

**Regional Planning Commission  
For Jefferson, Orleans,  
Plaquemines, St. Bernard, St. Charles,  
St. John the Baptist, St. Tammany & Tangipahoa Parishes**

**FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2017**



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**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St John the Baptist, St. Tammany, & Tangipahoa  
Parishes  
Table of Contents  
June 30, 2017**

Independent Auditors' Report	1
<b>Required Supplementary Information – Part I</b>	
Management's Discussion and Analysis (Unaudited)	4
<b>Basic Financial Statements</b>	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position	9
Statement of Activities	10
<i>Fund Financial Statements:</i>	
Balance Sheet Governmental Funds	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances Governmental Funds to the Statement of Activities	14
Notes to Financial Statements	15
<b>Required Supplementary Information – Part II</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund	37
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Department of Transportation - Federal Transit Administration Grants Fund	38
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Department of Transportation - Federal Highway Administration Grants Fund	39

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St John the Baptist, St. Tammany, & Tangipahoa  
Parishes  
Table of Contents  
June 30, 2017**

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Department of Transportation - Local Projects Fund	40
Schedule of Proportionate Share of Net Pension Liability Louisiana State Employees' Retirement System	41
Schedule of Employer Contributions to Louisiana State Employees' Retirement System	42
<b>Other Supplementary Information</b>	
Nonmajor Governmental and Special Revenue Funds	43
Combining Balance Sheet - Nonmajor Governmental Funds	44
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	45
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Environmental Protection Agency Fund	46
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Department of Commerce Fund	47
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Department of Energy Grant Fund	48
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual State Contracts Fund	49
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual United States Federal Railroad Administration Grant Fund	50
Schedule of Commissioners' Per Diem	51
Schedule of Compensation, Benefits, and Other Payments to Agency Head	52

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St John the Baptist, St. Tammany, & Tangipahoa  
Parishes  
Table of Contents  
June 30, 2017**

**Compliance Supplement and *Government Auditing Standards* Reports**

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	53
Independent Auditors' Report on Compliance for Each Major Program and on Internal Controls Over Compliance Required by the Uniform Guidance	55
Schedule of Expenditures of Federal Awards	57
Notes to Schedule of Expenditures of Federal Awards	58
Schedule of Findings and Questioned Costs	60
Summary Schedule of Prior Audit Findings	62



**Report**



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## **INDEPENDENT AUDITORS' REPORT**

To the Commissioners  
Regional Planning Commission  
for Jefferson, Orleans, Plaquemines, St. Bernard,  
St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes  
New Orleans, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes (the "Commission"), as of and for the year ended June 30, 2017, and the related notes to financial statements, which collectively comprise the Commission's financial statements as listed in the accompanying table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. 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 General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinion**

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Commission, as of June 30, 2017, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, the Schedule of Proportionate Share of Net Pension Liability for Louisiana State Employees' Retirement System, and the Schedule of Contributions to the Louisiana State Employees' Retirement System on pages 4–8, 37–42, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, Non-Major Fund Budget and Actuals, Schedule of Commissioners' Per Diem, and Schedule of Compensation, Benefits and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, Non-Major Fund Budget and Actuals, Schedule of Commissioners' Per Diem, Schedule of Compensation, Benefits and Other Payments to Agency Head, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, Non-Major Fund Budget and Actuals, Schedule of Commissioners' Per Diem, Schedule of Compensation, Benefits and Other Payments to Agency Head, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2017, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

December 26, 2017



**Required Supplementary  
Information (Part I)**

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2017**

As management of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes (the "Commission"), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the year ended June 30, 2017.

**FINANCIAL HIGHLIGHTS**

- Net position of government-wide activities decreased by \$405,473 or about 15%. The change in net position was due to the decrease in operating grants and contributions in current year.
- The liabilities of the Commission exceeded assets at the close of the most recent fiscal year by \$3,045,200 (net position). Of this amount, \$228,287 is net investment in capital assets net of related debt. The Commission has an unrestricted net position of (\$3,396,384) in governmental activities.
- The Commission's total assets decreased by \$60,599 or about 2%. The change in assets is due to a decrease in capital assets and due from other governments, offset by an increase in cash which was used for matching requirements.
- The Commission's total liabilities increased by \$1,150,743 or about 20%. The increase is due to the increased work in progress on individual projects.
- The Commission's total revenues (primarily federal awards) decreased by \$1,511,161 and total expenditures decreased by \$901,808. Revenues are primarily expenditure driven.
- While the Commission receives significant funding for transportation planning studies, additional funding is received for environmental impact studies and other related environmental initiatives.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Commission's financial statements. The Commission's financial statements are comprised of four components: 1) Statement of Net Position, 2) Statement of Activities, 3) Fund Financial Statements, and 4) Notes to the Financial Statements. This report also contains Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual which are presented as Required Supplementary Information.

The first two statements are the Government-Wide Financial Statements that provide both long-term and short-term information about the Commission's overall financial status.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2017**

The remaining statements are Fund Financial Statements that focus on individual funds of the Commission, reporting the Commission's operations in more detail than the Government-Wide Statements.

*Government-Wide Financial Statements*

The Government-Wide Financial Statements report information about the Commission as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Commission's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two Government-Wide Statements report the Commission net position and how they have changed. The balance of net position is an indicator of the financial well-being of the Commission. Increases and decreases in net position are an indicator of whether its financial health is improving or declining.

*Fund Financial Statements*

The Fund Financial Statements provide more detailed information about the Commission's most significant funds – not the entity as a whole. Funds are accounting devices that governments use to keep track of specific sources of funding and spending for particular purposes. The Commission has four (4) governmental funds to account for the numerous funding sources provided annually, all of which are considered major funds and presented individually in the financial statements. These statements report governmental activities on a more current basis rather than a long-term basis, indicating sources and uses of funding and resources available for spending in future periods. Governmental fund financial statements focus on how money flows in and out of those funds, the balances that are left at year-end, and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The relationship between governmental activities reported in the government-wide financial statements and the governmental funds reported in the fund financial statements are reconciled in the fund financial statements.

*Notes to Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

*Other Information*

In addition to the financial statements and accompanying notes, this report also presents certain Required Supplementary Information.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2017**

**FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Commission, liabilities exceeded assets by \$3,045,200 at the close of the most recent fiscal year, June 30, 2017. By far the largest portions of the Commission's assets reflect cash and cash equivalents of \$1,590,331 and amounts due from other governments of \$832,430 (approximately 66 percent and 34 percent, respectively). The following table reflects condensed information in the Commission's net position:

	6/30/2017	6/30/2016 (Restated)	Dollar Change	Percent Change
Current and other assets	\$ 2,439,329	\$ 2,423,967	\$ 15,362	1%
Capital assets	228,287	304,248	(75,961)	-25%
Total assets	<u>2,667,616</u>	<u>2,728,215</u>	<u>(60,599)</u>	<u>-2%</u>
Deferred outflows of resources	<u>1,403,328</u>	<u>755,017</u>	<u>648,311</u>	<u>86%</u>
Current liabilities	1,170,111	1,114,703	55,408	5%
Noncurrent liabilities	5,689,869	4,594,534	1,095,335	24%
Total liabilities	<u>6,859,980</u>	<u>5,709,237</u>	<u>1,150,743</u>	<u>20%</u>
Deferred inflows of resources	<u>256,164</u>	<u>405,268</u>	<u>(149,104)</u>	<u>-37%</u>
Net investment in capital assets	228,287	304,248	(75,961)	-25%
Restricted for Brownfield related activities	122,897	-	122,897	-
Unrestricted	<u>(3,396,384)</u>	<u>(2,935,522)</u>	<u>(460,862)</u>	<u>16%</u>
Total Net Position	<u>\$ (3,045,200)</u>	<u>\$ (2,631,274)</u>	<u>\$ (405,473)</u>	<u>16%</u>

The decrease in unrestricted net position of the Commission is due to the decrease in the Commission's revenue in current year.

Operating grants and contributions decreased by \$1,484,078 from \$5,225,924 to \$3,741,846. Grants from the Federal Highway Administration continue to be the major source of revenue. The decrease was a result of various projects completed funded by the Federal Highway Administration, the U.S. Environmental Protection Agency, and the Federal Transit Administration. Total general revenues decreased by \$27,083 from \$695,561 to \$668,478. The primary source of general revenues is from member Parish dues.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2017**

Total program expenses decreased by \$818,887 from \$5,643,137 to \$4,824,250. General government expenses increased by \$191,856 from \$89,921 to \$281,777. Transit function expenses decreased by \$1,265,020, from \$5,179,452 to \$3,914,432. Economic and Physical Development expenses increased by \$164,327, from \$463,685 to \$628,042. The changes in the Transit expenses and the Economic and Physical Development expenses are due to old projects being completed and new projects commencing.

The Commission anticipated a deficit for the year ended June 30, 2017, due to increasing indirect expenditures which are billed in arrears and also reducing staff size. The Commission has a \$39,046 current year deficit in the General Fund.

The Commission's indirect cost allocation rate increased by 6.8% percentage points from 131.3% to 138.1%. The new rate will not be effective until the Louisiana Department of Transportation and Development approves the rate, which was submitted to them in September, 2017. The benefit rate increased by .3 percentage points and the overhead rate increased by 6.5 percentage points.

**BUDGETARY HIGHLIGHTS**

The Commission's budget is prepared according to Louisiana law. During the course of the year, the Commission revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less, or anticipated expenditures in excess, of budgetary goals by 5% or more. The original budget for the Commission was adopted on August 11, 2016 and there were no amendments.

A statement reporting the Commission's budget compared with actual operating results is provided in the Schedule beginning on page 36.

A comparison of actual results as of June 30, 2017 and the original budget for the General Fund are as follows:

	<u>Original Budget</u>	<u>Actual</u>	<u>Difference</u>
Total revenues	\$ 706,478	\$ 668,478	\$ (38,000)
Total expenditures and other financing uses	<u>706,478</u>	<u>707,524</u>	<u>(1,046)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (39,046)</u>	<u>\$ (39,046)</u>

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2017**

There were no significant variations between the original budget and the final amended budget for the General Fund.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Difference</u>
Total revenues	\$ 706,478	\$ 706,478	\$ -
Total expenditures and other financing uses	<u>706,478</u>	<u>706,478</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CAPITAL ASSETS**

Capital assets include office furniture and equipment recorded at a historical cost of \$1,324,140. During the year ended June 30, 2017, there was \$26,280 in additions to capital assets and \$142,820 assets retired. Depreciation expense for the year ended June 30, 2017 of \$102,241 decreased the accumulated depreciation balance to \$1,095,853 at June 30, 2017 resulting in an ending book balance of \$228,287. More detailed information about the capital assets is presented in Note 5 to the financial statements.

**ECONOMIC AND OTHER FACTORS BEARING ON THE COMMISSION'S FUTURE**

Historically, the Commission's staff and costs remain relatively stable and should continue to do so. The Commission anticipates a similar amount of program revenues in the following year, which would lead to a similar change in fund balance next year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Those with questions concerning any of the information provided in this report or requests for additional financial information should contact the Commission's office at (504) 483-8500.



# Financial Statements

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**  
**Statement of Net Position**  
**As of June 30, 2017**

	GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,467,434
Restricted cash	122,897
Prepaid expenses	16,568
Due from other governments	832,430
Noncurrent assets:	
Capital assets, net of accumulated depreciation	228,287
<b>TOTAL ASSETS</b>	<b>2,667,616</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pension liability	1,403,328
 <b>LIABILITIES</b>	
Accounts payable and other current liabilities	705,447
Unearned revenues	308,664
Noncurrent liabilities:	
Due within one year	156,000
Due in more than one year	5,689,869
<b>TOTAL LIABILITIES</b>	<b>6,859,980</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred amounts related to pension liability	256,164
 <b>NET POSITION</b>	
Net investment in capital assets	228,287
Restricted for Brownfield related activities	122,897
Unrestricted	(3,396,384)
<b>TOTAL NET POSITION</b>	<b>\$ (3,045,200)</b>

*The accompanying notes are an integral part of this financial statement.*

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Statement of Activities  
For the Year Ended June 30, 2017**

Function/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position  Governmental Activities
<b>Governmental Activities</b>			
General government	\$ 281,778	\$ -	\$ (281,778)
Transit	3,914,431	3,169,569	(744,862)
Economic and Physical Development	628,042	572,277	(55,764)
Total Governmental Activities	\$ 4,824,250	\$ 3,741,846	(1,082,404)

General Revenues and Transfers:

Intergovernmental revenues	668,478
Total general revenues and transfers	668,478
Change in Net Position	(413,926)
Net position - beginning of year	(2,781,076)
Restatements	149,802
Net position - beginning of year (as restated)	(2,631,274)
Net position - end of year	\$ (3,045,200)

*The accompanying notes are an integral part of this financial statement.*

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**

**Balance Sheet  
Governmental Funds  
As of June 30, 2017**

	General Fund	Federal Transit Administration Grants Fund	Federal Highway Administration Grants Fund	Local Government Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,394,253	\$ -	\$ -	\$ 73,181	\$ -	\$ 1,467,434
Restricted Cash	-	-	-	122,897	-	122,897
Due from other funds	865,491	-	56,556	34,345	49,249	1,005,641
Due from other governments	-	235,595	416,783	15	180,037	832,430
Prepaid expenses	16,568	-	-	-	-	16,568
<b>TOTAL ASSETS</b>	<b>\$ 2,276,312</b>	<b>\$ 235,595</b>	<b>\$ 473,339</b>	<b>\$ 230,438</b>	<b>\$ 229,286</b>	<b>\$ 3,444,970</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and other current liabilities	\$ 705,478	\$ -	\$ -	-	\$ -	\$ 705,447
Due to other funds	140,119	235,595	375,442	74,417	180,037	1,005,641
Unearned revenues	5,497	-	97,897	156,021	49,249	308,664
<b>Total Liabilities</b>	<b>851,094</b>	<b>235,595</b>	<b>473,339</b>	<b>230,438</b>	<b>229,286</b>	<b>2,019,752</b>
Fund balances:						
Nonspendable						
Prepaid expenses	16,568	-	-	-	-	16,568
Restricted for Brownfield related activities (Note 1e)	-	-	-	122,897	-	122,897
Committed						
Matching funds	-	-	-	-	-	-
Unassigned	1,408,650	-	-	(122,897)	-	1,285,753
<b>Total fund balances</b>	<b>1,425,218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,425,218</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,276,312</b>	<b>\$ 235,595</b>	<b>\$ 473,339</b>	<b>\$ 230,438</b>	<b>\$ 229,286</b>	<b>\$ 3,444,970</b>

*The accompanying notes are an integral part of this financial statement.*

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
As of June 30, 2017**

Fund Balances, Total Governmental Funds	\$	1,425,218
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Net investment in capital assets used in governmental activities are not financial resources and, therefore, are not applicable in the governmental funds.		228,287
Contributions to the pension plan in the current fiscal year and other pension related deferrals are deferred outflows of resources on the Statement of Net Position		1,403,328
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Net pension liability		(5,566,910)
Compensated absences payable		(278,959)
Pension related deferrals are deferred inflows of resources on the Statement of Net Position		(256,164)
<hr/>		
<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b>(3,045,200)</b>

*The accompanying notes are an integral part of this financial statement.*

Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2017

	General Fund	Federal Transit Administration Grants Fund	Federal Highway Administration Grants Fund	Local Government Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Intergovernmental	\$ 668,478	\$ 665,138	\$ 2,385,726	\$ 44,259	\$ 633,648	\$ 4,397,249
Other revenues	-	-	10,000	3,075	-	13,075
<b>Total revenues</b>	<b>668,478</b>	<b>665,138</b>	<b>2,395,726</b>	<b>47,334</b>	<b>633,648</b>	<b>4,410,324</b>
<b>EXPENDITURES</b>						
Current:						
General Government	182,616	-	-	-	-	182,616
Transit	-	793,952	2,727,043	34,113	84,551	3,639,659
Economic and Physical Development	-	-	-	23,359	580,084	603,443
Capital outlay	23,652	-	-	-	-	23,652
<b>Total expenditures</b>	<b>206,268</b>	<b>793,952</b>	<b>2,727,043</b>	<b>57,472</b>	<b>664,635</b>	<b>4,449,370</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	462,210	(128,814)	(331,317)	(10,138)	(30,987)	(39,046)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	128,814	331,317	10,138	31,941	502,210
Transfers out	(501,256)	-	-	-	(954)	(502,210)
<b>Total other financing sources (uses)</b>	<b>(501,256)</b>	<b>128,814</b>	<b>331,317</b>	<b>10,138</b>	<b>30,987</b>	<b>-</b>
Net Change in Fund Balances	(39,046)	-	-	-	-	(39,046)
Fund balances - beginning of year	1,464,264	-	-	-	-	1,464,264
<b>Fund balances - end of year</b>	<b>\$ 1,425,218</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,425,218</b>

*The accompanying notes are an integral part of this financial statement.*

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Reconciliation of the Statement of Revenues,  
Expenditures, and Changes in Fund Balances Governmental  
Funds to the Statement of Activities  
For the Year Ended June 30, 2017**

Net Change in Fund Balances, Total Governmental Funds	\$	(39,046)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital Assets:		
Capital outlays capitalized		26,280
Depreciation expense		(102,241)
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities		462,998
Some activity in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Pension expense		(773,490)
Payment of compensated absences is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Assets by the excess of compensated absences used over amounts earned.		11,573
<hr/>		
Change in Net Position of Governmental Activities	\$	(413,926)
<hr/>		

*The accompanying notes are an integral part of this financial statement.*

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany, and Tangipahoa Parishes (the "Commission") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

**a. Reporting Entity**

The Commission was created in 1962 by Jefferson, Orleans, and St. Bernard Parishes and the Louisiana Legislature. On August 14, 1971, St. Tammany Parish was officially made a member of the Commission. On June 18, 1996 (effective July 1, 1996), Plaquemines Parish was officially made a member of the Commission. In September 2013, Tangipahoa Parish was officially made a member of the Commission. In May 2017, St. Charles and St. John the Baptist Parishes were officially made members of the Commission. The primary function of the Commission is to do comprehensive planning for the eight-parish area. The financial information of the Commission's entire operations is included in the financial statements.

As required by generally accepted accounting principles, the financial statements of the reporting entity present the primary government. The accompanying financial statements present the Commission as the primary government. No other organization was determined to be a component unit of the Commission. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements. Furthermore, the Commission has not been included as a component unit in the financial statements of any of the member Parishes.

**b. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Commission. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Grant revenues associated with the current fiscal period are all considered to be susceptible to accrual and have, therefore, been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Commission.

The Commission reports the following major governmental funds:

The *General Fund* is the Commission's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *United States Federal Transit Administration Grants Fund* accounts for the proceeds of FTA grants and contracts that are legally restricted to expenditures for specified purposes.

The *United States Federal Highway Administration Grants Fund* accounts for the proceeds of FHWA grants and contracts that are legally restricted to expenditures for specified purposes.

The *Local Government Fund* accounts for the proceeds of local grants and contracts that are legally restricted to expenditures for specified purposes.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Amounts reported as *program revenues* include operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The Commission has elected not to follow subsequent private-sector guidance.

**d. Budgetary Accounting**

The Commission adopts an annual budget for the General Fund and Special Revenue Funds. This budget is amended for Special Revenue Funds which at June 30, 2017, consisted of various federal, state, and other agencies' projects, on a project-by-project basis as funding becomes available. Budgets for carryover grants which are to be performed over more than one accounting period are reflected only to the extent that they affect the current period being reported on. The General Fund budget expires at each fiscal year end. Special Revenue Funds' budgets for grants are in accordance with the terms of the grant agreement and normally expire with the completion of the grant project or the grant, whichever comes first.

Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**e. Cash and Cash Equivalents**

For the purpose of the Statement of Net Position, deposits are carried at cost. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and cash equivalents". The Commission considers all investments with an original maturity of three months or less to be cash equivalents. Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana, or any other federally insured investment. Fair value estimates, methods and assumptions for the Commission's financial instruments of cash and cash equivalents are that the carrying amount reported in the Statement of Net Position is a reasonable estimated fair value.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Restricted cash in the amount of \$122,897 (\$196,078 less amount due to General Fund for project expenditures of \$73,181) for the Local Projects Fund is restricted by the donor for Brownfield related activities only.

**f. Interfund Transactions**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds”. Short-term interfund loans are reported as “interfund receivables and payables”. Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

The permanent reallocations of resources between funds of the Commission are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**g. Prepaids**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements.

**h. Capital Assets**

Capital assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The Commission does not have any infrastructure assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Depreciation is provided using the straight-line method based on estimated lives from 5 to 15 years.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and additions to/deductions from LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**j. Deferred Inflows and Outflows**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Commission has two items that meet this criterion, contributions made to the pension plan in the 2017 fiscal year and deferrals of changes in proportion. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Commission has several items that meet the criterion for this category, deferrals of differences between expected and actual experience, net difference between projected and actual earnings on investments, and differences between Commission contributions and proportionate share of contributions that result from the implementation of GASB Statement 68.

**k. Compensated Absences**

All full-time classified employees of the Commission are permitted to accumulate up to 90 days of accrued vacation (annual leave) plus the number of days earned during the current year. However, only a maximum of 90 days annual leave at December 31 may be carried forward to the next calendar year, and the employee is not entitled to compensation for accumulated days forfeited as a result of this limitation. Upon termination of employment an employee is paid for his accumulated annual leave, limited to 90 days, based on his current hourly rate of pay.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Accumulated vacation at June 30, 2017, which is not expected to be paid from current assets, is valued at the employees' current wage rates plus any payments required to be made by the Commission, including Social Security, Medicare and pension payments, and recorded as long-term debt in the government-wide financial statements. In the governmental funds, only that portion which is expected to be liquidated from expendable available financial resources is accrued at year-end.

Annual sick leave is cumulative but not vested. In accordance with GASB Statement No. 16, no liability is recorded for accumulated sick pay benefits because such benefits can be used only for sick leave. See Note 7, Compensated Absences, and Note 10, Indirect Cost Plan.

**I. Project and General Fund Expenditures**

Expenditures of the General Fund and depreciation and amortization of capital assets incurred for a common or joint purpose benefiting more than one cost objective are accumulated in an indirect cost pool and allocated to all funds as operating expenditures. See Note 10, Indirect Cost Plan.

**m. Equity Classifications**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - consists of components of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation.
3. Unrestricted net position - all other components of net position that do not meet the definition "restricted" or "net investment in capital assets".

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Commission considers restricted net position to have been spent first.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In the fund financials, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Commission is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – This component includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

*Restricted* – This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation would authorize the Commission to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled) by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Commission’s highest level of decision making authority which includes the ordinances and resolutions of the Commission. Those committed amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action (resolution) it employed previously to commit those amounts.

*Assigned* – This component consists of amounts that are constrained by the Commission’s intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Commission, or their designee as established in the Commission’s Fund Balance Policy.

*Unassigned* – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund. When both restricted and unrestricted resources are available for use, it is the Commission’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the Commission’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Commission considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Commission considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Commission has provided otherwise in its commitment or assignment actions.

**n. Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

**o. Adoption of New Financial Accounting Standards**

The following Accounting Standards Update (ASU) were recently issued by GASB and adopted by the Commission:

In March 2016, the GASB issued Statement No. 82 – Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No.73. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This standard is effective for periods beginning after June 15, 2016. The Commission adopted this statement for the year ended June 30, 2017, which did not result in a material impact on the financial statements.

**p. Subsequent Events**

The Commission has evaluated subsequent events through December 26, 2017, which is the date the financial statements were available to be issued and noted no events that required disclosure.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 2: CASH AND CASH EQUIVALENTS**

At June 30, 2017, the carrying amount of the Commission’s deposits was \$1,590,331. The bank balance was \$1,593,116 of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by securities held by the Federal Reserve Bank in the name of the financial institution pledged to the Commission. The Commission considers all investments with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2017.

During the fiscal year, there were times when Commission deposits exceeded the Federal Deposit Insurance Corporation insurance and were collateralized by securities held by the Federal Reserve Bank in the name of the financial institution pledged to the Commission.

Even though the pledged securities are considered collateralization under the provisions of GASB Codification Section C20, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds on demand.

**NOTE 3 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Due to/from other funds at June 30, 2017 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Federal Transit Administration Grants	\$ 235,595
General Fund	Federal Highway Administration Grants	375,442
General Fund	Local Government Fund	74,417
General Fund	Nonmajor Governmental	180,037
Federal Highway Admin. Grants	General Fund	56,556
Local Government Fund	General Fund	34,345
Nonmajor Governmental	General Fund	49,249
<b>Total</b>		<b>\$ 1,005,641</b>

The above due to/from other funds were short-term receivables and payables in the normal course of the Commission’s operations.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 3 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)**

A summary of the interfund transfers at June 30, 2017 are as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 501,256	\$ -
Federal Transit Administration Grants Fund	-	128,814
Federal Highway Administration Grants Fund	-	331,317
Local Government Fund		10,138
Nonmajor Governmental Funds	954	31,941
<b>Totals</b>	<b>\$ 502,210</b>	<b>\$ 502,210</b>

The general fund transfers required matching funds to the appropriate federal and state special revenue funds.

**NOTE 4 - DUE FROM (TO) OTHER GOVERNMENTAL UNITS**

At June 30, 2017, amounts due from/to various agencies for grant and contracts administered during the year ended June 30, 2017, were as follows:

	<u>Receivables</u>
Special Revenue Funds:	
United States Department of Transportation:	
Federal Transit Administration Grants Fund	\$ 235,595
Federal Highway Administration Grants Fund	416,783
Local Government Fund	15
Nonmajor Governmental Funds	180,037
<b>Totals</b>	<b>\$ 832,430</b>

At June 30, 2017, the receivables from other governmental units earned and billed were \$95,109 and amounts earned but unbilled were \$737,321.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 5: CAPITAL ASSETS**

A summary of changes in governmental activities type capital assets and accumulated depreciation for the year ended June 30, 2017, is as follows:

<u>Governmental Activities</u>	<u>7/1/16 (Restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/17</u>
Furniture, fixtures and equipment	\$ 1,440,680	\$ 26,280	\$ (142,820)	\$ 1,324,140
Less accumulated Depreciation	(1,136,432)	(102,241)	142,820	(1,095,853)
<u>Governmental activities Capital assets, net</u>	<u>\$ 304,248</u>	<u>\$ (75,961)</u>	<u>\$ -</u>	<u>\$ 228,287</u>

For the year ended June 30, 2017, the Commission reflected depreciation expense to the extent allowable, as a cost in its indirect cost pool (see Notes 1L and 10). Likewise, accumulated depreciation is reflected in the Statement of Net Position with the result that capital assets at June 30, 2017, are stated at historical costs less accumulated depreciation.

Depreciation expense charged through the indirect cost plan was \$39,167. Depreciation expense charged to the general government function was \$63,074.

**NOTE 6: ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES**

All invoices are processed through the operating cash account in the General Fund. Each fund reimburses the General Fund for its share of accounts payable invoices processed. Accounts payable of \$705,447 at June 30, 2017 includes vendors' invoices and amounts due to consultants for work completed at June 30, 2017 for other funds.

Amounts reimbursable for these invoices are reflected as an asset of the General Fund in the amounts "Due from other funds", and are reflected as a liability of the other funds in the amounts "Due to other funds". Accrued expenses at June 30, 2017 consist primarily of payroll and payroll withholdings.

Accounts payable and contracts payable	\$ 660,999
Accrued expenses	44,448
<u>Total</u>	<u>\$ 705,447</u>

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 7: LONG-TERM LIABILITIES**

Long-term liabilities consisted of compensated absences (accumulated and vested vacation pay including related Commission expenses) and net pension liability.

Details of changes in long-term debt during the year ended June 30, 2017, are as follows:

	7/1/2016	Increase	Decrease	6/30/2017	Due Within One Year
Compensated absences	\$ 290,532	\$ 93,402	\$ (104,975)	\$ 278,959	\$ 156,000
Net pension liability	4,459,002	1,107,908	-	5,566,910	-
<b>Total</b>	<b>\$ 4,749,534</b>	<b>\$ 1,201,310</b>	<b>\$ (104,975)</b>	<b>\$ 5,845,869</b>	<b>\$ 156,000</b>

Compensated absences are discussed in Note 1k. Net pension liability is discussed in Note 11.

Funding of compensated absences is to be provided from revenues of various funds to which indirect costs are allocated at the time paid (see Notes 1b, 1l and 10).

**NOTE 8: FUNDING PROVIDED BY MEMBER PARISHES**

The Commission's enabling legislation provides that the members will appropriate and provide the funds necessary to carry out its operations. This is normally provided for by the Commission billing the member parishes their pro rata share of such costs based upon census population distribution. The revenues received and earned from member parishes for the year ended June 30, 2017 amounted to \$668,478.

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

**Office Facilities and Equipment**

The Commission entered into a Cooperative Endeavor Agreement (the "Agreement") with the Louisiana Department of Transportation and Development (LDOTD) on May 16, 2007. The Agreement calls for the Commission to perform certain support functions for the LDOTD, along with an initial capital funding of \$2,500,000 and \$250,000 per year of Commission Urban Attributable funds. In return, LDOTD agreed to provide office space in the Regional Transportation Management Center, which was completed in October 2009, along with communication and information infrastructure equipment to the Commission. Additionally, the Commission pays certain operating expenses of the Regional Transportation Management Center, such as janitorial and lawn maintenance services. Total expenses incurred by the Commission were approximately \$35,200 for the year ended June 30, 2017.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 9: COMMITMENTS AND CONTINGENCIES (Continued)**

The Agreement’s term is for twenty-five (25) years, with options to renew for two (2) five (5) year periods thereafter. The Agreement may be terminated based upon failure of the Commission to comply with the terms of the Agreement, provided the LDOTD gives the Commission notice of the failure. Upon notice of the failure, the Commission has sixty (60) days to correct such failure.

**Grant Contracts**

The grantee for pass-through funds and/or the Commission as grantee or subrecipient under the terms of certain grant agreements is required to provide a percentage of the costs incurred for the project. These costs are referred to as matching funds. These can be provided by the grantee, the Commission, or other agencies. Matching funds that are required for completion of grant projects by the Commission at June 30, 2017, totaled \$371,529.

Work yet to be completed for grants in progress at June 30, 2017, for various agencies was as follows:

<u>Grantor Agency</u>	<u>Amount To Be Completed</u>
United States Department of Transportation:	
Federal Transit Administration	\$ 482,247
Federal Highway Administration	3,130,893
Local Project Fund	137,776
Nonmajor Governmental Fund	677,093
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Total	\$ 4,428,009

Of the above work yet to be completed at June 30, 2017, the Commission contracted for consultant services to be provided which had not yet been performed at June 30, 2017, in the amount of \$2,463,410. The cost of these services will be paid from the funds of the grant project for which the services are provided.

**Audit of Subrecipient Costs**

The Commission, as recipient of grants from federal agencies, has primary responsibility for compliance by subrecipients that are state or local governments with federal regulations, policies, and procedures applicable to such grants. For the year ended June 30, 2017, there is one subrecipient with contracted services to be provided which had not yet been performed at June 30, 2017, in the amount of \$193,383.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 10: INDIRECT COST PLAN**

The Commission maintains an approved indirect cost plan for the allocation of costs that are incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited. The Commission's policy is to apply the new audited indirect rate effective for the fiscal year following the audited rate year.

**NOTE 11: RETIREMENT BENEFITS**

***Plan Description***

Employees of the Commission are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

***Benefits Provided***

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

**Retirement**

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11: RETIREMENT BENEFITS (CONTINUED)**

number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

**Deferred Retirement Benefits**

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11: RETIREMENT BENEFITS (CONTINUED)**

third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

**Disability Benefits**

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

**Survivor's Benefits**

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

**Permanent Benefit Increases/Cost-of-Living Adjustments**

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11: RETIREMENT BENEFITS (CONTINUED)**

through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

***Contributions***

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers.

The rates in effect during the year ended June 30, 2017 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Regular Employees and Appellate Law Clerks			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	35.8%
Post Act 75 (hired after 6/30/2006)	Open	8.0%	35.8%
Optional Retirement Plan (ORP)			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	35.8%
Post Act 75 (hired after 6/30/2006)	Closed	8.0%	35.8%

The Commission's contractually required composite contribution rate for the year ended June 30, 2017 was 38.5% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Commission were \$462,998 for the year ended June 30, 2017.

**Refunds of Contributions**

If a member leaves covered employment or dies before any benefits become payable on their behalf, the accumulated contributions may be refunded to the member or their designated beneficiary. Similarly, accumulated contributions in excess of any benefits paid to members or their survivors are refunded to the member's beneficiaries or their estates upon cessation of any survivor's benefits.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11 – RETIREMENT BENEFITS (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the Commission reported a liability of \$5,566,910 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission’s proportion of the net pension liability was based on a projection of the Commission’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Commission’s proportion was 0.070893%, which was an increase of .005333% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Commission recognized pension expense of \$572,188 plus the Commission’s amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of \$201,303.

At June 30, 2017, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,223	\$ 51,631
Net difference between projected and actual earnings on pension plan investments	693,368	-
Changes in proportion and differences between employer contributions and proportion of shared contributions	243,739	204,553
Employer contributions subsequent to the measurement date	462,998	-
<b>Total</b>	<b>\$ 1,403,328</b>	<b>\$ 256,164</b>

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11 – RETIREMENT BENEFITS (CONTINUED)**

Deferred outflows of resources of \$462,998 related to pensions resulting from the Commission’s contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2018	\$ 40,093
2019	209,220
2020	269,457
2021	165,396

***Actuarial Assumptions***

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.75% per annum
Inflation Rate	3.0% per annum
Mortality	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.  Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11 – RETIREMENT BENEFITS (CONTINUED)**

Salary Increases

Salary increases were projected based on a 2009-2013 experience study of the System's members.

The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	4.0%	13.0%

Cost of Living Adjustments

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	0%	-0.24%
Domestic equity	27%	4.31%
International equity	30%	5.48%
Domestic fixed income	11%	1.63%
International fixed income	2%	2.47%
Alternative investments	23%	7.42%
Global asset allocation	7%	2.92%
Total	100%	5.30%

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 11 – RETIREMENT BENEFITS (CONTINUED)**

***Discount Rate***

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of the Commission’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the Commission’s proportionate share of the Net Pension Liability using the discount rate of 7.75%, as well as what the Commission’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	<b>1.0% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1.0% Increase (8.75%)</b>
Commission’s proportionate share of the net pension liability	\$ 6,839,464	\$ 5,566,910	\$ 4,485,638

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan’s fiduciary net position is available in the separately issued LASERS 2016 Comprehensive Annual Financial Report at [www.lasersonline.org](http://www.lasersonline.org).

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany, & Tangipahoa Parishes  
Notes to Financial Statements**

**NOTE 12 – RESTATEMENTS**

During the year ended June 30, 2017, management noted a correction of an error related to the overstatement of depreciation and disposing of fixed assets.

The correction of an error had the following impact on the beginning net position at June 30, 2016:

Net position – June 30, 2016	\$	2,871,076
Prior period adjustments:		
Overstatement of depreciation – correction of an error		154,401
Non-disposal of fixed assets – correction of an error		(4,599)
<hr/>		
Total prior period adjustments		149,802
<hr/>		
Net position – June 30, 2016 as restated	\$	(2,631,274)



**Required Supplementary  
Information (Part II)**

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Revenues, Expenditures, and Changes In Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 706,478	\$ 668,478	\$ (38,000)
<b>TOTAL REVENUES</b>	<b>706,478</b>	<b>668,478</b>	<b>(38,000)</b>
<b>EXPENDITURES</b>			
Current			
General Government			
Personnel services	7,200	2,795	4,405
Contractual services	65,000	65,000	-
Other services and charges	24,820	114,821	(90,001)
Capital outlay			
Purchase of furniture and equipment	23,834	23,652	182
<b>TOTAL EXPENDITURES</b>	<b>120,854</b>	<b>206,268</b>	<b>(85,414)</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>585,624</b>	<b>462,210</b>	<b>(123,414)</b>
<b>OTHER FINANCING USES</b>			
Transfers out	(585,624)	(501,256)	84,368
<b>TOTAL OTHER FINANCING USES</b>	<b>(585,624)</b>	<b>(501,256)</b>	<b>84,368</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>(39,046)</b>	<b>(39,046)</b>
<b>FUND BALANCE</b>			
Beginning of year	1,464,264	1,464,264	-
<b>End of Year</b>	<b>\$ 1,464,264</b>	<b>\$ 1,425,218</b>	<b>\$ (39,046)</b>

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Revenues, Expenditures, and Changes In Fund Balance  
Budget and Actual  
United States Department of Transportation -  
Federal Transit Administration Grants Fund  
For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,147,385	\$ 665,138	\$ (482,247)
<b>TOTAL REVENUES</b>	<b>1,147,385</b>	<b>665,138</b>	<b>(482,247)</b>
<b>EXPENDITURES</b>			
Current			
Transit			
Personnel services	719,871	454,674	265,197
Supplies	11,788	12,019	(231)
Contractual services	405,823	212,440	193,383
Other services and charges	182,374	114,819	67,555
<b>TOTAL EXPENDITURES</b>	<b>1,319,856</b>	<b>793,952</b>	<b>525,904</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(172,471)</b>	<b>(128,814)</b>	<b>43,657</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	172,471	128,814	(43,657)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>172,471</b>	<b>128,814</b>	<b>(43,657)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Revenues, Expenditures, and Changes In Fund Balance  
Budget and Actual  
United States Department of Transportation -  
Federal Highway Administration Grants Fund  
For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 5,926,403	\$ 2,385,726	\$ (3,540,677)
In-Kind	10,000	10,000	-
<b>TOTAL REVENUES</b>	<b>5,936,403</b>	<b>2,395,726</b>	<b>(3,540,677)</b>
<b>EXPENDITURES</b>			
Current			
Transit			
Personnel services	2,210,853	1,178,870	1,031,983
Supplies	69,974	19,565	50,409
Contractual services	3,796,107	1,245,972	2,550,135
Other services and charges	536,863	282,636	254,227
<b>TOTAL EXPENDITURES</b>	<b>6,613,797</b>	<b>2,727,043</b>	<b>3,886,754</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(677,394)</b>	<b>(331,317)</b>	<b>346,077</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	677,394	331,317	(346,077)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>677,394</b>	<b>331,317</b>	<b>(346,077)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**  
**Schedule of Revenues, Expenditures, and Changes In Fund Balance**  
**Budget and Actual**  
**Local Projects Fund**  
**For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 182,035	\$ 44,259	\$ (137,776)
Miscellaneous	7,414	3,075	(4,339)
<b>TOTAL REVENUES</b>	<b>189,449</b>	<b>47,334</b>	<b>(142,115)</b>
<b>EXPENDITURES</b>			
Transit			
Contractual services	44,438	32,818	11,620
Other services and charges	5,635	1,295	4,340
Economic and Physical Development			
Personnel services	97,418	18,332	79,086
Supplies	628	-	628
Contractual services	21,958	563	21,395
Other services and charges	29,501	4,464	25,037
<b>TOTAL EXPENDITURES</b>	<b>199,578</b>	<b>57,472</b>	<b>142,106</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(10,129)</b>	<b>(10,138)</b>	<b>(9)</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	10,129	10,138	9
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>10,129</b>	<b>10,138</b>	<b>9</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Proportionate Share of Net Pension Liability  
Louisiana State Employees' Retirement System  
Last Three Fiscal Years**

Fiscal Year*	Commission's proportion of the net pension liability (asset)	Commission's proportionate share of the net pension liability (asset)	Commission's covered-employee payroll	Commission's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2017	0.070893%	\$ 5,566,910	\$ 1,239,698	449%	57.70%
2016	0.065560%	\$ 4,459,002	\$ 1,269,392	351%	62.70%
2015	0.072690%	\$ 4,545,289	\$ 1,236,840	367%	65.00%

\*Amounts presented were determined as of the measurement date (previous fiscal year end).

*This schedule is intended to show information for 10 years.  
Additional years will be displayed as they become available.*

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**  
**Schedule of Employer Contributions To  
Louisiana State Employees' Retirement System  
Last Four Fiscal Years**

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Commission's covered-employee payroll	Contributions as a percentage of covered-employee payroll
Louisiana State Employees' Retirement System					
2017	\$ 462,998	\$ 462,998	\$ -	\$ 1,293,289	35.8%
2016	\$ 461,168	\$ 461,168	\$ -	\$ 1,239,698	37.2%
2015	\$ 469,675	\$ 469,675	\$ -	\$ 1,269,392	37.0%
2014	\$ 387,131	\$ 387,131	\$ -	\$ 1,236,840	31.3%

\*Amounts presented were determined as of the end of the fiscal year.

*This schedule is intended to show information for 10 years.  
Additional years will be displayed as they become available.*

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**Notes to Required Supplementary Information**

***Changes of Benefit Terms***

Members hired on or after July 1, 2015 will be eligible at age 62 with 5 years of service.  
Beginning July 1, 2015, permanent benefit increases are limited based on benefit amount and actuarial rate of return.  
There were no changes of benefit terms for the Regular Plan for the years ended June 30, 2015 and 2017.

***Changes of Assumptions***

There were no changes in assumptions for the years ended June 30, 2015 through 2017.



**Other Supplementary  
Information**

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Non-Major Governmental and Special Revenue Funds  
For the Year Ended June 30, 2017**

Special Revenue Funds are used to account and report for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Commission receives grants and contracts for planning programs from federal, state, and other sources. These grants and contracts are combined into funds by funding agencies for reporting purposes as follows:

**Federal**

- United States Environmental Protection Agency Grants Fund - accounts for the proceeds of EPA grants and contracts that are legally restricted to expenditures for specified purposes.
- United States Department of Commerce Grants Fund - accounts for the proceeds of Department of Commerce grants and contracts that are legally restricted to expenditures for specified purposes
- United States Department of Energy Grants Fund - accounts for the proceeds of Dept. of Energy grants and contracts that are legally restricted to expenditures for specified purposes.
- United States Federal Railroad Grants Fund - accounts for the proceeds of Federal Railroad grants and contracts that are legally restricted to expenditures for specified purposes.

**State**

- State Contracts Fund - accounts for the proceeds from State grants and contracts that are legally restricted to expenditures for specified purposes.

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**  
**Combining Balance Sheet**  
**NonMajor Governmental Funds**  
**As of June 30, 2017**

Federal Grant Programs

	U.S. Environmental Protection Agency Fund	U.S Department of Commerce	U.S. Department of Energy Grant Fund	U.S. Federal Railroad Administration Grants Fund	State Contracts Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>						
Assets:						
Due from other funds	\$ -	\$ 89	\$ 38,973	\$ 6,314	\$ 3,873	\$ 49,249
Due from other governmental units	74,430	31,320	-	-	74,287	180,037
<b>TOTAL ASSETS</b>	<b>\$ 74,430</b>	<b>\$ 31,409</b>	<b>\$ 38,973</b>	<b>\$ 6,314</b>	<b>\$ 78,160</b>	<b>\$ 229,286</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Due to other funds	\$ 74,430	\$ 31,320	\$ -	\$ -	\$ 74,287	\$ 180,037
Unearned revenue	-	89	38,973	6,314	3,873	49,249
<b>Total Liabilities</b>	<b>74,430</b>	<b>31,409</b>	<b>38,973</b>	<b>6,314</b>	<b>78,160</b>	<b>229,286</b>
Fund balances:						
Total Fund Balances	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 74,430</b>	<b>\$ 31,409</b>	<b>\$ 38,973</b>	<b>\$ 6,314</b>	<b>\$ 78,160</b>	<b>\$ 229,286</b>

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
NonMajor Governmental Funds  
For the Year Ending June 30, 2017**

	Federal Grant Programs						
	U.S. Environmental Protection Agency Fund	U.S Department of Commerce	U.S. Department of Energy Grant Fund	U.S. Federal Railroad Administration Grants Fund	State Contracts Fund	Total Nonmajor Governmental Funds	
<b>REVENUES</b>							
Intergovernmental	\$ 288,529	\$ 77,108	\$ 80,486	\$ 81,676	\$ 105,849	\$ 633,648	
<b>TOTAL REVENUES</b>	<b>288,529</b>	<b>77,108</b>	<b>80,486</b>	<b>81,676</b>	<b>105,849</b>	<b>633,648</b>	
<b>EXPENDITURES</b>							
Transit	-	-	-	84,551	-	84,551	
Economic and Physical Development	297,887	95,862	80,486	-	105,849	580,084	
<b>TOTAL EXPENDITURES</b>	<b>297,887</b>	<b>95,862</b>	<b>80,486</b>	<b>84,551</b>	<b>105,849</b>	<b>664,635</b>	
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(9,358)</b>	<b>(18,754)</b>	<b>-</b>	<b>(2,875)</b>	<b>-</b>	<b>(30,987)</b>	
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	9,358	18,754	954	2,875	-	31,941	
Transfers out	-	-	(954)	-	-	(954)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>9,358</b>	<b>18,754</b>	<b>-</b>	<b>2,875</b>	<b>-</b>	<b>30,987</b>	
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>FUND BALANCES</b>							
Beginning of year	-	-	-	-	-	-	
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

**Regional Planning Commission for Jefferson, Orleans, Plaquemines  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Revenues, Expenditures, and Changes In Fund Balance  
Budget and Actual  
United States Environmental Protection Agency Fund  
For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 343,969	\$ 288,529	\$ (55,440)
<b>TOTAL REVENUES</b>	<b>343,969</b>	<b>288,529</b>	<b>(55,440)</b>
<b>EXPENDITURES</b>			
Economic and Physical Development			
Personnel services	78,126	37,464	40,662
Contractual services	258,098	250,198	7,900
Other services and charges	29,078	10,225	18,853
<b>TOTAL EXPENDITURES</b>	<b>365,302</b>	<b>297,887</b>	<b>67,415</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(21,333)</b>	<b>(9,358)</b>	<b>11,975</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	21,333	9,358	(11,975)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>21,333</b>	<b>9,358</b>	<b>(11,975)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**  
**Schedule of Revenues, Expenditures, and Changes In Fund Balance**  
**Budget and Actual**  
**United States Department of Commerce Fund**  
**For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 321,222	\$ 77,108	\$ (244,114)
<b>TOTAL REVENUES</b>	<b>321,222</b>	<b>77,108</b>	<b>(244,114)</b>
<b>EXPENDITURES</b>			
Economic and Physical Development			
Personnel services	271,429	71,580	199,849
Contractual services	41,400	5,700	35,700
Other services and charges	79,304	18,582	60,722
<b>TOTAL EXPENDITURES</b>	<b>392,133</b>	<b>95,862</b>	<b>296,271</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(70,911)</b>	<b>(18,754)</b>	<b>52,157</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	70,911	18,754	(52,157)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>70,911</b>	<b>18,754</b>	<b>(52,157)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes**  
**Schedule of Revenues, Expenditures, and Changes In Fund Balance**  
**Budget and Actual**  
**United States Department of Energy Grant Fund**  
**For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 260,709	\$ 80,486	\$ (180,223)
<b>TOTAL REVENUES</b>	<b>260,709</b>	<b>80,486</b>	<b>(180,223)</b>
<b>EXPENDITURES</b>			
Economic and Physical Development			
Personnel services	191,006	63,795	127,211
Supplies	213	202	11
Other services and charges	69,490	16,489	53,001
<b>TOTAL EXPENDITURES</b>	<b>260,709</b>	<b>80,486</b>	<b>180,223</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING USES</b>			
Transfers In	954	954	-
Transfers (out)	(954)	(954)	-
<b>TOTAL OTHER FINANCING USES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Revenues, Expenditures, and Changes In Fund Balance  
Budget and Actual  
State Contracts Fund  
For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 242,119	\$ 105,849	\$ (136,270)
<b>TOTAL REVENUES</b>	<b>242,119</b>	<b>105,849</b>	<b>(136,270)</b>
<b>EXPENDITURES</b>			
Current			
Economic and Physical Development			
Personnel services	91,691	38,407	53,284
Supplies	385	98	287
Contractual services	116,263	54,326	61,937
Other services and charges	33,780	13,018	20,762
<b>TOTAL EXPENDITURES</b>	<b>242,119</b>	<b>105,849</b>	<b>136,270</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Revenues, Expenditures, and Changes In Fund Balance  
Budget and Actual  
United States Federal Railroad Administration Grant Fund  
For the Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Miscellaneous	\$ 142,762	\$ 81,676	\$ (61,086)
TOTAL REVENUES	142,762	81,676	(61,086)
<b>EXPENDITURES</b>			
Transit			
Personnel services	5,887	5,654	233
Contractual services	140,264	77,420	62,844
Other services and charges	1,534	1,477	57
TOTAL EXPENDITURES	147,685	84,551	63,134
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(4,923)	(2,875)	2,048
<b>OTHER FINANCING SOURCES</b>			
Transfers in	4,923	2,875	(2,048)
TOTAL OTHER FINANCING SOURCES	4,923	2,875	(2,048)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE</b>			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Schedule of Commissioners' Per Diem  
For the Year Ended June 30, 2017**

	<u>Number of Meetings Attended</u>	<u>Per Diem Allowance</u>
Mr. Mandrel Pansey	7	\$350
Mr. Lee Giorgio	9	\$450
Ms. Bonnie Lewis	12	\$600

The nonelected Commissioners are offered a per diem allowance of \$50 for each meeting attended, not to exceed two meetings per month. They have the option not to accept per diem allowance.

**Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa  
Parishes**

**Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended June 30, 2017**

Agency Head Name: Walter R Brooks, Executive Director

<b>PURPOSE</b>	<b>AMOUNT</b>
Salary	\$129,118
Benefits-health insurance	6,325
Benefits - dental insurance	1,966
Benefits-retirement	48,936
Deferred compensation	0
Workers comp	0
Benefits-life insurance	1,020
Benefits-long term disability	0
Benefits-Fica & Medicare	0
Car allowance	0
Vehicle provided by government	0
Cell phone	677
Dues	430
Vehicle rental	0
Per diem	0
Reimbursements (parking & tolls)	96
Travel	78
Registration fees	0
Conference travel	0
Unvouchered expenses	0
Meetings & conventions	0
Other	0
	<b>\$188,646</b>



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**INDEPENDENT AUDITORS' 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 Commissioners  
Regional Planning Commission  
for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes  
New Orleans, Louisiana

We have audited, in accordance with the 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, each major fund, and the aggregate remaining fund information of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes (the "Commission") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 26, 2017.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the 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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 Commission'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission'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 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*.

### **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 Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cam, Riggs & Ingram, L.L.C.*

December 26, 2017



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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To Commissioners  
Regional Planning Commission  
for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes  
New Orleans, Louisiana

### **Report on Compliance for the Major Federal Program**

We have audited the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes' (the "Commission") compliance with the types of compliance requirements described in the *Uniform Guidance Compliance Supplement* that could have a direct and material effect on the Commission's major federal program for the year ended June 30, 2017. The Commission's major federal program is identified in the summary of 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for the Commission'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 Commission'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 opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2017.

### **Report on Internal Control over Compliance**

Management of the Commission 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 Commission'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 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 Commission's internal control over compliance.

*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 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. *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.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Carri Riggs & Ingram, L.L.C.*  
December 26, 2017

Regional Planning Commission for Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist, St. Tammany & Tangipahoa Parishes  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2017

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA #	Pass-Through Entity Identifying No.	Federal Expenditures	Total Expenditures
<b>U.S. Department of Transportation</b>				
Highway Planning and Construction Cluster Passed-through Louisiana Department of Transportation and Development Highway Planning and Construction		H.972216.1, H.008399, H.012462, 20000076314, H.012837.1, H.012523, H.012461, H.004746, H.004791, H.011625, H.004987, H.004983, H.010753, H.004981, H.011136, H.011849, H.007272.2, 2000053176,		
Total Highway Planning and Construction Cluster	20.205	H.01070, H.12855	\$ 2,200,007	\$ 2,727,041
			<u>2,200,007</u>	<u>2,727,041</u>
Transit Services Programs Cluster Passed-through Louisiana Department of Transportation and Development Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PL80-36-17, PL80-36-16	6,445	6,445
Direct Program: Job Access and Reverse Commute Program	20.516		17,691	17,691
Total Transit Services Programs Cluster			<u>24,136</u>	<u>24,136</u>
Federal Transit Cluster Direct Program: Bus and Bus Facilities Formula Program	20.526		169,951	212,439
Total Federal Transit Cluster			<u>169,951</u>	<u>212,439</u>
Passed-through Louisiana Department of Transportation and Development Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	PL80-36-17, PL80-52-16, PL80-53- 16, PL80-36-16, PL80-52-17	419,450	548,263
Formula Grants for Rural Areas	20.509	PL80-36-17, PL80-36-16	9,113	9,113
Direct Program: Railroad Development	20.314		67,589	84,551
<b>Total U.S. Department of Transportation</b>			<u>\$ 2,890,246</u>	<u>\$ 3,605,543</u>
<b>U.S. Department of Commerce</b>				
Direct Programs: Economic Development Cluster Economic Adjustment Assistance	11.307		\$ 45,274	\$ 56,068
Total Economic Development Cluster			<u>45,274</u>	<u>56,068</u>
Economic Development Support for Planning Organizations	11.302		31,835	39,794
<b>Total U.S. Department of Commerce</b>			<u>\$ 77,109</u>	<u>\$ 95,862</u>
<b>U.S. Environmental Protection Agency</b>				
Direct Program: Brownfields Assessment and Cleanup Cooperative Agreements	66.818		\$ 288,529	\$ 297,887
<b>Total U.S. Environmental Protection Agency</b>			<u>\$ 288,529</u>	<u>\$ 297,887</u>
<b>U.S. Department of Energy</b>				
Direct Programs: State Energy Program	81.041		\$ 39,892	\$ 39,892
Conservation Research and Development	81.086		41,548	41,548
<b>Total U.S. Department of Energy</b>			<u>\$ 81,440</u>	<u>\$ 81,440</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 3,337,324</u>	<u>\$ 4,080,732</u>

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2017**

**NOTE 1: SCOPE OF AUDIT PURSUANT TO UNIFORM GUIDANCE, AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS**

All federal grant awards of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Tammany and Tangipahoa Parishes are included in the scope of the Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. The United States Department of Transportation is the Commission's oversight agency.

**NOTE 2: FISCAL PERIOD AUDITED**

Single audit testing procedures were performed for program transactions occurring during the year ended June 30, 2017. Revenues and expenditures recorded prior to July 1, 1986 for programs with contractual reimbursement periods commencing prior to that date were outside the scope of the single audit. These prior-period revenues and expenditures are subject to the audit requirements of the applicable federal funding sources. Grant terms are indicated in the Schedule of Expenditures of Federal Awards.

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Commission has met the qualifications for the respective grants. Costs incurred in programs partially funded by federal grants are applicable against federal grant funds to the extent of revenues available when they properly apply to the grant. Accrued revenues at year end represent amounts earned but not yet received. Total Project Budget and Federal Financial Assistance Budget represent the total budget and federal portion of the total budget respectively for the grant program. They do not represent the current operating budget, except for those programs which began and ended within the year ended June 30, 2017. Expenditures represent total program costs for the year ended June 30, 2017, and the cumulative program costs incurred from inception to June 30, 2017. Federal financial assistance provided through June 30, 2017, represents amounts earned under grant agreements on the accrual basis of accounting. The Commission has not elected to use the 10% de minimis indirect cost rate.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2017**

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**ACCRUED AND DEFERRED REIMBURSEMENT**

Various reimbursement procedures are used for federal awards received by the Commission. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year-end represent an excess of reimbursable expenditures over cash reimbursements received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2017**

**A. SUMMARY OF AUDITORS' RESULTS**

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany and Tangipahoa Parishes (the "Commission").
2. There were no instances of noncompliance material to the financial statements of the Commission reported in the *Independent Auditors' 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*.
3. No material weaknesses or significant deficiencies relating to the audit in the *Independent Auditors' 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*.
4. The *Independent Auditors' Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance* expresses an unmodified opinion on the major federal program.
5. There were no findings that are required to be reported in accordance with the Uniform Guidance.
6. There were no management letter comments issued.
7. The program tested as a major program was:  

Highway Planning and Construction (CFDA No. 20.205)
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Regional Planning Commission was determined to be a low-risk auditee.



**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2017**

**B. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENTS**

There were no findings related to the financial statements for the year ended June 30, 2017.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM**

There were no findings related to the major federal award program for the year ended June 30, 2017.

**Regional Planning Commission For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John the Baptist,  
St. Tammany & Tangipahoa Parishes  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2017**

**SECTION I FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

No findings in prior year.

**SECTION II FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

No findings in prior year.

**SECTION III MANAGEMENT LETTER**

No findings in prior year.



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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Commissioners  
Regional Planning Commission  
For Jefferson, Orleans, Plaquemines,  
St. Bernard, St. Charles, St. John, St. Tammany  
and Tangipahoa Parishes  
New Orleans, Louisiana  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Commissioners of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John, St. Tammany, and Tangipahoa Parishes (the "Commission") and the Louisiana Legislative Auditor ("LLA") on the control and compliance ("C/C") areas identified in the LLA's Statewide Agreed-Upon Procedures ("SAUPs") for the fiscal period July 1, 2016 through June 30, 2017. The Commission is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated results are as follows:

***Written Policies and Procedures***

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1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

**We obtained the written policies and verified that they addressed the areas as follows:**

- a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.

**No exceptions were noted.**

- b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

**No exceptions were noted.**

- c) *Disbursements*, including processing, reviewing, and approving.

**No exceptions were noted.**

- d) *Receipts*, including receiving, recording, and preparing deposit.

**No exceptions were noted.**

- e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

**No exceptions were noted.**

- f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

**No exceptions were noted.**

- g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.

**No exceptions were noted.**

- h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

**No exceptions were noted.**

- i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

**No exceptions were noted.**

- j) *Debt Service*, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**No exceptions were noted.**

***Board (or Finance Committee, if applicable)***

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2. Obtain and review the board/committee minutes for the fiscal period, and:

**We obtained and reviewed the board minutes and performed the following:**

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

**No exceptions were noted.**

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- 1) If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

**No exceptions were noted.**

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

**No exceptions were noted.**

***Bank Reconciliations***

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3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

**We obtained a listing of the bank accounts from management and obtained a representation from management that the listing is complete.**

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

**We selected nine (9) of the Commission's bank accounts. For each bank account we verified the following:**

- a) Bank reconciliations have been prepared;

**No exceptions were noted.**

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

**No exceptions were noted.**

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

**No exceptions were noted.**

### ***Collections***

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5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

**We obtained the listing of the collection locations and a representation from management that the listing was complete.**

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

**We obtained written documentation and determined that each person collecting cash is (1) bonded, (2) not responsible for depositing cash in the bank, recording the related transaction, or reconciling the related bank account, (3) not required to share the same cash register or drawer with another employee.**

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

**We verified that the Commission has a formal process and written documentation to reconcile cash collections to the general ledger by a person who is not responsible for cash collections.**

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
  - 1) Using Commission's collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

**During our review of collections, we noted one (1) receipt was deposited within three (3) days of collection.**

*Management's Response: The Regional Planning Commission's Policy & Procedures Manual states on page 149 that "whenever possible, receipts are deposited on the same day that are received." Due to separation of duties, all checks received (approx. 2-4 per quarter) go directly to the Director of Finance. In regards to the exception noted, the Director of Finance was undergoing chemotherapy and was frequently out of the office; therefore, there was a delay in the deposit. We are aware and follow the policy to deposit checks on the date received, depending on the delivery of the mail. We receive checks infrequently, and the checks we receive only amount to less than the 10% of our total receipts. Right after year end, the Director of Finance passed away. A new Interim Director was named, and a new employee was designated to physically make the bank deposits to ensure the separation of duties per our Policy and Procedures manual.*

- 2) Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

**Daily deposits were completely supported by documentation. No exceptions were noted.**

- 7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue

source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

**No exceptions were noted.**

***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

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8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management’s representation that the listing or general ledger population is complete.

**We sorted and filtered the Commission’s general ledger to create a listing of entity disbursements and obtained a representation from management that the listing is complete.**

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

**We selected 25 disbursements, examined supporting documentation and verified the following:**

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

**No exceptions were noted.**

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

**No exceptions were noted.**

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

**No exceptions were noted.**

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

**No exceptions were noted.**

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

**No exceptions were noted.**

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

**No exceptions were noted.**

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

**No exceptions were noted.**

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

**We obtained a listing of all credit, debit, fuel, and purchase cards and a representation from management that the listing is complete.**

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating

cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

**We selected ten (10) of the Commission's total credit cards, obtained the monthly statements, and selected the month with the largest dollar activity for each card.**

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.])

**No exceptions were noted.**

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

**No exceptions were noted.**

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

**We obtained supporting documentation for the statements selected in Step 15 and verified the following:**

- a) For each transaction, report whether the transaction is supported by:

- 1) An original itemized receipt (i.e., identifies precisely what was purchased)

**No exceptions were noted.**

- 2) Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

**No exceptions were noted.**

- 3) Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

**No exceptions were noted.**

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement

policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

**No exceptions were noted.**

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**No exceptions were noted.**

### ***Travel and Expense Reimbursement***

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17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

**We obtained the general ledger detail and sorted and filtered for travel reimbursements. We obtained a representation from management that the listing was complete.**

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

**No exceptions were noted.**

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

**No exceptions were noted.**

b) Report whether each expense is supported by:

1) An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.

**No exceptions were noted.**

2) Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

**No exceptions were noted.**

3) Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

**No exceptions were noted.**

c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**No exceptions were noted.**

d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**No exceptions were noted.**

### ***Contracts***

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

**We obtained a listing of all contracts in effect during the year ended June 30, 2017. We obtained management's representation that the listing was complete.**

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

**No exceptions were noted.**

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- 1) If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

**No exceptions were noted.**

- 2) If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

**No exceptions were noted.**

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

**No exceptions were noted.**

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

**No exceptions were noted.**

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

**No exceptions were noted.**

### ***Payroll and Personnel***

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22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

**We obtained a listing of employees and a representation from management that the listing was complete. We selected five employees and obtained their personnel files and performed the following:**

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

**We verified compensation was in accordance with the terms of the employment contracts for each of the five employees selected.**

**No exceptions were noted.**

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

**For each employee selected in Step 22a, we obtained management's approval of the employee's pay rate. If the employee's pay rate changed during the year, we obtained specific approval of the change.**

**No exceptions were noted.**

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

**We selected one pay period in which leave was taken and performed the following:**

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

**No exceptions were noted.**

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials

**No exceptions were noted.**

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

**No exceptions were noted.**

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two

largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

**We obtained a list of terminations and a representation that the list was complete. We selected termination payments and verified that they were made in accordance with the employee's contract and were approved by management.**

**No exceptions were noted.**

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

**We examined supporting documentation and verified that required payments of payroll taxes and retirement contributions as well as the required reporting forms were made in a timely manner.**

**No exceptions were noted.**

### ***Ethics***

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26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

**We confirmed with management that the employee's selected in Step 22 had taken the required ethics training.**

**No exceptions were noted.**

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received

allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

**Management represented that no ethics violations were reported to them during the fiscal period.**

#### ***Debt Service***

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28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

**No exceptions were noted.**

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

**No exceptions were noted.**

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payment by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

**No exceptions were noted.**

#### ***Other***

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

**Management represented that there were no misappropriations of public funds. In addition, management signed a management representation letter stating that there had been no misappropriation of public funds.**

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

**No exceptions were noted.**

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

**No exceptions were noted.**

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of procedures performed on those C/C areas identified in the SAUPs, and the result of the procedures performed, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Cam, Riggs & Ingram, L.L.C.*

December 27, 2017