

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

Audit of Financial Statements

June 30, 2024



## Contents

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|                                     |       |
|-------------------------------------|-------|
| <b>Independent Auditor's Report</b> | 1 - 3 |
|-------------------------------------|-------|

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|  |       |
|--|-------|
| <b>Required Supplementary Information (Part I)</b> |       |
| Management's Discussion and Analysis               | 5 - 9 |

---

### **Basic Financial Statements**

|  |         |
|--|---------|
| Government-Wide Financial Statements   |         |
| Statement of Net Position  | 11      |
| Statement of Activities  | 12      |
| Fund Financial Statements  |         |
| Governmental Fund  |         |
| Balance Sheet  | 14      |
| Reconciliation of the Governmental Fund Balance Sheet<br>to the Statement of Net Position  | 15      |
| Statement of Revenues, Expenditures, and Changes in Fund Balance   | 16 - 17 |
| Reconciliation of the Statement of Revenues,<br>Expenditures, and Changes in Fund Balance of the<br>Governmental Fund to the Statement of Activities | 18      |
| Notes to Basic Financial Statements  | 19 - 30 |

---

### **Required Supplementary Information (Part II)**

|   |    |
|---|----|
| Schedule of Revenues, Expenditures, and Changes in<br>Fund Balance - Budget and Actual - General Fund | 32 |
| Schedule of Changes in Net OPEB Liability and Related Ratios  | 33 |

---

### **Other Supplementary Information**

|  |         |
|--|---------|
| Schedule of Indirect Cost Allocation                                     | 35 - 36 |
| Schedule of Functional Expenses  | 37      |
| Schedule of Compensation, Benefits, and Other Payments<br>to Agency Head | 38      |
| Schedule of Expenditures of Federal Awards                               | 39      |
| Notes to Schedule of Expenditures of Federal Awards                      | 40      |

---

|   |         |
|---|---------|
| <b>Report on Internal Control Over Financial Reporting and<br/>on Compliance and Other Matters Based on an Audit of<br/>Financial Statements Performed in Accordance with<br/>Government Auditing Standards</b> | 41 - 42 |
|---|---------|

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**Contents (Continued)**

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|  |                |
|--|----------------|
| <b>Report on Compliance for Each Major Federal Program and<br/>Report on Internal Control Over Compliance Required<br/>by the Uniform Guidance</b> | <b>43 - 45</b> |
|--|----------------|

---

|  |                |
|--|----------------|
| <b>Schedule of Findings and Questioned Costs</b> | <b>46 - 47</b> |
|--|----------------|

---

|  |           |
|--|-----------|
| <b>Schedule of Prior Year Audit Findings</b> | <b>48</b> |
|--|-----------|

## **Independent Auditor's Report**

To the Commissioners of the  
Capital Region Planning Commission  
Baton Rouge, Louisiana

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Capital Region Planning Commission (the Commission), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Commission as of June 30, 2024, and the respective changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit performed in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism through the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 - 9, the budgetary comparison information on page 32, and the schedule of changes in net other postemployment benefit (OPEB) liability and related ratios on page 33, 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 Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying information listed as other supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards on page 39, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 38, as required by Louisiana Revised Statute (R.S.) 24:513 A, the schedule of indirect cost allocation, and the schedule of functional expenses are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of indirect cost allocation, the schedule of functional expenses, the 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. The 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 information is 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 November 19, 2024, 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, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Commission's 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.



A Professional Accounting Corporation

Baton Rouge, LA  
November 19, 2024

**REQUIRED SUPPLEMENTARY INFORMATION (PART I)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Management's Discussion and Analysis**

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The management's discussion and analysis of the Capital Region Planning Commission's (the Commission) financial performance presents a narrative overview and analysis of the Commission's financial activities for the year ended June 30, 2024. This document focuses on the current year's activities, resulting changes, and currently known facts.

**FINANCIAL HIGHLIGHTS**

- The Commission's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2024 by approximately \$837,000 compared with \$844,000 last fiscal year.
- The net position decreased by approximately \$7,000 compared to an decrease of approximately \$60,000 last fiscal year.
- Operating grants increased by approximately \$84,000 compared to the 2023 fiscal year decrease of approximately \$1,419,000.
- Total Commission expenses increased by approximately \$122,000 in relation to last fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts - management's discussion and analysis (this section), the financial statements, other required supplementary information, and other supplementary information. The other supplementary information presents schedules of indirect cost allocation, functional expenses, compensation, benefits, and other payments to agency head, and expenditures of federal awards.

**Government-Wide Financial Statements**

The government-wide financial statements present information for the Commission as a whole, in a format designed to make the statements easier for the reader to understand. This broad overview of the Commission's finances is done in a manner similar to private-sector business. The statements of this section include the statement of net position and the statement of activities.

Statement of Net Position - Presents information on all of the Commission's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

Statement of Activities - Presents information showing how the Commission's net position changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.



**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Management's Discussion and Analysis**

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**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governmental entities, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds - Are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of expendable resources at the end of the fiscal year. Such information may be useful in evaluating the Commission's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains thirteen different governmental federal and state grants within the General Fund. The Commission adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided to demonstrate performance of actual results with budgeted amounts.

**FINANCIAL ANALYSIS OF THE COMMISSION**

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the Commission, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$844,000 at the close of the recent fiscal year.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Management's Discussion and Analysis**

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**Capital Region Planning Commission  
Summary Statements of Net Position  
June 30, 2024 and 2023**

|  | <b>2024</b>       | <b>2023</b> |
|--|-------------------|-------------|
| <b>Assets</b>                                    |                   |             |
| Cash, Investments, Receivables, and Other Assets | <b>\$ 745,125</b> | \$ 611,676  |
| Capital Assets, Net                              | <b>1,410,886</b>  | 1,466,070   |
| <b>Total Assets</b>                              | <b>2,156,011</b>  | 2,077,746   |
| <b>Deferred Outflows of Resources</b>            | <b>228,864</b>    | 208,848     |
| <b>Liabilities</b>                               |                   |             |
| Accounts and Other Liabilities                   | <b>273,607</b>    | 109,430     |
| Long-Term Liabilities                            | <b>735,431</b>    | 846,238     |
| <b>Total Liabilities</b>                         | <b>1,009,038</b>  | 955,668     |
| <b>Deferred Inflow of Resources</b>              | <b>539,024</b>    | 486,915     |
| <b>Total Net Position</b>                        | <b>\$ 836,813</b> | \$ 844,011  |

Cash, investments, receivables, and other assets increased by \$133,449 over the prior year.

The composite net position amount of approximately \$837,000 as of June 30, 2024 consists of net investment in capital assets, restricted, and unrestricted net position in the amounts of approximately \$1,110,000, \$117,000, and \$(390,000), respectively.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Management's Discussion and Analysis**

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**Capital Region Planning Commission  
Summary Statements of Activities  
For the Years Ended June 30, 2024 and 2023**

| <b>Governmental Activities</b>  | <b>2024</b>       | <b>2023</b>        |
|---------------------------------|-------------------|--------------------|
| <b>Revenues</b>                 |                   |                    |
| Program Revenues                |                   |                    |
| Dues                            | \$ 176,541        | \$ 168,010         |
| Operating Grants                | 2,293,049         | 2,209,232          |
| General Revenues                |                   |                    |
| In-Kind                         | 37,033            | -                  |
| Outside Agency Local Match      | 57,867            | 13,645             |
| Investment and Other            | 42,488            | 50,107             |
| Rental Income                   | 66,500            | 56,800             |
| <b>Total Revenues</b>           | <b>2,673,478</b>  | <b>2,497,794</b>   |
| <b>Expenses</b>                 |                   |                    |
| Program Expenses                | 2,680,676         | 2,558,154          |
| <b>Total Expenses</b>           | <b>2,680,676</b>  | <b>2,558,154</b>   |
| <b>Decrease in Net Position</b> | <b>\$ (7,198)</b> | <b>\$ (60,360)</b> |

The Commission's total revenues increased \$175,684, or 7%, from the prior fiscal year due to an increase in operating grants. The total cost of all programs and services increased by \$122,522 as compared with last year.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Management's Discussion and Analysis**

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**CAPITAL ASSETS**

At the end of the fiscal year 2024, the Commission had \$1,410,886 invested in a broad range of capital assets, net of accumulated depreciation. This amount represents a net decrease of \$55,184 over the prior fiscal year, as a result of depreciation of these assets.

| <b>Governmental Activities</b>            | <b>2024</b>         | <b>2023</b>         |
|---|---------------------|---------------------|
| Land                                      | \$ 213,224          | \$ 213,224          |
| Building                                  | 1,374,537           | 1,374,537           |
| Furniture, Fixtures, and Office Equipment | 237,993             | 237,993             |
| Vehicles                                  | 24,489              | 24,489              |
| Accumulated Depreciation                  | (439,357)           | (384,173)           |
| <b>Total</b>                              | <b>\$ 1,410,886</b> | <b>\$ 1,466,070</b> |

**DEBT ADMINISTRATION**

During the year ended June 30, 2024, the Commission retired \$42,597 of its revenue bonds payable. The Commission did not issue any new revenue bonds payable during the year ended June 30, 2024.

**BUDGET**

The annual budget is proposed by the executive director on an organizational-wide basis, and formally adopted by the Board. The budget may be amended during the year at the Commission's discretion.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Budgeted revenues for fiscal year 2025 are \$4,139,100, which represents a 64.7% increase over fiscal year 2024 actual revenues. The increase in budgeted revenues is primarily due to an anticipated increase in federal funding. Budgeted expenditures for fiscal year 2025 are \$3,883,000, which represents a 61.3% increase over fiscal year 2024 actual expenditures.

**CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide granting agencies, citizens, and oversight bodies with a general overview of the Capital Region Planning Commission's finances.

If you have any questions about this report, contact Jaime Setze, Executive Director, Capital Region Planning Commission, 14734 S. Harrell's Ferry Road, Suite B, Baton Rouge, Louisiana 70816.

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Statement of Net Position**  
**June 30, 2024**

|  | <b>Governmental<br/>Activities</b> |
|--|------------------------------------|
| <b>Assets</b>  |                                    |
| Cash and Cash Equivalents                                  | \$ 189,210                         |
| Restricted Cash  | 117,355                            |
| Receivables, Net   | 438,398                            |
| Other Assets   | 162                                |
| Capital Assets Not Being Depreciated                       | 213,224                            |
| Capital Assets, Net of Depreciation                        | <u>1,197,662</u>                   |
| <b>Total Assets</b>  | <u>2,156,011</u>                   |
| <b>Deferred Outflows of Resources</b>                      |                                    |
| Deferred Outflows Related to Other Postemployment Benefits | <u>228,864</u>                     |
| <b>Liabilities</b>   |                                    |
| <b>Current Liabilities</b>                                 |                                    |
| Accounts Payable   | 242,847                            |
| Accrued Expenses   | 30,760                             |
| <b>Long-Term Liabilities</b>                               |                                    |
| Bonds Payable  |                                    |
| Due within One Year  | 43,812                             |
| Due in More than One Year                                  | 257,830                            |
| Compensated Absences                                       | 115,294                            |
| Net Other Postemployment Benefits                          | <u>318,495</u>                     |
| <b>Total Liabilities</b>                                   | <u>1,009,038</u>                   |
| <b>Deferred Inflows of Resources</b>                       |                                    |
| Deferred Inflows Related to Other Postemployment Benefits  | 445,916                            |
| Resources Received Before Timing Requirements Met          | <u>93,108</u>                      |
| <b>Total Deferred Inflows of Resources</b>                 | <u>539,024</u>                     |
| <b>Net Position</b>  |                                    |
| Net Investment in Capital Assets                           | 1,109,244                          |
| Restricted   | 117,355                            |
| Unrestricted   | <u>(389,786)</u>                   |
| <b>Total Net Position</b>                                  | <u><u>\$ 836,813</u></u>           |

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

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

| Functions/Programs                     | Expenses     | Program Revenues           |  | Net (Expense)<br>Revenue and<br>Changes in<br>Net Position |
|--|--------------|----------------------------|--|--|
|  |              | Charges<br>for<br>Services | Operating<br>Grants and<br>Contributions |  |
| <b>Governmental Activities</b>         |              |                            |  |  |
| General Government                     | \$ 2,680,676 | \$ 176,541                 | \$ 2,293,049                             | \$ (211,086)   |
| <b>General Revenues</b>                |              |                            |  |  |
| In-Kind Revenue                        |              |                            |  | 37,033   |
| Outside Agency Local Match             |              |                            |  | 57,867   |
| Rental Income                          |              |                            |  | 66,500   |
| Other Revenues                         |              |                            |  | 42,488   |
| <b>Total General Revenues</b>          |              |                            |  | 203,888  |
| <b>Change in Net Position</b>          |              |                            |  | (7,198)  |
| <b>Net Position, Beginning of Year</b> |              |                            |  | 844,011  |
| <b>Net Position, End of Year</b>       |              |                            |  | \$ 836,813   |

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

**FUND FINANCIAL STATEMENTS  
GOVERNMENTAL FUND**



**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Balance Sheet**  
**Governmental Fund**  
**June 30, 2024**

|   | <b>General<br/>Fund</b>  |
|---|--------------------------|
| <hr/>   |                          |
| <b>Assets</b>   |                          |
| Cash and Cash Equivalents   | \$ 189,210               |
| Restricted Cash   | 117,355                  |
| Receivables, Net  | 438,398                  |
| Prepaid Expenses  | <u>162</u>               |
| <b>Total Assets</b>   | <u><u>\$ 745,125</u></u> |
| <b>Liabilities</b>  |                          |
| Accounts Payable  | \$ 242,847               |
| Accrued Expenses  | <u>30,760</u>            |
| <b>Total Liabilities</b>  | <u>273,607</u>           |
| <b>Deferred Inflows of Resources</b>  |                          |
| Resources Received Before Timing Requirements Met                             | <u>93,108</u>            |
| <b>Total Deferred Inflows of Resources</b>                                    | <u>93,108</u>            |
| <b>Fund Balance</b>   |                          |
| Restricted  | 117,355                  |
| Unassigned  | <u>261,055</u>           |
| <b>Total Fund Balance</b>   | <u>378,410</u>           |
| <b>Total Liabilities, Deferred Inflows of Resources,<br/>and Fund Balance</b> | <u><u>\$ 745,125</u></u> |

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

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Reconciliation of the Governmental Fund Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2024**

|  |    |                  |                  |
|--|----|------------------|------------------|
| <b>Fund Balance - Total Governmental Fund</b>  |    | \$               | 378,410          |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:  |    |                  |                  |
| Cost of Capital Assets   | \$ | 1,850,243        |                  |
| Less: Accumulated Depreciation   |    | <u>(439,357)</u> | 1,410,886        |
| Deferred outflows/inflows related to other post-employment benefits are not due and payable in the current period and are not reported in the fund financial statements: |    |                  |                  |
| Deferred Outflows Related to Other Postemployment Benefits   |    |                  | 228,864          |
| Deferred Inflows Related to Other Postemployment Benefits  |    |                  | <u>(445,916)</u> |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:   |    |                  |                  |
| Bonds Payable  |    |                  | (301,642)        |
| Compensated Absences   |    |                  | (115,294)        |
| Net Other Postemployment Benefits  |    |                  | <u>(318,495)</u> |
| <b>Net Position of Governmental Activities</b>   |    | \$               | <u>836,813</u>   |

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

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended June 30, 2024**

|                                | <b>General<br/>Fund</b> |
|--------------------------------|-------------------------|
| <hr/>                          |                         |
| <b>Revenues</b>                |                         |
| Federal Funding                | \$ 2,226,942            |
| Local Funding                  |                         |
| Dues Assessment                | 176,541                 |
| Outside Agency Local Match     | 57,867                  |
| State Grant Funding            | 66,107                  |
| In-Kind Revenue                | 37,033                  |
| Rental Income                  | 66,500                  |
| Other Income                   | 42,488                  |
|                                | <hr/>                   |
| <b>Total Revenues</b>          | <b>2,673,478</b>        |
|                                | <hr/>                   |
| <b>Expenditures</b>            |                         |
| Advertising and Promotions     | 26,944                  |
| Auto Insurance                 | 2,788                   |
| Bad Debt                       | 106,439                 |
| Computer and Software Support  | 5,649                   |
| Computer Hardware and Software | 32,032                  |
| Consultant Fees                | 114,621                 |
| Contractual                    | 310,918                 |
| Debt Service                   |                         |
| Principal                      | 42,597                  |
| Interest                       | 9,066                   |
| Deferred Compensation          | 123,168                 |
| Dues and Subscriptions         | 12,168                  |
| General Insurance              | 27,639                  |
| Group Insurance                | 212,419                 |
| Legal and Accounting           | 144,301                 |
| Meeting Expense                | 7,360                   |

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

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund (Continued)**  
**For the Year Ended June 30, 2024**

|  | <b>General<br/>Fund</b> |
|--|-------------------------|
| <b>Expenditures (Continued)</b>        |                         |
| Office Supplies                        | 20,398                  |
| Payroll Taxes                          | 32,296                  |
| Postage                                | 182                     |
| Professional Education                 | 19,795                  |
| Publishing                             | 2,911                   |
| Rent (In-Kind)                         | 37,033                  |
| Repairs and Maintenance                | 31,124                  |
| Salaries                               | 1,270,984               |
| Telephone                              | 11,152                  |
| Travel                                 | 30,233                  |
| Utilities                              | 17,335                  |
| Vehicle Expenses                       | 7,829                   |
|  | <hr/>                   |
| <b>Total Expenditures</b>              | 2,659,381               |
|  | <hr/>                   |
| <b>Net Change in Fund Balance</b>      | 14,097                  |
|  | <hr/>                   |
| <b>Fund Balance, Beginning of Year</b> | 364,313                 |
|  | <hr/>                   |
| <b>Fund Balance, End of Year</b>       | \$ 378,410              |
|  | <hr/> <hr/>             |

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

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended June 30, 2024**

---

|   |                  |
|---|------------------|
| <b>Net Change in Fund Balance - Total Governmental Fund</b> | <b>\$ 14,097</b> |
|---|------------------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

|   |                 |          |
|---|-----------------|----------|
| Capital Outlay Capitalized                            | \$ -            |          |
| Depreciation Expense for the Year Ended June 30, 2024 | <u>(55,184)</u> | (55,184) |

|  |        |
|--|--------|
| Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | 42,597 |
|--|--------|

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund:

|   |                 |
|---|-----------------|
| Change in Net Other Postemployment Benefit Obligation | 12,584          |
| Compensated Absences Payable                          | <u>(21,292)</u> |

|  |                          |
|--|--------------------------|
| <b>Change in Net Position of Governmental Activities</b> | <b><u>\$ (7,198)</u></b> |
|--|--------------------------|

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

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies**

**Introduction**

The Capital Region Planning Commission (CRPC or the Commission) is a Council of Governments serving the 11 parish Capital Region, which includes the following Parishes: Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, Tangipahoa, Washington, West Baton Rouge, and West Feliciana. A Council of Governments is a voluntary association of independent local governments who, through planning and communication, fosters cooperation and coordination in resolving area-wide problems beyond any individual constituency's authority or competence. Individual governmental entities are represented by locally elected officials who must constitute a majority of representation on the Commission. CRPC gets its authority, as do the other Regional Commissions in the State, under Louisiana Revised Statutes (R.S) 33:131 et. seq., as amended. All parish and municipal governments in the Capital Region may join CRPC. At present there are 11 parish members and 38 municipal members.

CRPC is the Baton Rouge area's designated Metropolitan Planning Organization (MPO), which each metropolitan area must have in order to carry out regional transportation planning efforts and receive federal highway funds. As the regional MPO, the Capital Region Planning Commission focuses much of its resources on transportation planning issues and activities, which include highway planning, the regional ridesharing program, and air quality issues. In addition, CRPC is one of eight sub-state planning and development districts which cover all 64 parishes in the State of Louisiana. Toward that end, CRPC provides technical assistance for economic development, comprehensive planning, and zoning to its members.

**Reporting Entity**

For financial reporting purposes, the Commission's basic financial statements include all funds that are controlled by the Commission. The Commission is a voluntary association of independent local governments throughout the Capital Region. As an independent commission, the Commission is solely responsible for the operations of its office. Other than certain operating expenditures of the Commission that are paid or provided by the City of Baton Rouge, the Commission is financially independent. Accordingly, the Commission is a primary government for reporting purposes.

The criteria for including organizations as component units within the Commission's reporting entity, as set forth in Section 2100 of Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, include items such as whether the organization is legally separate, whether the Commission appoints a voting majority of the organization's board, whether the Commission is able to impose its will on the organization, et cetera. The Commission has no component units as defined by the standards.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Presentation**

The accompanying basic financial statements of the Commission have been prepared in conformity with U.S. GAAP. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by GASB Statement No. 63 in June 2011.

The Commission's basic financial statements include both government-wide and fund financial statements. The Commission currently has only one fund, the General Fund, which is reported as a governmental activity.

**Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the governmental activities using the full accrual, economic resources basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations.

All programs of the Commission are considered to be governmental activities since all activities are supported by intergovernmental revenues, rather than fees for services.

The statement of activities demonstrates the degree to which the direct expenses of the Commission's primary function are offset by program revenues. Program revenues included in the statement of activities are derived from outside the Commission membership. As a whole, program revenues reduce the cost of the function to be financed from the members of the Commission.

**Fund Financial Statements**

Emphasis on fund financial reporting is on major funds. The Commission has only one fund, the General Fund. The Commission uses fund accounting to report on its financial position and the results of operations. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The fund presented in the financial statements is described as follows:

**Governmental Fund Types**

Governmental funds account for the Commission's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fund Financial Statements (Continued)**

The following is the Commission's one governmental fund type:

General Fund - The General Fund is the general operating fund of the Commission. It accounts for all financial resources except for those required to be accounted for in other funds.

**Measurement Focus / Basis of Accounting**

**Basic Financial Statements - Government-Wide Financial Statements (GWFS)**

The statement of net position and the statement of activities display information about the reporting government as a whole. The government-wide financial statements are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider are met.

**Governmental Funds**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the government-wide financial statements.

The amounts reflected in the governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter (generally 60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues** - Federal and state grants, as well as local match monies which are restricted as to the purpose of the expenditures, are recorded when the reimbursable expenditures have been made. Local member assessments are recorded in the year the assessment is due and payable. Such amounts are measurable and available to finance current operations. Investment income and in-kind revenues are recorded when earned. Substantially all other revenues are recorded when received.



**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Measurement Focus / Basis of Accounting (Continued)**

**Governmental Funds (Continued)**

*Expenditures* - All expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Compensated absences are recognized as expenditures when leave is actually taken or when employees are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded as long-term debt.

**Budget Practices and Budgetary Accounting**

The Commission's budget is proposed by the executive director on an organization-wide basis, and formally approved and adopted by the Board. The budget may be amended during the year at the Board's discretion. These appropriations lapse at year-end and any unexpended appropriations are re-budgeted in the subsequent year. Accordingly, encumbrances are not provided for in the financial statements. The Commission amended its budget during the year ended June 30, 2024. These amendments are reflected in the budgetary comparison schedule of this report.

**Cash and Cash Equivalents and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Commission may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, and other investments as provided in the statute.

**Indirect Cost Allocations**

Allocable indirect costs are charged to the General Fund during the year. The Commission uses the prior year rate in estimating indirect costs to be charged to the grants during the year for billing purposes. At the end of each year, the actual indirect cost rate and charges to the grants are computed and appropriate adjustments are made. Allocable indirect costs exclude equipment purchases but provide for depreciation of capital assets computed over estimated useful lives of three to ten years. The indirect costs are then allocated to the grants based on direct salary costs.

**Capital Assets**

Capital assets are recorded at historical cost, or estimated cost if historical cost is not available and depreciated over their estimated useful lives. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

**Vendor Concentration**

Payments to three vendors represented 45% of total expenses paid for the year ended June 30, 2024. Accounts payable to two vendors represented 31% of accounts payable at June 30, 2024.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Deferred Outflows / Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission's deferred outflows of resources consist of deferred outflows related to other postemployment benefit (OPEB).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Commission has two items that qualifies for reporting in this category which include deferred inflows of resources related to OPEB and unused grant proceeds.

**Accrued Compensated Absences**

The Commission's full-time employees who work year-round are granted vacation in varying amounts up to a maximum of 21 days per year. The cumulative amount of leave which can be carried forward is the amount earned over the last two years of employment.

**Long-Term Debt**

Long-term obligations, such as bonded debt, are recognized as liabilities of a governmental fund only when due.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**Net Position**

Government-wide net position is divided into three components:

1. *Net Investment in Capital Assets* - Consists of the historical cost of capital assets less accumulated depreciation, and less any debt that remains outstanding that was used to finance those assets.
2. *Restricted* - Consists of net position that is restricted by the Commission's creditors, by state enabling legislation, by grantors (both federal and state), and by other contributors.
3. *Unrestricted* - All other net position is reported in this category.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fund Balance**

In the governmental fund financial statements, fund balances are classified as follows:

1. *Nonspendable* - Amounts associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. *Restricted* - Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. *Committed* - Amounts that can be used only for specific purposes determined by a formal action of the Board of Commissioners (the Commission's highest level of decision-making authority).
4. *Assigned Fund Balance* - Amounts that are intended to be used by the Commission for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. *Unassigned Fund Balance* - Balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

Restricted amounts are considered to be spent prior to unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the Commission reduces committed amounts first, followed by assigned amounts, and then unassigned amounts.

**New Accounting Pronouncements - Adopted**

During the year ended June 30, 2024, the Commission adopted GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. The adoption of the Statement had no effect on the Commission's financial statements.

**New Accounting Pronouncements - Upcoming**

The GASB issued Statement No. 101, *Compensated Absences*. The Statement updates the recognition and measurement guidance for compensated absences. The Statement is effective for fiscal years beginning after December 15, 2023.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Federal Grants**

The Commission participates in a number of federally-assisted grant programs. Although the major grant programs have been audited in accordance with Uniform Guidance through June 30, 2024, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

**Note 3. Cash and Cash Equivalents**

At June 30, 2024, the carrying amount of the Commission's cash and cash equivalents totaled \$306,565 which included restricted cash of \$117,355. Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank.

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be recovered. As of June 30, 2024, the Commission had bank balances totaling \$356,589, of which \$156,589 was subject to custodial credit risk. This amount was entirely collateralized pledged securities at June 30, 2024.

**Note 4. Receivables**

Receivables as of June 30, 2024, for the governmental fund, consisted of the following:

|                   | <b>Accounts<br/>Receivable</b> | <b>Allowance</b>    | <b>Net Accounts<br/>Receivable</b> |
|-------------------|--------------------------------|---------------------|------------------------------------|
| Federal Grants    | \$ 385,084                     | \$ -                | \$ 385,084                         |
| State Grants      | 147,676                        | (147,676)           | -                                  |
| Membership Dues   | 12,000                         | (12,000)            | -                                  |
| Other Receivables | 53,314                         | -                   | 53,314                             |
| <b>Total</b>      | <b>\$ 598,074</b>              | <b>\$ (159,676)</b> | <b>\$ 438,398</b>                  |

An allowance for doubtful accounts of \$159,676 has been established, as the collectability of some of these receivables is uncertain.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2024 was as follows:

|   | Beginning<br>Balance | Increases          | Decreases   | Ending<br>Balance   |
|---|----------------------|--------------------|-------------|---------------------|
| Capital Assets, Not Being Depreciated     |                      |                    |             |                     |
| Land                                      | \$ 213,224           | \$ -               | \$ -        | \$ 213,224          |
| Total Capital Assets, Being Depreciated   | 213,224              | -                  | -           | 213,224             |
| Capital Assets, Being Depreciated         |                      |                    |             |                     |
| Building                                  | 1,374,537            | -                  | -           | 1,374,537           |
| Furniture, Fixtures, and Office Equipment | 237,993              | -                  | -           | 237,993             |
| Vehicles                                  | 24,489               | -                  | -           | 24,489              |
| Total Capital Assets, Being Depreciated   | 1,637,019            | -                  | -           | 1,637,019           |
| Less: Accumulated Depreciation            | (384,173)            | (55,184)           | -           | (439,357)           |
| <b>Total Capital Assets, Net</b>          | <b>\$ 1,466,070</b>  | <b>\$ (55,184)</b> | <b>\$ -</b> | <b>\$ 1,410,886</b> |

Depreciation expense amounted to \$55,424 for the year ended June 30, 2024 and is reported in the general government function of the statement of activities.

**Note 6. Deferred Compensation Plan**

The Commission requires its full-time employees to participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The assets of the plan are held in a trust for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. The plan permits the eligible employees to defer all or a portion of their salary up to federal income tax limits established each year by the Internal Revenue Service. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Commission funds the plan by making contributions to a Plan Administrator, on a monthly basis, at rates ranging from 7.5% to 12.5% of the employees' compensation. The contribution rate for employees is based on their employment longevity. The Plan Administrator offers a variety of investment alternatives directly to the participant. Commission employees may select from various mutual funds which are available in the plan. For the years ended June 30, 2024 and 2023, the Commission contributed \$123,168 and \$117,937, respectively, to the plan.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

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**Note 7. Postemployment Health Care and Life Insurance Benefits**

**General Information about the Other Postemployment Benefits (OPEB) Plan**

Plan Description

The Capital Region Planning Commission provides certain continuing health care and life insurance benefits for its retired employees. The Capital Region Planning Commission's OPEB Plan (the OPEB Plan) is a single-employer, defined benefit OPEB plan administered by the Commission. The authority to establish and/or amend the obligation of the employer, employees, and retirees' rests with the Commission. No assets are accumulated in a trust that meets the criteria in GASB Codification Section P52, *Postemployment Benefits Other Than Pensions - Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

Benefits Provided

Medical/dental/vision benefits are provided to employees upon actual retirement. The employer pays 75% of the medical coverage for the retiree and dependents. Employees are subject to retirement eligibility provisions as follows: age 55 and 10 years of service or, if earlier, 20 years of service at any age.

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms:

|  |           |
|--|-----------|
| Inactive Plan Members or Beneficiaries |           |
| Currently Receiving Benefits           | 2         |
| Active Plan Members                    | 13        |
|  | <hr/>     |
| <b>Total</b>                           | <b>15</b> |
|  | <hr/>     |

**Total OPEB Liability**

The Commission's total OPEB liability of \$318,495 was measured as of June 30, 2024, the end of the fiscal year.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|   |   |
|---|---|
| Inflation                                     | 2.5%  |
| Salary Increases, Average Including Inflation | 3%, including inflation                             |
| Investment Rate of Return                     | 3.65% annually (Beginning of Year to Determine ADC) |
|   | 3.93% annually (As of End of Year Measurement Date) |
| Healthcare Cost Trend Rates                   | Gretzen model, with an initial trend of 6%          |
| Mortality                                     | SOA RP-2014 Table                                   |

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

**Note 7. Postemployment Health Care and Life Insurance Benefits (Continued)**

**Total OPEB Liability (Continued)**

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2024, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2024.

**Changes in the Total OPEB Liability**

|  |                          |
|--|--------------------------|
| Balance at July 1, 2023                            | \$ 407,997               |
| Changes for the Year                               |                          |
| Service Cost                                       | 37,231                   |
| Interest Cost                                      | 15,931                   |
| Differences Between Expected and Actual Experience | (164,085)                |
| Changes in Assumptions                             | 39,091                   |
| Benefit Payments                                   | <u>(17,670)</u>          |
| Net Changes for the Year                           | <u>(89,502)</u>          |
| <b>Balance as of June 30, 2024</b>                 | <b><u>\$ 318,495</u></b> |

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

|                      | <b>1.0%<br/>Decrease</b> | <b>3.93%<br/>Discount Rate</b> | <b>1.0%<br/>Increase</b> |
|----------------------|--------------------------|--------------------------------|--------------------------|
| Total OPEB Liability | <u>\$ 354,849</u>        | <u>\$ 318,495</u>              | <u>\$ 288,184</u>        |

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* - The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.0%) or 1-percentage-point higher (7.0%) than the current healthcare trend rates:

|                      | <b>1.0%<br/>Decrease</b> | <b>6%<br/>Healthcare Cost<br/>Trend Rate</b> | <b>1.0%<br/>Increase</b> |
|----------------------|--------------------------|--|--------------------------|
| Total OPEB Liability | <u>\$ 289,358</u>        | <u>\$ 318,495</u>                            | <u>\$ 352,783</u>        |

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

**Note 7. Postemployment Health Care and Life Insurance Benefits (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the Commission recognized OPEB expense of \$5,085. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|--|---|--|
| Differences between Expected and Actual Experience | \$ 81,598                                     | \$ (318,048)                                 |
| Change in Assumptions                              | 147,266                                       | (127,868)                                    |
| <b>Total</b>                                       | <b>\$ 228,864</b>                             | <b>\$ (445,916)</b>                          |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <b>Year Ending<br/>June 30,</b> | <b>Amount</b>     |
|---------------------------------|-------------------|
| 2025                            | \$ 48,077         |
| 2026                            | 48,076            |
| 2027                            | 6,412             |
| 2028                            | 6,412             |
| 2029                            | 6,412             |
| Thereafter                      | 101,663           |
| <b>Total</b>                    | <b>\$ 217,052</b> |



**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Financial Statements**

**Note 8. Long-Term Liabilities**

The following is a summary of long-term debt activity of the Commission for the year ended June 30, 2024:

|                                 | <b>Revenue<br/>Bonds</b> |
|---------------------------------|--------------------------|
| Balance at July 1, 2023         | \$ 344,239               |
| Retirements                     | <u>(42,597)</u>          |
| <b>Balance at June 30, 2024</b> | <b><u>\$ 301,642</u></b> |

Long-term debt was composed of the following at June 30, 2024:

**Revenue Bonds**

|   |                          |
|---|--------------------------|
| \$300,000 Louisiana Local Government Environmental Facilities and Community Development Revenue Bonds payable with monthly interest payments at 3.0% per annum through May 15, 2030, secured by the revenues of the Commission. | \$ 188,161               |
| \$150,000 Revenue bond payable with monthly interest payments at 2.44% per annum through October 15, 2031, secured by the revenues of the Commission.   | <u>113,481</u>           |
| <b>Total</b>  | <b><u>\$ 301,642</u></b> |

The future debt service requirements of the bonds are as follows

| <b>Year Ending<br/>June 30,</b> | <b>Revenue Bonds</b>     |                         |
|---------------------------------|--------------------------|-------------------------|
|                                 | <b>Principal</b>         | <b>Interest</b>         |
| 2025                            | \$ 43,812                | \$ 7,852                |
| 2026                            | 45,063                   | 6,947                   |
| 2027                            | 46,349                   | 5,314                   |
| 2028                            | 44,993                   | 3,990                   |
| 2029                            | 49,035                   | 2,628                   |
| Thereafter                      | <u>72,390</u>            | <u>1,567</u>            |
| <b>Total</b>                    | <b><u>\$ 301,642</u></b> | <b><u>\$ 28,298</u></b> |

## **REQUIRED SUPPLEMENTARY INFORMATION (PART II)**

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - General Fund**  
**For the Year Ended June 30, 2024**

|  | <b>Budget</b>     |                   |                   | <b>Variance with<br/>Final Budget<br/>(Unfavorable)<br/>Favorable</b> |
|--|-------------------|-------------------|-------------------|---|
|  | <b>Original</b>   | <b>Final</b>      | <b>Actual</b>     |   |
| <b>Revenues</b>                        |                   |                   |                   |   |
| Federal Funding                        | \$ 3,422,267      | \$ 2,293,467      | \$ 2,226,942      | \$ (66,525)   |
| Local Funding                          | 676,241           | 382,941           | 234,408           | (148,533)   |
| State Grant Funding                    | -                 | -                 | 66,107            | 66,107  |
| In-kind Revenue                        | -                 | -                 | 37,033            | 37,033  |
| Rental Income                          | -                 | -                 | 66,500            | 66,500  |
| Other Income                           | -                 | -                 | 42,488            | 42,488  |
| <b>Total Revenues</b>                  | <b>4,098,508</b>  | <b>2,676,408</b>  | <b>2,673,478</b>  | <b>(2,930)</b>  |
| <b>Expenditures</b>                    |                   |                   |                   |   |
| Advertising and Promotions             | 7,500             | 25,000            | 26,944            | (1,944)   |
| Auto Insurance                         | 5,000             | 3,000             | 2,788             | 212   |
| Bad Debt                               | -                 | -                 | 106,439           | (106,439)   |
| Capital Outlay                         | 10,000            | -                 | -                 | -   |
| Computer and Software Support          | 5,000             | 6,000             | 5,649             | 351   |
| Computer Hardware and Software         | 177,000           | 31,000            | 32,032            | (1,032)   |
| Consultant Fees                        | 1,058,500         | 455,000           | 114,621           | 340,379   |
| Contractual                            | -                 | 6,800             | 310,918           | (304,118)   |
| Debt Service - Principal               | 59,000            | 59,000            | 42,597            | 16,403  |
| Debt Service - Interest                | 9,000             | 9,000             | 9,066             | (66)  |
| Deferred Compensation                  | 146,777           | 128,777           | 123,168           | 5,609   |
| Dues and Subscriptions                 | 7,000             | 11,000            | 12,168            | (1,168)   |
| General Insurance                      | 58,000            | 20,000            | 27,639            | (7,639)   |
| Group Insurance                        | 250,000           | 200,000           | 212,419           | (12,419)  |
| Legal and Accounting                   | 125,000           | 132,500           | 144,301           | (11,801)  |
| Meeting Expense                        | -                 | -                 | 7,360             | (7,360)   |
| Miscellaneous                          | 18,500            | 17,200            | -                 | 17,200  |
| Office Supplies                        | 16,000            | 19,000            | 20,398            | (1,398)   |
| Payroll Taxes                          | 36,000            | 31,000            | 32,296            | (1,296)   |
| Postage                                | 200               | 200               | 182               | 18  |
| Professional Education                 | 62,000            | 21,000            | 19,795            | 1,205   |
| Publishing                             | 2,500             | 4,000             | 2,911             | 1,089   |
| Rent (In-Kind)                         | -                 | 38,000            | 37,033            | 967   |
| Repairs and Maintenance                | 41,000            | 30,000            | 31,124            | (1,124)   |
| Salaries                               | 1,570,308         | 1,250,308         | 1,270,984         | (20,676)  |
| Telephone                              | 15,000            | 15,000            | 11,152            | 3,848   |
| Travel                                 | 39,500            | 32,000            | 30,233            | 1,767   |
| Utilities                              | 20,000            | 18,000            | 17,335            | 665   |
| Vehicle Expenses                       | 5,000             | 8,000             | 7,829             | 171   |
| <b>Total Expenditures</b>              | <b>3,743,785</b>  | <b>2,570,785</b>  | <b>2,659,381</b>  | <b>(88,596)</b>   |
| <b>Net Change in Fund Balance</b>      | <b>\$ 354,723</b> | <b>\$ 105,623</b> | <b>14,097</b>     | <b>\$ (91,526)</b>  |
| <b>Fund Balance, Beginning of Year</b> |                   |                   | <b>364,313</b>    |   |
| <b>Fund Balance, End of Year</b>       |                   |                   | <b>\$ 378,410</b> |   |

See independent auditor's report.

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**  
**For the Year Ended June 30, 2024**

|  | 2024              | 2023              | 2022              | 2021              | 2020              | 2019              | 2018              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total OPEB Liability</b>                                    |                   |                   |                   |                   |                   |                   |                   |
| Service Cost   | \$ 37,231         | \$ 31,790         | \$ 50,678         | \$ 49,202         | \$ 35,458         | \$ 22,593         | \$ 25,249         |
| Interest Cost  | 15,931            | 12,895            | 10,954            | 9,223             | 15,622            | 13,687            | 12,293            |
| Differences between Expected and Actual Experience             | (164,085)         | 30,447            | (57,921)          | 34,593            | (209,245)         | 30,477            | 11,853            |
| Changes in Assumptions   | 39,091            | (7,375)           | (129,411)         | 4,041             | 129,890           | 27,098            | (17,953)          |
| Benefit Payments   | (17,670)          | (8,129)           | (7,705)           | (8,025)           | (7,607)           | (7,595)           | (7,199)           |
| <b>Net Change in OPEB Liability</b>                            | <b>(89,502)</b>   | 59,628            | (133,405)         | 89,034            | (35,882)          | 86,260            | 24,243            |
| <b>Total OPEB Liability - Beginning</b>                        | <b>407,997</b>    | 348,369           | 481,774           | 392,740           | 428,622           | 342,362           | 318,119           |
| <b>Total OPEB Liability - Ending</b>                           | <b>\$ 318,495</b> | <b>\$ 407,997</b> | <b>\$ 348,369</b> | <b>\$ 481,774</b> | <b>\$ 392,740</b> | <b>\$ 428,622</b> | <b>\$ 342,362</b> |
| Covered Employee Payroll                                       | \$ 1,033,266      | \$ 1,135,030      | \$ 1,101,971      | \$ 1,173,665      | \$ 1,139,481      | \$ 1,049,984      | \$ 1,019,402      |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 30.82%            | 35.95%            | 31.61%            | 41.05%            | 34.47%            | 40.82%            | 33.58%            |

**Notes to Schedule:**

*Benefit Changes.* There were no changes of benefit terms for the year ended June 30, 2024.

*Changes in Assumptions.* The discount rate as of June 30, 2024 was 3.65% and it changed to 3.93%.

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

See independent auditor's report.

## **OTHER SUPPLEMENTARY INFORMATION**

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Schedule of Indirect Cost Allocation**  
**For the Year Ended June 30, 2024**

|                                | <b>Administrative<br/>Expenses</b> | <b>Adjustments<br/>to Arrive<br/>at Allocable<br/>Cost</b> | <b>Allocable<br/>Administrative<br/>Cost</b> |
|--------------------------------|------------------------------------|--|--|
| <b>Expenses</b>                |                                    |  |  |
| Advertising and Promotions     | \$ 1,510                           | \$ -   | \$ 1,510                                     |
| Auto Insurance                 | 2,788                              | -  | 2,788  |
| Bad Debt                       | 106,439                            | (106,439)  | -  |
| Computer and Software Support  | 5,649                              | -  | 5,649  |
| Computer Hardware and Software | 21,053                             | -  | 21,053                                       |
| Consultant Fees                | 1,500                              | -  | 1,500  |
| Contractual                    | 6,783                              | -  | 6,783  |
| Debt Service                   | 51,663                             | (51,663)   | -  |
| Deferred Compensation          | 123,168                            | -  | 123,168                                      |
| Depreciation                   | -                                  | 55,184   | 55,184                                       |
| Dues and Subscriptions         | 6,833                              | -  | 6,833  |
| General Insurance              | 27,639                             | -  | 27,639                                       |
| Group Insurance                | 212,419                            | -  | 212,419                                      |
| In-Kind Expenses               | 37,033                             | -  | 37,033                                       |
| Legal and Accounting           | 144,301                            | -  | 144,301                                      |
| Meeting Expense                | 6,420                              | -  | 6,420  |
| Office Supplies                | 19,928                             | -  | 19,928                                       |
| Payroll Taxes                  | 32,296                             | -  | 32,296                                       |
| Postage                        | 182                                | -  | 182  |
| Professional Education         | 8,594                              | -  | 8,594  |
| Repairs and Maintenance        | 31,124                             | -  | 31,124                                       |
| Salaries                       | 258,710                            | -  | 258,710                                      |
| Telephone                      | 11,152                             | -  | 11,152                                       |
| Travel                         | 279                                | -  | 279  |
| Utilities                      | 17,335                             | -  | 17,335                                       |
| Vehicle Expenses               | 7,829                              | -  | 7,829  |
| <b>Total Expenses</b>          | <b>\$ 1,142,627</b>                | <b>\$ (102,918)</b>  | <b>\$ 1,039,709</b>                          |

**Reconciliation of Allocable General and Administrative  
Costs to General Fund Expenditures**

|  |                     |
|--|---------------------|
| Allocable General and Administrative Costs | \$ 1,039,709        |
| Add:                                       |                     |
| Debt Service                               | 51,663              |
| Bad Debt                                   | 106,439             |
| Deduct:                                    |                     |
| Depreciation                               | (55,184)            |
| <b>Management and General Expenses</b>     | <b>\$ 1,142,627</b> |

See independent auditor's report.

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Schedule of Indirect Cost Allocation (Continued)**  
**For the Year Ended June 30, 2024**

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**Direct Salary Costs**

|  |            |
|--|------------|
| DOTD Metropolitan Planning Grant (PLANNING)            | \$ 434,796 |
| DOTD Regional Strategic Highway Safety Plan (RSHSP)    | 97,667     |
| DOTD Travel Demand Management Program (TDM)            | 188,690    |
| OCD Regional Capacity Building Grant (LWI)             | 88,394     |
| LAPDD Broadband Initiative Targeting Strategies (BITS) | 661        |
| DOTD Federal Transit Administration Grant (FTA)        | 27,145     |
| EDA Planning Grant (EDA)                               | 58,353     |
| Capital Area Transit System (CATS)                     | 10,064     |
| LSU Gulf Research Program (GRP)                        | 5,055      |
| Delta Regional Authority (DRA)                         | 16,824     |
| FHA Safe Streets For All (SS4A)                        | 41,793     |
| EPA Climate Pollution Reduction Grant (CPRG)           | 42,832     |

|   |                            |
|---|----------------------------|
| <b>Total Direct Salary Costs for Programs</b> | <b><u>\$ 1,012,274</u></b> |
|---|----------------------------|

**Indirect Cost Allocation Computation**

|                    |       |
|--------------------|-------|
| Overhead Rate      | 1.027 |
| Indirect Cost Rate | 1.027 |

**Overhead Rate Computation**

|                         |                     |
|-------------------------|---------------------|
| Adjusted Overhead Costs | <u>\$ 1,039,709</u> |
|-------------------------|---------------------|

|                                 |                                   |
|---------------------------------|-----------------------------------|
| <b>Total Direct Salary Cost</b> | <b><u><u>\$ 1,012,274</u></u></b> |
|---------------------------------|-----------------------------------|

See independent auditor's report.

**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Schedule of Functional Expenses**  
**For the Year Ended June 30, 2024**

|  | Transit<br>Planning | Economic<br>Development | Total<br>Program<br>Expenses | Administrative<br>Management<br>and General | Total               |
|--|---------------------|-------------------------|------------------------------|---|---------------------|
| <b>Expenses</b>  |                     |                         |                              |   |                     |
| Advertising and Promotions                               | \$ 24,001           | \$ 1,433                | \$ 25,434                    | \$ 1,510                                    | \$ 26,944           |
| Auto Insurance   | -                   | -                       | -                            | 2,788                                       | 2,788               |
| Bad Debt   | -                   | -                       | -                            | 106,439                                     | 106,439             |
| Computer and Software Support                            | -                   | -                       | -                            | 5,649                                       | 5,649               |
| Computer Hardware and Software                           | 10,979              | -                       | 10,979                       | 21,053                                      | 32,032              |
| Consultant Fees  | 113,121             | -                       | 113,121                      | 1,500                                       | 114,621             |
| Contractual  | 298,135             | 6,000                   | 304,135                      | 6,783                                       | 310,918             |
| Debt Service   | -                   | -                       | -                            | 51,663                                      | 51,663              |
| Deferred Compensation                                    | -                   | -                       | -                            | 123,168                                     | 123,168             |
| Dues and Subscriptions                                   | -                   | 5,335                   | 5,335                        | 6,833                                       | 12,168              |
| General Insurance  | -                   | -                       | -                            | 27,639                                      | 27,639              |
| Group Insurance  | -                   | -                       | -                            | 212,419                                     | 212,419             |
| In-Kind Expenses   | -                   | -                       | -                            | 37,033                                      | 37,033              |
| Legal and Accounting                                     | -                   | -                       | -                            | 144,301                                     | 144,301             |
| Meeting Expense  | 940                 | -                       | 940                          | 6,420                                       | 7,360               |
| Office Supplies  | 470                 | -                       | 470                          | 19,928                                      | 20,398              |
| Payroll Taxes  | -                   | -                       | -                            | 32,296                                      | 32,296              |
| Postage  | -                   | -                       | -                            | 182   | 182                 |
| Professional Education                                   | 6,418               | 4,783                   | 11,201                       | 8,594                                       | 19,795              |
| Publishing   | 691                 | 2,220                   | 2,911                        | -   | 2,911               |
| Repairs and Maintenance                                  | -                   | -                       | -                            | 31,124                                      | 31,124              |
| Salaries   | 842,987             | 169,287                 | 1,012,274                    | 258,710                                     | 1,270,984           |
| Telephone  | -                   | -                       | -                            | 11,152                                      | 11,152              |
| Travel   | 19,165              | 10,789                  | 29,954                       | 279   | 30,233              |
| Utilities  | -                   | -                       | -                            | 17,335                                      | 17,335              |
| Vehicle Expenses   | -                   | -                       | -                            | 7,829                                       | 7,829               |
| <b>Total Expenses</b>                                    | <b>1,316,907</b>    | <b>199,847</b>          | <b>1,516,754</b>             | <b>1,142,627</b>                            | <b>2,659,381</b>    |
| Indirect Cost Allocations                                | 992,075             | 150,552                 | 1,142,627                    | (1,142,627)                                 | -                   |
| <b>Total Expenses Plus Indirect<br/>Cost Allocations</b> | <b>\$ 2,308,982</b> | <b>\$ 350,399</b>       | <b>\$ 2,659,381</b>          | <b>\$ -</b>                                 | <b>\$ 2,659,381</b> |

See independent auditor's report.



**CAPITAL REGION PLANNING COMMISSION**  
**BATON ROUGE, LOUISIANA**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head**  
**For the Year Ended June 30, 2024**

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**Agency Head**  
 Jamie Setze, Executive Director

| <b>Purpose</b>                               | <b>Amount</b> |
|--|---------------|
| Salary                                       | \$165,736     |
| Benefits - Insurance                         | \$17,260      |
| Benefits - Retirement                        | \$20,626      |
| Benefits - Auto Insurance on CRPC Vehicle    | \$2,587       |
| Car Allowance                                | \$0           |
| Personal Use Auto (from W-2)                 | \$723         |
| Per Diem                                     | \$0           |
| Reimbursements                               | \$0           |
| Travel (CRPC Vehicle Costs and Other Travel) | \$7,829       |
| Dues and Subscriptions                       | \$3,250       |
| Conference travel                            | \$3,049       |
| Continuing Professional Education Fees       | \$1,240       |
| Housing                                      | \$0           |
| Unvouchered Expenses*                        | \$0           |
| Office Expenses                              | \$0           |

See independent auditor's report.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024**

| <b>Federal Grantor/Pass-Through Grantor<br/>Program Title</b>                  | <b>Assistance<br/>Listing<br/>Number</b> | <b>Pass-Through<br/>Entity<br/>Identifying<br/>Number</b> | <b>Federal<br/>Expenditures</b> |
|--|--|---|---------------------------------|
| <b>United States Department of Commerce</b>                                    |  |   |                                 |
| Direct Program   |  |   |                                 |
| Economic Development Administration Area                                       |  |   |                                 |
| Economic Development Support for Planning Organizations                        | 11.302                                   | 2019-2024   | \$ 118,469                      |
| <b>Total United States Department of Commerce</b>                              |  |   | <u>118,469</u>                  |
| <b>Delta Regional Authority</b>  |  |   |                                 |
| Direct Program   |  |   |                                 |
| Delta Local Development District Assistance                                    | 90.202                                   | None  | <u>22,000</u>                   |
| <b>Total Delta Regional Authority</b>  |  |   | <u>22,000</u>                   |
| <b>United States Environmental Protection Agency</b>                           |  |   |                                 |
| Direct Program   |  |   |                                 |
| Climate Pollution Reduction Grant  | 66.046                                   | * None  | <u>209,610</u>                  |
| <b>Total United States Environmental Protection Agency</b>                     |  |   | <u>209,610</u>                  |
| <b>United States Department of Transportation</b>                              |  |   |                                 |
| (Passed through the Louisiana Department<br>of Transportation and Development) |  |   |                                 |
| Highway Planning and Construction Cluster                                      |  |   |                                 |
| Regional Strategic Highway Safety Plan   | 20.205                                   | * H.013502  | 224,151                         |
| Travel Demand Management   | 20.205                                   | * H.012730  | 464,053                         |
| Metropolitan Transportation Planning Program                                   | 20.205                                   | * H.972422.1  | 828,880                         |
| Total Highway Planning and Construction Cluster                                |  |   | <u>1,517,084</u>                |
| Safe Streets for all   | 20.939                                   | None  | <u>174,575</u>                  |
| Federal Transit - Formula Grants (Urbanized<br>Area Formula Program)           |  |   |                                 |
| MPO Planning   | 20.505                                   | LA-2019-018   | 38,984                          |
| Rural Areas and Tribal Transit Program   | 20.509                                   | LA-2019-011   | 7,066                           |
| Enhanced Mobility of Seniors and Individuals with Disabilities                 | 20.513                                   | LA-2018-006   | <u>5,000</u>                    |
| <b>Total United States Department of Transportation</b>                        |  |   | <u>1,742,709</u>                |
| <b>United States Department of Housing and Urban Development</b>               |  |   |                                 |
| Passed through the Louisiana Office of Community Development                   |  |   |                                 |
| CDBG Entitlement Grants  |  |   |                                 |
| Regional Capacity Building Grant   | 14.228                                   | None  | <u>134,153</u>                  |
| <b>Total United States Department of Housing<br/>and Urban Development</b>     |  |   | <u>134,153</u>                  |
| <b>Total Expenditures of Federal Awards</b>                                    |  |   | <u>\$ 2,226,941</u>             |

See independent auditor's report and notes to schedule of expenditures of federal awards.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA**

**Notes to Schedule of Expenditures of Federal Awards**

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**Note 1. General**

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the Capital Region Planning Commission (the Commission), Baton Rouge, Louisiana. The Commission's reporting entity is defined in Note 1 of the Commission's financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies are included on the schedule.

**Note 2. Basis of Accounting**

The accompanying schedule of expenditures of federal awards includes the federal award activity of Capital Region Planning Commission and is presented on the modified accrual basis of accounting.

**Note 3. Matching Revenues**

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**Note 4. De Minimus Cost Rate**

During the year ended June 30, 2024, the Commission did not elect to use the 10% de minimus cost rate as covered in §200.414 of the Uniform Guidance.

**Note 5. Amounts Passed through Sub-Recipients**

During the year ended June 30, 2024, the Commission did not pass through any federal funding to sub-recipients.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Commissioners of the  
Capital Region Planning Commission  
Baton Rouge, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Capital Region Planning Commission (the Commission) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated November 19, 2024.

**Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Capital Region Planning 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and questioned costs as finding 2024-001.

**Response to Finding**

Government Auditing Standards requires the auditor to perform limited procedures on the Commission's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The Commission's response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

**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. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA  
November 19, 2024

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Commissioners of the  
Capital Region Planning Commission  
Baton Rouge, Louisiana

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Program**

We have audited the Capital Region Planning Commission's (the Commission) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2024. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct or material effect on each of its major federal programs for the year ended June 30, 2024.

**Basis for Opinion on Each Major Federal Program**

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Commission's federal programs.

### **Auditor's Responsibility for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above have occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirement of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaPorte".

A Professional Accounting Corporation

Baton Rouge, LA  
November 19, 2024



**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024**

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**Part I. Summary of Auditor's Results**

Financial Statements

- |    |   |               |
|----|---|---------------|
| 1. | Type of auditor's report issued:  | Unmodified    |
| 2. | Internal control over financial reporting and compliance and other matters:               |               |
|    | a. Material weaknesses identified?  | No            |
|    | b. Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
|    | c. Noncompliance material to the financial statements                                     | Yes           |
| 3. | Management letter comment provided?   | None          |

Federal Awards

- |    |  |               |
|----|--|---------------|
| 4. | Internal control over major programs   |               |
|    | a. Material weaknesses identified?   | No            |
|    | b. Significant deficiencies identified that are not considered to be material weaknesses?          | None reported |
| 5. | Type of auditor's report issued on compliance for major programs                                   | Unmodified    |
| 6. | Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? | None          |
| 7. | Identification of major program:   |               |
|    | 20.205 - Highway Planning and Construction Cluster   |               |
|    | 66.046 - Climate Pollution Reduction Grant   |               |
| 8. | Dollar threshold used to distinguish between Type A and B programs                                 | \$750,000     |
| 9. | Auditee qualified as a low-risk auditee under Uniform Guidance                                     | Yes           |

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024**

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**Part II. Financial Statement Audit**

**2024-01 – Cyber Incident and Loss of Funds**

**Condition:**

In accordance with Louisiana Revised Statutes 24:523 and 42:1102 (2) (a) and (3), management of the Commission self-reported to us and to the Louisiana Legislative Auditor an incident involving the misappropriation of funds within the Commission. This misappropriation occurred as a result of a cyber incident in which unauthorized individuals gained access to the financial systems and requested payments posing as legitimate vendors of the Commission, leading to the transfer of funds to an unauthorized account. The Commission has also filed reports with the FBI IC3 Compliant website and the Louisiana State Police Cyber Crime Unit related to this misappropriation.

**Criteria:**

The established Louisiana Revised Statutes require that significant misappropriation of public funds be reported to the auditor and to the Louisiana Legislative Auditor.

**Cause:**

The misappropriation of funds occurred due to a breach in the Commission's cybersecurity and information technology environment, including e-mail systems.

**Effect:**

Two payments were made to a fraudulent account in the amounts of \$78,182 and \$9,891. The Commission is in the process of recovering funds from its insurance carrier and its financial institution.

**Recommendation:**

In response to this finding, we recommend that the Commission undertake the following measures: 1. Strengthen cybersecurity measures: Enhance the Commission's cybersecurity and information systems environment to prevent future unauthorized access and mitigate the risk of cyber threats. 2. Review internal controls: Conduct a comprehensive review of internal controls related to financial transactions, with a focus on segregation of duties, vendor management, and authorization rights and protocols. 3. Employee training and awareness: Implement training programs to enhance staff awareness of cybersecurity risks, including phishing attempts and social engineering tactics. 4. Incident response plan: Develop and regularly update an incident response plan to ensure a swift and effective response to future cybersecurity incidents.

**Management Response:**

The Commission is reviewing this matter with legal counsel and has notified both state, local and federal authorities concerning this crime. We are currently waiting on a Louisiana State Police cyber report to take further action. The Commission has also obtained a cyber insurance policy to address this type of claim in the event it would occur in the future. Finally, the Commission has initiated an annual cyber training protocol for all active employees,

**Part III. Major Federal Award Program Audit**

None.

**CAPITAL REGION PLANNING COMMISSION  
BATON ROUGE, LOUISIANA  
Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2024**

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**2023-001 Failure to Amend Budget (R.S. 39:1310)**  
This finding has been resolved.

## **AGREED-UPON PROCEDURES REPORT**

Capital Region Planning Commission

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period July 1, 2023 - June 30, 2024**

To the Members of the  
Capital Region Planning Commission  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the Capital Region Planning Commission's (the Commission) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year July 1, 2023 through June 30, 2024. Capital Region Planning Commission's management is responsible for those C/C areas identified in the SAUPs.

The Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal year July 1, 2023 through June 30, 2024. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and results are as follows:

### **1) Written Policies and Procedures**

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - ii. **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.
  - iii. **Disbursements**, including processing, reviewing, and approving.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or 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).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Results:** No exceptions were noted on policies and procedures for all categories except for Information Technology Disaster Recovery/Business Continuity (xi). We noted that for xi, the periodic testing/verification of backups is not addressed.

## **2) Board or Finance Committee**

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- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

**Results:** No exceptions were found as a result of these procedures.

### **3) Bank Reconciliations**

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- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date of the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
  - iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Results:** We noted that one bank reconciliation was not completed within two months of the related statement closing date. No other exceptions were noted in the performance of these procedures.

### **4) Collections (excluding electronic funds transfers )**

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- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
- i. Employees that are responsible for cash collections do not share cash drawers/registers.
  - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.
  - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - v. Trace the actual deposit per the bank statement to the general ledger.

**Results:** No exceptions were found as a result of these procedures.

**5) Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)**

---

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties) and observe that job duties are properly segregated such that:
  - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
  - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- [Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]*
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
  - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing does include electronic disbursements.

**Results:** No exceptions were found as a result of these procedures.



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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, 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.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
  - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawson Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

**Results:** No exceptions were found as a result of these procedures.

## **7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
  - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - iii. Observe that each reimbursement is supported by documentation of the business/ public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results:** No exceptions were found as a result of these procedures.

## **8) Contracts**

---

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Results:** No exceptions were found as a result of these procedures.

## **9) Payroll and Personnel**

---

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe whether the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee's or officials' authorized pay rates in the employee's or officials' personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

**Results:** No exceptions were found as a result of these procedures.

## **10) Ethics**

---

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
  - i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**Results:** Upon performing the procedures above, two exceptions were noted as it was discovered that two employees did not complete one hour of ethics training during the calendar year.

## **11) Debt Service**

---

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Results:** No exceptions were found as a result of these procedures.

## **12) Fraud Notice**

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the Legislative Auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Results:** No exceptions were found as a result of these procedures.

## **13) Information Technology Disaster Recovery/Business Continuity**

---

- A. Perform the following procedures, **verbally discuss the results with management, and report: "We performed the procedure and discussed the results with management."**
  - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration), and observe evidence that the test/verification was successfully performed within the past 3 months.
  - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
  - i. Hired before June 9, 2020 - completed the training; and
  - ii. Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

**Results:** We performed the procedure and discussed the results with management.

#### ***14) Prevention of Sexual Harassment***

---

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1<sup>st</sup>, and observe that it includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

**Results:** We noted one exception as one employee/official did not take the annual training. No other exceptions were found as a result of these procedures.

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results of that testing, 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 Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA  
November 19, 2024



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December 20, 2024

Mr. Michael J. Waguespack  
Louisiana Legislative Auditor  
1600 N 3<sup>rd</sup> Street  
P.O. Box 94397  
Baton Rouge, LA 70804-9397

RE: SAUP Agreed-Upon Procedures

The management of Capital Region Planning Commission wishes to provide the following responses relative to the results of the 2024 statewide agreed-upon procedures engagement:

1. In response to the results of the Written Policies and Procedures section, the Commission will amend its written policies and procedures for Information Technology to include testing/verification of backups.
2. In response to the results of the Ethics and Prevention of Sexual Harassment procedures, management will ensure every employee completes at least one hour of training each year.
3. In response to the results of the Bank Reconciliation procedures, management will ensure that bank reconciliations are completed within two months of the related statement date.

Sincerely,

Jamie Setze  
Executive Director