



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

NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

February 15, 2024

Auditor of State Rob Sand today released a report on the Iowa Board of Parole for the year ended June 30, 2022.

The Board has the primary responsibility for enhancing overall public safety by making evidence-based and informed parole decisions for the successful re-entry of offenders back into the community to become productive and responsible citizens.

AUDIT FININGS:

Sand reported two findings pertaining to the Board. The findings are found on pages 3 and 4 of this report. One of the findings address a lack of independent approval of payroll. The second finding relates to the Board's refusal to provide relevant records relating to Chapter 904A.2A of the Code of Iowa and alternate members. Sand provided the Board with a recommendation to address the independent approval of payroll comment.

The Board of Parole has a fiduciary responsibility to provide oversight of the Board'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 report is available for review on the Auditor of State's website at [Audit Reports – Auditor of State](#).

###

**REPORT OF RECOMMENDATIONS TO THE
IOWA BOARD OF PAROLE**

JUNE 30, 2022

Iowa Board of Parole



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

January 15, 2024

Iowa Board of Parole
Des Moines, Iowa 50319

Dear Members of the Iowa Board of Parole:

I am pleased to submit to you the Report of Recommendations for Iowa Board of Parole for the year ended June 30, 2022. The report includes findings pertaining to the Board's internal control and compliance which resulted from the fiscal year 2021 audit.

I appreciate the cooperation and courtesy extended by the officials and employees of the Iowa Board of Parole 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".

Rob Sand
Auditor of State

Iowa Board of Parole



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

January 15, 2024

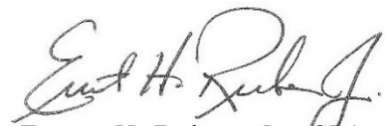
To the Members of the Iowa Board of Parole:

The Iowa Board of Parole 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 Board'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 Board's internal controls. We also reported a matter regarding compliance with the Code of Iowa, for which the Board elected to not provide our Office with requested materials. These matters have been discussed with Board personnel and their responses are included in this report. While we have expressed our conclusions on the Board's responses, we did not audit the Iowa Board of Parole's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Board of Parole, citizens of the State of Iowa and other parties to whom the Iowa Board of Parole 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 Iowa Board of Parole 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 Board are listed on page 5 and they are available to discuss these matters with you.


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 Board of Parole

June 30, 2022

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

No matters were reported.

Other Findings Related to Internal Control:

- A. Payroll – An effective internal control system provides for internal controls related to processing and approval of payroll for all employees. The Board Chair approval of salaries and review of payroll journals can help ensure proper payment of payroll expense. For one employee timesheet tested, the employee created and approved their own timesheet in Workday.

Recommendation – The Board Chair should approve all employee timesheets.

Response – The Board Chair will approve all employees' timesheets. Compensating control currently in place is that Department of Correction staff does a complete review of Board of Parole payroll to ensure that proper amounts are paid to employees.

Conclusion – Response accepted.

June 30, 2022

Findings Related to Statutory Requirements and Other Matters:

- (1) Board of Review – Chapter 904A.2A(1) of the Code of Iowa requires the Board to have a pool of three alternate members to substitute for Board members who are disqualified or become unavailable for any reason. Alternate members are separately appointed and serve four-year terms. Chapter 904A.2A(4)(b) of the Code of Iowa requires at least one Board member be at a hearing panel containing alternate members. The Auditor of State’s Office was contacted regarding a concern a regular board member was not in attendance during certain hearings.

Upon inquiry, the Auditor of State learned from the Parole Board that prior to our Office being notified, the Board had realized certain hearing panels had been conducted contrary to Chapter 904A.2A(4)(b) of the Code of Iowa and had already reviewed the non-compliant hearings bringing them into compliance.

We attempted to validate certain hearing panels had been conducted contrary to Chapter 904A.2A(4)(b) and to determine if the Board reviewed those cases to bring them into compliance with the Code of Iowa. We contacted the Board Office to make inquiry and to obtain and review selected cases in question. We were informed by the Board Office, “What you’re asking for appears to be related to a matter of ongoing litigation and not related to the FY22 financial audit.” Citing Senate File 478 (SF478), the Board Office refused to provide any information or the records to the Auditor of State’s Office without a separate engagement letter.

SF478 makes no reference to an engagement letter and says an audit or examination commences when the period of professional engagement begins pursuant to the government auditing standards prescribed by the comptroller general of the United States government accountability office or as specified in Code of Federal Regulations, Title 2, Part 200. Each year, the Auditor of State and Departments of Management and Administrative Services sign an engagement letter.

Chapter 3.23 of Government Auditing Standards cited in SF478 states, “The period of professional engagement begins when the auditors either sign an initial engagement letter or other agreement to conduct an engagement or begin to conduct an engagement, whichever is earlier.” An engagement letter had been signed by the Departments of Management and Administrative Services to conduct an audit of the State of Iowa, which includes all offices and departments, and the Auditor of State had begun to conduct an engagement, therefore meeting both criteria of Government Auditing Standards.

Because the Board of Parole is the custodian of the record and refuses to provide relevant records to the Auditor of State, we are unable to determine whether the Parole Board complied with the Code of Iowa.

The Auditor of State’s Office gave the Board of Parole the opportunity to comment on this finding, but they declined.

Report of Recommendations to the Iowa Board of Parole

June 30, 2022

Staff:

Questions or requests for further assistance should be directed to:

Ernest H. Ruben, Jr., CPA, Chief Deputy
Janet K. Mortvedt, CPA, Manager
Kerillos Hana, Staff Auditor