

Contact: Andrea Anania

### STATE AUDIT REPORTS

**Action Requested:** Receive the following reports:

- ▶ State of Iowa Reports – FY 2014:
  - ◆ Comprehensive Annual Financial Report <http://auditor.iowa.gov/reports/1560-8990-B000.pdf>
  - ◆ Single Audit Report <http://auditor.iowa.gov/reports/1560-8990-A000.pdf>
- ▶ University Financial Reports – FY 2014:
  - ◆ University of Iowa <http://auditor.iowa.gov/reports/1561-8010-B000.pdf>
  - ◆ Iowa State University <http://auditor.iowa.gov/reports/1561-8020-B000.pdf>
  - ◆ University of Northern Iowa <http://auditor.iowa.gov/reports/1561-8030-B000.pdf>
- ▶ Other Reports:
  - ◆ Report of Recommendations to Iowa State University of Science and Technology on a Review of Selected General and Application Controls over the Student Financial Aid System April 22, 2013 – May 17, 2013 <http://auditor.iowa.gov/reports/1461-8020-BT01.pdf>
  - ◆ Report on Special Investigation of the University of Northern Iowa International Dance Theatre December 1, 2005 – February 28, 2014 <http://auditor.iowa.gov/reports/1461-8030-BE01.pdf>

**Executive Summary:** The Code of Iowa requires the State Auditor to conduct audits on all state entities, including the Regents institutions and the Board Office. The Comprehensive Annual Financial Report (CAFR) and the State Audit Report (SAR) are released annually and contain information regarding the five Regents institutions, the Board Office, and the rest of state government. The State Auditor also provides an opinion on the university financial reports, which are issued annually.

State Auditor Mary Mosiman is scheduled to make brief comments on these reports.

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#### STATE OF IOWA REPORTS

- ▶ The CAFR provides a broad perspective of the state of Iowa's financial activity with a general overview of the condition of the state, audited financial statements of the state, and a statistical section containing financial and demographic information.
    - ◆ The financial statements were prepared in accordance with governmental accounting principles generally accepted in the United States. The report noted that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the state of Iowa as of June 30, 2014, and the respective changes in its financial position and, where applicable, its cash flows for the year then ended.
    - ◆ The state's combined (governmental and business-type activities) net position as of June 30, 2014, totaled \$15,939.2 million, an increase of 5.1% over the \$15,163.4 million (restated) as of June 30, 2013.
  - ▶ The SAR, required by federal law, covers the disbursement of federal funds by all state agencies, institutions, and universities, as well as a review of internal controls, compliance with federal laws and regulations, and follow-up on prior year federal comments. No findings were reported for any of the Regent institutions or the Board Office.
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UNIVERSITY FINANCIAL REPORTS

Each report includes the Auditor of State's opinion, which may be found near the beginning of each report and an internal control letter at the end of each report. For SUI, ISU, and UNI, auditors:

- ▶ Reported the financial statements present fairly in all material respects, the financial positions as of June 30, 2014;
  - ▶ Did not identify any deficiencies in internal control considered to be material weaknesses. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the University's financial statements will not be prevented or detected and corrected on a timely basis.
  - ▶ Reported no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.
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OTHER REPORTS

- ▶ Report of Recommendations to Iowa State University of Science and Technology on a Review of Selected General and Application Controls over the Student Financial Aid System April 22, 2013 – May 17, 2013

The report included recommendations on the following:

General Controls

- ◆ Disaster Recovery Information

Application Controls

- ◆ Review of Access and Access Rights

- ▶ Report on Special Investigation of the University of Northern Iowa International Dance Theatre December 1, 2005 – February 28, 2014

The report included recommendations on the following:

General Controls

- ◆ Segregation of Duties
  - ◆ University Policies
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