NEWS RELEASE  
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SICOG Audit Releases Minimal Findings

Southern Iowa Council of Governments (SICOG) is pleased to announce that the Office of the Auditor of State has completed it nearly two-year investigation and audit of SICOG. SICOG engaged the Auditor’s Office over a year ago to test and examine its transactional records and internal controls after its former executive director was charged with theft and forgery in February 2022. Since that time, SICOG has worked cooperatively with the Auditor’s Office to complete the Auditor’s investigation. The Auditor’s findings are included in a report that is publicly available at https://www.auditor.iowa.gov/reports/file/73132/embed. During the investigation, and as soon as findings were relayed to SICOG, SICOG began making recommended changes and implemented new policies and procedures. Actions taken by SICOG over the last year have been:

* Internal Controls have been strengthened to implement multiple new checks and balances.
* New employee time-tracking-by-project software has been installed and is being used to allocate hours by project.
* SICOG has had an approved Cost Allocation Plan approved annually by Iowa Department of Transportation. Current SICOG staff were made aware that the existing plan, while meeting the IDOT approval, did not contain all the items required by federal funders. In discussing this finding with federal officials last summer, SICOG began working with the U.S. Department of the Interior to apply for an annual federally-approved Negotiated Indirect Cost Rate which can be accepted by both State and Federal funders in lieu of a Cost Allocation Plan.
* SICOG employees are continuing to meet the projected percentage of time spent on each EDA contracted project. SICOG will document conversations with EDA officials in writing rather than by phone calls to share concerns when those performance percentages are questionable due to staff changes or project delays.

SICOG’s Board and staff are grateful for the Auditor’s scrutiny that in many ways affirmed SICOG’s procedures and protocols, while also describing ways that SICOG can improve its internal controls and recordkeeping. SICOG’s public members and private partners should feel a great sense of assurance that, as noted several times in the Report, most of the financial impacts were “not material” and/or “not significant”. Therefore, the SICOG Board is confident that members’ and partners’ contributions have been and are not only protected but are receiving a great return on their investment. Through their collaboration with SICOG they are bringing new jobs, new businesses, and additional community resources into the region. Since 1972, SICOG has assisted in obtaining just over two hundred million dollars of grants into the region. It also has assisted in hundreds of loans for businesses and industries; assisted in the purchase, building, and rehabilitation of homes; developed comprehensive, hazard mitigation and transportation plans; and so much more.

The statement the Executive Board announced in its prior press release on February 15, 2022, remains true today: “We will continue to passionately serve all of our constituencies and we are committed to providing those services with the utmost integrity. SICOG is financially strong and we are dedicated to economic development, growth, and opportunity in the communities we serve.” SICOG looks forward to fully implementing the Auditor’s recommendations to maximize SICOG’s impact on its eight-county region. To learn more, contact SICOG’s new Executive Director, Beth Waddle, or visit [www.sicog.com](http://www.sicog.com).