



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE July 24, 2003

Contact: Andy Nielsen
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Auditor of State David A. Vaudt today released a combined report on the institutions under the control of the Iowa Department of Corrections. The report includes findings and recommendations and average cost per inmate information for the five years ended June 30, 2002.

The average cost per inmate at the nine institutions under the control of the Iowa Department of Corrections ranged from \$16,344 at the North Central Correctional Facility - Rockwell City to \$34,565 at the Iowa State Penitentiary in Fort Madison for the year ended June 30, 2002. While total general fund expenditures for the nine institutions have increased 31.2% during the five year period to approximately \$183.1 million, expenditures for the year ended June 30, 2002 decreased approximately \$4.2 million, or 2.3%, from the year ended June 30, 2001. The average daily cost per inmate of \$62.21 for the year ended June 30, 2002 was 19.4% greater than for the year ended June 30, 1998, but it was 3.5% and 4.9% less than the average daily costs for the years ended June 30, 2001 and 2000, respectively. The average number of inmates increased 15.9%, from 6,959 for the year ended June 30, 1998 to 8,064 for the year ended June 30, 2002.

Copies of the report are available for review in the Office of Auditor of State.

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**COMBINED REPORT ON THE INSTITUTIONS UNDER THE
CONTROL OF THE IOWA DEPARTMENT OF CORRECTIONS
SCHEDULES
FINDINGS AND RECOMMENDATIONS**

JUNE 30, 2002

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



**David A. Vaudt, CPA
Auditor of State**

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June 30, 2003

To the Members of the Iowa Board of Corrections:

The Institutions under the control of the Iowa Department of Corrections are a part of the State of Iowa and, as such, have 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, 2002.

We have reviewed financial and other information at the Institutions under the control of the Iowa Department of Corrections for the five years ended June 30, 2002. Our review was conducted to report an average cost per inmate at each Institution in accordance with Chapter 11.28 of the Code of Iowa. The results of our review are included in the Overview and Schedules sections of this report.

In conducting our audits, we became aware of certain aspects concerning the various Institution's operations for which we believe corrective action is necessary. As a result, we have developed recommendations which are reported on the following pages. The recommendations include those which pertain to the internal control, compliance with statutory requirements and other matters which we believe you should be aware of. These recommendations have been discussed with applicable Institution 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 Department of Corrections, the Institutions under the control of the Iowa Department of Corrections, citizens of the State of Iowa and other parties to whom the Iowa Department of Corrections 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 Institutions during the course of our audits. Should you have any 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 Institutions are listed on pages 30, 31, 32, 33, 34, 35, 36, 37 and 38 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
Cynthia P. Eisenhauer, Director, Department of Management
Dennis C. Prouty, Director, Legislative Services Agency

Iowa Department of Corrections

Overview

Background

In accordance with Chapter 904 of the Code of Iowa, the Iowa Department of Corrections is responsible for the control, treatment, and rehabilitation of offenders committed under law to the following nine institutions:

Iowa State Penitentiary - Fort Madison - A penal institution for men consisting of the Penitentiary proper, a maximum security facility; the John E. Bennett unit, a medium security dormitory; and the Montrose and Augusta units, two minimum security farm dormitories.

Anamosa State Penitentiary - A penal institution for men consisting of the reformatory proper, a medium security facility and Luster Heights, a minimum security facility. A primary objective is to release individuals who have learned to cope with their problems and live within the rules of society.

Iowa Medical and Classification Center - Oakdale - A forensic psychiatric hospital for persons displaying evidence of mental illness or psychosocial disorders and requiring diagnostic services or treatment in a security setting, a security unit for persons requiring confinement in a security setting, and a classification unit for the reception, orientation, and classification of inmates before placement in the most appropriate correctional institutions according to necessary security and custody arrangement and the assessed service needs of the inmates.

Mount Pleasant Correctional Facility - A medium security facility for men primarily for treatment of inmates who exhibit treatable personality disorders, with or without accompanying history of drug or alcohol abuse. Under the direction of a superintendent, the institution emphasizes a treatment program directed toward developing the inmate's social skills to aid in his return to community life. In April 1999, a \$2.2 million remodeling project opened as a 100 bed prison for women with special needs.

Clarinda Correctional Facility - A medium security facility primarily for chemically dependent, mentally retarded and socially inadequate offenders.

North Central Correctional Facility - Rockwell City - A minimum security facility for men.

Iowa Correctional Institution for Women - Mitchellville - A minimum security correctional institution for women providing care, custody and rehabilitative services. In May 2000, a 192 bed expansion was opened.

Newton Correctional Facility - A minimum security release center utilized for the preparation of inmates of the correctional institutions for discharge, work release or parole. The institution provides inmates with actual practice in functioning within society and with feedback regarding their performance. A new \$30 million expansion opened in July, 1997, increasing capacity from around 300 to over 1,000.

Fort Dodge Correctional Facility - A medium security prison designed to house 750 adult male offenders in a double occupancy celled environment. The Facility specializes in assisting inmates making the transition to civilian living. The Facility began receiving inmates in April 1998.

Iowa Department of Corrections

Overview

Scope

We have calculated an average cost per inmate at each correctional Institution for the five years ended June 30, 2002, based on their general fund expenditures. Certain reclassifications and changes have been made to these expenditures to provide comparable averages between Institutions. Therefore, expenditure amounts and cost per inmate averages may differ from those used for statewide financial statement purposes. These classifications and changes are as follows:

- (1) Operating transfers, primarily reimbursements to other state agencies for services have been reclassified as expenditures for the purposes of this report.
- (2) At the inception of a capital lease, total principal payments are recorded as expenditures and as other financing sources for statewide purposes. For purposes of this report, we have included only the current year principal and interest payments as expenditures.
- (3) Canteen operations have been excluded from general fund expenditures since the canteen is a self-supporting operation at each institution.
- (4) Non-cash assistance, consisting of USDA commodities, has been excluded from general fund expenditures.

For these correctional Institutions, expenditures do not include the cost of improvements and additions to buildings that have been financed by certificates of participation.

Summary Observation

The average cost per inmate ranged from \$16,344 at the North Central Correctional Facility - Rockwell City to \$34,565 at the Iowa State Penitentiary in Fort Madison for fiscal year 2002. The average cost per inmate has generally remained constant or increased over the past five years at each institution.

In fiscal year 1998, the Fort Dodge Correctional Facility, a 750 bed medium security prison was opened. The facility began receiving inmates in April 1998 and had 246 inmates at June 30, 1998. The average number of inmates and the average annual cost per inmate for the year ended June 30, 1998 were not computed since expenditures were incurred throughout the entire year and inmates were not housed at the Fort Dodge Correctional Facility until the end of the year.

During fiscal year 1999, Mount Pleasant Correctional Facility opened a 100 bed prison for women. The average cost per inmate increased due to increased staffing and remodeling costs.

During fiscal year 2000, the Iowa Correctional Institution for Women - Mitchellville opened a 192 bed prison expansion. The average cost per inmate increased due to increased staffing and remodeling costs.

While total general fund expenditures have increased 31.2%, from \$139,562,199 for fiscal year 1998 to \$183,103,681 for fiscal year 2002, the average number of inmates has increased 15.9% from 6,959 to 8,064 and the average daily cost per inmate has increased 19.4% from \$52.10 to \$62.21 over the same period. However, fiscal year 2002 general fund expenditures were \$4,215,103 less than for fiscal year 2001, a reduction of 2.3%. The average daily cost per inmate for fiscal year 2002 also declined by \$2.25, or 3.5%, in comparison to fiscal year 2001.

Iowa Department of Corrections

Supplemental Information

Institutions Under the Control of the Iowa Department of Corrections
Average Cost Per Inmate By Institution

For the Last Five Fiscal Years

	Year ended June 30, 1998			
	Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate
Iowa State Penitentiary - Fort Madison	896	477	\$ 30,552	83.70
Anamosa State Penitentiary	1,362	367	15,938	43.67
Iowa Medical and Classification Center - Oakdale	966	323	18,699	51.23
Mount Pleasant Correctional Facility	924	256	17,256	47.28
Clarinda Correctional Facility	993	260	15,949	43.69
North Central Correctional Facility- Rockwell City	445	104	13,873	38.01
Iowa Correctional Institution for Women - Mitchellville	477	141	15,898	43.56
Newton Correctional Facility	896	349	21,924	60.07
Fort Dodge Correctional Facility	-	-	-	-
Total	6,959	2,277	\$ 19,015	52.10

Year ended June 30, 1999				Year ended June 30, 2000			
Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate	Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate
865	478	\$ 33,056	90.56	880	483	\$ 32,975	90.34
1,241	378	18,542	50.80	1,252	393	19,124	52.40
918	332	20,974	57.46	798	333	25,463	69.76
936	288	23,341	63.95	974	302	21,136	57.91
974	284	17,536	48.04	838	290	21,462	58.80
428	108	15,256	41.80	387	113	18,760	51.39
430	150	19,348	53.01	388	194	30,282	82.96
1,081	363	19,665	53.88	1,005	373	22,441	61.48
539	238	27,906	76.45	810	382	26,616	72.92
7,412	2,619	\$ 21,713	59.49	7,332	2,863	\$ 23,865	65.39

Institutions Under the Control of the Iowa Department of Corrections
Average Cost Per Inmate By Institution

For the Last Five Fiscal Years

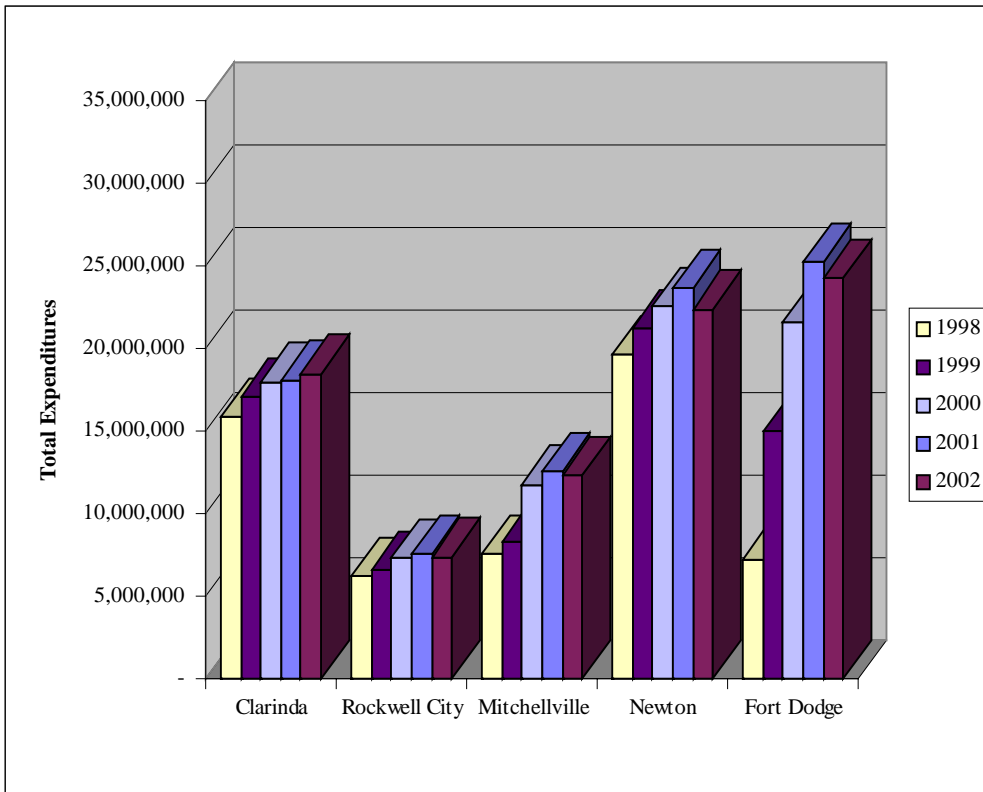
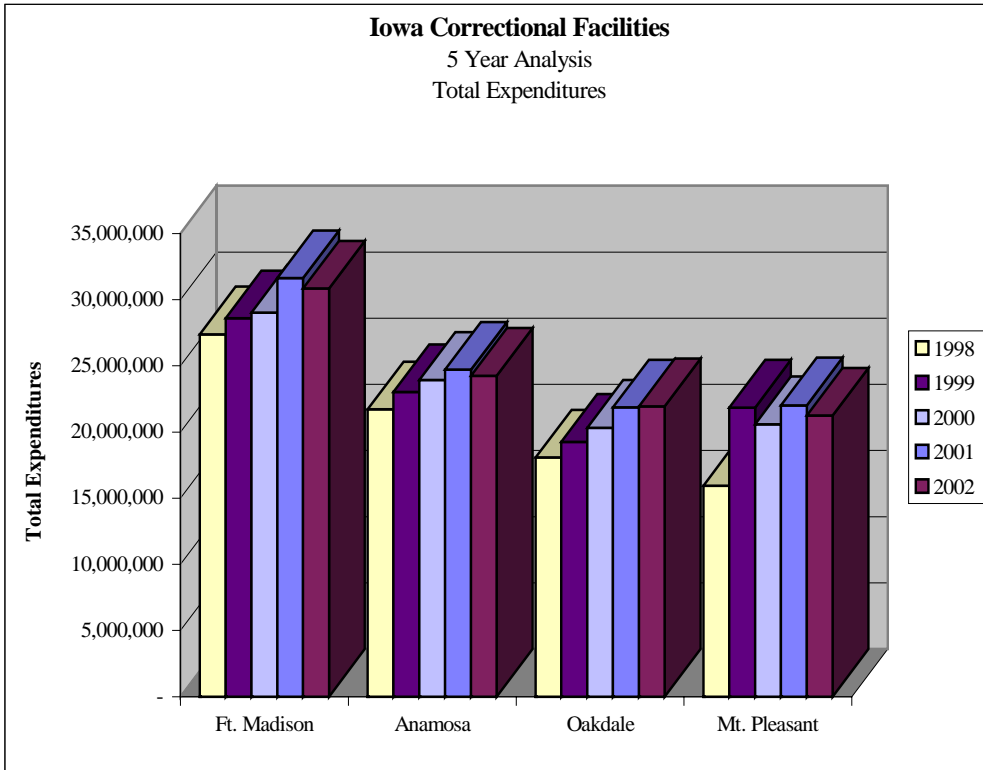
	Year ended June 30, 2001			
	Average Number of Inmates	Average Number of Employees	Average Cost per Inmate	Average Daily Cost per Inmate
Iowa State Penitentiary - Fort Madison	900	496	\$ 35,134	96.26
Anamosa State Penitentiary	1,290	387	19,150	52.47
Iowa Medical and Classification Center - Oakdale	812	334	26,911	73.73
Mount Pleasant Correctional Facility	1,028	332	21,418	58.68
Clarinda Correctional Facility	853	284	21,248	58.21
North Central Correctional Facility- Rockwell City	411	118	18,286	50.10
Iowa Correctional Institution for Women - Mitchellville	480	220	26,232	71.87
Newton Correctional Facility	1,089	376	21,697	59.44
Fort Dodge Correctional Facility	1,098	402	23,011	63.04
Total	7,961	2,949	\$ 23,530	64.46

Year ended June 30, 2002				
Average Number of Inmates	Average Number of Employees	Average Cost per Inmate		Average Daily Cost per Inmate
892	484	\$ 34,565		94.70
1,309	368	18,533		50.78
817	323	26,855		73.58
970	327	21,891		59.98
870	285	21,234		58.18
450	109	16,332		44.75
509	198	24,257		66.46
1,061	344	21,098		57.81
1,186	386	20,475		56.10
8,064	2,824	\$ 22,706		62.21

Iowa Department of Corrections

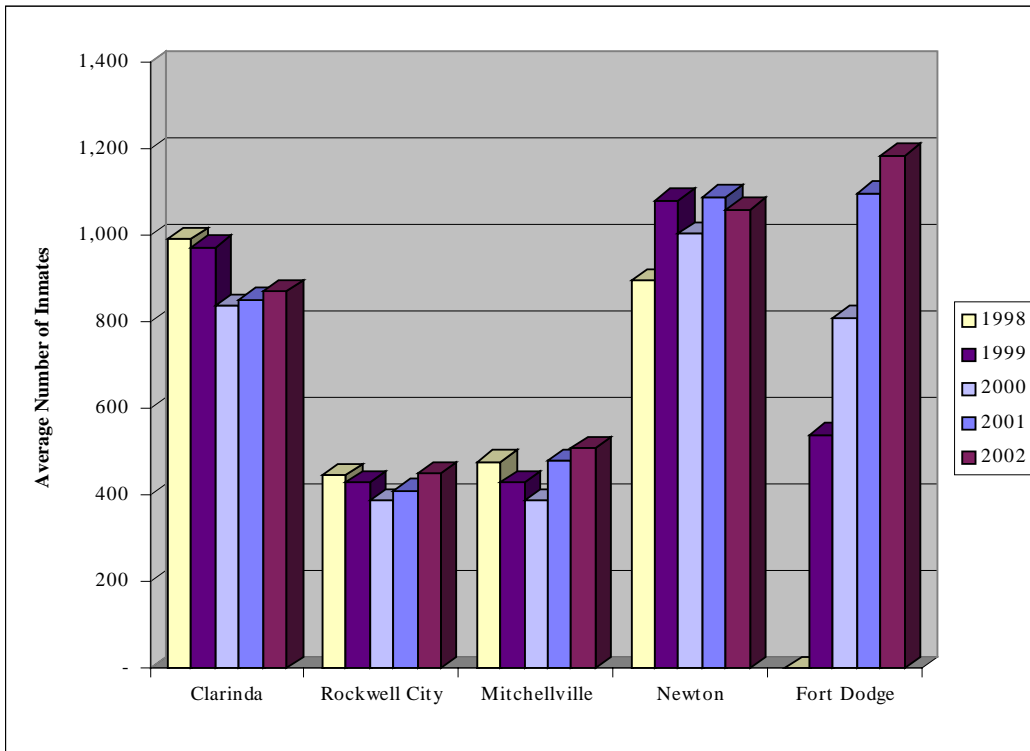
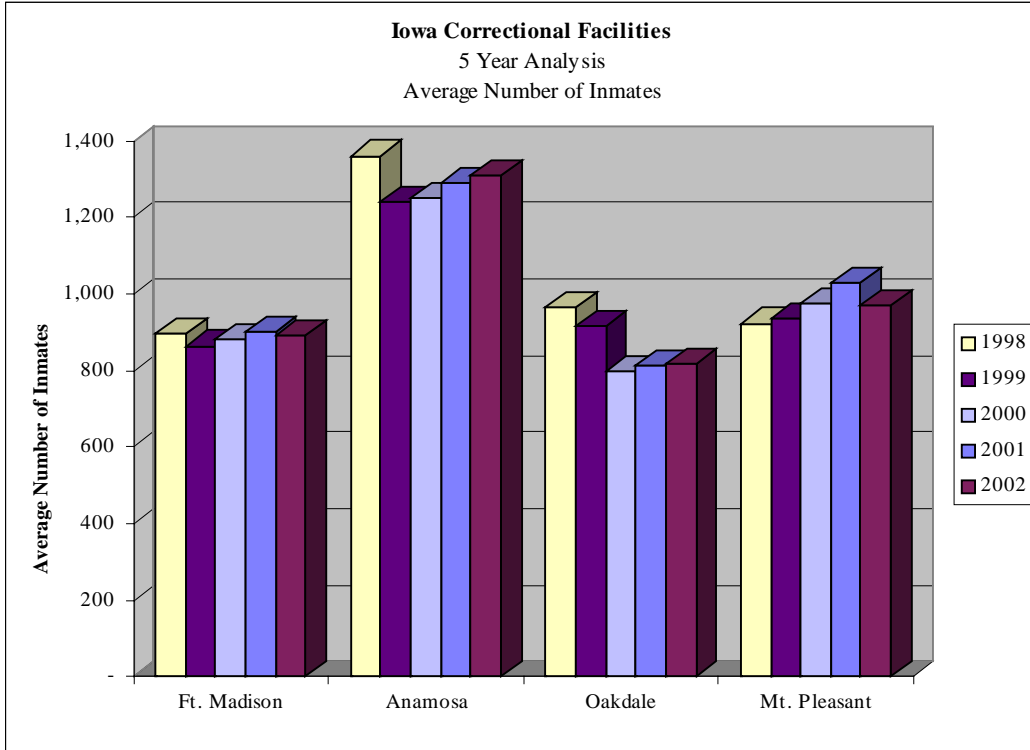
Institutions Under the Control of the Iowa Department of Corrections
Average Cost Per Inmate by Institution

For the Last Five Fiscal Years



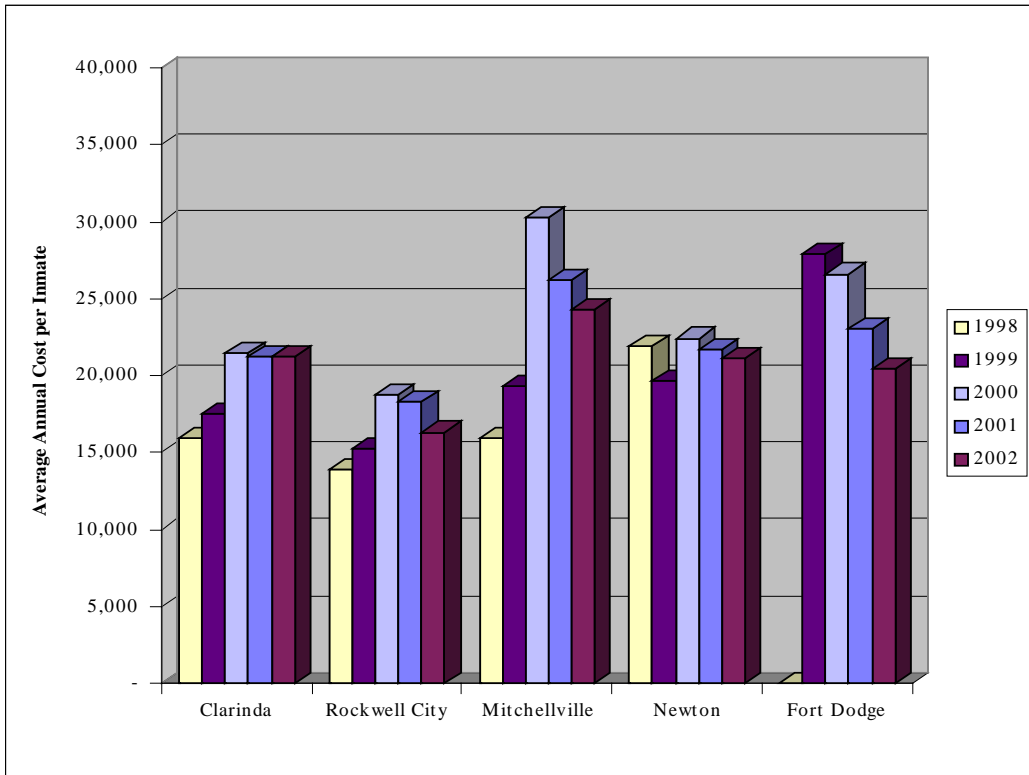
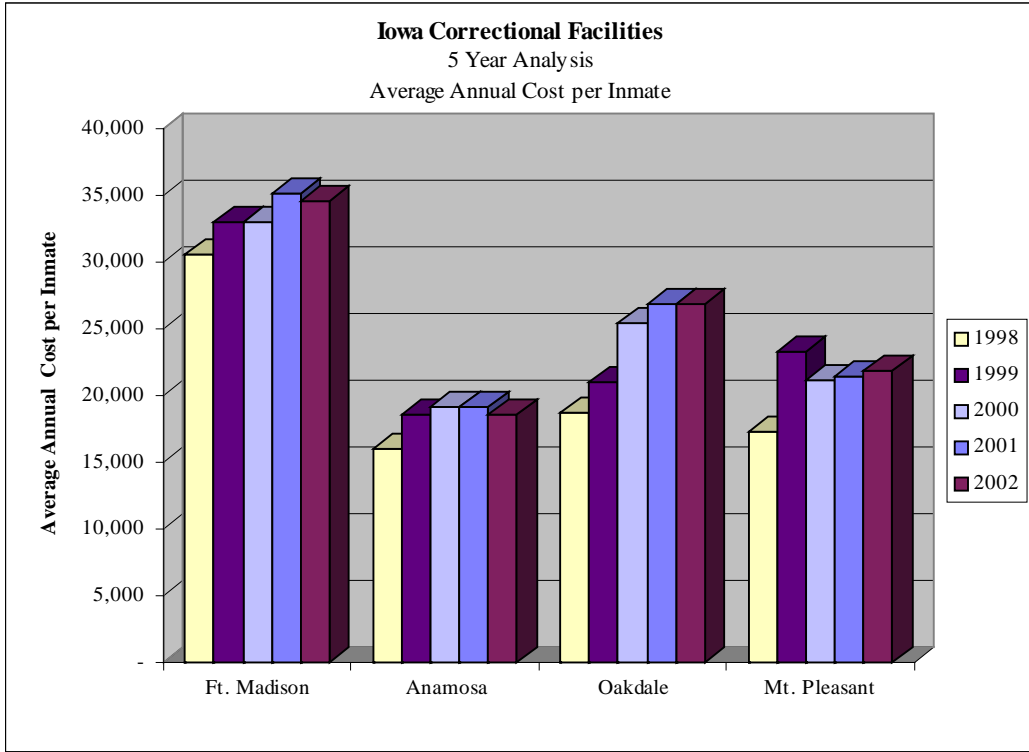
Institutions Under the Control of the Iowa Department of Corrections
Average Cost Per Inmate by Institution

For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Corrections
Average Cost Per Inmate by Institution

For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution

Year ended June 30, 1998

	Institution			
	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 21,014,958	16,957,752	14,574,755	11,916,944
Travel	50,588	47,194	74,213	86,170
Supplies and materials	2,735,093	2,898,749	1,938,707	2,104,919
Contractual services	2,933,513	1,249,561	1,173,006	1,252,533
Capital outlay	232,343	106,374	162,424	248,125
Claims and miscellaneous	408,145	448,160	139,766	336,227
Licenses, permits, and refunds	-	-	54	-
 Total	 \$ 27,374,640	 21,707,790	 18,062,925	 15,944,918

Institution					
Iowa					
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
11,029,514	4,402,663	5,880,100	14,523,512	2,653,096	102,953,294
57,572	24,627	4,225	72,011	59,018	475,618
2,736,530	745,857	866,104	2,381,388	1,061,144	17,468,491
1,359,290	720,552	599,513	1,498,823	1,714,850	12,501,641
159,048	86,047	81,509	832,348	1,732,318	3,640,536
493,316	193,465	152,005	335,737	4,644	2,511,465
1,601	85	-	150	9,264	11,154
15,836,871	6,173,296	7,583,456	19,643,969	7,234,334	139,562,199

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution

Year ended June 30, 1999

	Institution			
	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 21,559,423	17,504,041	15,342,294	13,190,081
Travel	84,589	102,826	81,535	70,945
Supplies and materials	3,340,413	2,890,176	2,055,559	2,444,814
Contractual services	2,770,171	1,229,462	1,294,862	2,694,688
Capital outlay	430,114	816,123	299,097	3,092,404
Claims and miscellaneous	408,094	468,466	180,880	354,484
Licenses, permits, and refunds	797	-	39	-
 Total	 \$ 28,593,601	 23,011,094	 19,254,266	 21,847,416

Institution					
	Iowa				
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Iowa Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
11,740,237	4,726,273	6,414,721	15,508,615	10,382,700	116,368,385
69,998	8,864	39,552	101,659	89,151	649,119
2,845,241	719,731	962,772	2,827,492	1,726,347	19,812,545
1,543,094	681,436	576,897	1,921,965	891,475	13,604,050
374,699	226,376	178,225	416,254	1,768,308	7,601,600
505,738	166,830	147,474	481,512	181,182	2,894,660
1,013	-	-	380	2,054	4,283
17,080,020	6,529,510	8,319,641	21,257,877	15,041,217	160,934,642

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution

Year ended June 30, 2000

	Institution			
	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 22,776,784	18,858,050	16,244,741	15,032,467
Travel	10,297	96,308	89,714	76,431
Supplies and materials	2,976,010	2,915,380	1,835,687	2,645,103
Contractual services	2,695,179	1,304,918	1,544,329	1,475,083
Capital outlay	170,367	314,823	423,284	956,495
Claims and miscellaneous	388,771	453,651	181,836	401,067
Licenses, permits, and refunds	989	-	-	-
Total	\$ 29,018,397	23,943,130	20,319,591	20,586,646

Institution					
Iowa					
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
12,415,006	5,164,574	8,482,310	16,713,907	14,314,016	130,001,855
160,603	32,557	76,183	159,117	93,299	794,509
2,825,931	816,981	1,335,288	2,777,050	2,477,040	20,604,470
1,578,719	734,846	693,564	1,757,957	2,030,028	13,814,623
555,276	358,312	1,026,041	605,858	2,360,510	6,770,966
451,325	152,788	135,916	538,870	283,109	2,987,333
770	-	-	788	739	3,286
17,987,630	7,260,058	11,749,302	22,553,547	21,558,741	174,977,042

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution

Year ended June 30, 2001

	Institution			
	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 24,393,563	19,604,677	17,172,893	16,162,246
Travel	47,647	38,776	101,243	81,895
Supplies and materials	3,944,515	2,523,739	2,295,042	2,761,950
Contractual services	2,139,431	1,851,603	1,790,236	2,115,202
Capital outlay	619,422	223,576	301,192	469,774
Claims and miscellaneous	474,684	461,565	190,880	426,821
Licenses, permits, and refunds	918	-	-	-
Total	<u>\$ 31,620,180</u>	<u>24,703,936</u>	<u>21,851,486</u>	<u>22,017,888</u>

Institution					
Iowa					
Clarinda Correctional Facility	North Central Correctional Facility Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
13,329,186	5,582,202	10,110,372	17,865,269	17,654,659	141,875,067
78,239	34,518	55,112	129,120	115,143	681,693
2,642,832	719,058	1,155,120	2,794,838	2,764,357	21,601,451
1,454,030	789,730	846,548	1,858,783	2,849,366	15,694,929
176,472	219,584	238,042	438,268	1,539,269	4,225,599
442,456	170,608	186,034	541,662	342,129	3,236,839
1,104	-	-	209	975	3,206
18,124,319	7,515,700	12,591,228	23,628,149	25,265,898	187,318,784

Institutions Under the Control of the Iowa Department of Corrections

General Fund Expenditures by Institution

Year ended June 30, 2002

	Institution			
	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale	Mount Pleasant Correctional Facility
Personal services	\$ 25,447,732	19,573,666	17,507,726	16,942,233
Travel	61,420	38,635	76,495	54,569
Supplies and materials	2,760,708	2,587,510	2,205,519	2,233,947
Contractual services	1,879,237	1,480,653	1,558,687	1,341,980
Capital outlay	199,885	75,687	400,392	258,275
Claims and miscellaneous	477,996	503,184	191,909	403,612
Licenses, permits, and refunds	4,556	-	-	-
Total	\$ 30,831,534	24,259,335	21,940,728	21,234,616

Institution					
Iowa					
Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Correctional Institution for Women - Mitchellville	Newton Correctional Facility	Fort Dodge Correctional Facility	Total
13,950,993	5,565,379	10,023,685	17,359,932	18,318,476	144,689,822
61,149	31,156	25,884	92,599	55,109	497,016
2,489,052	704,738	1,088,188	2,578,463	2,363,154	19,011,279
1,382,128	747,370	891,775	1,680,398	2,957,397	13,919,625
154,982	94,618	71,205	228,024	234,713	1,717,781
434,772	206,002	246,240	445,019	326,267	3,235,001
740	-	-	198	27,663	33,157
18,473,816	7,349,263	12,346,977	22,384,633	24,282,779	183,103,681

Institutions Under the Control of the Iowa Department of Corrections

Inmate Population Statistics
(Unaudited)

Year ended June 30, 2002

	Iowa State Penitentiary - Fort Madison	Anamosa State Penitentiary	Iowa Medical and Classification Center - Oakdale
Population beginning of year	887	1,331	845
Admissions:			
Transfers in	515	754	5,603
Iowa compact prisoners returned	-	-	-
Total admissions	515	754	5,603
Released:			
Transfers out	100	362	5,211
Paroles	169	109	74
Work release	71	138	18
Parole/discharges	43	31	66
Expiration of sentence	73	141	75
Shock probation	17	11	21
Return to probation	-	-	4
Transfers out to OWI facility	24	1	98
Transfers out to MHI	-	-	-
Escapes	-	-	-
Release by Court Order	1	9	5
Iowa compact transfers out	1	4	-
Compact prisoners from other states out	1	-	5
Appeal bond	3	1	15
Deaths	1	2	2
Total released	504	809	5,594
Population end of year	898	1,276	854
Daily average inmate population	892	1,309	817

Mount Pleasant Correctional Facility	Clarinda Correctional Facility	North Central Correctional Facility - Rockwell City	Iowa		Newton Correctional Facility	Fort Dodge Correctional Facility
			Correctional Institution for Women - Mitchellville			
972	917	429	504		1,089	1,120
843	683	541	607		1,794	1,246
-	1	-	-		-	-
843	684	541	607		1,794	1,246
299	122	83	48		484	414
195	198	168	259		482	136
176	198	155	86		228	136
35	71	18	50		45	233
132	118	49	29		339	106
20	20	11	49		40	69
-	-	-	40		77	59
1	-	27	13		52	-
-	-	-	-		-	-
-	-	-	-		1	-
1	2	-	2		1	1
-	-	-	-		21	-
1	2	-	2		-	-
-	1	-	1		-	1
3	-	-	1		1	-
863	732	511	580		1,771	1,155
952	869	459	531		1,112	1,211
970	870	450	509		1,061	1,186

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Finding Related to Internal Control:

No matters were reported.

Finding Related to Statutory Requirements and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Manager
Ted M. Wiegand, CPA, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Kevin P. Riley, CPA, Staff Auditor
Matthew J. Anfinson, Assistant Auditor
Nicole B. Tenges, Assistant Auditor

Findings and Recommendations for Anamosa State Penitentiary

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Findings Related to Internal Control:

No matters were reported.

Finding Related to Statutory Requirements and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

Joe T. Marturello, CIA, Manager
Gwen D Fangman, CPA, Senior Auditor II
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

John G. Vanis, CGFM, Senior Auditor
Jeffrey M. Evans, Assistant Auditor

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Findings Related to Internal Control:

No matters were reported.

Findings Related to Statutory Requirements and Other Matters:

Electronic Check Retention – Chapter 554D.114 of the Code of Iowa allows the Iowa Medical and Classification Center to retain cancelled checks in an electronic format and requires retention in this manner to include an image of both the front and back of each cancelled check. The Iowa Medical and Classification Center retains cancelled checks through electronic image, but does not obtain an image of the back of each cancelled check as required.

Recommendation – The Iowa Medical and Classification Center should obtain and retain an image of both the front and back of each cancelled check as required.

Response – We acknowledge the comment. We will provide the necessary documentation in the future.

Conclusion – Response accepted.

Staff:

Questions or requests for further assistance should be directed to:

Steven M. Nottger, CPA, Manager
Beth A. Wichtendahl, CPA, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

John G. Vanis, CGFM, Senior Auditor
Arlene M. Halfman, Assistant Auditor
Kristen E. Harang, CPA, Assistant Auditor
Ryan J. Johnson, Assistant Auditor

Findings and Recommendations for Mount Pleasant Correctional Facility

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Findings Related to Internal Control:

No matters were reported.

Findings Related to Statutory Requirements and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

Cynthia L. Weber, CPA, Manager
Ted M. Wiegand, CPA, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Kelly V. Rea, CPA, Staff Auditor
Kevin P. Riley, CPA, Staff Auditor
Scott P. Boisen, Assistant Auditor
Jake P. Keegan, Assistant Auditor

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Finding Related to Internal Control:

Inmate Payroll – During our review of the inmate payroll expenditures, thirteen of the twenty-five inmate payroll expenditures selected for testing could not be supported by a timesheet. The Institution was unable to locate these timesheets. Inmate payroll expenditures should be adequately supported and appropriately authorized by the inmate's timesheet.

Recommendation – The Clarinda Correctional Institute should ensure that all inmate payroll expenditures are adequately supported and appropriately authorized.

Response – Inmate payroll timesheets, after being input in the inmate banking system, are now stored in the CCF Administration secured records room until the records storage box is full. Then the full and sealed records storage box is move to the larger and long-term file storage area. We believe this additional safeguard will prevent the accidental disposal of the records prior to the review.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

Michelle B. Meyer, CPA, Manager
Tammy A. Wolterman, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Billie J. Heth, Staff Auditor
Marc D. Johnson, Staff Auditor
Jason R. Matter, Staff Auditor
Scott D. Bantz, Assistant Auditor
Kristen E. Harang, CPA, Assistant Auditor

June 30, 2002

Findings Reported in the State’s Single Audit Report:

No matters were reported.

Finding Related to Internal Control:

Disaster Recovery Plan – A written disaster recovery plan has not been established for the North Central Correctional Facility.

Recommendation – A written disaster recovery plan should be developed.

Response – We will prepare a written disaster recovery plan.

Conclusion – Response accepted.

Findings Related to Statutory Requirement and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

K. David Voy, CPA, Manager
Jodi L. Simon, CPA, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Scott D. Bantz, Assistant Auditor

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Findings Related to Internal Control:

No matters were reported.

Findings Related to Statutory Requirements and Other Matters:

Capital Assets – Chapter 7A.30 of the Code of Iowa requires Institutions to keep a written, detailed, up-to-date inventory of all real and personal property belonging to the state. The following conditions were noted:

- Two assets were included on the capital asset listing twice.
- Two assets were improperly included on the capital asset listing, as they were below the capitalization threshold.
- Eight assets deleted lacked proper authorization for removal, and the disposal of the asset was not documented.
- Depreciation amounts were not reported correctly to the Iowa Department of Revenue and Finance for the GAAP Package.

Recommendation – The Institution should take the necessary steps to ensure an up-to-date capital asset listing is maintained. The Institution should also insure that equipment and vehicle amounts are accurately reported for the GAAP Package.

Response – We have gone over the capital assets inventory spreadsheet and the procedures with our staff. We stressed to them the importance of keeping the spreadsheets updated on all changes/adjustments, additions and deletions and to make sure they are properly supported and approved, all assets are properly tagged, and an up-to-date capital asset listing is maintained at all times.

The Auditors took the time to educate staff on the procedures for depreciation since this was new to us. They also included a corrected and updated depreciation spreadsheet that will be used for future year depreciation. We appreciate the help that was given to us.

Conclusion – Response accepted.

Staff:

Questions or requests for further assistance should be directed to:

Ronald D. Swanson, CPA, Manager
Travis J. Davis, CPA, Senior Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Mary Crystal A. Berg, CPA, Staff Auditor
Jodi L. Simon, CPA, Staff Auditor
Arlene M. Halfman, Assistant Auditor
Jedd D. Moore, Assistant Auditor

Findings and Recommendations for Newton Correctional Facility

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Findings Related to Internal Control:

No matters were reported.

Findings Related to Statutory Requirements and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

Joe T. Marturello, CIA, Manager
Jeremy L. Howard, CPA, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

Kevin P. Riley, CPA, Staff Auditor
Kristen E. Harang, CPA, Assistant Auditor

Findings and Recommendations for Fort Dodge Correctional Facility

June 30, 2002

Findings Reported in the State's Single Audit Report:

No matters were reported.

Findings Related to Internal Control:

No matters were reported.

Finding Related to Statutory Requirements and Other Matters:

No matters were reported.

Staff:

Questions or requests for further assistance should be directed to:

Steven M. Nottger, CPA, Manager
Jason R. Matter, Staff Auditor
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated on this audit include:

James L. Blekfeld, CPA, Senior Auditor
Arlene M. Halfman, Assistant Auditor