



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

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Des Moines, Iowa 50319-0004

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David A. Vaudt, CPA  
Auditor of State

**NEWS RELEASE**

FOR RELEASE \_\_\_\_\_ July 23, 2010

Contact: Andy Nielsen  
515/281-5834

Auditor of State David A. Vaudt today released a report on the Iowa Department for the Blind for the year ended June 30, 2009.

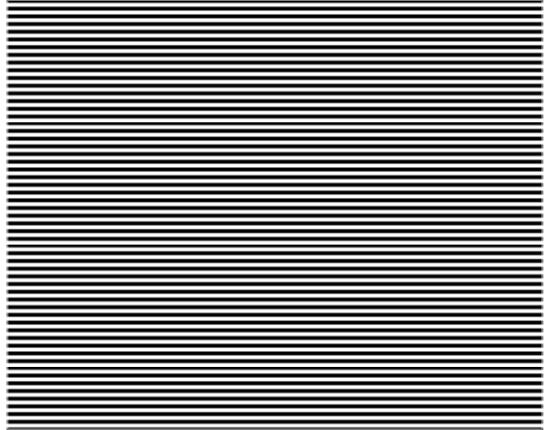
The Iowa Department for the Blind is a statewide organization offering specialized, integrated services which blind and severely visually impaired Iowans need to live independently and work competitively.

Vaudt recommended the Department review its procedures to ensure all revenue and expenditures are evaluated for proper year-end cutoff, accrual and reporting. The Department responded corrective action is being implemented.

A copy of the report is available for review in the Iowa Department for the Blind, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1060-1310-0R00.pdf>

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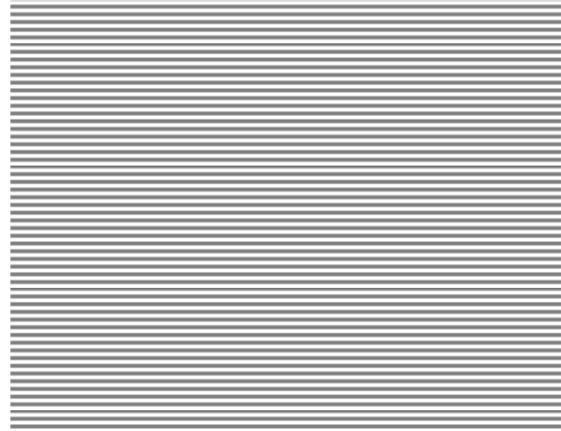
**REPORT OF RECOMMENDATIONS TO THE  
IOWA DEPARTMENT FOR THE BLIND**

**JUNE 30, 2009**

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



**David A. Vaudt, CPA**  
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July 19, 2010

To Karen Keninger, Director of the  
Iowa Department for the Blind:

The Iowa Department for the Blind 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, 2009.

In conducting our audits, we became aware of an aspect concerning the Department's operations for which we believe corrective action is necessary. As a result, we have developed a recommendation which is reported on the following page. We believe you should be aware of this recommendation, which was reported in the State's Single Audit. This recommendation has been discussed with Department personnel and their response to the recommendation is included in this report. While we have expressed our conclusion on the Department's response, we did not audit the Iowa Department for the Blind's response 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 for the Blind, citizens of the State of Iowa and other parties to whom the Iowa Department for the Blind 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 Department 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 Department are listed on page 5 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  
Richard C. Oshlo, Jr., Director, Department of Management  
Glen P. Dickinson, Director, Legislative Services Agency

Report of Recommendations to the

Iowa Department for the Blind

June 30, 2009

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

**CFDA Number: 84.126 – Rehabilitation Services\_Vocational Rehabilitation Grants to States**

**Agency Number: None  
Federal Award Year 2009**

**State of Iowa Single Audit Report Comment: 09-III-USDE-131-4**

Federal Expenditure Reporting – Federal revenues and the corresponding expenditures for reporting in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2009 are overstated by \$496,000 due to the Department not properly identifying and accruing revenue during the prior fiscal year. The amount of reimbursement received for the expenditures pertaining to fiscal year 2008 was recorded for fiscal year 2009 reporting.

Recommendation – The Department should review its procedures to ensure all revenues and expenditures are evaluated for proper year-end cutoff, accrual and reporting.

Response and Corrective Action Planned – The Department has reviewed this procedure and will report accrued revenue as a receivable as of and for the year ended June 30 as recommended. However, the year covered by the matching requirement under federal law ends on September 30, and the Department properly met this requirement in each year. There is no requirement for any contrived shorter period we rigidly apply either the statutory maximum federal share or the statutory minimum state share provided that for the grant term we match what we apply to the federal share of outlays. Not only is this not required by either law or regulation, it is not even practical for purposes of administering the budget, especially at times when we have overmatched the grant because of the relationship between our cost structure and what the available federal share will support.

Conclusion – Response accepted.

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

No matters were noted.

**Findings Related to Internal Control:**

No matters were noted.

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

No matters were noted.

Report of Recommendations to the

Iowa Department for the Blind

June 30, 2009

**Staff:**

Questions or requests for further assistance should be directed to:

Suzanne R. Dahlstrom, CPA, Manager  
Karen J. Kibbe, Senior Auditor  
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on the audits include:

Michael F. Conroy, Assistant Auditor  
Jennifer M. Kopp, Assistant Auditor  
Jeana R. Muhlbauer, Assistant Auditor  
Gabriel M. Stafford, CPA, Assistant Auditor