

**INTERNAL CONTROLS
AND
COMPLIANCE SECTION**

**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***

Independent Auditor's Report

The Honorable Mayor and Members of City Council
City of West Des Moines, Iowa
West Des Moines, Iowa

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of West Des Moines, Iowa (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 20, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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 that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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 financial statements. 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*.

City of West Des Moines, Iowa's Response to Finding

City of West Des Moines, Iowa's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

West Des Moines, Iowa
January 20, 2021

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

The Honorable Mayor and Members of City Council
City of West Des Moines, Iowa
West Des Moines, Iowa

Report on Compliance for the Major Federal Program

We have audited the City of West Des Moines, Iowa's (the City's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2020. The City's major federal program is identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 City'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 qualified opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Basis for Qualified Opinion on the Highway Planning and Construction Cluster

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding the Highway Planning and Construction Cluster as described in finding 2020-002 for Equipment and Real Property Management. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

Qualified Opinion on the Highway Planning and Construction Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Highway Planning and Construction Cluster for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed an other instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-003. Our opinion on the major federal program is not modified with respect to this matter.

The City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-002 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2020-003 to be a significant deficiency.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

West Des Moines, Iowa
January 20, 2021

City of West Des Moines, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Homeland Security			
Pass through from the Iowa Homeland Security & Emergency Management			
Disaster Grants - Public Assistance	97.036	153-83910-00 (DR4386), Bundle PA-07-IA-4386-PW00363	1,394
Disaster Grants - Public Assistance	97.036	PA-07-IA-4421-PW-00289/FEMA-4421-DR-IA	<u>54,028</u>
Total U.S. Department of Homeland Security and CFDA # 97.036			<u>55,422</u>
U.S. Department of Health and Human Services			
HHS Stimulus payment - COVID-19 Provider Relief Fund	93.498	N/A	66,439
Administration for Children and Families			
Pass through from the State of Iowa Department of Human Rights			
Division of Community Action Agencies			
Red Rock Area Community Action Program			
Low Income Home Energy Assistance Program	93.568	LIHEAP 20-12	6,000
Community Services Block Grant	93.569	CSBG 20-12	6,000
Centers for Disease Control and Prevention			
Pass through from the State of Iowa Department of Public Health			
National Bioterrorism Hospital Preparedness Program	93.889	GAX-588-2020WG	<u>5,522</u>
Total US Department of Health and Human Services			<u>83,961</u>
US Department of Justice			
COVID Relief-Coronavirus Emergency Supplemental Funding Program	16.034	N/A	36,769
Office of Justice Programs			
Bureau of Justice Assistance			
Bulletproof Vest Partnership Program	16.607	N/A	4,834
Criminal Division			
Equitable Sharing Program (Asset Forfeiture Program)	16.922	N/A	23,446
Pass through from the State of Iowa			
Governor's Office of Drug Control Policy			
Public Safety Partnership and Community Policing Grants "Hotspots "	16.710	17-CAMP-02	163
Public Safety Partnership and Community Policing Grants "Hotspots "	16.710	18-HEROIN-05	845
Public Safety Partnership and Community Policing Grants "Hotspots "	16.710	18-CAMP-12	733
Total Public Safety Partnership and Community Policing Grants "Hotspots " CFDA # 16.710			<u>1,741</u>
Total U.S. Department of Justice			<u>66,790</u>

City of West Des Moines, Iowa
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development Community Planning and Development Community Development Block Grants/Entitlement Grants Cluster, Community Development Block Grants/Entitlement Grants	14.218	N/A	192,295
Community Development Block Grants/Entitlement Grants Cluster, Community Development Block Grants/Entitlement Grants	14.218	N/A	169,381
Total Community Development Block Grants/Entitlement Grants CFDA # 14.218			<u>361,676</u>
Pass through from the State of Iowa Finance Authority (Homelessness Emergency Assistance and Rapid Transition to Housing (HEARTH) Act Emergency Solutions Grant Program	14.231	77029-19	25,160
Emergency Solutions Grant Program	14.231	77029-20	35,875
Total Emergency Solutions Grant Program CFDA # 14.231			<u>61,035</u>
Pass through from the City of Des Moines Continuum of Care	14.267	IA0088L7D021702	46,403
Total US Department of Housing and Urban Development			<u>469,113</u>
US Department of Transportation National Highway Traffic Safety Administration Pass through from the State of Iowa Department of Public Safety Governor's Traffic Safety Bureau Highway Safety Cluster State and Community Highway Safety	20.600	19-402-MOOP, Task 13	9,978
State and Community Highway Safety	20.600	20-402-MOPT, Task 44	29,306
Total Highway Safety Cluster CFDA # 20.600			<u>39,284</u>
Pass through from the Iowa Department of Transportation Federal Highway Administration Highway Planning and Construction Cluster Highway Planning and Construction	20.205	HDP-8260 (629)--71-25	41,166
Highway Planning and Construction	20.205	ICAAP-SWAP-8260(648)-SH-77	250,040
Highway Planning and Construction	20.205	RM-8260(649)-9D 77	34,051
Total Highway Planning and Construction Cluster CFDA # 20.205			<u>325,257</u>
A Multi-Agency and Rural Strike Force to Save Lives (MAFSO)	20.237	GAX 6452020020486203/GAX 6452020105582268/ GAX 6452020247696555/GAX 6452021011716324	8,495
Total US Department of Transportation			<u>373,036</u>
Total Federal Awards			<u>\$ 1,048,322</u>

The accompanying notes are an integral part of this Schedule.

City of West Des Moines, Iowa
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Notes to Schedule

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of City of West Des Moines, Iowa (the City) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.
2. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. The City did not pass through any federal awards to subrecipients during the year ended June 30, 2020.

City of West Des Moines, Iowa
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:
 Unmodified Qualified Adverse Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:
Significant deficiency(ies)? Yes None reported
Material weakness(es)? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit? Yes No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:
Significant deficiency(ies)? Yes None reported
Material weakness(es)? Yes No

5. The opinion expressed in the independent auditor's report on compliance for major federal awards was:
 Unmodified Qualified Adverse Disclaimer

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)? Yes No

City of West Des Moines, Iowa
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2020

7. The City's major program was:

<u>Cluster/Program</u>	<u>CFDA Number</u>
Highway Planning and Construction Cluster	20.205

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. The City qualified as a low-risk auditee? Yes No

City of West Des Moines, Iowa
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2020

Findings Required to be Reported by Government Auditing Standards

Reference Number	Finding
2020-001	<p>Finding: Schedule of Expenditures of Federal Awards Preparation</p> <p>Criteria or specific requirement: Per Uniform Guidance 2 CFR 200.510(b), auditees receiving federal funds must prepare an annual Schedule of Expenditure of Federal Awards (SEFA) detailing the federal awards expended each year. At a minimum the schedule must include the following items:</p> <ol style="list-style-type: none"> (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included. (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster. (4) Include the total amount provided to subrecipients from each Federal program. (5) For loan or loan guarantee programs described in §200.502 Basis for Determining Federal Awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total federal awards expended for loan or loan guarantee programs in the schedule. (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) Costs. <p>At the City, the SEFA is prepared by the Accounting Manager based on information contained in NewWorld and the accounts receivable subledger systems.</p> <p>Condition: The City does not have adequate internal controls to ensure the SEFA accurately reports all federal assistance the City receives. The City's SEFA included \$157,741 of state expenditures from a prior period. Total expenditures reported on the SEFA are \$1.048 million.</p> <p>Effect: Errors in the SEFA effect the accuracy of information reported to the federal government in the City's data collection form. In addition, appropriate major program determination by the auditor is dependent upon the accuracy and completeness of the information included in the SEFA.</p> <p>Cause: The Schedule was prepared utilizing revenues to support inclusion in the report. The two reimbursement requests noted above were processed significantly after submitted due to some turnover at the agencies and it was overlooked that they related to a prior fiscal year.</p> <p>Recommendation: The City should review all reimbursement requests and related supporting documentation for timely filing and verify that they are reported in the correct period. The City should also verify with those making grant reimbursement requests if they have any outstanding requests to be made at the end of each fiscal year.</p> <p>Views of Responsible Officials: The City agrees with the finding. See separate auditee document for planned corrective actions.</p>

City of West Des Moines, Iowa
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2020

Findings Required to be Reported by the Uniform Guidance

Reference Number	Finding
2020-002	<p>Material Weakness and material noncompliance</p> <p>Finding: Equipment and Real Property Management</p> <p>Program: Highway Planning and Construction Cluster</p> <p>CFDA Number: 20.205</p> <p>Sponsoring Agency: U.S. Department of Transportation passed through the Iowa Department of Transportation</p> <p>Sponsor Award Number: HDP-8260 (629)--71-25, ICAAP-SWAP-8260(648)-SH-77, RM-8260(649)-9D 77</p> <p>Award Period: FY20</p> <p>Criteria: 2 CFR 200.313 (c) through (e) require equipment records be maintained, a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained.</p> <p>Condition: We noted the following conditions in our testing of equipment management: a.) An inventory of capital assets has not been performed by the City within the last two years. b.) The City does not maintain a fixed asset listing that contains the federal participation in the cost of the asset.</p> <p>Questioned Costs: None.</p> <p>Context: Total capital assets maintained by the City relating to this program were unable to be determined because a listing noting federally funded assets is not maintained.</p> <p>Effect: Not being able to produce a comprehensive listing of assets purchased with federal funds, not properly tagging assets and not completing the required inventory of assets increase the risk of loss of assets purchased with federal funds and prevents them from being adequately safeguarded and maintained. In addition, the potential of noncompliance with the rules and regulations surrounding disposition of assets increases if the assets have been improperly disposed.</p> <p>Cause: The City was unaware of the requirement.</p> <p>Identification as a repeat finding: Not applicable.</p> <p>Recommendation: We recommend the City complete a city-wide inventory as soon as possible and reconcile any differences noted with the City's asset management system, including correcting any tagging errors. We also recommend that City-wide training be held to train individuals receiving grants in the requirements associated with equipment management and City policy and procedures. Lastly, the City should review the New World system to ensure all required information for tracking assets purchased with federal funds is located within the system and reports be developed that can produce a comprehensive listing of all federal assets held by the City.</p> <p>Views of responsible officials: The City agrees with the finding. See separate report for planned corrective actions.</p>

City of West Des Moines, Iowa
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2020

Reference Number	Finding
2020-003	<p>Significant Deficiency</p> <p>Finding: Procurement, Suspension and Debarment</p> <p>Program: Highway Planning and Construction Cluster</p> <p>CFDA Number: 20.205</p> <p>Sponsoring Agency: U.S. Department of Transportation passed through the Iowa Department of Transportation</p> <p>Sponsor Award Number: HDP-8260 (629)--71-25, ICAAP-SWAP-8260(648)-SH-77, RM-8260(649)-9D77</p> <p>Award Period: FY20</p> <p>Criteria: Per 2 CFR 180, all nonfederal entities are prohibited from contracting with or making subawards under covered transactions to parties that are not suspended or debarred. The City must verify that the contracted entity is not suspended or debarred or otherwise excluded from participating in the transaction. The verification can be accomplished by:</p> <ol style="list-style-type: none"> 1. Checking the Excluded Parties List using the SAMGOV website. 2. Collecting a certification from the entity. 3. Adding a clause or condition to the covered transaction with the entity. <p>If checking of the SAM.GOV website is used, the City should perform this review timely and any time a contract includes provisions for renewal.</p> <p>Condition: The City could not provide evidence that a verification was performed, nor was any language to this effect included in the contracts.</p> <p>Questioned Costs: \$0. We reviewed the SAM.GOV website for the affected vendors noting that none were suspended or disbarred. As such, the City did not appear to enter into a contract with an excluded party.</p> <p>Context: The City did not maintain documentation support from the SAM.GOV website for certification for the three vendors tested. A total of three vendors were paid from this program in FY2020.</p> <p>Effect: The City may have done business with an entity that was debarred, suspended or otherwise excluded from receiving federal funds.</p> <p>Cause: The City relies largely on the State for assistance in administering this program and didn't have steps in place for this requirement. The City's procurement policy does not mention review for debarment, suspension or other exclusions for entities with which they plan to do business under the grant agreement.</p> <p>Identification as a repeat finding: Not applicable.</p> <p>Recommendation: The City should develop a formal policy to check entity status for debarment, suspension or other exclusion prior to execution of a grant contract.</p> <p>Views of responsible officials: The City agrees with the finding. See separate report for planned corrective actions.</p>

City of West Des Moines, Iowa
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2020

Reference Number	Summary of Finding	Status
	No matters are reportable.	

City of West Des Moines, Iowa
Other Findings Related to Required Statutory Reporting
Year Ended June 30, 2020

Other Findings Related to Required Statutory Reporting:

Reference Number	Finding
2020-IA-A	Certified Budget - Disbursements during the year ended June 30, 2020 did not exceed the amount budgeted as per Chapter 384.20 of the Code of Iowa states, in part, "Public monies may not be expended or encumbered except under and annual or continuing appropriation."
2020-IA-B	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.
2020-IA-C	Travel Expenses - No expenditures of City money for travel expenses of spouses or City officials or employees were noted.
2020-IA-D	Business Transactions - Business transactions between the City and City Officials or employees are detailed as follows: According to Chapter 362.5 of the Code of Iowa, an officer or employee of the City shall not have an interest, direct or indirect, in a contract with that City. The provision does not apply to transactions that do not exceed a cumulative total purchase price of \$1,500 in a fiscal year or to contracts made by a City upon competitive bid. All the transactions with Walnut Creek Promotions, Inc. were entered into through competitive bidding. All other transactions were not entered into through competitive bidding.
2020-IA-E	Bond Coverage - Surety bond coverage of City 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.
2020-IA-F	City Council Minutes - No transactions were found that we believe should have been approved in the City Council minutes but were not.
2020-IA-G	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 City's investment policy were noted.
2020-IA-H	Annual Urban Renewal Report - The Annual Urban Renewal Report was properly approved and certified to the Iowa Department of Management on or before December 1.
2020-IA-I	Tax Increment Financing - Chapter 403.19 of the Code of Iowa provides a municipality shall certify indebtedness to the County Auditor.



THE CITY OF
West Des Moines[®]
www.wdm.iowa.gov

Finance Department

4200 Mills Civic Parkway
P.O. Box 65320
West Des Moines, IA 50265-0320

515-222-3600
FAX 515-222-3640

'Aaa'
Credit Rating
Moody's

'AAA'
Credit Rating
Standard & Poor's

City of West Des Moines, Iowa
Corrective Action Plan
June 30, 2020

The City of West Des Moines, Iowa respectfully submits the following corrective action plan for the year ended June 30, 2020.

Name and address of independent public accounting firm:

BKD, LLP
1401 50th Street, Suite 350
West Des Moines, IA 50266
Audit Period: July 01, 2019 to June 30, 2020

Findings from the 2020 schedule of findings and questioned costs are discussed below.

Finding 2020-01 – Schedule of Expenditures of Federal Awards Preparation

Responsible Individual: Tim Stiles, Finance Director

Finding Summary: The City included two state expenditures in error on the Schedule of Federal Awards.

Corrective Action Planned: The City will be adding an additional Finance staff member in fiscal year 2021 to assist in the oversight of grant programs throughout the City. This addition will help accommodate the significant growth the City has experienced over the last several years and will allow for an additional review of federal expenditures.

Anticipated Completion Date: June 30, 2021.

Finding 2020-02 – Equipment Management

Responsible Individual: Tim Stiles, Finance Director

Finding Summary: The City maintains a fixed asset listing; however, the listing does not contain federal participation. The City has not performed a full physical inventory of assets within the last two years.

Corrective Action Planned: The City will perform a physical inventory of fixed assets and collaborate with other departments to tag assets funded with federal dollars. The City will also add a City-wide training on the requirements associated with equipment management.

Anticipated Completion Date: June 30, 2022.

Finding 2020-03 – Procurement, Suspension and Debarment

Responsible Individual: Tim Stiles, Finance Director

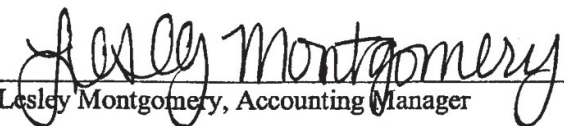
Finding Summary: The City could not provide documentation support from the SAM.GOV website for certification of vendors noting that none were suspended or disbarred.

Corrective Action Planned: The City will develop a formal policy to check entity status for debarment, suspension or other exclusion prior to execution of a grant contract

Anticipated Completion Date: June 30, 2021

Signed: 

Tim Stiles, Finance Director

Signed: 

Lesley Montgomery, Accounting Manager