

**COUNTY OF LINN, IOWA**

**INFORMATION TO COMPLY WITH  
*GOVERNMENT AUDITING STANDARDS AND  
OMB CIRCULAR A-133, AUDITS OF STATES, LOCAL  
GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS***

**FOR THE YEAR ENDED JUNE 30, 2005**

COUNTY OF LINN, IOWA

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CPAs & BUSINESS ADVISORS

**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**

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To the Officials of the County of Linn, Iowa:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Linn, Iowa, as of and for the year ended June 30, 2005, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 15, 2005. We conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that are described in Part II of the accompanying Schedule of Findings and Questioned Costs.

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Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2005, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. 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.

We noted certain matters that we reported to management of the County of Linn, Iowa, in a separate letter dated November 15, 2005.

This report, a public record by law, is intended solely for the information and use of the officials, employees, and citizens of the County of Linn, Iowa, and other parties to whom the County of Linn, Iowa, may report, including federal awarding agencies and pass-through entities. 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 County of Linn, Iowa, 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.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Dubuque, Iowa  
November 15, 2005



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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To the Officials of the County of Linn, Iowa:

Compliance

We have audited the compliance of the County of Linn, Iowa, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. The County's major federal programs are identified in the summary of the independent auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County of Linn, Iowa, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of the County of Linn, Iowa, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Linn, Iowa, as of and for the year ended June 30, 2005, and have issued our report thereon dated November 15, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report, a public record by law, is intended solely for the information and use of the officials, employees, and citizens of the County of Linn, Iowa, and other parties to whom the County of Linn, Iowa, may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Sully LLP". The signature is written in dark ink and is positioned above the typed name and date.

Dubuque, Iowa  
November 15, 2005

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

<u>Grantor/Program</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Program Expenditures</u>
<b>Direct</b>			
Department of Justice			
Local Law Enforcement Block Grants Program	16.592	2003-LB-BX-2299	\$ <u>34,309</u>
Total Direct			<u>34,309</u>
<b>Indirect</b>			
Department of Agriculture			
Iowa Department of Education			
School Breakfast Program	10.553	57-8022	19,689
National School Lunch Program	10.555	57-8022	<u>23,638</u>
			<u>43,327</u>
Child and Adult Care Food Program	10.558	57-0021	1,377
Child and Adult Care Food Program	10.558	57-8012	<u>37,735</u>
			<u>39,112</u>
Iowa Department of Human Services			
Human Services Administrative Reimbursements			
State Administrative Matching Grants for			
Food Stamp Program	10.561		<u>63,954</u>
Department of Housing and Urban Development			
Iowa Department of Economic Development			
Community Development Block Grants/ State's Program	14.228	04-OT-001	151,560
Community Development Block Grants/ State's Program	14.228	04-CRL-001	<u>185,766</u>
			<u>337,326</u>
Emergency Shelter Grants Program	14.231	04-ES-005	<u>205,721</u>
City of Cedar Rapids, Iowa			
Lead-Based Paint Hazard Control in Privately- Owned Housing	14.900	IALHB0179-01	<u>141,055</u>
Department of Justice			
Iowa Department of Human Rights			
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JJYD-F05-31	<u>106,155</u>
Juvenile Justice and Delinquency Prevention – Allocation to States	16.540	JJYD-F05-31	<u>46,000</u>
			(continued)

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

<u>Grantor/Program</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Program Expenditures</u>
Indirect (continued)			
Department of Justice (continued)			
Iowa Department of Human Rights (continued)			
Title V – Delinquency Prevention Program	16.548	JJYD-F05-31	\$ <u>10,070</u>
Public Safety Partnership and Community Policing Grants	16.710	04-COPS-31	<u>51,113</u>
Enforcing Underage Drinking Laws Program	16.727	JJYD-F05-31	<u>22,545</u>
Department of Transportation			
East Central Iowa Council of Governments			
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513		<u>41,155</u>
Governor’s Traffic Safety Bureau			
State and Community Highway Safety	20.600	05-02, Task 18	17,240
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	04-410, Task 27	5,410
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	04-163, Task 44	5,822
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	05-163, Task 44	<u>9,769</u>
			<u>38,241</u>
Iowa Department of Public Defense			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		<u>2,233</u>
Environmental Protection Agency			
Iowa Department of Public Health			
State Indoor Radon Grants	66.032	5885RC02	<u>243,598</u>
Iowa Department of Natural Resources			
Surveys, Studies, Investigations Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	2005-7230-03	<u>27,973</u>
Performance Partnership Grants	66.605		40,827
Performance Partnership Grants	66.605		<u>7,887</u>
			<u>48,714</u>
			(continued)

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

Grantor/Program	CFDA Number	Agency or Pass-Through Number	Program Expenditures
Indirect (continued)			
Department of Education			
Iowa Department of Human Services			
Rehabilitation Services – Vocational			
Rehabilitation Grants to States	84.126		\$ <u>19,608</u>
Department of Health and Human Services			
Iowa Department of Public Health			
Public Health and Social Services Emergency Fund	93.003	5885EM177	7,726
Public Health and Social Services Emergency Fund	93.003	5885BPH25	<u>36,000</u>
			<u>43,726</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	MOU-2005-TB09	275
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	MOU-2004-TB08	<u>650</u>
			<u>925</u>
Childhood Lead Poisoning Prevention Projects – State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	5885LP08	<u>38,041</u>
Immunization Grants	93.268	5885I412	7,899
Immunization Grants	93.268	5884I412	<u>16,500</u>
			<u>24,399</u>
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5885NB16	40,743
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5884BT14	291,927
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	MOU-2006-ELC05	340
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5885BT12	239,311
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	MOU-2005-ELC05	460
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5885BT06	396,507
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5884BT12	161,628
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5885WW10	7,299
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	5884BT06	<u>253,487</u>
			<u>1,391,702</u>
			(continued)

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

Grantor/Program	CFDA Number	Agency or Pass-Through Number	Program Expenditures
Indirect (continued)			
Department of Health and Human Services (continued)			
Hawkeye Area Community Action Program			
Head Start	93.600	07CH6114	\$ <u>122,716</u>
University of Iowa			
Developmental Disabilities Basic Support and Advocacy Grants	93.630		<u>4,500</u>
Iowa Department of Human Services			
Promoting Safe and Stable Families	93.556		9,121
Promoting Safe and Stable Families	93.556		23,063
Promoting Safe and Stable Families	93.556		<u>8,250</u>
			<u>40,434</u>
Child Support Enforcement	93.563		<u>1,539,597</u>
Child Care and Development Block Grant	93.575	BDPS-CC-05006	48,000
Child Care and Development Block Grant	93.575		526,277
Child Care and Development Block Grant	93.575	57-0021	<u>228</u>
			<u>574,505</u>
Human Services Administrative Reimbursements			
Temporary Assistance for Needy Families	93.558		<u>85,959</u>
Refugee and Entrant Assistance – State Administered Programs	93.566		<u>126</u>
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		16,821
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	57-0021	<u>257</u>
			<u>17,078</u>
Human Services Administrative Reimbursements			
Foster Care – Title IV-E	93.658		<u>44,738</u>
Adoption Assistance	93.659		<u>10,412</u>
Medical Assistance Program	93.778		<u>92,057</u>
Social Services Block Grant	93.667		54,937
Social Services Block Grant	93.667	57-0021	<u>603,243</u>
			<u>658,180</u>
			(continued)

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

<u>Grantor/Program</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Program Expenditures</u>
Indirect (continued)			
Department of Health and Human Services (continued)			
Iowa Department of Public Health			
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	FSA7-04-003/ BDPS-04-067	\$ 14,028
HIV Prevention Activities – Health Department Based	93.940	5885AP04	19,457
HIV Prevention Activities – Health Department Based	93.940	5884AP04	<u>18,545</u>
			<u>38,002</u>
Corporation for National and Community Service			
Iowa Commission on Volunteer Service			
AmeriCorps	94.006	03-AF-16	61,637
AmeriCorps	94.006	04-AF-16	<u>47,061</u>
			<u>108,698</u>
Social Security Administration			
Iowa Department of Human Services			
Social Security – Disability Insurance	96.001		<u>30</u>
Department of Homeland Security			
Iowa Department of Public Defense			
State Domestic Preparedness Equipment Support Program	97.004	03SHGP Part I	13,255
State Domestic Preparedness Equipment Support Program	97.004	05SHGP Part I	345,733
State Domestic Preparedness Equipment Support Program	97.004	03SHGP Part II	172,658
State Domestic Preparedness Equipment Support Program	97.004	03SHGP Part II	165,000
State Domestic Preparedness Equipment Support Program	97.004	03SHGP Part I	15,909
State Domestic Preparedness Equipment Support Program	97.004	04HSGP	364,361
Homeland Security Grant Program	97.067	2004-GE-T4-0046	<u>33,763</u>
			<u>1,110,679</u>
United Way of America			
Emergency Food and Shelter National Board Program	97.024	23-2964-00	<u>46,060</u>
			(continued)

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

<u>Grantor/Program</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Program Expenditures</u>
Indirect (continued)			
Department of Homeland Security (continued)			
Iowa Department of Public Defense			
Public Assistance Grants	97.036	113-0390A-00	\$ <u>14,683</u>
Community Emergency Response Teams	97.054		<u>7,333</u>
Total Indirect			<u>7,516,508</u>
Total			<u>\$ 7,550,817</u>

**COUNTY OF LINN, IOWA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2005**

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County of Linn, Iowa, and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2 – SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, the County of Linn, Iowa, provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grants/State's Program	14.228	\$ 336,088
Emergency Shelter Grants Program	14.231	203,835
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	87,665
Juvenile Justice and Delinquency Prevention – Allocation to States	16.540	46,000
Title V – Delinquency Prevention Program	16.548	10,070
Public Safety Partnership and Community Policing Grants	16.710	9,155
Enforcing Underage Drinking Laws Program	16.727	13,462
State Indoor Radon Grants	66.032	55,000
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	1,019,396
Promoting Safe and Stable Families	93.556	32,184
Temporary Assistance for Needy Families	93.558	72,220
Child Care and Development Block Grant	93.575	547,731
Developmental Disabilities Basic Support and Advocacy Grants	93.630	3,125
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	14,000
State Domestic Preparedness Equipment Support Program	97.004	1,073,724
Emergency Food and Shelter National Board Program	97.024	45,246

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2005**

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**Part I: Summary of the Independent Auditor's Results:**

- (a) Unqualified opinions were issued on the financial statements.
- (b) No material weaknesses in internal control over financial reporting were noted.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major programs were noted.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the major programs.
- (f) The audit did not disclose any audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Major programs were as follows:
  - CFDA Number 14.228 – Community Development Block Grants/State's Program
  - CFDA Number 93.563 – Child Support Enforcement
  - CFDA Number 93.575 – Child Care and Development Block Grant
  - Cluster
    - CFDA Number 97.004 – State Domestic Preparedness Equipment Support Program
    - CFDA Number 97.067 – Homeland Security Grant Program
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) The County of Linn, Iowa, qualified as a low-risk auditee.

**Part II: Other Findings Related to Required Statutory Reporting:**

II-A-05 Official Depositories – A resolution naming official depositories has been adopted by the Board. The maximum deposit amounts stated in the resolution were exceeded in March 2005 at Hills Bank.

Recommendation – We recommend the County consider raising the resolution amount sufficiently to cover anticipated balances at all approved depositories or more closely monitor investments.

Response – The County will raise the resolution amount to cover anticipated balances.

Conclusion – Response accepted.

II-B-05 Certified Budget – Disbursements during the year ended June 30, 2005, did not exceed the amounts budgeted.

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2005**

**Part II: Other Findings Related to Required Statutory Reporting: (continued)**

- II-C-05     Questionable Expenditures – We noted no expenditures that we believe may fail to meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979.
- II-D-05     Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.
- II-E-05     Business Transactions – Business transactions between the County and County Officials or employees are detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Lu Barron, Supervisor, spouse is owner of Barron Motor Supplies, Inc.	Batteries, per bid Parts and supplies	\$ 5,049 566
Stephen Tucker, Finance Director, spouse is a court reporter sometimes used by the County to obtain documents on certain cases	Court documents	514
Becky Shoop, Deputy Auditor, spouse is owner of Shoop Excavating	Excavating services	200
Joan McCalmant, County Recorder, mother was an election worker	Election worker	126
Gary Jarvis, Assistant County Attorney, son was a part-time secondary roads employee	Part-time employee	48
Sue Wold, Deputy Auditor, daughter was paid for labeling envelopes	Administrative services	50

In accordance with Chapter 362.5 of the Code of Iowa, the transactions with the Finance Director do not appear to represent conflicts of interest because these transactions are a result of this being professional services and the fact that the transaction is the default of her being the reporter on a certain case. In accordance with Chapter 362.5(4) of the Code of Iowa, the battery purchases with the Supervisor do not appear to represent conflicts of interest since the largest portion was entered into through competitive bidding. The parts and supplies purchases with the Supervisor, excavating services with the Deputy Auditor, election wages with the County Recorder, part-time wages with the Assistant County Attorney, and administrative services with the Deputy Auditor do not appear to represent conflicts of interest since the total transactions with each party were for less than \$1,500 during the fiscal year as allowed by Chapter 362.5(10) of the Code of Iowa.

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2005**

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**Part II: Other Findings Related to Required Statutory Reporting: (continued)**

II-F-05     Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.

II-G-05     Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

II-H-05     Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County’s investment policy were noted.

II-I-05     Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

II-J-05     County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an Extension Council separate and distinct from County operations and, consequently, is not included in the governmental funds balance sheet or statement of revenues, expenditures, and changes in fund balances.

Disbursements during the year ended June 30, 2005, for the County Extension Office did not exceed the amount budgeted.

II-K-05     Emergency Management – The Emergency Management Office is operated under the authority of Chapter 29C of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by a council separate and distinct from the County operations and, consequently, is not included in the governmental funds balance sheet or statement of revenues, expenditures, and changes in fund balances.

Disbursements during the year ended June 30, 2005, for the Emergency Management Office exceeded the amount budgeted prior to amendment.

Recommendation – Disbursements should be closely monitored, and the budget should be amended before disbursements are allowed to exceed the budget.

Response – The EMA budget has been added to a report that identifies claims entered that would exceed the budget prior to processing payment.

Conclusion – Response accepted.

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2005**

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**Part II: Other Findings Related to Required Statutory Reporting: (continued)**

II-L-05 County Assessor's Office – The County Assessor's Office is operated under the authority of Chapter 441 of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administrated by a council separate and distinct from County operations and, consequently, is not included in the governmental funds balance sheet or statement of revenues, expenditures, and changes in fund balances.

Expenditures

The County Assessor's Office is currently paying for other items outside of the employment of special appraisals.

Special Appraiser's Levy – Chapter 441.50 of the Code of Iowa states:

“The conference board shall have power to employ appraisers or other technical or expert help to assist in the valuation of property, the cost thereof to be paid in the same manner as other expenses of the assessor's office. The conference board may certify for levy annually an amount not to exceed forty and one-half cents per thousand dollars for the purpose of establishing a special appraiser's fund, to be used only for such purposes. From time to time the conference board may direct the transfer of any unexpended balance in the special appraiser's fund to the assessment expense fund.”

Pursuant to an Attorney General's Opinion dated November 2, 1962, “...the appraisal fund created by §441.50 can only be used in the employment and compensation of professional and expert appraisers and cannot be used for the compensation of local appraisers to assist the county assessor.”

Recommendation – The Conference Board should discontinue paying for any expenses out of the Special Appraiser's Fund that are not directly related to the employment and compensation of professional and expert appraisers.

Response – The Linn County Assessor has been advised and has agreed not to pay for any expenditures out of the Special Appraiser's Fund that are not directly related to the employment and compensation of professional and expert appraisers.

Conclusion – Response accepted.

Disbursements

Disbursements during the year ended June 30, 2005, for the County Assessor's Office exceeded the amount budgeted.

Recommendation – Disbursements should be closely monitored, and the budget should be amended before disbursements are allowed to exceed the budget.

Response – The Assessor's budget has been added to a report that identifies claims entered that would exceed the budget prior to processing payment.

Conclusion – Response accepted.

**COUNTY OF LINN, IOWA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2005**

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**Part II: Other Findings Related to Required Statutory Reporting: (continued)**

II-M-05 Treasurer's Semi-Annual Settlement Report – The County did not properly publish the Treasurer's report of receipts, disbursements, and ending cash balances of each fund with the warrants/checks outstanding against each fund in accordance with Chapter 349.16(3) of the Code of Iowa.

Recommendation – The County should ensure that the Treasurer's Semi-Annual Settlement report is being properly published in accordance with Chapter 349.16(13).

Response – The Linn County Finance Director will prepare and publish this report.

Conclusion – Response accepted.