



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE

June 7, 2010

Contact: Andy Nielsen
515/281-5834

Auditor of State David A. Vaudt today released an audit report on the ADLM Counties Environmental Public Health Agency.

The Agency had total receipts of \$359,868 for the year ended June 30, 2009, a 36 percent decrease from 2008. The receipts included \$180,684 in inspections and sales, \$109,027 in contributions from member counties, \$43,981 in state grants for well abandonment and bioterrorism and \$26,176 in other receipts.

Disbursements totaled \$341,234 for the year ended June 30, 2009, a 48.4 percent decrease from the prior year, and included \$222,311 for salaries and benefits, \$50,873 for well testing and abandonment and \$21,422 for travel.

The decrease in receipts and disbursements was primarily due to the receipt of note and bond proceeds and disbursements for the construction of a new facility in the prior year.

A copy of the audit report is available for review in the ADLM Counties Environmental Public Health Agency office, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/index.html>.

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ADLM COUNTIES ENVIRONMENTAL PUBLIC HEALTH AGENCY

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENT AND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS**

JUNE 30, 2009

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ADLM Counties Environmental Public Health Agency

Commission Members

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Larry Davis	Chair	Lucas County
Dale Taylor	Vice-Chair	Davis County
Dean Kaster	Secretary	Appanoose County
Denny Ryan	Member	Monroe County

Agency Officials

Donnie Herteen	Co-Director
Bill Milani	Co-Director
Connie Foster	Office Manager

ADLM Counties Environmental Public Health Agency



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Independent Auditor's Report

To the Member Counties of the
ADLM Counties Environmental Public Health Agency:

We have audited the accompanying financial statement of the ADLM Counties Environmental Public Health Agency as of and for the year ended June 30, 2009. This financial statement is the responsibility of the Agency's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement is prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash basis financial position of the ADLM Counties Environmental Public Health Agency at June 30, 2009, and the changes in its cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated May 14, 2010 on our consideration of the ADLM Counties Environmental Public Health Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 7 through 9 is not a required part of the financial statement, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

DAVID A. VAUDT, CPA
Auditor of State

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

May 14, 2010

ADLM Counties Environmental Public Health Agency

MANAGEMENT'S DISCUSSION AND ANALYSIS

The ADLM Counties Environmental Public Health Agency provides this Management's Discussion and Analysis of its financial statement. This narrative overview and analysis of the financial activities of the ADLM Counties Environmental Public Health Agency is for the fiscal year ended June 30, 2009. We encourage readers to consider this information in conjunction with the Agency's financial statement, which follows.

2009 FINANCIAL HIGHLIGHTS

- ◆ Operating receipts increased 16.3%, or approximately \$50,000, from fiscal year 2008 to fiscal year 2009.
- ◆ Operating disbursements increased 11.0%, or approximately \$33,000, from fiscal year 2008 to fiscal year 2009.
- ◆ Cash basis net assets increased approximately \$19,000 from June 30, 2008 to June 30, 2009.

USING THIS ANNUAL REPORT

The Agency has elected to present its financial statement on the cash basis of accounting. The cash basis of accounting is a basis of accounting other than U.S. generally accepted accounting principles. Basis of accounting refers to when financial events are recorded, such as the timing for recognizing revenues, expenses and the related assets and liabilities. Under the cash basis of accounting, revenues and expenses and the related assets and liabilities are recorded when they result from cash transactions.

As a result of the use of the cash basis of accounting, certain assets and their related revenues and liabilities and their related expenses are not recorded in this financial statement. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

The annual report is presented in a format consistent with the presentation of Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the cash basis of accounting.

This discussion and analysis are intended to serve as an introduction to the financial statement. The annual report consists of the financial statement and other information, as follows:

- Management's Discussion and Analysis introduces the financial statement and provides an analytical overview of the Agency's financial activities.
- The Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets presents information on the Agency's operating receipts and disbursements, non-operating receipts and disbursements and whether the Agency's financial position has improved or deteriorated as a result of the year's activities.
- Notes to Financial Statement provide additional information essential to a full understanding of the data provided in the financial statement.

FINANCIAL ANALYSIS OF THE AGENCY

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets

The purpose of the statement is to present the receipts received by the Agency and the disbursements paid by the Agency, both operating and non-operating. The statement also presents a fiscal snapshot of the cash balance at year end. Over time, readers of the financial statement are able to determine the Agency's cash basis financial position by analyzing the increase and decrease in cash basis net assets.

Operating receipts are received for contributions from member counties, operating grants, licenses, permits, inspections and sales and other receipts. Operating disbursements are disbursements paid to operate the Agency. Non-operating receipts and disbursements are for capital grants, debt proceeds, capital projects and debt service. A summary of cash receipts, disbursements and changes in cash basis net assets for the years ended June 30, 2009 and June 30, 2008 are presented below:

	Changes in Cash Basis Net Assets	
	Year ended June 30,	
	2009	2008
Operating receipts:		
Licenses, permits, inspections and sales	\$ 196,079	152,759
Contributions from member counties	109,027	104,877
State grants	43,981	37,500
Sales tax refunds	7,324	3,784
Miscellaneous	3,457	10,507
Total operating receipts	<u>359,868</u>	<u>309,427</u>
Operating disbursements:		
Salaries and benefits	222,311	208,693
Office supplies, equipment and furniture	9,663	17,827
Travel	21,442	17,777
Telephone	4,324	3,947
Building maintenance, utilities and insurance	10,100	7,990
Well testing and abandonment	50,873	29,473
Lead abatement	1,235	2,080
Legal services	6,540	3,780
Miscellaneous	5,878	7,990
Total operating disbursements	<u>332,366</u>	<u>299,557</u>
Excess of operating receipts over operating disbursements	<u>27,502</u>	<u>9,870</u>
Non-operating receipts (disbursements):		
Bond anticipation note proceeds	-	30,000
Community facility revenue bond proceeds	-	170,000
Bond anticipation note payments	-	(131,888)
Community facility revenue bond payments	(8,868)	(6,651)
Closing fee on bank loan	-	(1,115)
State and federal grants for new facility	-	53,067
Construction of new facility	-	(222,179)
Net non-operating receipts (disbursements)	<u>(8,868)</u>	<u>(108,766)</u>
Net change in cash basis net assets	18,634	(98,896)
Cash basis net assets beginning of year	<u>24,833</u>	<u>123,729</u>
Cash basis net assets end of year	<u>\$ 43,467</u>	<u>24,833</u>
Cash Basis Net Assets		
Unrestricted	<u>\$ 43,467</u>	<u>24,833</u>

In fiscal year 2009, operating receipts increased approximately \$50,000, or 16.3%, over fiscal year 2008. In fiscal year 2009, operating disbursements increased approximately \$33,000, or 11.0%. The increase in total receipts and total disbursements was primarily due to proceeds and disbursements from well testing and abatement and disbursements for salaries and benefits.

LONG-TERM DEBT

At June 30, 2009, the Agency had three community facilities revenue bonds outstanding totalling approximately \$167,000. Additional information about the Agency's bonds are presented in Note 5 to the financial statement.

ECONOMIC FACTORS

The current condition of the economy in the state continues to be a concern for Agency officials. Some of the realities that may potentially become challenges for the Agency to meet are:

- ◆ Facilities require constant maintenance and upkeep.
- ◆ Technology continues to expand and current technology becomes outdated, presenting an on going challenge to maintain up to date technology at a reasonable cost.
- ◆ The Agency completed the facility building project in fiscal year 2009.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Agency's finances and to show its accountability for the money it receives. If you have questions about this report or need additional financial information, contact the ADLM Counties Environmental Public Health Agency, P.O. Box 399, Moravia, Iowa 52571.

ADLM Counties Environmental Public Health Agency

Financial Statement

Exhibit A

ADLM Counties Environmental Public Health Agency

Statement of Cash Receipts, Disbursements and
Changes in Cash Basis Net Assets

Year ended June 30, 2009

Operating receipts:	
Inspections and sales	\$ 180,684
Contributions from member counties	109,027
State grants for well abandonment and bioterrorism	43,981
Licenses and permits	15,395
Sales tax refunds	7,324
Miscellaneous	3,457
Total operating receipts	<u>359,868</u>
Operating disbursements:	
Salaries and benefits	222,311
Office supplies, equipment and furniture	9,663
Travel	21,442
Telephone	4,324
Building maintenance, utilities and insurance	10,100
Well testing and abandonment	50,873
Lead abatement	1,235
Legal services	6,540
Miscellaneous	5,878
Total operating disbursements	<u>332,366</u>
Excess of operating receipts over operating disbursements	<u>27,502</u>
Non-operating disbursements:	
Community facility revenue bond payments:	
Principal	(1,730)
Interest	(7,138)
Net non-operating disbursements	<u>(8,868)</u>
Net change in cash basis net assets	18,634
Cash basis net assets beginning of year	<u>24,833</u>
Cash basis net assets end of year	<u>\$ 43,467</u>
Cash Basis Net Assets	
Unrestricted	<u>\$ 43,467</u>

See notes to financial statement.

ADLM Counties Environmental Public Health Agency

Notes to Financial Statement

June 30, 2009

(1) Summary of Significant Accounting Policies

The counties of Appanoose, Davis, Lucas and Monroe entered into a 28E agreement in 2004 to establish a joint Commission composed of one representative from each county. Each member county has one vote.

Pursuant to Chapter 28E of the Code of Iowa, the Commission established and governs the ADLM Counties Environmental Public Health Agency. The primary purpose of the Agency is to enforce all rules and regulations (state and local) pertaining to public health for and on behalf of its member counties.

In prior years, the Appanoose County Auditor was the fiscal agent for the Agency. Accordingly, the Agency's financial data was included as an Agency Fund within Appanoose County's financial statements.

On July 1, 2006, the Lucas County Auditor became the fiscal agent for the Agency. On or about January 1, 2007, the Agency assumed financial reporting responsibilities for its activities.

A. Reporting Entity

For financial reporting purposes, the ADLM Counties Environmental Public Health Agency has included all funds, organizations, agencies, boards, commissions and authorities. The Agency 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 the Agency are such that exclusion would cause the Agency's financial statement 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 the Agency 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 the Agency. The Agency has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Agency are organized as an Enterprise Fund. Enterprise Funds are utilized to finance and account for the acquisition, operation and maintenance of governmental facilities and services supported by user charges.

Enterprise Funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an Enterprise Fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

C. Basis of Accounting

The Agency maintains its financial records on the basis of cash receipts and disbursements and the financial statement of the Agency is prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statement does not present the financial position and results of operations of the Agency in accordance with U.S. generally accepted accounting principles.

(2) Cash

The Agency's deposits in banks at June 30, 2009 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 insure there will be no loss of public funds.

The Agency 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 the Agency; 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.

The Agency had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3, as amended by Statement No. 40.

(3) Pension and Retirement Benefits

The Agency contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 4.10% of their annual covered salary and the Agency is required to contribute 6.35% of annual covered payroll. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the year ended June 30, 2009 was \$11,138, equal to the required contribution for the year.

(4) Risk Management

The Agency is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The Agency assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past four fiscal years.

(5) Community Facility Revenue Bonds

On September 27, 2007, the Agency entered into three community facility revenue bonds with the U.S. Department of Agriculture, totaling \$170,000, to finance a portion of the costs to construct an office building, including the refunding of the community facility revenue bond anticipation note. Principal and interest on the three bonds require equal monthly payments totaling \$739, with interest at 4.25% per annum, commencing on October 27, 2007 and continuing through 2047. During the year ended June 30, 2009, the Agency paid bond principal and interest of \$8,868. The three bonds have an outstanding balance of \$167,005 at June 30, 2009 and are due as follows:

Year Ending June 30,	Principal	Interest	Total
2010	\$ 1,805	7,063	8,868
2011	1,883	6,985	8,868
2012	1,964	6,904	8,868
2013	2,049	6,819	8,868
2014	2,138	6,730	8,868
2015 - 2019	12,165	32,175	44,340
2020 - 2024	15,038	29,302	44,340
2025 - 2029	18,593	25,747	44,340
2030 - 2034	22,986	21,354	44,340
2035 - 2039	28,418	15,922	44,340
2040 - 2044	35,133	9,207	44,340
2045 - 2047	24,833	1,650	26,483
Total	\$ 167,005	169,858	336,863

(6) Compensated Absences

Agency employees accumulate a limited amount of earned but unused vacation hours for subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the Agency until used or paid. The Agency's approximate liability for earned vacation at June 30, 2009 was \$10,200. This liability has been computed based on rates of pay in effect at June 30, 2009.

ADLM Counties Environmental Public Health Agency

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

ADLM Counties Environmental Public Health Agency



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

To the Member Counties of the
ADLM Counties Environmental Public Health Agency:

We have audited the accompanying financial statement of the ADLM Counties Environmental Public Health Agency as of and for the year ended June 30, 2009, and have issued our report thereon dated May 14, 2010. Our report expressed an unqualified opinion on the financial statement which was prepared in conformity with an other comprehensive basis of accounting. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the ADLM Counties Environmental Public Health Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the ADLM Counties Environmental Public Health Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the ADLM Counties Environmental Public Health Agency's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies, including deficiencies we consider to be material weaknesses.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Agency's ability to initiate, authorize, record, process or report financial data reliably in accordance with an other comprehensive basis of accounting such that there is more than a remote likelihood a misstatement of the Agency's financial statement that is more than inconsequential will not be prevented or detected by the Agency's internal control. We consider the deficiencies in internal control described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood a material misstatement of the financial statement will not be prevented or detected by the Agency's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we believe items (A) and (B) are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ADLM Counties Environmental Public Health Agency's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. 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 non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters that are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Agency's operations for the year ended June 30, 2009 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statement of the Agency. 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.

The ADLM Counties Environmental Public Health Agency's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the Agency's responses, we did not audit the ADLM Counties Environmental Public Health Agency'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, employees and citizens of the ADLM Counties Environmental Public Health Agency and other parties to whom the Agency 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 ADLM Counties Environmental Public Health Agency 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.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

May 14, 2010

ADLM Counties Environmental Public Health Agency

Schedule of Findings

June 30, 2009

Findings Related to the Financial Statement:

SIGNIFICANT DEFICIENCIES:

- (A) Segregation of Duties – During our review of internal control, the existing procedures are evaluated to determine incompatible duties, from a control standpoint, are not performed by the same employee. This segregation of duties helps to prevent losses from employee error or dishonesty and, therefore, maximizes the accuracy of the Agency’s financial statement.
- (1) All incoming mail is not opened by an employee who is not authorized to make entries to the accounting records. A list of money and checks received is not prepared by the person opening the mail. The initial listing is not compared with cash receipts by an independent person.
 - (2) One person has primary control over collecting, deposit preparation, accounts receivable and posting receipts.
 - (3) Bank accounts are not reconciled by an individual who does not sign checks, handle or record cash.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. The Agency should review its operating procedures to obtain the maximum internal control possible under the circumstances. The Agency should utilize current personnel to provide additional control through review of financial transactions, reconciliations and reports. Such reviews would be performed by independent persons, to the extent possible, and should be evidenced by initials or signature of the reviewer and the date of the review.

Response – At present the secretary opens the mail, receipts all checks and cash and prior to deposit, an independent party reviews the receipt book against the deposit to ensure accuracy. A Commission member will review the receipts receivable and compare against the deposit on a quarterly basis. Also, when possible with the limited number of staff, an independent party will open the mail.

Conclusion – Response accepted.

- (B) Receipts – Pre-numbered receipts were issued for collections. However, we were unable to locate pre-numbered receipts prior to May 26, 2009.

Recommendation – Pre-numbered receipts should be issued and maintained for all collections.

Response – ADLM will ensure that all prenumbered receipts are issued and maintained for all collections.

Conclusion – Response accepted.

ADLM Counties Environmental Public Health Agency

Schedule of Findings

June 30, 2009

- (C) Time Sheets – Time sheets were not completed by salaried employees.

Recommendation – Time sheets should be completed by all employees, including salaried employees. Time sheets should be approved and initialed by the employee and supervisor.

Response – At present hourly employees fill out time sheets and are initialed and signed by the supervisors. In the future the salaried employees will conform and do what other salaried employees do within the four counties to make the process uniform.

Conclusion – Response acknowledged. The Agency should establish policies to ensure sufficient documentation is maintained for time worked for salaried employees.

- (D) Electronic Data Processing System – During our review of internal control, the existing control activities in the Agency’s computer based systems were evaluated to determine activities, from a control standpoint, were designed to provide reasonable assurance regarding the achievement of objectives in the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. The following weaknesses in the Agency’s computer based systems were noted:

The Agency does not have written policies for:

- Use of the internet.
- A disaster recovery plan.

Recommendation – The Commission should develop written policies for the use of the internet. Also, the Commission should develop a written disaster recovery plan for processing critical jobs in the event of a major hardware or software failure or temporary or permanent destruction of the building. In addition, the plan should also include a provision to review the plan annually and how to communicate with the public and staff on where to go for services.

Response – ADLM with approval from the Commission, will develop a written plan for internet usage and a disaster recovery plan. At present, ADLM downloads all important information onto a “flash drive” weekly and the flash drive is not kept in the building.

Conclusion – Response accepted.

- (E) Travel – The Agency does not have written travel policies. In addition, mileage logs do not document the place of departure and the destination city or cities. Mileage logs only document the destination county or counties.

Recommendation – The Agency should establish a written policy concerning the documentation required for mileage and other travel claims. Mileage logs should indicate the date, place of departure and destination or destinations, if more than one, supporting the mileage claimed.

Response – The Commission will draft a travel policy.

Conclusion – Response accepted.

ADLM Counties Environmental Public Health Agency

Schedule of Findings

June 30, 2009

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

ADLM Counties Environmental Public Health Agency

Schedule of Findings

June 30, 2009

Other Findings Related to Required Statutory Reporting:

- (1) Questionable Disbursements – No disbursements we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- (2) Travel Expense – No disbursements of Agency money for travel expenses of spouses of Agency officials or employees were noted.
- (3) Commission Minutes – Except as noted below, no transactions were found that we believe should have been approved in the Commission minutes but were not.

The Commission minutes for the October 21, 2008 meeting were not published as required by Chapter 28E.6(3) of the Code of Iowa. Also, the minutes did not include the schedule of bills allowed and gross salaries required to be published in accordance with Chapter 28E.6(3) of the Code of Iowa.

Recommendation – The Commission should ensure the minutes and the required components are published as required.

Response – ADLM, with approval from the Commission, will ensure all minutes, along with a schedule of bills, are published and the gross salaries are published annually.

Conclusion – Response accepted.

- (4) Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa were noted.
- (5) Food Inspections – The Agency is not inspecting food establishments bi-annually as required by Subpart 8-401 of the 2005 Iowa Food Code.

Recommendation – The Agency should ensure food establishments are inspected bi-annually as required.

Response – Due to lack of funding and personnel, ADLM is unable to inspect establishments bi-annually.

Conclusion – Response acknowledged. We realize inspecting establishments bi-annually is difficult with a limited number of office employees and funding. The Commission should review the procedures to perform the maximum number of inspections possible under the circumstances.

ADLM Counties Environmental Public Health Agency

Staff

This audit was performed by:

K. David Voy, CPA, Manager
James R. Wittenwyler, Staff Auditor
Michael F. Conroy, Assistant Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large, stylized initial "A".

Andrew E. Nielsen, CPA
Deputy Auditor of State