

**SOUTHWEST LOUISIANA REGIONAL  
PLANNING COMMISSION**

**FINANCIAL REPORT**

**JUNE 30, 2025**

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION  
Lake Charles, Louisiana

TABLE OF CONTENTS

	Page	
INTRODUCTORY SECTION		
Title Page		
Table of Contents	2	
FINANCIAL SECTION		
Independent Auditors' Report	4-7	
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	9	
Statement of Activities	10	
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet - General Fund	11	
Reconciliation of Governmental Fund Balance Sheet	12	
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	13	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14	
Statement of Net Position - Fiduciary Fund	15	
Statement of Changes in Fiduciary Net Position - Fiduciary fund	16	
Notes to Financial Statements	17-29	
SUPPLEMENTARY INFORMATION		
Required Supplementary Information:		
Budgetary Comparison Schedule	31	
Other Supplementary Information:		
Schedule of Compensation, Benefits and Other Payments To Agency Head	33	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>		34-36
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE		37-40
Schedule of Expenditures of Federal Awards	41	
Notes to the Schedule of Expenditures of Federal Awards	42-43	
Schedule of Findings and Questioned Costs	44-46	
Schedule of Prior Year Findings and Questioned Costs	47	

**PAGE LEFT BLANK INTENTIONALLY**

Mollie C. Broussard, CPA  
Jason L. Guillory, CPA  
Greg P. Naquin, CPA, CFP™  
Billy D. Fisher, CPA  
Joe G. Peshoff, II, CPA, CVA  
David M. DesOrmeaux, CPA  
Samuel W. Harrison, CPA, CVA  
Caitlin D. Guillory, CPA, CFE

Robert M. Gani, CPA, MT

Paula J. Thompson, CPA

MT - Masters of Taxation  
CVA - Certified Valuation Analyst  
CFP - Certified Financial Planner  
CFE - Certified Fraud Examiner

INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Southwest Louisiana Regional  
Planning Commission  
Lake Charles, Louisiana

**Report on Audit of the Financial Statements**

**Opinions**

We have audited the accompanying financial statements of the governmental activities of the Southwest Louisiana Regional Planning Commission as of and for the year ended June 30, 2025, 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 of Southwest Louisiana Regional Planning Commission as of June 30, 2025, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

**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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Southwest Louisiana Regional Planning Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that 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 the 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 Southwest Louisiana Regional Planning 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.

## **Auditors' Responsibilities 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 conducted 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 collusions, 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 judgement made by a reasonable user based on 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 throughout 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 Southwest Louisiana Regional Planning 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Southwest Louisiana Regional Planning Commission's ability to continue as a going concern for a reasonable period of time.

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 budgetary comparison information on page 31 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Southwest Louisiana Regional Planning Commission's basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 schedule of compensation, benefits, and other payments to agency head and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work, performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by Governmental Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, on our consideration of the Southwest Louisiana Regional Planning Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

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

*Mr. Elroy Quirk - Bureau*

Lake Charles, Louisiana  
December 17, 2025

**BASIC FINANCIAL STATEMENTS**

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION  
June 30, 2025

ASSETS	<u>Governmental Activities</u>
CURRENT ASSETS	
Cash and cash equivalents	\$ 637,389
Grants receivable	196,623
Dues receivable, net of allowance for doubtful accounts	2,847
Prepaid expenditures	3,423
Enterprise receivable	669
Miscellaneous receivable	<u>25,000</u>
Total current assets	865,951
NONCURRENT ASSETS	
Right to use leased asset, net of amortization	54,229
Capital assets, net	<u>15,545</u>
Total noncurrent assets	69,774
Total assets	<u>935,725</u>
LIABILITIES	
CURRENT LIABILITIES	
Accrued expenditures	42,028
NONCURRENT LIABILITIES	
Due within one year	37,083
Due in more than one year	<u>46,512</u>
Total noncurrent liabilities	<u>83,595</u>
Total liabilities	<u>125,623</u>
NET POSITION	
Investment in capital assets, net of related debt	10,913
Unrestricted	<u>799,189</u>
Total net position	<u>\$ 810,102</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net Revenue (Expense)</u>
Planning and development	\$ 477,694	\$ 502,362	\$ -	\$ 24,668
Delta region program	6,078	-	23,710	17,632
EDA programs	67,196	-	61,011	(6,185)
FHWA programs	371,973	-	409,232	37,259
FTA programs	82,715	-	86,479	3,764
Regional mobility management	67,156	-	74,691	7,535
MPO Supplement	16,707	-	-	(16,707)
MTP 2050	84,145	-	83,405	(740)
Watershed	330,655	-	339,647	8,992
Bike pedestrian master plan	14,149	-	12,797	(1,352)
DOTD rail study	9,040	-	2,732	(6,308)
Total governmental activities	<u>\$ 1,527,508</u>	<u>\$ 502,362</u>	<u>\$ 1,093,704</u>	<u>\$ 68,558</u>
General revenues:				
Interest				\$ 3,408
Other income				<u>76,700</u>
				<u>\$ 80,108</u>
Change in net position				\$ 148,666
Net position- beginning of year				<u>661,436</u>
Net position- end of year				<u>\$ 810,102</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

BALANCE SHEET - GENERAL FUND

June 30, 2025

ASSETS

Cash and cash equivalents	\$ 637,389
Grants receivable	196,623
Dues receivable, net of allowance for doubtful accounts	2,847
Prepaid expenditures	3,423
Enterprise receivable	669
Miscellaneous receivable	<u>25,000</u>
Total assets	<u>\$ 865,951</u>

LIABILITIES

Accrued expenditures	<u>\$ 42,028</u>
----------------------	------------------

FUND BALANCES

Nonspendable - prepaid expenditures	3,423
Unassigned fund balance	<u>820,500</u>
Total fund balances	<u>823,923</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION  
RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET  
June 30, 2025

Total governmental fund balances	\$ 823,923
Amounts reported for governmental activities in the statement of net position are different because:	
Right to use leased asset used in governmental activities are not financial resources and therefore are not reported in the funds	54,229
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	15,545
Balances for compensated absences are not reported in the fund	(24,734)
Long-term liabilities are not due and payable in the Current period and, therefore, are not reported in the funds	<u>(58,861)</u>
Net position of governmental activities	<u>\$ 810,102</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 GENERAL FUND  
 Year Ended June 30, 2025

REVENUES	
Federal and state grants	\$ 1,093,704
Dues	502,362
Interest income	3,408
Other income	<u>76,700</u>
Total revenues	<u>1,676,174</u>
EXPENDITURES	
Current operations:	
Planning and development	459,898
Delta regional program	6,078
Economic development	67,196
FHWA program	371,973
FTA program	82,715
Regional mobility management	67,156
MPO supplement	16,707
MTP 2050	84,145
Watershed	330,655
Bike pedestrian master plan	14,149
DOTD rail study	<u>9,040</u>
Total expenditures	<u>1,509,712</u>
Excess (deficiency) over expenditures	166,462
Fund balance - beginning of year	<u>657,461</u>
Fund balance - end of year	<u>\$ 823,923</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2025

Net change in fund balances - total governmental funds	\$ 166,462
Amounts reported for governmental activities in the statement of activities are different because:	
(Increase) in compensated absences balances is revenue in the governmental funds, but the obligation increases long-term liabilities in the statement of net position	(7,995)
Right to use leased asset capital outlay expenditures which were capitalized	32,599
Amortization expense for intangible assets	(32,538)
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	<u>(9,862)</u>
Change in net position of governmental activities	<u>\$ 148,666</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
June 30, 2025

ASSETS

Investments	<u>\$ 215,120</u>
-------------	-------------------

LIABILITIES

Deferred compensation benefits	<u>\$ 215,120</u>
--------------------------------	-------------------

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
Year Ended June 30, 2025

ADDITIONS	
Employee and employer contributions	\$ 62,052
Net appreciation (depreciation) in fair value of investments	<u>16,986</u>
Total additions	79,038
 DEDUCTIONS	 <u>500</u>
 Change in net position	 78,538
 Net position held in agency funds:	
Beginning of year	<u>136,582</u>
 End of year	<u>\$ 215,120</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

Note 1. Summary of Significant Accounting Policies

The accounting and reporting policies of SWLA RPC conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the *Louisiana Municipal Audit and Accounting Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies.

A. Financial Reporting Entity

Southwest Louisiana Regional Planning Commission (SWLA RPC) was created for the purpose of coordinating and assisting in the planning, developing and implementing of local, state, and federal programs on a regional basis. Improved communication and coordination among the planning efforts of the above programs was a primary goal of the eight regional planning and development districts, of which SWLA RPC represents District 5.

The accounting and reporting policies of the Commission conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:517 and to the guides set forth in the *Louisiana Municipal Audit and Accounting Guide*, and to the AICPA industry audit guide, *Audits of State and Local Governmental Units*.

This report includes all funds that are controlled by or dependent on the Board of Commissioners of the Southwest Louisiana Regional Planning Commission. Control by or dependence on the Board of Commissioners was determined on the basis of financial accountability.

Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity. Based on the foregoing criteria, it

was determined that no other agency should be included in this reporting entity.

B. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government.

The Statement of Net Position and the Statement of Activities report financial information for the Commission as a whole so that individual funds are not displayed. However, the Statement of Activities reports the expense of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and (2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

FUND FINANCIAL STATEMENTS

SWLA RPC segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. SWLA RPC has no proprietary activities.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources.

GOVERNMENTAL FUNDS

General Fund - The General Fund is the primary operating fund. Grants received by SWLA RPC are characterized by administrative and/or direct financial involvement. As such, they are accounted for in the general fund.

Fiduciary Fund - The Fiduciary Fund is an agency fund used to account for the deferred compensation plan. Agency funds are custodial in nature and do not involve measurement of operations.

### C. Measurement Focus and Basis of Accounting

Measurement focus refers to which transactions are recorded within various financial statements. Basis of accounting refers to when revenues and expenditures (or expenses) are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for government funds. The primary effect of internal activity (between or within funds) has been eliminated from the government-wide financial statements.

In the fund financial statements, governmental funds are accounted for using a financial resources measurement focus whereby only current assets and current liabilities generally are included on the balance sheet and increases or decreases in net current assets are presented in the operating statements. These funds utilize the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Certain revenues such as sales tax, property tax, and charges for services are assessed and collected in such a manner that they can be accrued appropriately. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for principal and interest on general long-term debt which are recognized when due. Also, expenditures for accrued compensated absences are not recognized until they are payable from current available financial resources. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

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 and expenses during the reporting period. Actual results could differ from those estimates.

D. Pervasiveness of 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 and expenses during the reporting period. Actual results could differ from those estimates.

E. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g. grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

Fund balances:

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net position:

Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of the assets, deferred outflows or resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

F. Budgets and Budgetary Accounting

Budgets for the various programs are prepared by the Executive Director and approved by the Board of Directors. The original and subsequent amendments are also approved by the Board. The final amended budget is presented in these financial statements. Formal budgetary integration is employed as a management control device during the year.

Encumbrance accounting is not used.

G. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits and certificates of deposit. SWLA RPC considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Certificates of deposit are stated at cost.

Louisiana State Statutes, as stipulated in R.S. 39:1271, authorize the SWLA RPC to invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost.

H. Prepaid Expenditures/Nonspendable-Prepaid Expenditures

The Commission has purchased commercial auto, dishonesty, and worker's compensation insurance. The coverage is consistent with that from prior years. The Commission has elected not to expense amounts paid for the portion of insurance coverage that extends into the next fiscal year. The fund balance in the governmental fund type is nonspendable for the prepaid expenditures recorded in these funds to reflect the amount of fund balance not currently available for expenditures.

I. Capital Assets and Depreciation

Capital assets - In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Computer equipment, including software	5 - 10 years
Furniture, office equipment	5 - 10 years

SWLA RPC has no infrastructure assets.

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures of the fund upon acquisition.

J. Accumulated Leave

For governmental fund types, the Commission's liability for accumulated unpaid annual leave has been recorded on the Statement of Net Position. These amounts will be recorded as expenditures in the year in which they are paid or become due on demand to terminated employees. For monthly grant reporting purposes, the Commission allocates a portion of the earned annual leave as a salary cost and thus, the program is not charged when the actual leave is taken. The Commission's sick leave policy does not provide for the vesting of sick leave.

The Commission's employees earn annual leave at a rate of twelve days per year for employees with less than two years of service and fifteen days per year for employees with over two years of service. A maximum of 20 vacation days may be accrued. A liability for such accruals has been provided; however, no liability is reported for unpaid accumulated sick leave.

K. Cost Allocation Plan

Direct costs are charged directly to the grant in which the expenditure is incurred. All other costs not identifiable as direct charges are regarded as indirect costs and accumulated in a pool. This pool is distributed monthly to the grants based on the proportion of each grant's direct labor costs to total direct labor costs for that month.

L. Right to Use Assets

The Entity has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

M. Adoption of New Accounting Principles

For the year ended June 30, 2025, the following statement was implemented: GASB Statement No. 101, Compensated Absences. This statement updated the recognition and measurement guidance for compensated absences to include any leave that is attributable to services already rendered, accumulated, or is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. All outstanding leave at year end is valued at the employee's rate of pay in effect as of the balance sheet date. Applicable salary-related payments are also calculated.

Note 2. Cash and Cash Equivalents

Custodial credit risk-deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

SWLA RPC maintains demand and time deposits through local depository banks that are members of the Federal Reserve System.

Deposits in excess of federally insured amounts are required by Louisiana state statute to be protected by collateral of equal market value. Authorized collateral includes general obligations of the U.S. government, obligations issued or guaranteed by an agency established by the U.S. government, general obligation bonds of any state of the U.S., or of any Louisiana parish, municipality, or school district.

The deposits at June 30, 2025 are as follows:

	Demand Deposits	Time Deposits
Carry amount	<u>\$ 446,744</u>	<u>\$ 190,645</u>
Bank balances:		
a. Federally insured	\$ 447,672	\$ 190,645
b. Collateralized by securities held by the pledging institution	-	-
c. Under collateralized and uninsured	<u>-</u>	<u>-</u>
	<u>\$ 447,672</u>	<u>\$ 190,645</u>

(continued on next page)

Interest rate risk. The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk. State law limits investments to United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having a principal office in the State of Louisiana. Local governments in Louisiana are authorized to invest in LAMP. The Commission has no investment policy that would further limit its investment choices.

Concentration of credit risk. The Commission places no limit on the amount the Commission may invest in any one issuer.

Note 3. Receivables

Grants receivable at June 30, 2025 consisted of reimbursements for expenditures incurred under the following programs:

<u>Program</u>	<u>Amount</u>
FTA grant	\$ 50,856
FHWA grant	70,901
Watershed	33,737
Regional mobility management	<u>41,129</u>
Total	<u>\$ 196,623</u>

Dues receivable and MPO dues receivable at June 30, 2025, including the applicable allowances for doubtful accounts are as follows:

	<u>Dues Receivable</u>	<u>MPO Dues Receivable</u>
Gross receivable	\$ 8,076	\$ 12,918
Less: allowance for doubtful account	<u>(5,229)</u>	<u>(12,918)</u>
Net receivable	<u>\$ 2,847</u>	<u>\$ -</u>

(continued on next page)

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance <u>7/1/24</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>6/30/25</u>
Computers, furniture and equipment	\$ 67,648	\$ -	\$ -	\$ 67,648
Right to use lease assets	151,843	-	-	151,843
Accumulated depreciation & amortization	<u>(107,317)</u>	<u>(42,400)</u>	<u>-</u>	<u>(149,717)</u>
Capital assets, net	<u>\$ 112,174</u>	<u>\$ (42,400)</u>	<u>\$ -</u>	<u>\$ 69,774</u>

The depreciation and amortization expense for the current year is \$9,862 and \$32,538, respectively.

Note 5. Long-Term Obligations

Leases

The entity has entered into an agreement to lease certain office space. The lease agreement qualifies as other than short-term lease under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments of the date of their inception.

The agreement was executed on July 1, 2022, to lease office space and requires 60 monthly payments of \$3,100. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 6%. As a result of the lease, the entity has recorded a right to use asset with a net book value of \$54,229 at June 30, 2025.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025 were as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2026	\$ 34,610	\$ 2,590	\$ 37,200
2027	<u>24,251</u>	<u>549</u>	<u>24,800</u>
	<u>\$ 58,861</u>	<u>\$ 3,139</u>	<u>\$ 62,000</u>

(continued on next page)

The following is a summary of the long-term obligation activity for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Ending One Year</u>
Governmental activities: Accumulated unpaid vacation	\$ 16,739	\$ 10,596	\$ 2,601	\$ 24,734	\$ 2,473
Lease liabilities	<u>91,460</u>	<u>-</u>	<u>32,599</u>	<u>58,861</u>	<u>34,610</u>
Governmental activities long-term liabilities	<u>\$ 108,199</u>	<u>\$ 10,596</u>	<u>\$ 35,200</u>	<u>\$ 83,595</u>	<u>\$ 37,083</u>

Note 6. Fund Balance

In accordance with Government Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Commission classifies governmental fund balances as follows:

Nonspendable:

Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted:

Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained or due to constitutional provisions or enabling legislation.

Committed:

Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority (the Commission Board) and does not lapse at year end. Formal action by the same authority is required to rescind such a commitment.

(continued on next page)

Assigned:

Includes fund balance amounts that are intended to be used for specific purposes that are considered neither restricted or committed. Fund balance may be assigned by the Executive Director.

Unassigned:

Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The Commission uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Commission would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Commission does not have a formal minimum fund balance policy.

Note 7. Economic Dependency/Funding Sources

The Commission receives the majority of its revenue from funds provided through grants passed through the State of Louisiana. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Commission receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Commission will receive in the next fiscal year.

During the year, the Commission received the following amounts from various grants:

Federal and state grants:	
Economic Development Administration (EDA)	\$ 61,011
Federal Transportation Administration (FTA)	86,479
Federal Highway Administration (FHWA)	409,232
Louisiana Department of Transportation and Development	2,732
Delta Regional Authority	23,710
Regional Mobility Management	74,691
Bike Pedestrian	12,797
MTP	83,405
Watershed	<u>339,647</u>
	<u>\$ 1,093,704</u>

(continued on next page)

Note 8. Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

Note 9. Deferred Compensation

SWLA RPC offers employees a deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code of 1986. The assets of the plan are held in trust as described in IRC Section 457(g) 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. In accordance with provisions of GASB Statement No. 32, plan balances and activities are not reflected in the financial statements.

Note 10. Fair Value

The Commission categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Commission had the following recurring fair value measurements as of June 30, 2025:

**Fiduciary Activities**

Investments reported at fair value on the Commission's Statement of Net Position - Fiduciary Funds consist of investments held by the Commission's 457 plan, described in Note 9, on behalf of its employees.

The investments are not included on the Commission's basic financial statements and instead are shown on its fiduciary statements. The investments consist entirely of mutual funds which are traded on active markets and are considered level 1 investments.

(continued on next page)

Investments by Fair Value Level	6/30/25	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Units (Level 3)
<b>Mutual funds:</b>				
Fid Contra	\$ 2,501	\$ 2,501	\$ -	\$ -
NCIT Indx 2035B	3,309	3,309	-	-
NCIT Indx 2050B	60,598	60,598	-	-
NCIT Indx 2055B	15,050	15,050	-	-
NCIT Indx 2060B	10,669	10,669	-	-
NCIT Indx 2065B	12,904	12,904	-	-
NCIT Indx Rtrmt B	108,495	108,495	-	-
NW Gov Mny Mkt Inv	18	18	-	-
NW MDCAP MKT Indx A	75	75	-	-
NW S P 500 Indy Inst Svc	1,424	1,424	-	-
NW SMCAP Indx A	60	60	-	-
Nationwide Fixed Account	17	17	-	-
	<u>\$ 215,120</u>	<u>\$ 215,120</u>	<u>\$ -</u>	<u>\$ -</u>

Note 11. Contingent Liabilities and Commitments

The Commission does not have any pending litigation cases at June 30, 2025.

The Commission's management believes that any potential lawsuits would be adequately covered by insurance.

The Commission receives revenues from various federal and state grant programs that are subject to final review and approval as to the permissibility of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the Commission.

Note 12. Subsequent Events

Subsequent events have been evaluated by management through December 17, 2025, the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Grant income	2,158,450	\$ 1,158,450	\$ 1,093,704	\$ (64,746)
Dues	495,232	495,232	502,362	7,130
GIS services	100,000	100,000	-	(100,000)
Other revenue	-	-	80,108	80,108
Total revenues	<u>2,753,682</u>	<u>1,753,682</u>	<u>1,676,174</u>	<u>(77,508)</u>
<b>EXPENDITURES</b>				
Personnel costs	1,570,000	1,200,000	1,183,259	16,741
Space rental	55,000	55,000	18,600	36,400
Enterprise funds	50,000	-	-	-
Reserve funds	50,000	-	-	-
Equipment	40,000	-	85	(85)
Phone/supplies/postage	20,000	20,000	4,614	15,386
Insurance	30,000	30,000	10,604	19,396
Legal and professional	60,000	60,000	55,085	4,915
Contract and consultant services	100,000	50,000	49,240	760
Data	95,000	5,000	4,822	178
Lease principal payments	-	-	32,599	(32,599)
Lease interest payments	-	-	4,601	(4,601)
Other expenses	95,000	95,000	146,203	(51,203)
Total expenditures	<u>2,165,000</u>	<u>1,515,000</u>	<u>1,509,712</u>	<u>5,288</u>
Excess (deficiency) of revenues over expenditures	588,682	238,682	166,462	(72,220)
Fund balance - beginning of year	<u>657,461</u>	<u>657,461</u>	<u>657,461</u>	<u>-</u>
Fund balance - end of year	<u>\$1,246,143</u>	<u>\$ 896,143</u>	<u>\$ 823,923</u>	<u>\$ (72,220)</u>

## **OTHER SUPPLEMENTARY INFORMATION**

- Schedule of Compensation, Benefits, and Other Payments to Agency Head

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD  
Year Ended June 30, 2025

Agency Head Name: Mike Hollier

The Officer herein is an Executive Officer and as such is an employee of the State of Louisiana. The payments are required to be disclosed per Act 706 for the fiscal year ended June 30, 2025, are as follows:

Gross salary	\$ 138,306
Benefits - insurance	-
Benefits - retirement	-
Conference and seminar fees	-
Transportation stipend	8,400

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

To the Members of the  
Southwest Louisiana Regional  
Planning Commission  
Lake Charles, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Southwest Louisiana Regional Planning Commission as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Southwest Louisiana Regional Planning Commission's basic financial statements and have issued our report thereon dated December 17, 2025.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses. (2025-001)

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Southwest Louisiana Regional Planning Commission's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Commission's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Commission's response was not subjected to the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is solely for the information and use of the members of the Southwest Louisiana Regional Planning Commission and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Mr. Elroy Quirk - Bush*

Lake Charles, Louisiana  
December 17, 2025

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

To the Members of the  
Southwest Louisiana Regional  
Planning Commission  
Lake Charles, Louisiana

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

**Opinions**

We have audited the Commission's compliance with the types of compliance requirements identified as subject to audit 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, 2025. 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 Southwest Louisiana Regional Planning Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

## **Basis for Opinions**

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 that 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.

## **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above 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 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 requirements 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 judgement 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 in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purposes 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 Legislative Auditor as a public document.

*Mr. Eray Quil & Benah*

Lake Charles, Louisiana  
December 17, 2025

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 JUNE 30, 2025

<u>Grant Type</u>	<u>Assistance Listing Number</u>	<u>Grant Number</u>	<u>Total Current Expenditures</u>
<b>U.S. DEPARTMENT OF COMMERCE</b>			
Direct Program:			
Economic Development Support for Planning Organizations	11.302	ED22AUS3020022	48,312
<b>Total U.S. Department of Commerce</b>			<u>48,312</u>
 <b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Direct Program:			
Formula Grants for Rural Areas and Tribal Transit Program	20.509	PL 18-10-25	<u>74,691</u>
Highway Planning and Construction	20.205	H.014940	12,796
Passed through Louisiana Department of Transportation:			
Highway Planning and Construction	20.205	H.972501	93,552
Highway Planning and Construction	20.205	H.972541	315,680
Highway Planning and Construction	20.205	H.972466	<u>83,405</u>
			492,637
<b>Total Assistance Listing Number 20.205</b>			<u>505,433</u>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning Research	20.505	LA-2018-018	<u>86,479</u>
<b>Total U.S. Department of Transportation</b>			<u>666,603</u>
 <b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Direct Program:			
Community Development Block Grant	14.228	B-18-DP-22-0001	339,647
<b>Total U.S. Department of Housing and Urban Development</b>			<u>339,647</u>
<b>TOTAL FEDERAL AWARDS</b>			<u><u>\$1,054,562</u></u>

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2025

Note A. Scope of Audit

The audit was performed pursuant to the Single Audit Act of 1996 and the Uniform Guidance.

Summary of significant accounting policies:

The Schedule of Expenditures of Federal Awards has been prepared on the full accrual basis of accounting used by the Commission in preparation of the government wide financial statements that report these awards. The accounting policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The preparation of the Schedule of Expenditures of Federal Awards in conformity with accounting principles generally accepted in the United States of America requires management to make certain assumptions that affect the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

Note B. Disbursements

Disbursements reported in the Schedule of Expenditures of Federal Awards cannot be traced, in every case, directly to the disbursements reported in the Commission's Financial Report. However, the detailed information regarding the disbursements reflected in both issued reports can be traced to the Commission's detailed general ledger with adjustments for any year-end financial statement accruals and reversals.

Note C. Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Commission that were received directly from federal agencies or passed through other entities and governmental agencies.

Note D. Indirect Cost Rate

The Commission did not elect to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note E. Subrecipients

The Commission did not make any payments to subrecipients during the current fiscal year.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified  
Internal control over financial reporting:  
Material weakness identified?  Yes  No  
Significant deficiency identified not  
Considered to be material weakness?  Yes  None reported  
Noncompliance material to financial statements  
noted  Yes  No

Federal Awards

Internal control over major programs:  
Material weakness identified?  Yes  No  
Significant deficiency identified not  
Considered to be material weakness?  
reported  Yes  None

Type of auditor's report issued on compliance  
for major programs: Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with the Uniform  
Guidance?  Yes  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction (Federal Aid Highway Program)

Dollar threshold used to distinguish  
between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No

(continued on next page)

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2025  
(Continued)

SECTION II - FINANCIAL STATEMENT FINDINGS

2025-001 Controls over Financial Reporting

Finding: In our judgment, the Commission's accounting personnel and those charged with governance, in the course of their assigned duties, lack the resources to prepare the financial statements and related footnotes in accordance with generally accepted accounting principles and to detect and correct a material misstatement, if present.

Criteria: Many small organizations rely on their auditor to generate the annual financial statements including footnotes. The auditor cannot be part of the system of internal control over financial reporting.

Effect: Material misstatements in financial statements could go undetected.

Recommendation: In our judgment, due to the lack of resources available to management to correct this material weakness in financial reporting, we recommend management mitigate this weakness by having a heightened awareness of all transactions being reported.

Response: We concur with the recommendation. Management has implemented supervision and review procedures to the extent possible.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2025

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No findings to report.

SOUTHWEST LOUISIANA REGIONAL PLANNING COMMISSION  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2025

SECTION IV- FINANCIAL STATEMENT FINDINGS

2024-001	Lack of segregation of duties	Resolved
2024-002	Controls over financial reporting	Unresolved - See finding 2025-001 in Section II Financial Statement Findings

SECTION V - FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS

No findings to report.

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

To the Board of Directors of the  
Southwest Louisiana Regional Planning Commission  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas of the Southwest Louisiana Regional Planning Commission identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, 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 associated findings are as follows:

**1) Bank Reconciliations**

- 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 selected each 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).

*No exceptions noted.*

- 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 the reconciliation was prepared (e.g., initialed and dated, electronically logged).

*One bank reconciliation did not have written evidence that it was reviewed.*

- 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.

*No exceptions noted.*

**2) Non-Payroll Disbursements (excluding credit 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).

*No exceptions noted.*

- B. For each location selected under procedure #2A 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, then 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 or making the purchase.

*No exceptions noted.*

- ii. At least two employees are involved in processing and approving payments to vendors.

*No exceptions noted.*

- 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.

*No exceptions noted.*

- 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.

*No exceptions noted.*

- 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.

*No exceptions noted.*

C. For each location selected under procedure #2A 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 deliverables included on the invoice were received by the entity.

*No exceptions noted.*

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #2B above, as applicable.

*Four instances where there was no evidence of initials/date or electronic logging demonstrating segregation of duties.*

D. Using the entity's main operating account, 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 that does include electronic disbursements.

*Four instances where the electronic disbursements was not approved by the required number of authorized signers (2).*

We were engaged by the Southwest Louisiana Regional Planning 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 Southwest Louisiana Regional Planning 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 performed on those C/C areas identified in the SAUPs, and the result 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 LLA as a public document.

*Mr. Troy Dink + Beach*

Lake Charles, Louisiana  
December 17, 2025

December 10, 2025  
2025125/RPC-1

Mr. Jason Guillory  
McElroy, Quirk & Burch  
PO Box 3070  
Lake Charles, LA 70602-3070

Mr. Guillory,

Please see below our responses to the draft Independent Accountants' Report on Applying Agreed Upon Procedures for FY2024-25.

- In response to Section 1) Bank Reconciliations, ii.) All bank reconciliations will be initialed and dated upon review.
- In response to Section 2) Non-Payroll Disbursements (excluding credit card purchases/payments, travel reimbursements, and petty-cash purchases), C.) Non-payroll disbursement transactions ii.) All disbursements will be reviewed, initialed, and dated upon approval.
- In response to Section 2) Non-Payroll Disbursements (excluding credit card purchases/payments, travel reimbursements, and petty-cash purchases) Bank Reconciliations, D.) All electronic disbursements will be reviewed, initialed and dated upon approval.

  
Jamie Gaines  
Assistant Director



  
Date