



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006
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Rob Sand
Auditor of State

NEWS RELEASE

FOR RELEASE

June 24, 2025

Contact: Brian Brustkern
515/281-5834

Auditor of State Rob Sand today released an audit report on Southern Hills Regional Mental Health for the year ended June 30, 2024.

FINANCIAL HIGHLIGHTS:

Southern Hills Regional Mental Health's revenues totaled \$707,482 for the year ended June 30, 2024, a 36.2% decrease from the prior year. Expenses for the year ended June 30, 2024, totaled \$1,106,697, a 12.8% increase over the prior year. The significant changes in revenues and expenses are due primarily to a decrease in state aid received and spending down the fund balance before the Region joined Heart of Iowa on July 1, 2024.

AUDIT FINDINGS:

Sand reported no findings related to the receipt and expenditure of taxpayer funds.

The Regional Governance Board has a fiduciary responsibility to provide oversight of the Region'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 website at [Audit Reports – Auditor of State](#).

#

SOUTHERN HILLS REGIONAL MENTAL HEALTH

**INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS AND
SCHEDULE OF FINDINGS**

JUNE 30, 2024

Southern Hills Regional Mental Health



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

May 30, 2025

Officials of Southern Hills Regional Mental Health
Union County, Iowa (Fiscal Agent)

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for the Southern Hills Regional Mental Health for the year ended June 30, 2024. The audit was performed pursuant to Chapter 11.6 of the Code of Iowa and in accordance with U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of the Southern Hills Regional Mental Health 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

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Southern Hills Regional Mental Health

Regional Governance Board

| <u>Name</u> | <u>Title</u> | <u>Representing</u> |
|----------------|-------------------------|------------------------------------|
| Dennis Brown | Board Chair | Union County Board of Supervisors |
| Scott Akin | Vice Chair | Adams County Board of Supervisors |
| John Twombly | Board Member | Adair County Board of Supervisors |
| Kim Watson | Board Member | Taylor County Board of Supervisors |
| Clint Brown | Board Member | Crossroads Behavioral Health |
| Lori Nosekabel | Chief Executive Officer | |

Southern Hills Regional Mental Health



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Telephone (515) 281-5834

Rob Sand
Auditor of State

Independent Auditor's Report

To the Regional Governance Board of Southern Hills Regional Mental Health:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Southern Hills Regional Mental Health, as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise Southern Hills Regional Mental Health's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Southern Hills Regional Mental Health, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Region, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Southern Hills Regional Mental Health's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Southern Hills Regional Mental Health's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southern Hills Regional Mental Health's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis which GAAS requires to be presented to supplement the basic financial statements. Such omitted information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this omitted information.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 30, 2025 on our consideration of Southern Hills Regional Mental Health's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Region's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Southern Hills Regional Mental Health's internal control over financial reporting and compliance.



Brian R. Brustkern, CPA
Deputy Auditor of State

May 30, 2025

Southern Hills Regional Mental Health

Basic Financial Statements

Southern Hills Regional Mental Health

Statement of Net Position

June 30, 2024

| | <u>Governmental Activities</u> |
|---------------------------------------|------------------------------------|
| Assets | |
| Cash and pooled investments | <u>\$ 30,448</u> |
| Liabilities | |
| Accounts payable | <u>2,006</u> |
| Net Position | |
| Restricted for mental health purposes | <u>\$ 28,442</u> |
| See notes to financial statements. | |

Southern Hills Regional Mental Health

Statement of Activities

Year ended June 30, 2024

| | <u>Program Revenues</u> | | |
|---------------------------------|-------------------------|--|--|
| | <u>Expenses</u> | <u>Operating Grants, Contributions and Restricted Interest</u> | <u>Net (Expense) Revenue and Changes in Net Position</u> |
| Governmental activities: | | | |
| Mental health | \$ 1,106,697 | 691,967 | (414,730) |
| General Revenues: | | | |
| Miscellaneous | | | 15,515 |
| Change in net position | | | (399,215) |
| Net position beginning of year | | | 427,657 |
| Net position end of year | | | \$ 28,442 |

See notes to financial statements.

Southern Hills Regional Mental Health

Balance Sheet

June 30, 2024

| | Mental Health Region |
|---|-------------------------|
| Assets | |
| Cash and pooled investments | <u>\$ 30,448</u> |
| Liabilities and Fund Balance | |
| Liabilities: | |
| Accounts payable | <u>\$ 2,006</u> |
| Fund Balance | |
| Restricted for mental health purposes | <u>28,442</u> |
| Total liabilities and fund balance | <u>\$ 30,448</u> |

See notes to financial statements.

Southern Hills Regional Mental Health
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year ended June 30, 2024

| | <u>Mental Health Region</u> |
|---|---------------------------------|
| Revenues: | |
| Intergovernmental revenues: | |
| State regional service payments | \$ 710,464 |
| Miscellaneous | <u>15,515</u> |
| Total revenues | <u>725,979</u> |
| Expenditures: | |
| Services to persons with: | |
| Mental illness | 941,588 |
| Intellectual disabilities | <u>25,403</u> |
| Total direct services | 966,991 |
| General administration: | |
| Direct administration | <u>265,494</u> |
| Total mental health, intellectual disabilities and developmental disabilities expenditures | <u>1,232,485</u> |
| Net change in fund balances | (506,506) |
| Fund balances beginning of year | <u>534,948</u> |
| Fund balances end of year | <u>\$ 28,442</u> |

See notes to financial statements.

Southern Hills Regional Mental Health

Southern Hills Regional Mental Health

Reconciliation of the Statement of Revenues,
Expenditures and Changes in the Fund Balances –
Governmental Fund to the Statement of Activities

Year ended June 30, 2024

Change in fund balance - Governmental fund (page 13) \$ (506,506)

***Amounts reported for governmental activities in the Statement of
Activities are different because:***

Southern Hills Regional Mental Health merged into the Heart of Iowa
Community Services region. All previously recorded deferred outflows of
resources, deferred inflows of resources, compensated absences payable,
net pension liability and total OPEB liability have been eliminated.

107,291

Change in net position of governmental activities (page 11)

\$ (399,215)

See notes to financial statements.

Southern Hills MHDS Region

Notes to Financial Statements

June 30, 2024

(1) Summary of Significant Accounting Policies

Southern Hills Regional Mental Health (Southern Hills) is a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa. Southern Hills includes the following member counties: Adair, Adams, Taylor and Union Counties. The member counties entered into this 28E agreement to create a mental health and disability service regional administrative entity as described by Chapter 331.389 of the Code of Iowa to provide local access to mental health and disability services for adults and to engage in any other related activity in which an Iowa 28E organization may lawfully be engaged.

Southern Hills' Regional Governance Board is comprised of at least one Board of Supervisors' member, or their designees, from each member county. The Regional Governance Board also includes two individuals who utilize mental health and disability services or are actively involved relatives of such an individual, serving in a nonvoting, ex officio capacity.

Southern Hills designated Union County as the fiscal agent to account for all funds of the organization as permitted by Chapter 331.391 of the Code of Iowa.

Southern Hills Regional Mental Health's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. The financial statements of Southern Hills Regional Mental Health are intended to present the financial position and the changes in financial position of Southern Hills Regional Mental Health.

A. Reporting Entity

For financial reporting purposes, Southern Hills Regional Mental Health has included all funds, organizations, agencies, commissions and authorities. Southern Hills Regional Mental Health has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with Southern Hills Regional Mental Health are such that exclusion would cause Southern Hills Regional Mental Health's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of Southern Hills Regional Mental Health to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on Southern Hills Regional Mental Health. Southern Hills Regional Mental Health has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the activities of Southern Hills Regional Mental Health.

The Statement of Net Position presents the assets and liabilities with the difference reported as net position. Net position is reported in the following category:

Restricted net position results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include grants, contributions and interest restricted to meeting the operational requirements of a particular function. Unrestricted interest income and other items not properly included among program revenues are reported as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in the fund financial statements.

Southern Hills Regional Mental Health reports the following major governmental fund:

The General Fund is used to account for the state regional service payments and other revenues to provide services to community-based, person-centered mental health and disability services system.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, Southern Hills Regional Mental Health considers revenues to be available if they are collected by Southern Hills Regional Mental Health within 90 days after year end.

Intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by Southern Hills Regional Mental Health.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in the governmental fund. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, Southern Hills Regional Mental Health funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is Southern Hills Regional Mental Health's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the Region's policy is to pay the expenditure from restricted fund balance and then from less-restrictive unassigned fund balances.

D. Assets, Liabilities and Fund Balance

The following accounting policies are followed in preparing the financial statements:

Cash and Pooled Investments – The cash balances of most Southern Hills Regional Mental Health funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for non-negotiable certificates of deposit which are stated at amortized cost.

Fund Balance – In the governmental fund financial statements, fund balances are classified as follows:

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

(2) Cash and Pooled Investments

Southern Hills Regional Mental Health's deposits in banks at June 30, 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

Southern Hills Regional Mental Health is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by Southern Hills Regional Mental Health; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

Southern Hills Regional Mental Health had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

(3) Risk Management

Southern Hills Regional Mental Health is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 803 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, employment practices liability, public officials liability, cyber liability and law enforcement liability. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses estimated for the fiscal year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of basis rate.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses, reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

Southern Hills Regional Mental Health's property and casualty contributions to the Pool are recorded as expenditures from its operating funds at the time of payment to the Pool. Southern Hills Regional Mental Health's contributions to the Pool for the year ended June 30, 2024 were \$6,813.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, employment practices, law enforcement, cyber, and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by Southern Hills' risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$500,000 each occurrence, each location. Property risks exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by Southern Hills Regional Mental Health's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by Southern Hills Regional Mental Health's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or the loss was incurred.

Southern Hills Regional Mental Health does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2024, no liability has been recorded in Southern Hills Regional Mental Health's financial statements. As of June 30, 2024, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

Southern Hills also carries commercial insurance purchased from another insurer for coverage associated with workers compensation in the amount of \$1,000,000. Southern Hills assumes liability for any deductibles and claims in excess of the coverage limitation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(4) Mental Health Region Merger

In April 2024 Southern Hills Regional Mental Health agreed to merge into the Heart of Iowa Community Services Region effective July 1, 2024.

Southern Hills Regional Mental Health



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Rob Sand
Auditor of State

Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Regional Governance Board of Southern Hills Regional Mental Health:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Southern Hills Regional Mental Health as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise Southern Hills Regional Mental Health's basic financial statements, and have issued our report thereon dated May 30, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southern Hills Regional Mental Health's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southern Hills Regional Mental Health's internal control. Accordingly, we do not express an opinion on the effectiveness of Southern Hills Regional Mental Health's internal control.

A deficiency in internal control 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 on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Region's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern Hills Regional Mental Health's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the Region's operations for the year ended June 30, 2024 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Region. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Region's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Region's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Southern Hills Regional Mental Health during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Brian R. Brustkern, CPA
Deputy Auditor of State

May 30, 2025

Southern Hills Regional Mental Health

Schedule of Findings

Year ended June 30, 2024

Finding Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCY:

No material weaknesses in internal control over financial reporting were noted.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

Southern Hills Regional Mental Health

Schedule of Findings

Year ended June 30, 2024

Other Findings Related to Required Statutory Reporting:

- 2024-A Minutes – No transactions were found that we believe should have been approved in the Regional Governance Board minutes but were not.
- 2024-B Travel Expense – No expenditures of Southern Hills Regional Mental Health money for travel expenses of spouses of officials or employees were noted.
- 2024-C Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and Southern Hills Regional Mental Health’s investment policy were noted.
- 2024-D Questionable Expenditures – No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- 2024-E Restricted Donor Activity – No transactions were noted between the Region, Region officials, Region employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

Southern Hills Regional Mental Health

Staff

This audit was performed by:

Brian R. Brustkern, CPA, Deputy
Suzanne R. Dahlstrom, CPA, Manager
Gwen D. Fangman, CPA, Manager
Erin J. Sietstra, Senior II
April R. Davenport, Senior Auditor
Jason Weuve, Intern Auditor