

OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 281-6518

NEWS RELEASE

FOR RELEASE

December 14, 2021

Contact: Marlys Gaston
515/281-5834

Auditor of State Rob Sand today released a combined report on the institutions under the control of the Iowa Department of Human Services. The report includes findings and recommendations and average cost per resident/patient information for the five years ended June 30, 2020.

FINANCIAL HIGHLIGHTS:

The average annualized cost per resident/patient at the six institutions under the control of the Iowa Department of Human Services ranged from \$121,486 at the Civil Commitment Unit for Sexual Offenders to \$451,849 at the Woodward Resource Center for the year ended June 30, 2020. Total General Fund expenditures for the six institutions increased 3.9% during the five-year period to approximately \$203 million, the average number of residents/patients decreased 9.2%, from 687 to 624, and the average daily cost per resident/patient increased 14.4%, from \$776.71 to \$888.20, over the same period.

AUDIT FINDINGS:

Sand reported five findings related to the receipt and disbursement of taxpayer funds at the six institutions. They are found on pages 32 through 40 of this report. The findings address issues such as segregation of duties for the approval of P-1 documents at Woodward Resource Center and Eldora State Training School, inaccurate reporting of capital asset additions, accumulated depreciation and gain on disposal of capital assets at Eldora State Training School, proper authorization of overtime forms at Eldora State Training School and non-compliance with the training schedule at the Glenwood Resource Center. Sand provided the Institutions with recommendations to address each of these findings.

The findings discussed above and pertaining to the Glenwood Resource Center and Woodward Resource Center are repeated from the prior year. Management of each Institution has a fiduciary responsibility to provide oversight of their respective Institution's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's web site at <https://auditor.iowa.gov/reports/audit-reports/>.

###

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

JUNE 30, 2020

Iowa Department of Human Services



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006

Telephone (515) 281-5834 Facsimile (515) 281-6518

November 22, 2021

Iowa Council on Human Services
Des Moines, Iowa

Dear Members of the Iowa Council on Human Services:

I am pleased to submit to you the combined report on the institutions under the control of the Iowa Department of Human Services for the year ended June 30, 2020. This report includes findings pertaining to the institutions' internal control and compliance with statutory requirements and other matters which resulted from the fiscal year 2020 audits. This report also includes average cost per resident/patient at each institution as required by Section 11.28 of the Code of Iowa.

I appreciate the cooperation and courtesy extended by the officials and employees of the institutions under the control of the Iowa Department of Human Services throughout the audits. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

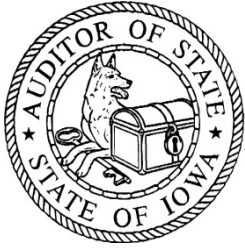
Sincerely,

A handwritten signature in black ink that reads "Rob Sand".

Rob Sand
Auditor of State

Table of Contents

		<u>Page</u>
Auditor of State’s Report		3
Overview		4-7
Schedules:	<u>Schedule</u>	
Average Cost Per Resident/Patient Information by Institution – Fiscal Years 2016 through 2020	1	10-14
Average Cost Per Resident/Patient Information – Graphs:		
Total Expenditures		16
Average Number of Residents/Patients		17
Average Annualized Cost per Resident/Patient		18
General Fund Expenditures by Institution – 2016	2	20-21
General Fund Expenditures by Institution – 2017	3	22-23
General Fund Expenditures by Institution – 2018	4	24-25
General Fund Expenditures by Institution – 2019	5	26-27
General Fund Expenditures by Institution – 2020	6	28-29
Resident/Patient Population Statistics – 2020	7	30-31
Findings and Recommendations:		
Mental Health Institute – Cherokee		32
Mental Health Institute – Independence		33
Woodward Resource Center		34-35
Glenwood Resource Center		36
State Training School – Eldora		37-39
Civil Commitment Unit for Sexual Offenders – Cherokee		40



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 281-6518

November 22, 2021

To the Council Members of the Iowa Department of Human Services:

The Institutions under the control of the Iowa Department of Human Services 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, 2020.

In conducting our audits, we became aware of certain aspects concerning the various Institutions' 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, which include recommendations pertaining to internal control and compliance with statutory requirements and other matters. These recommendations have been discussed with applicable Institution personnel and their responses to these recommendations are included in this report. While we have expressed our conclusions on the Institutions' responses, we did not audit the Institutions' responses and, accordingly, we express no opinion on them.

We have also included certain unaudited financial and other information for the Institutions under the control of the Iowa Department of Human Services for the five years ended June 30, 2020 to report an average cost per resident/patient at each Institution as required by Chapter 11.28 of the Code of Iowa.

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 Human Services, the Institutions under the control of the Iowa Department of Human Services, citizens of the State of Iowa and other parties to whom the Iowa Department of Human Services 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 questions concerning any of the above matters, we shall be pleased to discuss them with you. Individuals who participated in our audits of the Institutions are listed on pages 32, 33, 35, 36, 39 and 40, and they are available to discuss these matters with you.

Marlys K. Gaston, CPA
Deputy Auditor of State

cc: Honorable Kim Reynolds, Governor
Kraig Paulsen, Interim Director, Department of Management
Tim McDermott, Interim Director, Legislative Services Agency

Iowa Department of Human Services

Overview

Background

In accordance with Chapter 218 of the Code of Iowa, the Iowa Department of Human Services has the authority to control, manage, direct and operate the following Institutions:

Realignment of Mental Health Institutes – In an effort to modernize the State’s mental health delivery system, the Department of Human Services has realigned its mental health facilities to deliver all of its inpatient treatment through its two nationally accredited facilities at Independence and Cherokee. The Department discontinued its delivery of inpatient mental health services at the Clarinda and Mount Pleasant facilities as of June 30, 2015.

Mental Health Institute – Cherokee – The Institute was founded in 1902. The Institute is a fully accredited psychiatric care hospital and provides treatment for mentally ill adults, adolescents and children. Levels of care provided are adult in-patient psychiatric, child and adolescent in-patient psychiatric.

Mental Health Institute – Independence – The Institute was established on May 1, 1873. The Institute is a fully accredited psychiatric care hospital and provides treatment for mentally ill adults, adolescents and children. Levels of care provided are adult in-patient psychiatric, child and adolescent in-patient psychiatric.

Woodward Resource Center – The Resource Center was established in 1917. The Center is a residential facility and provides treatment, training, instruction, care, habilitation and support of persons with an intellectual disability or other disabilities in the State.

Glenwood Resource Center – The Resource Center was established on September 1, 1876. The Center is a residential facility and provides treatment, training, instruction, care, habilitation and support of persons with an intellectual disability or other disabilities in the State.

State Training School – Eldora – The Training School was established in 1868. The Institution is a minimum-security facility for boys between the ages of 12 and 18 who have been adjudicated delinquent by the juvenile courts of the State of Iowa. Effective January 1, 1992, a diagnosis and evaluation center and other units were established to provide juvenile delinquents a program which focuses upon appropriate developmental skills, treatment, placement and rehabilitation.

Civil Commitment Unit for Sexual Offenders (CCUSO) – The Civil Commitment Unit for Sexual Offenders was established in 1999. The Unit provides treatment for sexually violent predators in a secure facility located in Cherokee. The residents have completed their criminal sentences, have been identified as a high risk for a repeat offense and are committed through a civil action by order of the courts.

Iowa Department of Human Services

Overview

Different levels of care are provided at each of the Mental Health Institutes. They are:

Adult In-patient Psychiatric – This program, licensed as a hospital, represents traditional, in-hospital psychiatric care for persons 18 years of age and older. It includes 24-hour nursing care and 24-hour medical and psychiatric on-call coverage.

Child and Adolescent In-patient Psychiatric – This program, licensed as a hospital, represents traditional, in-hospital psychiatric care for persons under 18 years of age. It includes a required educational component and 24-hour nursing care and 24-hour medical and psychiatric on-call coverage.

Psychiatric-Medical Institute for Children (PMIC) – This program, licensed as a PMIC, represents 24-hour care and behavior management for persons 12 to 17 years of age requiring intensive behavioral treatment modalities. There is periodic nursing and psychiatric coverage. Generally, these children are beyond the care of privately administered PMIC's in the state.

Iowa Department of Human Services

Overview

Scope and Methodology

We have calculated an average cost per resident/patient at each Institution for the five years ended June 30, 2020 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 resident/patient averages may differ from those used for statewide financial statement purposes. These reclassifications and changes are as follows:

- (1) Operating transfers, primarily reimbursements to other state agencies for services, have been reclassified as expenditures for purposes of this report. Payments made to the Iowa Department of Administrative Services Depreciation Revolving Fund are reported as capital outlay.
- (2) At the inception of a capital lease, total principal payments are recorded as expenditures and as other financing sources for statewide financial statement purposes. For purposes of this report, only the current year principal and interest payments are included 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.

Median stay information was not calculated or presented in the accompanying average cost per resident/patient schedule for the Resource Centers or juvenile facilities since the median stay tends to be for a much longer period.

The average annualized cost per resident/patient is calculated using the average number of occupied resident beds. Since the median stay at the Mental Health Institutes tends to be less than the stay at the other Institutions, the cost per stay was calculated for each of the Mental Health Institutes. This represents the average cost for the median stay of each patient admitted.

Summary Observation

The Mental Health Institute – Cherokee provides significant outpatient services not performed by the other Institutions. Adequate statistical data on outpatient services, including the amount and cost of services provided by year, was not readily available. Accordingly, the cost per resident/patient information at the Mental Health Institute - Cherokee is not comparable to other Institutions and may not be comparable between years at the Mental Health Institute - Cherokee. The amount of support services the Mental Health Institute – Cherokee provided for the Civil Commitment Unit for Sexual Offenders is reported as reallocated support services costs in Schedules 2, 3, 4, 5 and 6 on pages 20 through 29.

The Woodward Resource Center and the Glenwood Resource Center also provide significant supported community living services, respite and supported employment services which are paid through Iowa Medicaid and Community Based Services (HCBS) Waivers. The cost of providing these services is included in the cost per resident calculation. However, the number of individuals served is not included in the average number of residents.

The average annualized cost per resident/patient at the six institutions under the control of the Iowa Department of Human Services ranged from \$121,486 at the Civil Commitment Unit for Sexual Offenders to \$451,849 at the Woodward Resource Center for the year ended June 30, 2020.

Iowa Department of Human Services

Overview

Over the last five fiscal years, total General Fund expenditures increased 3.9%, from \$195,296,979 in 2016 to \$202,841,209 in 2020, the average number of residents/patients decreased 9.2%, from 687 to 624, and the average daily cost per resident/patient increased 14.4%, from \$776.71 to \$888.20.

Median stay ranged from 19 days to 70 days at the two Mental Health Institutes for fiscal year 2020.

Iowa Department of Human Services

Schedules

Institutions Under the Control of the Iowa Department of Human Services

Average Cost Per Resident/Patient by Institution
(Unaudited)

For the Last Five Fiscal Years

	Year ended June 30, 2016					
	Average Number of Residents/ Patients	Average Number of Employees	Average Annualized Cost per Resident/ Patient	Average Daily Cost per Resident/ Patient	Median Stay (Days)	Cost per Stay
Mental Health Institute - Cherokee	34	161	\$ 389,086	1,063.08	10	\$ 10,631
Mental Health Institute - Independence	51	211	444,251	1,213.80	56	67,973
Woodward Resource Center	147	566	383,243	1,047.11		
Glenwood Resource Center	232	789	328,712	898.12		
State Training School - Eldora	114	158	128,100	350.00		
Civil Commitment Unit for Sexual Offenders	109	98	112,019	306.06		
Total	<u>687</u>	<u>1,983</u>	<u>\$ 284,275</u>	<u>776.71</u>		

Year ended June 30, 2017						
Average Number of Residents/ Patients	Average Number of Employees	Average Annualized Cost per Resident/ Patient	Average Daily Cost per Resident/ Patient	Median Stay (Days)		Cost per Stay
35	155	\$ 389,120	1,066.08	24	\$	25,586
52	188	404,012	1,106.88	57		63,092
138	539	422,880	1,158.57			
224	751	359,138	983.94			
112	166	141,018	386.35			
108	107	121,776	333.63			
669	1,906	\$ 302,508	828.79			

Institutions Under the Control of the Iowa Department of Human Services

Average Cost Per Resident/Patient by Institution
(Unaudited)

For the Last Five Fiscal Years

	Year ended June 30, 2018					
	Average Number of Residents/ Patients	Average Number of Employees	Average Annualized Cost per Resident/ Patient	Average Daily Cost per Resident/ Patient	Median Stay (Days)	Cost per Stay
Mental Health Institute - Cherokee	35	147	\$ 359,010	983.59	16	\$ 15,737
Mental Health Institute - Independence	55	181	370,016	1,013.74	58	58,797
Woodward Resource Center	131	498	427,487	1,171.20		
Glenwood Resource Center	214	694	346,584	949.55		
State Training School - Eldora	95	167	159,799	437.81		
Civil Commitment Unit for Sexual Offenders	120	104	112,151	307.26		
Total	650	1,791	\$ 294,942	808.14		

Year ended June 30, 2019						
Average Number of Residents/ Patients	Average Number of Employees	Average Annualized Cost per Resident/ Patient	Average Daily Cost per Resident/ Patient	Median Stay (Days)		Cost per Stay
34	146	\$ 354,059	970.03	18	\$	17,461
55	176	363,125	994.86	60		59,692
133	495	420,109	1,150.98			
204	692	361,865	991.41			
89	184	184,063	504.28			
128	122	116,558	319.34			
643	1,815	\$ 300,165	822.37			

Institutions Under the Control of the Iowa Department of Human Services

Average Cost Per Resident/Patient by Institution
(Unaudited)

For the Last Five Fiscal Years

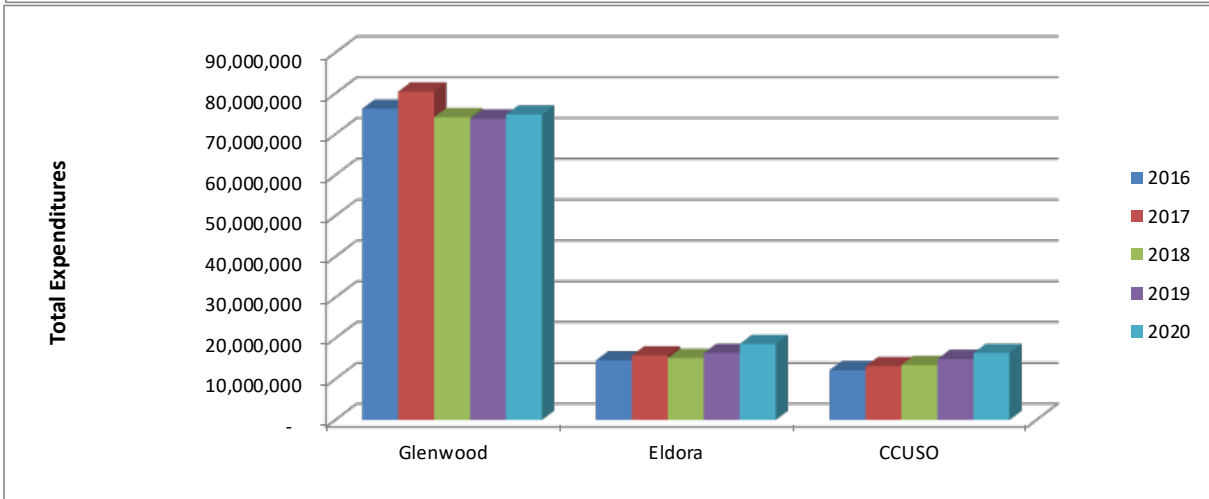
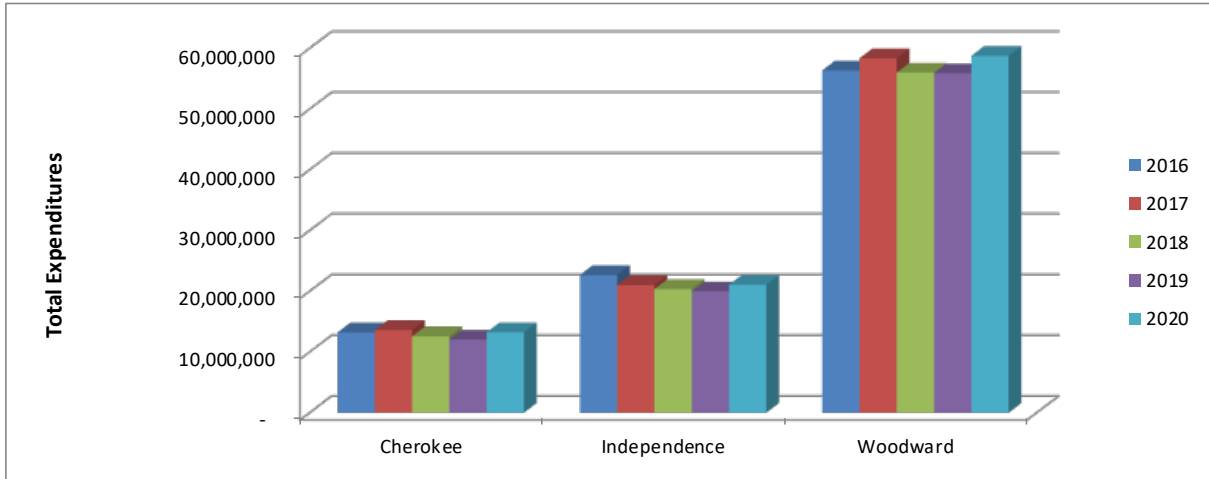
	Year ended June 30, 2020					
	Average Number of Residents/ Patients	Average Number of Employees	Average Annualized Cost per Resident/ Patient	Average Daily Cost per Resident/ Patient	Median Stay (Days)	Cost per Stay
Mental Health Institute - Cherokee	31	146	\$ 427,280	1,167.43	19	\$ 22,181
Mental Health Institute - Independence	51	178	412,837	1,127.97	70	78,958
Woodward Resource Center	130	503	451,849	1,234.56		
Glenwood Resource Center	195	655	383,636	1,048.19		
State Training School - Eldora	82	183	226,029	617.57		
Civil Commitment Unit for Sexual Offenders	135	130	121,486	331.93		
Total	624	1,795	\$ 325,082	888.20		

Iowa Department of Human Services

Institutions Under the Control of the Iowa Department of Human Services

Average Cost Per Resident by Institution
Total Expenditures
(Unaudited)

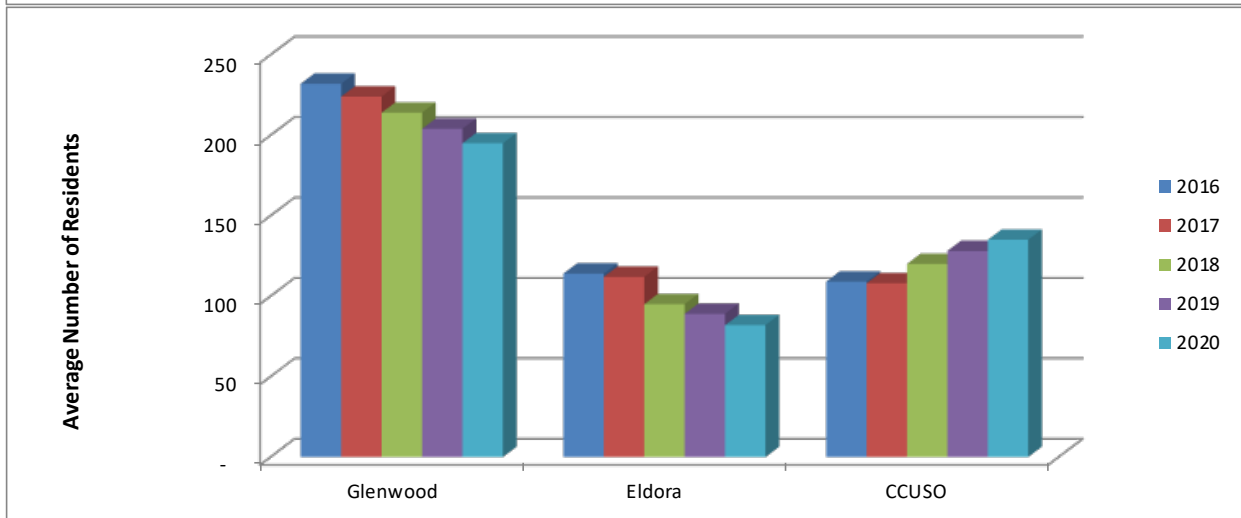
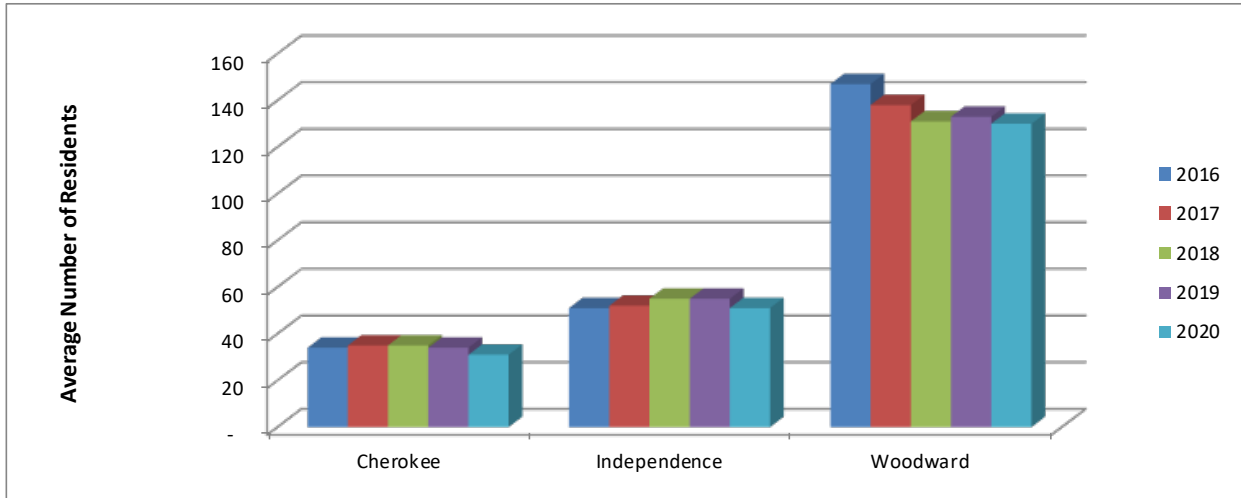
For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Human Services

Average Cost Per Resident by Institution
Average Number of Residents / Patients
(Unaudited)

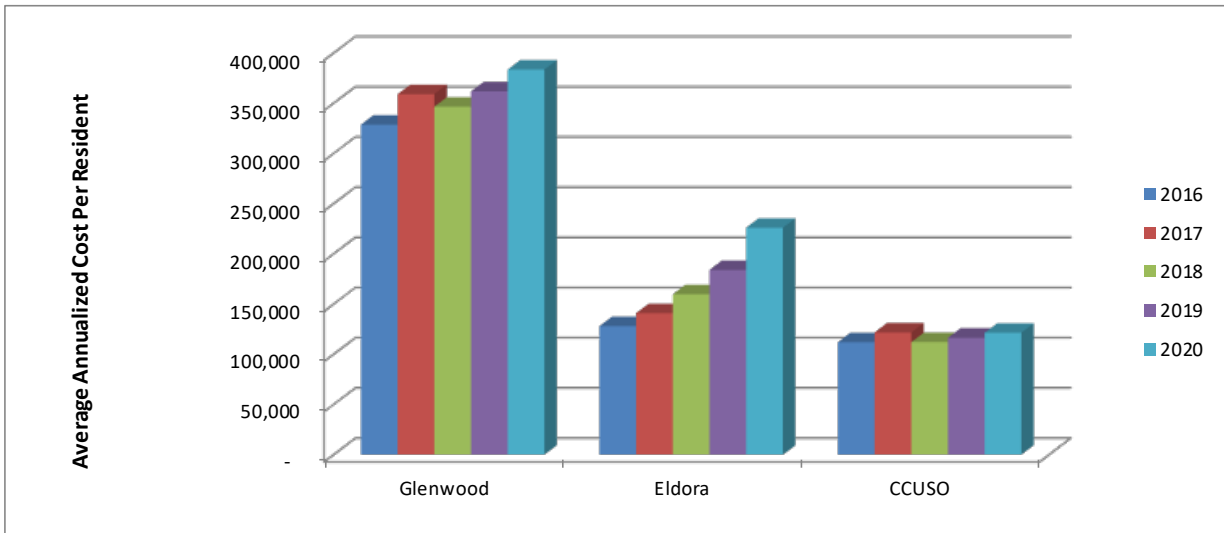
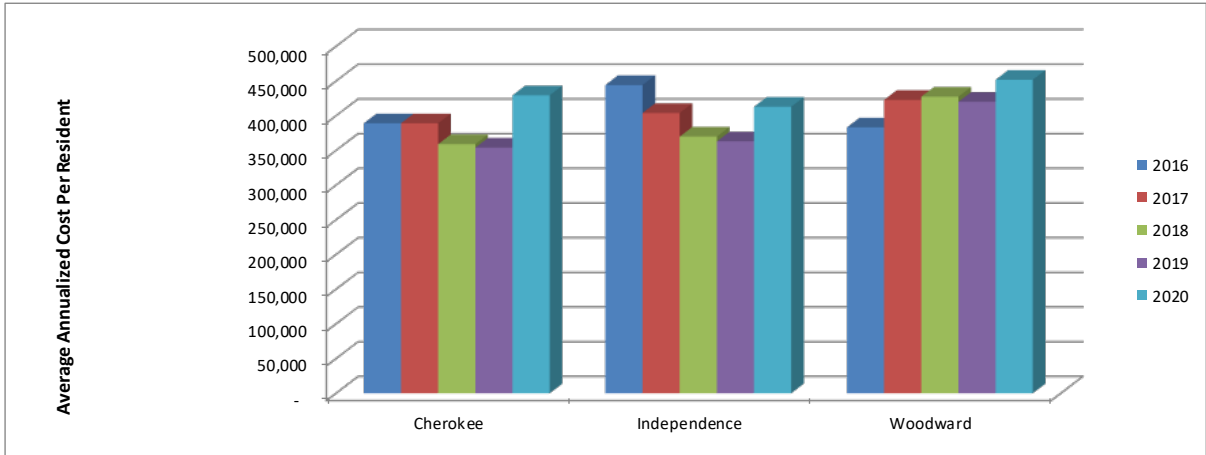
For the Last Five Fiscal Years



Institutions Under the Control of the Iowa Department of Human Services

Average Cost Per Resident by Institution
Average Annual Cost per Resident
(Unaudited)

For the Last Five Fiscal Years



Iowa Department of Human Services

Institutions Under the Control of the Iowa Department of Human Services

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2016

	Mental Health Institute - Cherokee	Mental Health Institute - Independence	Woodward Resource Center
Personal services	\$ 13,377,872	17,982,379	46,505,347
Travel	37,754	38,090	235,629
Supplies and materials	995,989	927,456	4,342,514
Contractual services	1,476,730	3,532,103	4,314,668
Capital outlay	52,179	171,659	575,945
Claims and miscellaneous	-	1,742	6,527
Licenses, permits and refunds	240	3,351	356,091
Aid to individuals	-	-	-
Total before reallocations	15,940,764	<u>22,656,780</u>	<u>56,336,721</u>
Reallocated support services costs (see page 6)		<u>(2,711,855)</u>	
Total	<u>\$ 13,228,909</u>		

Glenwood Resource Center	State Training School - Eldora	Civil Commitment Unit for Sexual Offenders	Total
62,654,486	12,178,535	8,523,163	161,221,782
217,606	41,281	33,146	603,506
4,568,151	741,269	58,275	11,633,654
7,503,986	1,482,222	812,195	19,121,904
843,089	151,320	71,371	1,865,563
469,661	5,969	15	483,914
4,161	2,813	-	366,656
-	-	-	-
<u>76,261,140</u>	<u>14,603,409</u>	<u>9,498,165</u>	<u>195,296,979</u>
		<u>2,711,855</u>	
		<u>\$ 12,210,020</u>	

Institutions Under the Control of the Iowa Department of Human Services

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2017

	<u>Mental Health Institute - Cherokee</u>	<u>Mental Health Institute - Independence</u>	<u>Woodward Resource Center</u>
Personal services	\$ 13,499,196	16,904,425	46,741,523
Travel	37,355	60,921	205,395
Supplies and materials	1,090,024	780,371	3,487,988
Contractual services	1,535,167	3,034,379	6,970,977
Capital outlay	284,509	226,287	943,227
Claims and miscellaneous	-	1,694	2,020
Licenses, permits and refunds	897	529	6,284
Total before reallocations	16,447,148	<u>21,008,606</u>	<u>58,357,414</u>
Reallocated support services costs (see page 6)	<u>(2,827,947)</u>		
Total	<u>\$ 13,619,201</u>		

Glenwood Resource Center	State Training School - Eldora	Civil Commitment Unit for Sexual Offenders	Total
63,549,433	12,909,016	9,231,765	162,835,358
179,082	43,652	25,643	552,048
4,481,664	807,075	238,209	10,885,331
10,452,049	1,555,582	795,975	24,344,129
1,284,486	471,301	32,227	3,242,037
498,878	5,188	22	507,802
1,306	2,223	-	11,239
<u>80,446,898</u>	<u>15,794,037</u>	10,323,841	<u>202,377,944</u>
		<u>2,827,947</u>	
		<u>\$ 13,151,788</u>	

Institutions Under the Control of the Iowa Department of Human Services

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2018

	Mental Health Institute - Cherokee	Mental Health Institute - Independence	Woodward Resource Center
Personal services	\$ 12,478,261	16,263,508	43,601,312
Travel	25,413	30,144	235,276
Supplies and materials	1,022,154	961,503	3,465,105
Contractual services	1,741,331	2,853,913	7,471,534
Capital outlay	99,392	204,975	1,208,438
Claims and miscellaneous	-	35,444	1,071
Licenses, permits and refunds	1,036	1,406	17,998
Total before reallocations	15,367,587	<u>20,350,893</u>	<u>56,000,734</u>
Reallocated support services costs (see page 6)	<u>(2,802,226)</u>		
Total	<u>\$ 12,565,361</u>		

Glenwood Resource Center	State Training School - Eldora	Civil Commitment Unit for Sexual Offenders	Total
57,870,094	12,855,238	9,344,355	152,412,768
208,677	58,557	26,280	584,347
4,662,893	722,065	161,311	10,995,031
9,567,688	1,258,619	1,103,578	23,996,663
1,413,311	268,155	20,405	3,214,676
438,246	3,530	-	478,291
8,108	1,956	-	30,504
<u>74,169,017</u>	<u>15,168,120</u>	<u>10,655,929</u>	<u>191,712,280</u>
		<u>2,802,226</u>	
		<u>\$ 13,458,155</u>	

Institutions Under the Control of the Iowa Department of Human Services

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2019

	<u>Mental Health Institute - Cherokee</u>	<u>Mental Health Institute - Independence</u>	<u>Woodward Resource Center</u>
Personal services	\$ 12,239,410	15,912,897	42,727,255
Travel	21,590	43,158	271,052
Supplies and materials	984,961	914,105	3,839,196
Contractual services	1,864,914	2,785,281	8,090,774
Capital outlay	196,699	276,348	913,090
Claims and miscellaneous	5,869	35,345	2,574
Licenses, permits and refunds	782	4,762	30,576
Total before reallocations	15,314,225	<u>19,971,896</u>	<u>55,874,517</u>
Reallocated support services costs (see page 6)	<u>(3,276,213)</u>		
Total	<u>\$ 12,038,012</u>		

Glenwood Resource Center	State Training School - Eldora	Civil Commitment Unit for Sexual Offenders	Total
55,928,964	13,434,923	10,177,725	150,421,174
258,678	77,652	52,178	724,308
4,675,143	713,356	206,814	11,333,575
10,673,132	1,883,184	1,061,571	26,358,856
1,842,627	255,137	143,769	3,627,670
440,911	14,628	1,064	500,391
1,028	2,718	-	39,866
<u>73,820,483</u>	<u>16,381,598</u>	11,643,121	<u>193,005,840</u>
		<u>3,276,213</u>	
		<u>\$ 14,919,334</u>	

Institutions Under the Control of the Iowa Department of Human Services

General Fund Expenditures by Institution
(Unaudited)

Year ended June 30, 2020

	<u>Mental Health Institute - Cherokee</u>	<u>Mental Health Institute - Independence</u>	<u>Woodward Resource Center</u>
Personal services	13,100,058	16,557,873	44,571,655
Travel	37,533	24,118	225,539
Supplies and materials	1,258,502	1,010,189	3,987,246
Contractual services	1,704,597	2,799,313	8,432,765
Capital outlay	198,533	259,434	815,204
Claims and miscellaneous	222,493	402,509	685,969
Licenses, permits and refunds	630	1,227	22,032
Total before reallocations	16,522,346	<u>21,054,663</u>	<u>58,740,410</u>
Reallocated support services costs (see page 6)	<u>(3,276,679)</u>		
Total	<u>\$ 13,245,667</u>		

Glenwood Resource Center	State Training School - Eldora	Civil Commitment Unit for Sexual Offenders	Total
56,323,045	14,192,891	11,500,749	156,246,271
195,682	68,234	56,414	607,520
4,921,442	767,479	236,404	12,181,262
10,314,255	2,852,206	1,083,731	27,186,867
1,870,104	371,933	107,300	3,622,508
1,183,678	333,254	139,330	2,967,233
760	4,899	-	29,548
<u>74,808,966</u>	<u>18,590,896</u>	<u>13,123,928</u>	<u>202,841,209</u>
		<u>3,276,679</u>	
		<u>\$ 16,400,607</u>	

Institutions Under the Control of the Iowa Department of Human Services

Resident/Patient Population Statistics
(Unaudited)

Year ended June 30, 2020

	Mental Health Institute - Cherokee	Mental Health Institute - Independence	Woodward Resource Center
Population beginning of year	30	54	130
Admissions:			
First admissions	225	92	5
Readmissions	57	28	1
Returns:			
Home visits	-	-	-
Limited leaves	-	-	44
Temporary medical transfers	-	7	-
Other	-	-	-
Total admissions	282	127	50
Released:			
Discharges	293	139	6
Deaths	-	-	2
Home visits	-	-	-
Limited leaves	-	-	45
Temporary medical transfers	-	8	-
Other	-	-	-
Total released	293	147	53
Population end of year	19	34	127
Average number of residents/patients	31	51	130

Glenwood Resource Center	State Training School - Eldora	Civil Commitment Unit for Sexual Offenders
199	92	128
-	65	10
-	11	2
96	-	6
-	-	-
86	-	-
6	-	-
188	76	18
2	60	2
6	-	-
95	-	5
-	-	-
91	-	-
-	42	1
194	102	8
193	66	138
195	82	135

June 30, 2020

Findings Reported in the State's Single Audit Report:

No matters were reported.

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

No matters were reported.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Ryan J. Pithan, CPA, Manager
Nichole D. Tucker, Senior Auditor

Other individuals who participated in the audits include:

Kathryn L. Blumer, Staff Auditor
Jon G. Hanson, Staff Auditor
Ashley A. Kraber, Staff Auditor
Ridge G. Nennig, Staff Auditor
Tristan J. Swiggum, Staff Auditor

June 30, 2020

Findings Reported in the State’s Single Audit Report:

No matters were reported.

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

No matters were reported.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Jennifer L. Wall, CPA, Manager
Craig S. Miller, Staff Auditor

Other individuals who participated in the audits include:

Luke M. Bormann, CPA, Senior II Auditor
Taylor A. Hepp, Staff Auditor
Alyson J. Logel, Staff Auditor
Sally S. Downing, Assistant Auditor
Shane K. McDonald, Assistant Auditor
Matthew K. Nnanna, Assistant Auditor

June 30, 2020

Findings Reported in the State’s Single Audit Report:

No matters were reported.

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

Payroll

Criteria – Departments process and record payroll and personnel information in the Human Resource Information System (HRIS). The Human Resource Associates utilize an online P-1 document to initiate and approve payroll actions, such as adding new employees and recording pay raises.

Condition – Three individuals within the Department have the ability to initiate and approve P-1 documents. For the period July 1, 2019 through March 23, 2020, five P-1 documents were initiated and received department level approval by the same person.

Cause – Policies have not been established and procedures have not been implemented to require the segregation of duties of the Human Resource Associates from the duties of payroll, resulting in the same individual having the ability to initiate and approve P-1 documents.

Effect – Inadequate segregation of duties over payroll functions could adversely affect the Department’s ability to prevent or detect and correct misstatements, errors or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation – To strengthen controls, the Department should develop and implement procedures to segregate the duties of the Human Resource Associates from the duties of payroll.

Response – Woodward Resource Center will add a remark when the P-1 is being approved by the same person at the PA and the Departmental level.

Conclusion – Response accepted.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Findings and Recommendations for the Woodward Resource Center

June 30, 2020

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Ryan J. Pithan, CPA, Manager
Erin J. Sietstra, Senior Auditor

Other individuals who participated in the audits include:

Kathryn L. Blumer, Staff Auditor
Coltin R. Collins, Staff Auditor
Corey D. Hauptmann, Staff Auditor
Ridge G. Nennig, Staff Auditor
Sarah B. Roemer, Staff Auditor

June 30, 2020

Findings Reported in the State’s Single Audit Report:

No matters were reported.

Finding Reported in the State’s Report on Internal Control:

No matters were reported.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

Non-Compliance with Training Schedule – The Iowa Department of Human Services has established a training schedule for various programs such as mandatory reporting, dependent adult abuse reporting, heart saver first aid/CPR training and crisis interaction training. During the fiscal year ending June 30, 2020, there were 379 instances out of 1,161 observed in which the required training was not completed in accordance with the timing required to be completed. Additionally, there were 50 instances where the training was not completed in the fiscal year ending June 30, 2020 when it was required to have been completed.

Recommendation – The Center should develop written procedures to ensure timely completion of required training.

Response – Glenwood Resource Center (GRC) schedules staff to maintain minimum levels to meet safety and active treatment requirements. The position vacancy levels and staff call-ins impact GRC’s ability to pull staff from direct care and service to the individuals for training. GRC has diversified recruitment efforts to include posting on different sites and attending job fairs to address the vacancy rate. These efforts will be continued and GRC will review other options available. However, during this period it is difficult to maintain full staffing levels.

Conclusion – Response accepted.

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Suzanne R. Dahlstrom, CPA, Manager
Bianca M. Cleary, Senior Auditor

Other individuals who participated in the audits include:

Ronica H. Drury, Staff Auditor
Taylor A. Hepp, Staff Auditor
Priscilla M. Ruiz Torres, Staff Auditor
Matthew K. Nnanna, Assistant Auditor
Carina I. Rios, Assistant Auditor

June 30, 2020

Findings Reported in the State’s Single Audit Report:

No matters were reported.

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

1) Capital Assets

Criteria – A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the State’s financial statements.

Chapter 7A.30 of the Code of Iowa requires each department of the State to maintain a written, detailed and up-to-date inventory of property under its charge and control.

Condition – The following conditions were noted:

- a) Construction in progress was understated by \$4,759,701. This was properly adjusted for reporting purposes.
- b) A capital asset addition in the amount of \$43,792 was added as a building instead of equipment.
- c) Accumulated depreciation was overstated by \$33,845.
- d) The gain/loss on disposal of assets was reported as a loss of \$31,132 rather than a gain of \$7,729.

Cause – Policies have not been established and procedures have not been implemented to require timely reconciliation of capital asset additions to I/3 expenditures and an independent review of capital asset additions, depreciation and gain/loss on disposal of assets to ensure they are properly recorded and reported.

Effect – Lack of policies and procedures resulted in State Training School employees not detecting the errors in the normal course of performing their assigned functions.

Recommendation – The Training School should develop written procedures to ensure a detailed, up-to-date capital asset listing is maintained. Procedures should include, but not be limited to, ensuring all capital asset additions, depreciation and gain/loss on disposal of assets are properly recorded and reported.

Response – We will communicate with the GAAP Team to request training for the business office staff, especially since we have many capital projects going on now and into the future.

Conclusion – Response accepted.

Findings and Recommendations for the State Training School – Eldora

June 30, 2020

2) Payroll

Criteria – Departments process and record payroll and personnel information in the Human Resource Information System (HRIS). The Human Resource Associates utilize an online P-1 document to initiate and approve payroll actions, such as adding new employees and recording pay raises.

Condition – Four individuals within the Training School have the ability to initiate and approve P-1 documents. For the period of July 1, 2019 through March 23, 2020, fifteen P-1 documents were initiated and received department level approval by the same person.

Cause – Policies have not been established and procedures have not been implemented to require the segregation of duties of the Human Resource Associates from the duties of payroll, resulting in the same individual having the ability to initiate and approve P-1 documents.

Effect – Inadequate segregation of duties of payroll functions could adversely affect the Department's ability to prevent or detect and correct misstatements, errors and misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation – To strengthen controls, the Training School should develop and implement procedures to segregate the duties of the Human Resource Associates from the duties of payroll.

Response – We will continue to work with the HR supervisor to ensure that either the business manager or the superintendent's secretary signs off on the department level approval of all P-1's. In the event that we are unavailable, the HR supervisor will print the P-1 and obtain an independent signature approval.

Conclusion – Response accepted.

Other Findings Related to Internal Control:

- 3) Overtime – The State Training School – Eldora personnel process and record payroll and personnel information in the Human Resource Information System (HRIS). The State Training School requires an overtime authorization form be prepared by the staff member and reviewed by the supervisor before overtime work is performed. Twenty-two of twenty-five payroll overtime payments tested either did not have an overtime authorization form or the overtime was approved after the overtime occurred. In addition, one overtime authorization form was not signed by the employee.

Recommendation – The State Training School should develop and implement procedures to ensure overtime authorization forms are prepared, properly signed and completed before the overtime work is performed.

Response – We will continue to educate supervisors on the overtime approval process, specifically to approve the overtime prior to the overtime being worked.

Conclusion – Response accepted.

Findings and Recommendations for the State Training School – Eldora

June 30, 2020

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Lesley R. Geary, CPA, Manager
Premnarayan Gobin, Senior II Auditor

Other individuals who participated in the audits include:

Maria R. Collins, Staff Auditor
Brandon L. Weddell, Staff Auditor
Brad M. Hofer, Assistant Auditor
Conner G. McMurphy, Assistant Auditor

June 30, 2020

Findings Reported in the State's Single Audit Report:

No matters were reported.

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

No matters were reported.

Other Findings Related to Internal Control:

No matters were noted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Staff:

Questions or requests for further assistance should be directed to:

Marlys K. Gaston, CPA, Deputy
Ryan J. Pithan, CPA, Manager
Nichole D. Tucker, Senior Auditor

Other individuals who participated in the audits include:

Maria R. Collins, Staff Auditor
Ridge G. Nennig, Staff Auditor