCREASE IN JUDICIAL BRANCH RECEIPTS

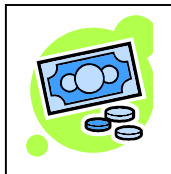
2006 Fine Increases



The 2006 General Assembly enacted legislation that authorized new fees and increased fine amounts for scheduled violations, simple misdemeanors, court costs, and the Criminal Penalty Surcharge.

- House File 826 (Speed Limit Act) increased court costs for simple misdemeanors from \$17 to \$30 and increased fines for speeding violations on four-lane divided highways.
- House File 682 (Crime Lab Surcharge and Deferred Judgment, Civil Penalty Act) increased the Criminal Penalty Surcharge from 30.0% to 32.0% and authorized the assessment of a civil penalty on a deferred judgment.
- House File 275 (Alcohol Purchases by Minors Act) increased the fines for the purchase, possession, or consumption of alcohol by a person under legal age.
- House File 807 (FY 2006 Judicial Branch Appropriations Act) authorized fees for filing praecipes for the collection of debts after an order or the debtor has received judgment.

2006 Court Receipts



The total Judicial Branch receipts increased from \$91.0 million in FY 2005 to \$103.8 million in FY 2006, an increase of 13.9%. Of this amount, collections for the criminal penalty surcharge increased by 8.9% and fines and court fees for simple misdemeanors, including scheduled violations, increased by 43.7%. Due to the increase in the amount collected, cities and counties received an allocation of \$11.5 million in FY 2006, an increase of \$600,000 (5.0%) compared to FY 2005. The Central Collection Unit, which serves as the State's collection agency, increased collections by 27.0% compared to FY 2005, and the State collected nearly \$500,000 through offsets of Lottery winnings, mostly from Touch Play machines, which were shut down in May.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

IOWA NATIONAL GUARD TO BUILD READINESS CENTER

Camp Dodge



The groundbreaking for the Iowa National Guard Camp Dodge Armed Forces Readiness Center will begin later this month. Neumann Brothers, Inc., of Des Moines was awarded the construction contract.

The Center will total approximately 211,000 square feet and is estimated to cost \$33.1 million. The Center was authorized by the 2005 Base Realignment and Closure Commission and is a joint project between the Iowa National Guard, the U.S. Army Recruiting Command, and the Military Entrance Processing Command. The three-building facility is 100.0% federally funded.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

DEPARTMENT OF PUBLIC DEFENSE FY 2003 ANNUAL REPORT

FY 2003 Report Received

The LSA received the FY 2003 Department of Public Defense annual report on August 30. The report summarizes accomplishments, achievements, and activities for FY 2003.

2005 Audit



In the 2005 State Auditor's Report for the Department, the Auditor noted the missing FY 2003 annual report, as well as the annual reports for FY 2004 and FY 2005. The Department responded that these reports would be completed by October 1, 2006. In addition to complying with Section 7A.3, Code of Iowa, which requires the Adjutant General file a biennial report in even-numbered fiscal years, the submission of the FY 2003 annual report complies with Section 29A.12, Code of Iowa, by providing a detailed report of FY 2003 transactions and expenditures.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

IOWA SOLDIERS TO BE SENT TO SOUTHWESTERN U.S. BORDER

Operation Jump Start



Approximately 40 Iowa Army National Guard personnel have been selected to take part in Operation Jump Start along the southwestern U.S. border. The soldiers will be assisting the U.S. Department of Homeland Security and U.S. Border Protection officials with transportation support; construction of roads, barriers, fences, and other structures; and logistical support. The soldiers will not engage in any direct law enforcement or apprehension activities. The soldiers will be in a Title 32 status, meaning they will be federally funded but under the control of Governor Vilsack, and will remain on duty in California approximately six to 24 months. The Governor has approved Iowa Air National Guard personnel to take part in Operation Jump Start; however, the number that will actually be activated and deployed is unknown at this time.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

JUSTICE TERNUS NAMED NEXT IOWA SUPREME COURT CHIEF JUSTICE

Announcement

The Iowa Supreme Court has named Justice Marsha Ternus as the next Chief Justice of the Iowa Supreme Court. Justice Ternus will succeed Chief Justice Louis Lavorato, who is scheduled to retire at the end of September.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

DIRECTOR APPOINTED FOR THE DEPARTMENT OF PUBLIC SAFETY, DIVISION OF CRIMINAL INVESTIGATION

Announcement

Steve Bogle has been appointed Director of the Department of Public Safety, Division of Criminal Investigation. He succeeds Eugene Meyer, who retired this month after 38 years of service. A promotional ceremony will be held at Camp Dodge, Building S-60, on September 21, at 10 a.m.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

STATE SOIL CONSERVATION COMMITTEE MEETING

Committee Meeting

The State Soil Conservation Committee met on September 7 in Des Moines.

Legislative Presentation

Jean Eells, State Soil Conservation Committee, provided an update on the presentation that will be made to legislators on January 24. There will be information tables in the rotunda, and the Soil and Water Conservation Districts of Iowa will have at least one person from each District present.

Wetland Acres

Jim Gillespie, Department of Agriculture and Land Stewardship, provided an update on the number of acres enrolled in wetlands programs in Iowa and surrounding states. Programs available to landowners include:



- The Conservation Reserve Program (CRP), which is a voluntary program for agricultural landowners who can receive annual rental payments and cost-share assistance to establish long-term, resource-conserving covers on eligible farmland.
- The Conservation Reserve Enhancement Program (CREP), which is a joint State-federal conservation partnership targeted to address specific watersheds with water quality, soil erosion, and wildlife habitat issues related to agriculture use. The Program provides financial incentives to landowners to voluntarily enroll in contracts 10-15 years in duration to remove lands from agricultural production.
- The Wetlands Reserve Program (WRP) is a voluntary program that provides technical and financial assistance to eligible landowners to restore, enhance, and protect wetlands. Landowners have the option of enrolling eligible lands through permanent easements, 30-year easements, or restoration cost-share agreements.

The following table summarizes the information that was presented to the Committee:

Acres Enrolled in Wetlands Programs



State	Conservation Reserve Program	Conservation Reserve Enhancement Program	Wetlands Reserve Program	Total Acres
Iowa	454,900	661	68,872	524,433
Illinois	283,022	109,931	308	393,261
Missouri	95,217	14,029	0	109,246
Nebraska	70,419	64,099	3,609	138,127
South Dakota	195,952	20	27,849	223,821
Minnesota	278,938	84,252	33,908	397,098
Wisconsin	28,300	35,526	37	63,863
Total	1,406,748	308,518	134,583	1,849,849

Soil and Water Conference

The annual Iowa Soil and Water Conservation District Commissioners Conference will be held on November 15-16 in Ames. A tour of the Iowa Energy Center in Nevada will be available on November 14.

More Information

The next meeting scheduled is a teleconference that will be held on October 5. For more information about the State Soil Conservation Committee, access the web site at: <http://www.agriculture.state.ia.us/scccommittee.htm>. Additional information is available from the LSA upon request.

STAFF CONTACT: Debra Kozel (Ext. 16767)

SUSTAINABLE NATURAL RESOURCE MEETING

Committee Meeting

The Sustainable Natural Resource Funding Advisory Committee met on August 30 in West Des Moines.

Funding Discussion

The Committee reviewed a summary of natural resource funding in other states prepared by Anthony Phillips, Iowa Natural Heritage Foundation, which included:



- Arkansas commits one-eighth of a percent of the state sales tax and a portion of the real estate transfer tax to natural resource funding. For FY 2004, the sales tax generated \$45.0 million and the real estate transfer tax generated \$12.0 million.
- Illinois commits 35.0% of the real estate transfer tax to the Open Spaces Lands Acquisition and Development Fund, which received \$38.0 million for FY 2005. An additional 15.0% of the real estate transfer tax goes to the Natural Areas Acquisition and Development Fund, which received \$16.3 million for FY 2005.
- Minnesota commits a portion of lottery proceeds to the Environment and Natural Resources Trust Fund, which received \$28.0 million in FY 2005. There is an in-lieu-of-sales tax charged on the sale of lottery tickets, and a portion of these funds are appropriated to the Game and Fish Fund and the Parks and Trails Fund.
- Missouri commits one-eighth percent of the sales tax collected to the Conservation Fund and one-tenth percent of sales tax collected to the Parks and Soils Sales Tax Fund. In FY 2004, the Conservation Fund received \$93.0 million and the Parks and Soils Sales Tax Fund received \$75.0 million.

Iowa Funding



Programs related to natural resources are currently funded with appropriations from the General Fund, the Environment First Fund, and from various user fees, such as hunting and fishing licenses, or product sales, such as the sale of trees and shrubs from the State Forest Nursery. Committee members made suggestions for ways to increase funding for natural resources. Some of the suggestions included:

- Designate a portion of the State's sales tax or increase the current sales tax rate by a fractional amount.
- Designate a portion of the real estate transfer tax.
- Charge a tax on finished bio-fuels that are exported from Iowa.
- Designate a portion of the unclaimed deposits collected from carbonated beverage containers.
- Charge an additional fee or tax on merchandise and/or services related to natural resources. Examples included a bicycle registration fee or trail user fees.

Public Opinion

A subcommittee was designated to determine the timeframe and costs associated with obtaining the public's opinion on raising funds for sustainable natural resources. The subcommittee will provide information at the next meeting.

More Information

The next meeting is scheduled for September 20. For more information, access the web site at: <http://www.iowadnr.com/>. Additional information is available from the LSA upon request.

STAFF CONTACT: Debra Kozel (Ext. 16767)

CHILDREN'S MENTAL HEALTH WAIVER REVIEW COMMITTEE MEETING

Committee Meeting

The Children's Mental Health (CMH) Waiver Review Committee met on September 11.

Waiver Participation

The Department of Human Services (DHS) reported that 234 children are currently receiving Waiver services, 49 have slots approved and are waiting to receive services, and 300 are on the waiting list. Additionally, 241 consumers have left the Waiver since enrollment began last October.

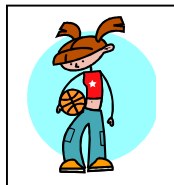
Focus Groups

Oscar Fewins, DHS, gave an update on the progress of planning CMH Waiver focus groups to determine the efficacy of the Waiver thus far. Six focus groups are planned and will be conducted during October at various locations throughout the State. Planned participants include providers, consumers, and Committee members.

Research Report

Kathy Pinkerton, Iowa State University Ph.D. student, presented her dissertation research findings related to interviews with CMH Waiver families.

Waiver Questionnaire



Mr. Fewins also presented the results of a survey sent to parents and guardians of children on the CMH Waiver waiting list in June 2006. The survey was conducted to obtain information about this population in order to provide more accurate services under the Waiver. Some findings include:

- 64.0% of children on the waiting list are male; 36.0% are female.
- The average age of children on the waiting list is 11. The youngest in the survey was 2, the oldest 18.
- 30.0% of parents report currently receiving some services from the DHS.
- 64.0% report that their child is currently on Medicaid.
- 49.0% report that their child has experienced one or more out-of-home placements.

Mary Nelson, DHS, followed up on an item discussed at the previous meeting, reporting that of those children on the Waiver who were referred through the Courts, the most common adjudication was 6F, which involves a Child in Need of Assistance (CINA) whose parents are either unwilling or unable to provide for a child's mental health needs. She also reported that of the 300 children currently on the waiting list, 136 have been in the child welfare system and 88 in the juvenile court system.

More Information

The next meeting is scheduled for November 6 in Des Moines. Additional information is available from the LSA upon request.

STAFF CONTACT: Kerri Johannsen (Ext. 14611)

STATE BOARD OF HEALTH MEETING

Board Meeting

The State Board of Health met on September 13.

Board Election

The Board elected Mary Conway of Emmetsburg as Chairperson and Cheryl Jones of Bloomfield as Vice Chairperson for 2007.

Dept. Reports



Janet Zwick, Department of Public Health (DPH), provided the following information:

- Clay McClure is the new Legislative Liaison for the Governor's Office on issues related to health and human services.
- The Department received approval for a \$100,000 grant from the National Governors Association (NGA) for building capacity for healthy communities.
- The Department is working on the budget request for FY 2008, which is due on October 1. The budget request will be covered at the November meeting.
- Director Hansen will serve as the Chairperson for the Association of State and Territorial Health Officials for the next year.

Staff Reports



DeAnne Sesker, DPH, reported on the pandemic exercise that took place on August 27-28. The exercise included a local response (including a single Strategic National Stockpile Distribution Node); opening 10 county emergency operations centers; and activation of the State Emergency Operations Center (EOC) in response to influenza. Approximately 200 emergency responders participated from State and local EOCs from Calhoun, Poweshiek, Hancock, Winneshiek, Sac, Pottawattamie, Henry, Wapello, Black Hawk, and Buchanan Counties.

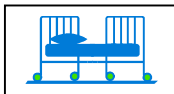
Steve Mercer, DPH, reported on the Antiviral Stockpile, which will include 747,307 courses by the end of calendar year 2008, to be used in the event of an influenza pandemic. In August, the Executive Council approved \$4.8 million for the purchase of the antivirals, storage and maintenance, and planning and coordination of the Stockpile.

Tom Newton and Martha Gelhaus, DPH, reported on the public health redesign. Version 1 of the redesign will be finalized and posted to the Department's web site by September 15. A meeting to discuss State standards will be held on October 11. The redesign will be presented at the Iowa State Association of Counties (ISAC) School of Instruction this fall.

DPH Administrative Rules

The Board approved the adoption of three administrative rules for the DPH relating to Early Hearing Detection and Intervention, Radon Testing and Analysis, and Emergency Information System on Pesticides for Use by Health Care Providers during Medical Emergencies (adopted and filed without notice).

DIA Administrative Rules



The Board adopted several administrative rules for the Department of Inspections and Appeals (DIA) relating to residential care facilities, nursing facilities, and facilities for the mentally retarded and persons with mental illness.

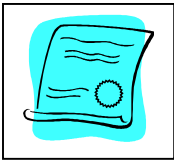
The Board approved several administrative rules for the DIA for adoption at a future meeting relating to long-term acute care hospitals, nursing facilities, and immediate care facilities.

Sub. Abuse Licensure

The Board approved the following licensure recommendations for substance abuse programs as recommended by the DIA:

- Three-Year Comprehensive Licensure Programs - Manning Family Recovery Center, Manning; Center for Behavioral Health Iowa, Inc., Des Moines.

- Assessment and Evaluation Program - Morningside Counseling Services, Sioux City.
- Correctional Facility - Anamosa State Penitentiary, Anamosa Licensed Treatment Alternatives, Therapeutic Community and Luster Heights Substance Abuse Program, Anamosa.
- Two-Year Comprehensive Programs - ZION Recovery Services, Inc., Atlantic; Urban Dreams, S.A.V.E., Des Moines.
- One-Year Comprehensive Programs - Iowa Community Assessment, Addiction, and Aftercare Network, Indianola; New Horizons Recovery Center, Sioux City.
- Assessment and Evaluation Programs - Franklin County Alcoholism Service Center, Hampton; J.W. Baker, III, P.C., Cedar Rapids.
- 270-Day Programs - DJ Assessment and Consultation Services, West Burlington; Substance Abuse Treatment and Education Program, Eldora State Training School for Boys, Eldora; Iowa Juvenile Home, Toledo.
- Denial - Recovery Road Treatment Center, Newton. The Center failed to follow through with a request for corrective action and has 90 days to remedy the situation in order to remain licensed. After 90 days, the Center will be re-inspected to determine the outcome of the corrective action.



More Information

The next meeting is scheduled for November 8. Additional information is available from the LSA upon request.

STAFF CONTACT: Lisa Burk (Ext. 17942)

HEALTHY AND WELL KIDS IN IOWA (HAWK-I) BOARD MEETING

Board Meeting

The *hawk-i* Board met on August 21 in Des Moines.

Officer Elections

The Board approved the nominations of Susan Salter as Chairperson and John Baker as Vice Chairperson.

News/Administrator Report

Anita Smith, Department of Human Services (DHS), presented correspondence, reports, and news from other States. Ms. Smith also reviewed current *hawk-i* enrollment statistics and the budget as of the end of June. Currently, a total of 32,918 children are enrolled in *hawk-i* and Medicaid expansion. Recent DHS estimates project that the Program will end FY 2006 with a surplus of \$3.0 million. This amount will revert to the *hawk-i* Trust Fund for future Program use.



Ms. Smith reminded Board members that FFY 2007 is the last year the Program is authorized at the federal level. Action will need to be taken to address reauthorization before the end of FY 2007 to avoid the possibility of a shortfall in federal funds.

Contractor Update

Representatives of MAXIMUS, Iowa's SCHIP contractor, reported that they have been experiencing systems problems in the past months that have resulted in \$92,000 in fines from the State. They reported that the problems have been fixed and that an independent audit has recently been built into their system.

Uninsured Children

Shellie Goldman, DHS, presented the most recent Census Bureau data on uninsured children in Iowa. In 2007, it is estimated that there will be 46,000 uninsured children in Iowa who are eligible for the *hawk-i* Program. Overall, it is estimated that there will be 61,000 uninsured children in 2007.

Contract Amendments

Anna Ruggle, DHS, requested that the Board give the DHS the authority to approve amendments to provider contracts when providers expand services into new counties. This would be a change from the policy of the Board approving each contract change. The Board voted unanimously to let the DHS amend provider contracts in this specific instance.

Provider Analysis



Diane Morrill, Iowa Foundation for Medical Care, presented the quarterly provider network analysis. She reported that better than 95.0% of *hawk-i* enrollees have a provider within a reasonable distance. For mental health services, the percentage is 99.6%.

Anita Smith discussed future plans for the various health plans' expansion into new counties.

Outreach Update

Angie Doyle Scar, Department of Public Health, gave an update on outreach efforts, including the Covering Kids & Families Back-to-School events.

More Information

The next meeting is scheduled for October 16 in Des Moines. Additional information is available from the LSA upon request.

STAFF CONTACT: Kerri Johannsen (Ext. 14611)

**AUDIT REPORT – COMMUNITY–BASED CORRECTIONS
DISTRICT DEPARTMENTS**

Audit Report



The LSA received the FY 2005 combined audit report for the eight Community-Based Corrections (CBCs) District Departments. Pursuant to Chapter 905, Code of Iowa, the Department of Corrections (DOC) provides assistance and support to each of the eight CBCs. Each District Department is responsible for establishing services necessary to provide a community-based correctional program that meets the needs of that judicial district. Each District Department is under the direction of a Board of Directors and is administered by a Director employed by the Board.

Recommendations

The Second and Fourth CBC District Departments received no recommendations for improvements. The Auditor's recommendations for improvements and the responses for the remaining District Departments are listed below.

First CBC District

Findings for the First CBC District Department included:

- Internal Control Procedures – The District Department reported receivables for supervision fees in its Generally Accepted Accounting Procedures (GAAP) package. Monthly reconciliations were not performed, and a detailed listing of year-end receivables was not generated to support the GAAP package information. The District Department responded that a new statewide automated system is being developed to improve reporting and reconciliation capabilities.

- Statutory Requirements – The District Department implemented a program fee of \$50 in lieu of group fees, effective November 1, 2004. The following items were noted:
 - The District Department cannot identify a specific reference in the Code of Iowa that authorizes the fee.
 - Neither the District Department nor the Attorney General provided written documentation that the Attorney General considers this fee to be legal.

The State Auditor recommended that the District Department obtain a written opinion from the Attorney General to determine the legality of the program fee. The District Department responded that the supervision fee authorized by Section 905.14, Code of Iowa, will be increased from \$250 to \$300, effective July 1, 2006, and the program fee will be discontinued at that time.

Third CBC District



The finding for the Third CBC District Department was related to Internal Control Procedures. An initial listing of cash and checks received by the District Department is not prepared by the staff that opens the mail. The District Department stated that the initial listing will be created for comparison to the cash receipts records. Also, supervisors have the ability to change an employee's password. Access to the information system needs to be restricted. The District Department responded that only the system administrator and one other person will have the ability to change an employee's password.

Fifth CBC District

The finding for the Fifth CBC District Department was related to Internal Control Procedures. Offenders housed at the residential facilities are required to submit paychecks and miscellaneous income to staff for deposit. Certain checks were not deposited into the banking system and were given directly to the offender. All funds received by clients need to be deposited into the banking system. The District Department responded that the recommendation has been implemented.

Sixth CBC District

Findings for the Sixth CBC District Department included:

- Internal Control – The District Department reported receivables for supervision fees in its Generally Accepted Accounting Procedures (GAAP) package. Monthly reconciliations were not performed, and a detailed listing of year-end receivables was not generated to support the GAAP package information. The District Department responded that it will perform monthly reconciliations of supervision fees receivable. It will also incorporate a detailed listing of receivables to support the GAAP package.
- Segregation of Duties – Offenders housed at the residential facilities are required to submit paychecks and miscellaneous income to staff for deposit. There is no independent reconciliation of the amount of the deposit entered into the computer system to the amount deposited in the financial institution. The District Department responded that the recommended reconciliation and review is now completed each month.
- Bank Reconciliations – Monthly bank reconciliations for the Client Banking Account indicated adjustments needed to be made. Some reconciling items were reported for several years, but the adjustments were never made. The adjustments need to be made in a timely manner. The District Department indicated adjustments will be made in a timely manner.



- Purchasing Procedures – The District Department received a supplemental appropriation of \$40,500 for FY 2005 on June 22, 2005. The District Department purchased drug testing supplies with the funds and issued a check for \$30,000 to the vendor without a purchase order and before the supplies were received. The supplies were received on July 15, 2005. The District Department responded that purchase orders will be issued in a timely manner, and any prepayments will be included in the GAAP package.

Seventh CBC District

The finding for the Seventh CBC District Department related to Statutory Requirements. The contract between the DOC and the District Department requires an annual report from the District Department by December 1 for the previous fiscal year. The FY 2005 annual report was not filed on time. The District Department will provide the annual report to the DOC in a timely manner in the future.

Eighth CBC District

Findings for the Eighth CBC District Department included:

- Internal Control – The responsibilities for collection, deposit preparation, and reconciliation functions should be separated from the duties of recording and accounting of receipts. The District Department responded that due to budget constraints, staff size is limited. The District Department will continue to segregate duties as much as possible.
- Supervision Fees – The District Department reported receivables for supervision fees in its Generally Accepted Accounting Procedures (GAAP) package. A detailed listing of year-end receivables was not generated to support the GAAP package information. The District Department responded that a new statewide automated system is being developed to improve reporting and reconciliation capabilities.
- Contract Renewal – Contracts need to be renewed when they expire if services are being continued. Contracts should also contain a fixed date for the agreement. All appropriate clauses need to be included in all contracts issued. The District Department responded that starting in FY 2007, all contracts will be renewed as they expire, certain standard clauses will be included, and the contracts will have the specific date of the agreement.
- Statutory Requirements – The contract between the DOC and the District Department requires an annual report from the District Department by December 1 for the previous fiscal year. The FY 2005 annual report was not filed on time. The District Department will provide the annual report to the DOC in a timely manner in the future.



More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

AUDIT REPORT – COUNTY CLERKS OF DISTRICT COURT

Audit Report

The State Auditor issued the FY 2005 Audit Report of the Iowa Judicial Branch – County Clerks of District Court on June 30.

Reportable Conditions



There were 10 findings relating to internal controls such as segregation of duties, safekeeping of receipts, limiting the use of manual receipts, making timely deposits, and having disaster recovery plans in place. All responses were accepted. There were four findings of statutory requirements dealing with the timely remittance of fines, fees, and surcharges; correcting depository resolutions; reporting outstanding trusts and bonds to the State

Treasurer; and the retention of electronic checks. In all instances, the response was accepted.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

This document can be found on the LSA web site:
<http://staffweb.legis.state.ia.us/lfb/fupdate/fupdate.htm>