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Audit Finds \$549,000 In Improper Spending At Iowa Finance Authority.

State auditors have found the Iowa Finance Authority misspent \$549,399 in the roughly two years before former Executive Director Dave Jamison was fired over sexual harassment allegations.

[The report](#) released Friday was one of several investigations launched weeks after Gov. Kim Reynolds fired Jamison, a personal friend of hers, on March 24.

The review found Jamison made several decisions “which were not in the taxpayers’ best interest.”

These include choosing to relocate IFA offices to a building that would be more costly than renovating the current office, delegating spending authority to some staff, and leasing vehicles that cost at least \$40,000 more than borrowing state-owned cars.

The auditors also found improper and unsupported credit card purchases of things like meals with no work-related purpose, excessive travel costs, and reimbursement for staying at hotels in Des Moines. The report says Jamison and a few other employees did these things.

The biggest portion of questionable spending went to large pay increases Jamison granted to high-ranking IFA employees. The state report says his actions caused “payroll costs which were not reasonable or necessary for IFA operations.”

Auditors found the IFA Board of Directors did not properly carry out its oversight responsibilities and seems to have asked few questions of Jamison and staff, at least in public. The report said board members met in closed committee meetings to avoid having discussions in a public setting.

Overall, the report says, “The culture at IFA illustrates a lack of concern for the use of taxpayer funds.”

Although IFA doesn’t get state appropriations, the auditor’s office says it is still supported by taxpayer dollars and therefore should follow the same rules as other state agencies. IFA has chosen to use certain policies set by the Department of Administrative Services, and the auditor’s office made recommendations to help IFA comply with those policies.

The auditor’s office is also recommending that the legislature mandate an annual audit of IFA like it does for other state agencies.

In addition, Jamison told auditors he was unaware of the state’s rule prohibiting the purchase and consumption of alcohol during work hours. He was found to have purchased drinks while traveling for work, but the audit did not find that he used IFA funds for alcohol.

An IFA representative did not immediately respond Friday to a request for comment.

Two earlier reviews by accounting firm Eide Bailly LLP found no significant financial

mismanagement.

The Weinhardt Law Firm also investigated Jamison and IFA, and released a report in September that concluded Jamison committed “egregious” acts of sexual harassment against two employees.

Republican State Auditor Mary Mosiman told lawyers during that investigation that she recused herself from her office’s review of IFA because her family is close friends with Jamison and his family. This is likely one of the last reports her office will issue, because Democrat Rob Sand will be sworn in as State Auditor Jan. 2.

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