



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

Rob Sand  
Auditor of State

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Des Moines, Iowa 50319-0006  
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**NEWS RELEASE**

Contact: Brian Brustkern  
515/281-5834

FOR RELEASE

January 26, 2024

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Auditor of State Rob Sand today released a report on the Iowa Department of Human Services – Central Distribution Center for the year ended June 30, 2022.

The Central Distribution Center functions as a supply depot and distribution facility for carload canned goods, paper products and other staples distributed by truck to the institutions and participating state departments and local agencies upon request. A schedule of annual procurements from the Central Distribution Center by institution, department or agency is included in the report.

**AUDIT FINDINGS:**

Sand reported one finding related to the receipt and expenditure of taxpayer funds. The finding is found on page 3 of this report. Sand provided the Central Distribution Center with a recommendation to address the finding.

Management of the Iowa Department of Human Services – Central Distribution Center have a fiduciary responsibility to provide oversight of the Center’s operations and financial transactions. Oversight is typically defined as the “watchful and responsible care” management exercises in its fiduciary capacity.

A copy of the report is available for review on the Auditor of State’s website at [Audit Reports – Auditor of State](#).

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**REPORT OF RECOMMENDATIONS TO THE  
IOWA DEPARTMENT OF HUMAN SERVICES –  
CENTRAL DISTRIBUTION CENTER**

**JUNE 30, 2022**

**Iowa Department of Human Services –  
Central Distribution Center**



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January 19, 2024

Iowa Council on Human Services  
Des Moines, Iowa

To the Council of the Iowa Department of Human Services:

I am pleased to submit to you the Report of Recommendations for the Iowa Department of Human Services – Central Distribution Center for the year ended June 30, 2022. The report includes an audit finding pertaining to the Department's internal control for the year ended June 30, 2022. The report also includes an unaudited schedule of Annual Procurements by Institution, Department or Agency.

I appreciate the cooperation and courtesy extended by the officials and employees of Iowa Department of Human Services – Central Distribution Center throughout the audit. 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, appearing to read "Rob Sand", written in a cursive style.

Rob Sand  
Auditor of State

**Iowa Department of Human Services –  
Central Distribution Center**



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January 19, 2024

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

The Iowa Department of Human Services – Central Distribution Center is a part of the State of Iowa and, as such, has been included in our audit of the State’s Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022.

In conducting our audit, we became aware of certain aspects concerning the Center’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 pertains to the Center’s internal controls. This recommendation has been discussed with Center personnel and their response to this recommendation is included in this report. While we have expressed our conclusion on the Center’s response, we did not audit the Center’s response and, accordingly, we express no opinion on it.

We have also included in this report certain unaudited financial information for the Central Distribution Center for the five years ended June 30, 2022.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Central Distribution Center, citizens of the State of Iowa and other parties to whom the Central Distribution Center 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 Central Distribution Center during the course of our audit. 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 audit of the Central Distribution Center are listed on page 4 and they are available to discuss these matters with you.

A handwritten signature in cursive script, appearing to read "Ernest H. Ruben, Jr.".

Ernest H. Ruben, Jr., CPA  
Chief Deputy Auditor of State

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

Report of Recommendations to the Iowa Department of Human Services –  
Central Distribution Center

June 30, 2022

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

No matters were reported.

**Other Findings Related to Internal Control:**

Shipping Documents

Criteria – Internal controls over safeguarding assets constitute a process, effected by an entity’s governing body, management and other personnel designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from error or misappropriation. Such processes include establishing policies addressing proper asset use and proper supporting documentation.

Condition – Shipping documents were identified that did not have the signature and date of an authorized receiving institution employee. This document is used to ensure product was received by the institution.

Cause – Employees not properly following established internal control procedures.

Effect – Shipping documents may be vulnerable to misstatement and errors could go unnoticed. An incorrect number of units may be delivered to the receiving institution.

Recommendation – Shipping documents should be signed and dated by the receiving institution.

Response – We are letting the facilities know that on their end, the document attachments for payments need to be signed and dated for auditing purposes.

Conclusion – Response accepted.

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

No matters were noted.

Report of Recommendations to the Iowa Department of Human Services –  
Central Distribution Center

June 30, 2022

**Staff:**

Questions or requests for further assistance should be directed to:

Ernest H. Ruben, Jr., CPA, Chief Deputy  
Ryan J. Pithan, CPA, Manager  
Maria R. Collins, Staff Auditor

Other individuals who participated in the audit include:

April R. Davenport, Senior Auditor  
Mackenzie L. Johnson, Staff Auditor  
Laurel P. Hoogensen, Staff Auditor  
Miranda L. Hoch, Staff Auditor



Iowa Department of Human Services –  
Central Distribution Center

Annual Procurements by Institution, Department or Agency

(Unaudited)

For the Last Five Years

Institution, Department or Agency	Fiscal Year				
	2022	2021	2020	2019	2018
Iowa Veterans Home - Marshalltown	\$ 982	11,719	18,808	35,640	53,837
State Training School - Eldora	54,229	57,489	99,632	85,312	84,848
Glenwood State Resource Center	28,455	34,954	32,945	37,510	40,988
Woodward State Resource Center	162,500	147,971	271,185	274,483	259,660
Mental Health Institute - Cherokee	132,641	127,729	131,362	116,586	105,364
Mental Health Institute and Correctional Facility - Clarinda	979,140	808,290	928,193	1,027,013	977,802
Mental Health Institute - Independence	64,443	45,239	57,186	53,887	46,070
Mental Health Institute and Correctional Facility - Mount Pleasant	854,138	766,263	722,964	629,704	743,517
Anamosa State Penitentiary	897,211	752,635	845,492	868,968	807,935
Iowa State Penitentiary - Fort Madison	1,074,327	954,727	977,693	981,386	899,564
Iowa Correctional Institution for Women - Mitchellville	428,526	466,538	616,931	609,596	459,139
Newton Correctional Facility	849,533	822,734	741,009	959,360	948,984
Iowa Medical and Classification Center - Oakdale	913,033	682,795	739,552	788,422	790,690
North Central Correctional Facility - Rockwell City	358,301	292,039	286,572	400,349	298,721
Fort Dodge Correctional Facility - Fort Dodge	1,220,743	1,049,926	1,011,982	1,090,577	1,091,385
Fremont County Jail	7,969	6,049	4,051	7,761	6,296
Fort Des Moines Jail	56,219	69,213	130,826	107,886	133,954
Webster County Jail	42,891	39,875	39,173	36,958	29,102
Burlington Residential Correctional Facility	36,811	30,511	34,785	38,157	36,748
Ottumwa Residential Correctional Facility	50,984	43,646	51,628	53,398	50,327
Wapello County Jail	68,606	63,330	62,970	61,302	53,191
Hope House	-	1,231	5,144	3,316	7,081
Larry Nelson Center	15,187	7,902	8,114	5,977	10,426
Marshalltown Residential Facility	30,590	20,982	17,069	21,111	11,413
Fort Dodge Residential Facility	37,813	24,738	25,299	28,774	14,635
Mason City Residential Facility	-	-	457	-	-
Beje Clark Mason City	1,466	-	-	-	-
The Waldinger Corporation	-	-	-	983	-
Waterloo Residential Correctional Facility	-	-	-	31,735	237
<b>Total</b>	<b>\$ 8,366,738</b>	<b>7,328,525</b>	<b>7,861,022</b>	<b>8,356,151</b>	<b>7,961,914</b>