



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

Rob Sand
Auditor of State

NEWS RELEASE

FOR RELEASE

January 8, 2025

Contact: Brian Brustkern
515/281-5834

Auditor of State Rob Sand today released a report on the Iowa Department of Public Safety for the year ended June 30, 2023.

The Iowa Department of Public Safety is a statewide organization charged with promoting the safety of all Iowans from hazards associated with crime, fire and traffic through law enforcement.

AUDIT FINDINGS:

Sand reported three findings related to financial reporting, procurement cards, and payroll. The findings are found on pages 3 through 5 of this report. The Department's responses to the recommendations are included in the report.

Two of the findings discussed above are repeated from the prior year. Management of the Iowa Department of Public Safety has a fiduciary responsibility to provide oversight of the Department'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](#).

###

**REPORT OF RECOMMENDATIONS TO THE
IOWA DEPARTMENT OF PUBLIC SAFETY**

JUNE 30, 2023

Iowa Department of Public Safety



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

Rob Sand
Auditor of State

January 8, 2025

Iowa Department of Public Safety
Des Moines, Iowa

To the Members of the Iowa Department of Public Safety:

I am pleased to submit to you the Report of Recommendations for the Iowa Department of Public Safety for the year ended June 30, 2023. The report includes findings pertaining to the Department's internal control and compliance with statutory requirements and other matters which resulted from the fiscal year 2023 audit.

I appreciate the cooperation and courtesy extended by the officials and employees of Iowa Department of Public Safety 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 that reads "Rob Sand".

Rob Sand
Auditor of State

Iowa Department of Public Safety



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

January 8, 2025

To: Stephan Bayens, Commissioner of the Iowa Department of Public Safety:

The Iowa Department of Public Safety is a part of the State of Iowa and, as such, has been included in our audits of the State's Annual Comprehensive Financial Report (ACFR) and the State's Single Audit Report for the year ended June 30, 2023.

In conducting our audits, we became aware of certain aspects concerning the Department's 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 findings pertaining to the Department's internal control and statutory compliance and other matters. These recommendations have been discussed with Department personnel and their responses to the recommendations are included in this report. While we have expressed our conclusions on the Department's responses, we did not audit the Iowa Department of Public Safety'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 Department of Public Safety, citizens of the State of Iowa and other parties to whom the Iowa Department of Public Safety 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 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 Department are listed on page 6 and they are available to discuss these matters with you.

A handwritten signature in black ink, appearing to read "Brian R. Brustkern".

Brian R. Brustkern, CPA
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 Public Safety

June 30, 2023

Finding Reported in the State's Single Audit Report:

No matters were noted.

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

(1) Financial Reporting

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.

Departments record receipts and disbursements in the Integrated Information for Iowa (I/3) system throughout the year, including the accrual period. Activity not recorded in the I/3 system is reported to the Iowa Department of Administrative Services – State Accounting Enterprise (DAS-SAE) in a GAAP package. Departments submit their GAAP packages to DAS-SAE by the first week of September each year.

Condition – The Department understated amounts reported on the GAAP package for Subscription-Based Information Technology Arrangements (SBITA). The SBITA liability was understated by \$1,107,820, interest liability was understated by \$48,729, SBITA assets were understated by \$1,389,884 and current year amortization was understated by \$386,486. These amounts were properly adjusted for reporting purposes.

Cause – Two contracts qualifying as SBITA were excluded from the GAAP package. Although policies and procedures are in place to review GAAP package information, the review did not identify the misstatements.

Effect – The amounts reported for SBITA were misstated.

Recommendation – The Department should implement effective policies and procedures to ensure information reported on the GAAP package is accurate.

Response – The Department has made changes in procedures to help ensure future SBITA information reported to DAS-SAE in the GAAP package is accurate.

Conclusion – Response accepted.

Report of Recommendations to the

Iowa Department of Public Safety

June 30, 2023

Other Findings Related to Internal Control:

(1) Procurement Cards (P-Cards)

Criteria – The Department utilizes P-Cards for use by employees for Department business. Procurement cards are to be paid within 30 days of the statement date as required by the Purchasing Card Policy and Procedures Manual.

Condition – Fifteen monthly procurement statements tested were not paid within 30 days of the statement date as required by the Purchasing Card Policy and Procedures Manual.

Cause – Procedures have not been designed and implemented to ensure procurement charges are paid timely.

Recommendation – The Department should develop procedures to ensure all procurement charges are paid within 30 days of the statement date as required.

Response – The Department has made changes in procedures to help ensure future P-Card payments are made timely.

Conclusion – Response accepted.

(2) Payroll

Criteria – The Workday system has levels of approval required for timesheets and for business process transactions such as for requesting and correcting time off.

Condition – We analyzed fiscal year 2023 users with double approvals for business process transactions such as timesheet approvals and request time off and correct time off and noted three individuals approved their own timesheet, three individuals approved their own request for time off and one individual approved their correction of time off.

Cause – The Public Safety employees approved their own timesheet instead of requesting the alternate delegate's approval, so there was a lack of monitoring to ensure adherence to appropriate controls.

For the business processes for requesting or correcting time off, the employees had managers who periodically delegate to them in their absence. The employees then approved their own request for time off or correction of time off during these occasions. There were other listed delegates that should have approved it instead.

Effect – Inappropriate and/or inaccurate hours worked and leave taken may be included on timesheets and go unnoticed. Inappropriate and/or inaccurate requests for time off and to correct time off business process transactions were approved and may go unnoticed.

Report of Recommendations to the

Iowa Department of Public Safety

June 30, 2023

Recommendation – The Department of Administrative Services, in conjunction with the Department of Public Safety, should implement appropriate controls to ensure an independent reviewer approves timesheets. No employee should be allowed to approve their own timesheet. Also, if a manager sets a delegation, employees should never be allowed to approve their own timesheet.

The Department of Administrative Services, in conjunction with the Department of Public Safety, should implement appropriate controls to ensure an independent reviewer approves all business process transactions, such as request time off and correct time off.

Response – The Department has communicated changes in procedures to ensure an independent reviewer approved timesheets.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

No matters were noted.

Report of Recommendations to the
Iowa Department of Public Safety
June 30, 2023

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Deputy
Lesley R. Geary, CPA, Manager

Other individuals who participated in the audits include:

Premnarayan Gobin, Senior Auditor II
Matthew F. Perry, Assistant Auditor