

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT  
PROJECT**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2010**

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**COUNTY RATE INFORMATION SYSTEM**  
**OFFICIALS**  
**AS OF JUNE 30, 2010**

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Darin Raymond	Chairperson	Plymouth County
Matthew Wilber	Vice-Chairperson	Pottawattamie County
John Werden, Jr.	Treasurer	Carroll County
Mary Jane White	Member	Allamakee County
David Patton	Member	Buena Vista County
Gregory M. Lievens	Member	Butler County
Ryan R. Kolpin	Member	Cherokee County
Mike L. Wolf	Member	Clinton County
Michael R. Mundt	Member	Crawford County
Wayne Reisetter	Member	Dallas County
Rick Lynch	Member	Davis County
Patrick C. Jackson	Member	Des Moines County
Ralph R. Potter	Member	Dubuque County
Margaret Johnson	Member	Fremont County
Mary Benton	Member	Guthrie County
Randall J. Tilton	Member	Hardin County
Darin R. Slater	Member	Henry County
Thomas Miller	Member	IA Attorney General
Michael K. Jacobsen	Member	Jasper County
Timothy W. Dille	Member	Jefferson County
Janet Lyness	Member	Johnson County
Phil Parsons	Member	Jones County
Harold Denton	Member	Linn County
Carl Petersen	Member	Lyon County
Julie Forsyth	Member	Madison County
Rose Anne Mefford	Member	Mahaska County
Jennifer Miller	Member	Marshall County
Gary Allison	Member	Muscatine County
Michael W. Mahaffey	Member	Poweshiek County
Earl Hardisty	Member	Sac County
Coleman McAllister	Member	Sioux County
Brent D. Heeren	Member	Tama County
H. Craig Miller	Member	Van Buren County
Allen Cook	Member	Wapello County
Bryan Tingle	Member	Warren County
Barbara A. Edmondson	Member	Washington County
Andrew VanDerMaaten	Member	Winneshiek County



*Partners*

Michael E. Brinker, CPA  
David W. Hurst, CPA  
Kathleen A. Koenig, CPA  
Robert R. McGowen, CPA  
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Thomas J. Pflanz, CPA, CFP®  
John A. Schmidt, CPA  
Daniel A. Schwarz, CPA/ABV  
S. James Smith, CPA  
Joni M. Tonnemacher, CPA, CFD

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Iowa County Attorneys Case Management Project

We have audited the accompanying statement of net assets of Iowa County Attorneys Case Management Project as of June 30, 2010. This financial statement is the responsibility of the Organization's management. Our responsibility is to express an opinion on this 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 statement of net assets is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of net assets. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of net assets presentation. We believe our audit provides a reasonable basis for our opinion.

Because we were not engaged to audit the statement of revenues, expenses and changes in net assets or the statement of cash flows, we did not extend our auditing procedures to enable us to express an opinion on results of operations and cash flows for the year ended June 30, 2010. Accordingly, we express no opinion on those financial statements.

In our opinion, the statement of net assets referred to above presents fairly, in all material respects, the net assets of Iowa County Attorneys Case Management Project as of June 30, 2010, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report, dated January 6, 2011, on our consideration of Iowa County Attorneys Case Management Project's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and 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 3 through 6 is not a required part of the financial statements, 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 supplementary information. We did not audit the information and express no opinion on it.

*McGowen, Hurst, Clark + Smith, P.C.*

West Des Moines, Iowa  
January 6, 2011

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Founded in 1946

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Iowa County Attorneys Case Management Project ("ICACMP," or the "Organization") provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2010. We encourage readers to consider this information in conjunction with the Organization's financial statements, which follow.

**FINANCIAL HIGHLIGHTS**

- The Organization's revenues totaled approximately \$132,000 and consist primarily of membership and registration fees, as well as software maintenance income.
- The Organization's expenses totaled approximately \$132,000 and consist primarily of staff salaries, office expenses, professional fees and depreciation.
- The Organization's net assets increased approximately 3%, or about \$1,000 from June 30, 2009 to June 30, 2010.

**USING THIS ANNUAL REPORT**

Iowa County Attorneys Case Management Project is a single enterprise fund and presents its financial statements using the economic resources measurement focus and accrual basis of accounting, which is the same measurement focus and basis of accounting employed by private sector business enterprises. This discussion and analysis is intended to serve as an introduction to Iowa County Attorneys Case Management Project's financial statements. The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the financial statements and provides an analytical overview of the Organization's financial activities.

The Statement of Net Assets present information on the Organization's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Organization is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets present information on the Organization's operating revenues and expenses, non-operating revenues and expenses and whether the Organization's financial position has improved or deteriorated as a result of the year's activities.

The Statement of Cash Flows presents the change in the Organization's cash and cash equivalents during the year. This information can assist the user of the report in determining how the Organization financed its activities and how it met its cash requirements.

The Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the financial statements.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE ORGANIZATION**

*Statement of Net Assets*

Net assets over time may serve as a useful indicator of the Organization's financial position. The Organization's net assets at the fiscal year ended June 30, 2010 totaled approximately \$164,000. A summary of the Organization's net assets at June 30, 2010 is presented below:

Current assets	\$ 240,204
Property and equipment at cost, less accumulated depreciation	<u>21,192</u>
Total assets	261,396
Less current liabilities	<u>97,349</u>
Unrestricted net assets	<u><u>\$ 164,047</u></u>

All of the Organization's net assets are unrestricted net assets that can be used to meet the Organization's obligations as they come due.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE ORGANIZATION, continued**

*Statement of Revenues, Expenses and Changes in Net Assets*

Operating revenues consist primarily of membership dues and registration fees collected from member counties. Operating expenses consist of expenses paid to provide a means through which representatives from the offices of interested Iowa county attorneys may cooperate and coordinate efforts to develop and make available case management programs that are more uniformly accepted, compatible and able to integrate with other local and state criminal justice agencies. Non-operating revenue consists entirely of interest income. A summary of revenues, expenses and changes in net assets for the year ended June 30, 2010 is presented below:

Changes in Net Assets

Revenue	
Membership dues	\$ 118,143
Registration fees	8,955
Software maintenance	4,875
Interest income	303
Total revenues	132,276
Expenses	
Salaries and related benefits	72,324
Office expenses	15,463
Professional fees	15,027
Depreciation	10,850
Meeting expenses	8,261
Travel expenses	6,072
Insurance	2,332
Miscellaneous	1,206
Total expenses	131,535
Increase in unrestricted net assets	741
Unrestricted net assets, beginning of year	163,306
Unrestricted net assets, end of year	\$ 164,047

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE ORGANIZATION, continued**

*Statement of Cash Flows*

The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, capital and related financing investing activities. Cash provided by operating activities primarily includes member dues and registration fees reduced by salaries and related benefits and office and professional fees. Cash used by investing activities consists of purchases of property and equipment.

**ECONOMIC FACTORS**

Economic conditions in Iowa could have a potential impact on ICACMP. The loss of taxable valuation can impact a county's ability to raise revenue which, in turn, could reduce the willingness of counties to participate in ICACMP. The greatest economic threat to the program, though, continues to be the participation level of the counties. Since there is no mandate in place to require participation, it is solely at the discretion of the county prosecutors and boards of supervisors. Additionally, having the ability to continue to offer a high level of user support is dependent upon the staffing level or contracted staffing of support personnel. This, in turn, affects member dues which can impact which counties can or will participate.

The services ICACMP provides allows the county prosecutors to handle their workload more efficiently, and be able to report on their caseloads.

The Iowa court system will be requiring all filings to be submitted electronically within the next two years. As that requirement is implemented at each county, prosecutors will find it advantageous to have the ability to file using one of the applications supported by ICACMP.

If momentum for Criminal Justice Information Systems Integration (data exchanges involving the county attorneys) drops, it could affect the counties tremendously. ICACMP has been assured it would be a long-standing process, and changes to that will have an impact. The Organization's first priority is still to help the prosecutors become more efficient; however, the data exchange process is also important to the Organization's business processes.

**CONTACTING THE ORGANIZATION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our Board of Directors and management with a general overview of the Organization's finances and to show the Organization's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Iowa County Attorneys Case Management Project, 501 SW 7<sup>th</sup> Street, Suite Q, Des Moines, Iowa.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2010**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 157,710
Accounts receivable	82,494
<b>Total current assets</b>	<u>240,204</u>

**PROPERTY AND EQUIPMENT**

Office furniture and equipment	17,770
Vehicles	25,395
	<u>43,165</u>
Less accumulated depreciation	(21,973)
Net property and equipment	<u>21,192</u>

**TOTAL CURRENT ASSETS** \$ 261,396

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 9,714
Due to Iowa State Association of Counties	1,159
Compensated absences	25,699
Deferred revenue	60,777
<b>Total current liabilities</b>	<u>97,349</u>

Net assets - unrestricted 164,047

**TOTAL LIABILITIES AND NET ASSETS** \$ 261,396

The accompanying notes are an integral part of these financial statements.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (UNAUDITED)**  
**YEAR ENDED JUNE 30, 2010**

<b>REVENUE</b>	
Membership dues	\$ 118,143
Registration fees	8,955
Software maintenance	4,875
Interest income	303
<b>Total revenues</b>	<u>132,276</u>
<b>EXPENSES</b>	
Salaries and related benefits	72,324
Office expenses	15,463
Professional fees	15,027
Depreciation	10,850
Meeting expenses	8,261
Travel expenses	6,072
Insurance	2,332
Miscellaneous	1,206
<b>Total expenses</b>	<u>131,535</u>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	741
<b>UNRESTRICTED NET ASSETS, beginning of year</b>	<u>163,306</u>
<b>UNRESTRICTED NET ASSETS, end of year</b>	<u><u>\$ 164,047</u></u>

The accompanying notes are an integral part of these financial statements.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**STATEMENT OF CASH FLOWS (UNAUDITED)**  
**YEAR ENDED JUNE 30, 2010**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Increase in net assets	\$ 741
Adjustments to reconcile increase in net assets to net cash used by operating activities:	
Depreciation	10,850
Net change in:	
Accounts receivable	(79,674)
Accounts payable	4,792
Due to Iowa State Association of Counties	1,159
Accrued expenses	1,282
Deferred revenue	<u>43,712</u>
<b>Net cash used by operating activities</b>	<b>(17,138)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b><u>174,848</u></b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b><u><u>\$ 157,710</u></u></b>

The accompanying notes are an integral part of these financial statements.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization - Iowa County Attorneys Case Management Project (“ICACMP,” or “Organization”) was established under the provisions of Chapter 28E of the Iowa Code. The purpose of ICACMP is to provide a means through which representatives from the offices of interested Iowa county attorneys may cooperate and coordinate efforts to develop and make available case management programs that are more uniformly accepted, compatible and able to integrate with other local and state criminal justice agencies. The programs will be adapted to the special needs and requirements of Iowa county attorneys and provide for future development, improvement, and training in the use of case management programs for Iowa county attorneys.

Basis of Presentation - The financial statements are reported using the accrual basis of accounting. The Organization follows private-sector generally accepted accounting standards for not-for-profit organizations to the extent those standards do not conflict or contradict guidance of the Governmental Accounting Standards Board (GASB).

Cash and cash equivalents - The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

The Organization’s bank deposits totaled approximately \$202,000 at June 30, 2010. These deposits 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.

Accounts receivable - Accounts receivable consist primarily of amounts due from member counties. Management periodically reviews outstanding accounts receivable to determine whether an allowance for uncollectible accounts should be established. No allowance related to accounts receivable was considered necessary at June 30, 2010.

Property and equipment - Property and equipment are stated at cost. The Organization capitalizes purchases of \$200 or greater. Depreciation is provided by the straight-line method over the estimated economic useful lives of the assets, ranging from three to five years.

Compensated absences - Vacation and sick pay earned, but unused, is recorded as a liability in the financial statements. The liability for these compensated absences is calculated using current rates of pay.

Deferred revenue - Deferred revenue consists primarily of dues payments collected in the current fiscal year for the subsequent fiscal year.

Income tax status - The Organization was formed as a joint venture between the participating member counties and was established under Chapter 28E of the Iowa Code. As a result of its status as a 28E organization, it is exempt from income taxes and has no income tax filing requirements.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - AGREEMENT WITH THE IOWA STATE ASSOCIATION OF COUNTIES**

The Organization has an agreement with the Iowa State Association of Counties (ISAC) whereby ISAC provides the Organization with office space, clerical support, telephone services, use of its office-related equipment, insurance and other employee benefits. The Organization reimburses ISAC for these costs on a periodic basis. Amounts paid or accrued to ISAC under the agreement totaled \$6,131 for fiscal year 2010.

**NOTE C - RETIREMENT PLAN**

The Organization 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 that 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 4.50% of their annual salary and the Organization is required to contribute 6.95% of annual covered payroll. Contribution requirements are established by State statute. The Organization's contribution to IPERS for the year ended June 30, 2010 was \$3,697.

**NOTE D - FUNCTIONAL EXPENSES**

Allocations of expenses are made by direct assignment of costs to functional categories where a direct relationship existed. Other common expenses have been allocated to program expense based upon reasonable use estimates. Salaries and related benefits have been allocated directly to program expenses based upon estimated time spent on program activities.

Following is a summary of the Organization's functional expenses for the year ended June 30, 2010:

Program expenses	\$ 91,209
Fundraising costs	-
General and administration	<u>40,326</u>
TOTAL	<u>\$ 131,535</u>

**NOTE F - SUBSEQUENT EVENTS**

The date to which events occurring after June 30, 2010, the date of the most recent statement of net assets, have been evaluated for possible adjustment to the financial statements or disclosure is January 6, 2011, which is the date on which the financial statements were available to be issued.



*Partners*

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S. James Smith, CPA  
Joni M. Tonnemacher, CPA, CFD

**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 Board of Directors of  
Iowa County Attorneys Case Management Project

We have audited the accompanying Statement of Net Assets of Iowa County Attorneys Case Management Project as of June 30, 2010, and have issued our report thereon dated January 6, 2011. 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 Iowa County Attorneys Case Management Project's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of Iowa County Attorneys Case Management Project's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Iowa County Attorneys Case Management Project's internal control over financial reporting.

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 a material misstatement of Iowa County Attorneys Case Management Project's financial statements will not be prevented or detected and correct on a timely basis. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Iowa County Attorneys Case Management Project's Statement of Net Assets 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 required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the Organization's net assets at June 30, 2010 are based exclusively on knowledge obtained from procedures performed during our audit of the Statement of Net Assets of the Organization. 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.

This report, a public record by law, is intended solely for the information and use of the members and Board of Directors and management of Iowa County Attorneys Case Management Project and other parties to whom the Organization may report. The report is not intended to be and should not be used by anyone other than these specified parties.

McGowan, Hurst, Clark + Smith, P.C.

West Des Moines, Iowa  
January 6, 2011

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**SCHEDULE OF FINDINGS**  
**YEAR ENDED JUNE 30, 2010**

**Findings Related to the Financial Statements**

**Instances of non-compliance**

No matters were noted.

**Significant deficiencies or material weaknesses**

No material weaknesses were identified.

**Statutory and other legal matters**

No matters were noted.