

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT  
PROJECT**

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

**JUNE 30, 2011 AND 2010**

## CONTENTS

	<u>PAGE</u>
Officials	1
Independent Auditor's Report	2
Management's Discussion and Analysis	3
Financial Statements:	
Statements of Net Assets	7
Statements of Revenues, Expenses and Changes in Net Assets	8
Statements of Cash Flows	9
Notes to Financial Statements	10
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	14
Schedule of Findings	16

**COUNTY RATE INFORMATION SYSTEM**  
**OFFICIALS**  
**AS OF JUNE 30, 2011**

<u>Name</u>	<u>Title</u>	<u>Representing</u>
John Werden, Jr.	Chairperson	Carroll County
Julie Forsyth	Vice-Chairperson	Madison County
Matthew Wilber	Treasurer	Pottawattamie County
Jill Kistler	Member	Allamakee County
Shawn Harden	Member	Buchanan County
David Patton	Member	Buena Vista County
Gregory M. Lievens	Member	Butler County
Cynthia Voorde	Member	Calhoun 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
Mary Benton	Member	Guthrie County
Randall J. Tilton	Member	Hardin County
Darin R. Slater	Member	Henry County
Thomas Miller	Member	Iowa Attorney General
Michael K. Jacobsen	Member	Jasper County
Timothy W. Dille	Member	Jefferson County
Janet Lyness	Member	Johnson County
Phil Parsons	Member	Jones County
Jerry Vander Sanden	Member	Linn County
Carl Petersen	Member	Lyon County
Rose Anne Mefford	Member	Mahaska County
Ed Bull	Member	Marion County
Jennifer Miller	Member	Marshall County
Alan Ostergren	Member	Muscatine County
Micah J. Schreurs	Member	O'Brian County
Jeremy Peterson	Member	Page County
Lyssa Henerson	Member	Palo Alto County
Darin Raymond	Member	Plymouth County
Rebecca Petig	Member	Poweshiek County
Ben Smith	Member	Sac County
Coleman McAllister	Member	Sioux County
Brent D. Heeren	Member	Tama County
H. Craig Miller	Member	Van Buren County
Lisa Holl	Member	Wapello County
John Criswell	Member	Warren County
Larry Brock	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  
Michael W. McNichols, CPA  
Thomas J. Pflanz, CPA, CFP®  
John A. Schmidt, CPA  
Daniel A. Schwarz, CPA/ABV  
S. James Smith, CPA  
Joni M. Tonnemacher, CPA, CFFA

**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, 2011 and 2010, and the related statement of revenues, expenses and changes in net assets, and cash flows for the year ended June 30, 2011. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 audits provide 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 for the year ended June 30, 2010, 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 financial statements referred to in the first paragraph present fairly, in all material respects, the net assets of Iowa County Attorneys Case Management Project as of June 30, 2011 and 2010, and the results of operations and cash flows for the year ended June 30, 2011 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 September 30, 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  
September 30, 2011

**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, 2011. We encourage readers to consider this information in conjunction with the Organization’s financial statements, which follow.

**FINANCIAL HIGHLIGHTS**

- The Organization’s revenues increased 15%, or \$19,852, from fiscal year ended June 30, 2010 to fiscal year ended June 30, 2011. Revenues increased primarily as a result of higher software maintenance offset by a decrease in membership dues and registration fees.
- The Organization’s expenses were 4%, or \$6,580, less in fiscal year ended June 30, 2011 than in fiscal year ended June 30, 2010. Expenses decreased primarily as a result of higher miscellaneous expenses offset by a decrease in salaries and fringe benefits, professional fees, depreciation, meeting expenses, and insurance.
- The Organization’s net assets increased 3%, or \$3,686, from June 30, 2010 to June 30, 2011.

**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 Statements 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 Statements 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 Statements 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**

*Statements 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, 2011 totaled approximately \$144,000. This compares to approximately \$141,000 at June 30, 2010. A summary of the Organization's net assets is presented below:

	June 30,	
	2011	2010
Current assets	\$ 246,214	\$ 240,204
Property and equipment at cost, less accumulated depreciation	23,631	21,192
Total assets	269,845	261,396
Less current liabilities	125,599	120,836
Unrestricted net assets	<u>\$ 144,246</u>	<u>\$ 140,560</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**

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

Operating revenues consist primarily of membership dues, registration fees and software maintenance 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 is primarily comprised of interest income and miscellaneous income. A summary of revenues, expenses and changes in net assets for the years ended June 30, 2011 and 2010 is presented below:

Changes in Net Assets		Year ended June 30,	
	2011	2010	
Revenue			
Membership dues	\$ 111,960	\$ 118,143	
Registration fees	5,700	8,955	
Software maintenance fees	32,000	4,875	
Interest income	864	303	
Miscellaneous income	1,604	-	
Total revenues	152,128	132,276	
Expenses			
Salaries and related benefits	63,466	72,324	
Office expenses	39,839	38,950	
Professional fees	9,879	15,027	
Depreciation	9,968	10,850	
Meeting expenses	5,699	8,261	
Travel expenses	7,719	6,072	
Insurance	863	2,332	
Bad debts expense	10,355	-	
Miscellaneous	654	1,206	
Total expenses	148,442	155,022	
Increase (decrease) in unrestricted net assets	3,686	(22,746)	
Unrestricted net assets, beginning of year	140,560	163,306	
Unrestricted net assets, end of year	\$ 144,246	\$ 140,560	

The Statements of Revenues, Expenses and Changes in Net Assets reflect an increase in net assets at the end of the fiscal year 2011 and a decrease at the end of fiscal year 2010. In fiscal 2011, total revenues increased by \$19,852, or 15%, primarily as a result of higher software maintenance fees, offset by a decrease in membership dues and registration fees. Total expenses decreased by \$6,580, or 4%, primarily as a result of an increase in bad debts expense offset by decreases in salaries and fringe benefits, professional fees, depreciation, meeting expenses, and insurance.

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

**FINANCIAL ANALYSIS OF THE ORGANIZATION, continued**

*Statements of Cash Flows*

The Statements 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.

**PROPERTY AND EQUIPMENT**

At June 30, 2011, the Organization had approximately \$23,600 invested in property and equipment, net of accumulated depreciation of approximately \$31,900. Depreciation charges totaled \$9,968 during fiscal year ended June 30, 2011. More detailed information about the Organization's capital assets is presented in Note A to the financial statements.

**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 year. 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, 5500 Westown Parkway, Suite 190, West Des Moines, Iowa.

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**STATEMENTS OF NET ASSETS**  
**JUNE 30, 2011 AND 2010**

**ASSETS**

	2011	2010
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 227,876	\$ 157,710
Accounts receivable, net of allowance for doubtful accounts of \$10,355 (2011) and \$-0- (2010)	11,171	82,494
Prepaid expenses	7,167	-
<b>Total current assets</b>	<b>246,214</b>	<b>240,204</b>
 <b>PROPERTY AND EQUIPMENT</b>		
Office furniture and equipment	24,241	17,770
Vehicles	25,395	25,395
Software	5,936	-
	55,572	43,165
Less accumulated depreciation	(31,941)	(21,973)
Net property and equipment	<b>23,631</b>	<b>21,192</b>
 <b>TOTAL CURRENT ASSETS</b>	<b>\$ 269,845</b>	<b>\$ 261,396</b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 14,773	\$ 33,201
Due to Iowa State Association of Counties	805	1,159
Compensated absences	8,938	25,699
Deferred revenue	101,083	60,777
<b>Total current liabilities</b>	<b>125,599</b>	<b>120,836</b>
 Net assets - unrestricted	 144,246	 140,560
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b>\$ 269,845</b>	 <b>\$ 261,396</b>

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

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2011 (AUDITED) AND 2010 (UNAUDITED)**

	<u>2011</u>	<u>2010</u>
<b>REVENUE</b>		
Membership dues	\$ 111,960	\$ 118,143
Registration fees	5,700	8,955
Software maintenance fees	32,000	4,875
Interest income	864	303
Miscellaneous income	1,604	-
<b>Total revenues</b>	<u>152,128</u>	<u>132,276</u>
<b>EXPENSES</b>		
Salaries and related benefits	63,466	72,324
Software maintenance costs	30,508	30,862
Office expenses	9,331	8,088
Professional fees	9,879	15,027
Depreciation	9,968	10,850
Meeting expenses	5,699	8,261
Travel expenses	7,719	6,072
Insurance	863	2,332
Bad debts expense	10,355	-
Miscellaneous	654	1,206
<b>Total expenses</b>	<u>148,442</u>	<u>155,022</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS (2010 as restated)</b>	3,686	(22,746)
<b>UNRESTRICTED NET ASSETS, beginning of year</b>	<u>140,560</u>	<u>163,306</u>
<b>UNRESTRICTED NET ASSETS, end of year (2010 as restated)</b>	<u><u>\$ 144,246</u></u>	<u><u>\$ 140,560</u></u>

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

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2011 (AUDITED) AND 2010 (UNAUDITED)**

	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 3,686	\$ (22,746)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	9,968	10,850
Net change in:		
Accounts receivable	71,323	(79,674)
Prepaid expenses	(7,167)	-
Accounts payable	(18,428)	28,279
Due to Iowa State Association of Counties	(354)	1,159
Accrued expenses	(16,761)	1,282
Deferred revenue	40,306	43,712
<b>Net cash provided (used) by operating activities</b>	<b>82,573</b>	<b>(17,138)</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(12,407)	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>70,166</b>	<b>(17,138)</b>
 <b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>157,710</b>	<b>174,848</b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 227,876</b>	<b>\$ 157,710</b>

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

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

**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.

The Organization's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

**Reporting entity** - For financial reporting purposes, the Organization has included all funds, organizations, agencies, boards, commissions and authorities. The Organization 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 Organization are such that exclusion would cause the Organization's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Organization 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 Organization. The Organization has no component units which meet the Governmental Accounting Standards Board Criteria.

**Basis of Presentation** - The accounts of the Organization are organized as an Enterprise Fund. Enterprise Funds are used to account for operations (a) financed and operated in a manner similar to private business enterprises, where the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

The Organization applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure.

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

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

Measurement Focus and Basis of Accounting (Continued) - The Organization distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Organization's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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 \$201,000 at June 30, 2011. 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.

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.

**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, and insurance. The Organization reimburses ISAC for these costs on a periodic basis. Amounts paid or accrued to ISAC under the agreement totaled \$3,368 and \$6,131 for fiscal year 2011 and 2010, respectively.

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

**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, 2011 and 2010 was \$4,368 and \$3,697, respectively.

**NOTE D - PRIOR PERIOD ADJUSTMENT**

During the year ended June 30, 2011, management discovered that an error had occurred in the recording of the software maintenance costs at June 30, 2010. As a result of the error, previously reported accounts payable and software maintenance costs were understated by \$23,487 as of June 30, 2010 and for the year then ended. The accompanying 2010 financial statements reflect the correction of this error.

Following is a summary of the effect of this matter on previously reported unrestricted net assets and change in unrestricted net assets:

Unrestricted net assets, June 30, 2010, as previously reported	\$ 164,047
Effect of prior period adjustments	<u>(23,487)</u>
Unrestricted net assets, June 30, 2010, as restated	<u>\$ 140,560</u>
Change in unrestricted net assets - year ended June 30, 2010, as previously reported	\$ 741
Effect of prior period adjustments	<u>(23,487)</u>
Change in unrestricted net assets - year ended June 30, 2010, as restated	<u>\$ (22,746)</u>

**NOTE E - 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 years ended June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Program expenses	\$ 73,559	\$ 91,209
Fundraising costs	-	-
General and administration	<u>74,883</u>	<u>63,813</u>
TOTAL	<u>\$ 148,442</u>	<u>\$ 155,022</u>

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

**NOTE F - RISK MANAGEMENT**

The Organization 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. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Organization assumes liability for any deductibles and claims in excess of coverage limitations.



*Partners*

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

**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 financial statements of Iowa County Attorneys Case Management Project as of and for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011. 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 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 our opinion on the financial statements, but not for the purpose of expressing an 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 the Organization'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 or deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial report that might be deficiencies, 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 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*.

This report is intended solely for the information and use of management, members and the Board of Directors 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  
September 30, 2011

**IOWA COUNTY ATTORNEYS CASE MANAGEMENT PROJECT**  
**SCHEDULE OF FINDINGS**  
**YEAR ENDED JUNE 30, 2011**

**Findings Related to the Financial Statements**

**Internal Control deficiencies**

No material weaknesses were identified.

**Instances of non-compliance**

No matters were noted.

**Other findings related to required statutory reporting**

No matters were noted.