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IMPERIAL CALCASIEU REGIONAL PLANNING AND
DEVELOPMENT COMMISSION
FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court

Release Date **NOV 03 1999**

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J SCHRAM & CO., Ltd.

SSIONAL CORPORATION

ried Public Accountants

Business Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Imperial Calcasieu Regional Planning
and Development Commission
Lake Charles, Louisiana

We have audited the accompanying general purpose financial statements of the Imperial Calcasieu Regional Planning and Development Commission as of June 30, 1999 and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Imperial Calcasieu Regional Planning and Development Commission as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated September 13, 1999 on our consideration of the Imperial Calcasieu Regional Planning and Development Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of Imperial Calcasieu Regional Planning and Development Commission taken as a whole. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and are not a required part of the general purpose financial

- American Institute of Certified Public Accountants
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statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements.

Gus Schram & Co., Ltd.

September 13, 1999

**IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

As of June 30, 1999

GUS SCHRAM & CO., Ltd

	Governmental		Fiduciary		Account Groups			Total (Memorandum Only)
	General Fund		Agency Fund		General Long-Term Debt	General Fixed Assets		
ASSETS AND OTHER DEBITS								
Cash and Cash Equivalents	\$ 198,725	\$	\$	\$			\$	198,725
Grants Receivable	19,578							19,578
Interest Receivable	48							48
Dues Receivable	11,491							11,491
MPO Dues Receivable	7,998							7,998
Miscellaneous Receivable	144							144
Prepaid Expenditures	8,300							8,300
Refundable Deposit	350							350
Deferred Compensation Plan Assets			69,758					69,758
Fixed Assets (Net, where applicable, of accumulated depreciation)						101,552		101,552
Other Debits:								
Amount to be provided for retirement of general long-term debt					7,650			7,650
TOTAL ASSETS	\$ 246,634	\$	\$ 69,758	\$	\$ 7,650	\$ 101,552	\$	425,594

LIABILITIES, FUND BALANCE AND OTHER CREDITS

Liabilities:								
Accounts Payable	\$ 5,231	\$	\$	\$			\$	5,231
Accrued Expenditures	6,146							6,146
Accrued Leave Payable				7,650				7,650
Deferred Income	90,478							90,478
Deferred Compensation Payable			69,758					69,758
TOTAL LIABILITIES	101,855		69,758	7,650		--		179,263
Fund Balance and Other Credits:								
Unreserved	136,479							136,479
Reserved - Prepaid Expenditures Investment in General Fixed Assets	8,300					101,552		8,300
TOTAL FUND BALANCE AND OTHER CREDITS	144,779		--	--		101,552		246,331
TOTAL LIABILITIES, FUND BALANCE AND OTHER CREDITS	\$ 246,634	\$	\$ 69,758	\$ 7,650	\$	101,552	\$	425,594

"The Accompanying Notes are an Integral Part of this Statement"

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ALL
GOVERNMENTAL FUND TYPES
For the Year Ended June 30, 1999

GUS SCHRAM & CO., Ltd

<u>REVENUES</u>		
Federal and State Grants	\$ 436,884	
Local Match - IMCAL	68,260	
Dues	90,480	
Other Income	6,432	
Commission Car Reimbursement	<u>3,562</u>	
Total Revenues		605,618
<u>EXPENDITURES</u>		
Current		
Personal Services	236,050	
Contractual and Operating Supplies	70,679	
Matching Dues	68,260	
Rehab Expenses	194,061	
Capital Outlay	<u>33,612</u>	
Total Expenditures		<u>602,662</u>
Excess of Revenues over Expenditures		2,956
<u>FUND BALANCE</u>		
Beginning of year	<u>141,823</u>	
End of Year		<u>\$ 144,779</u>

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - GOVERNMENTAL FUND TYPES
 For The Year Ended June 30, 1999

GUS SCHRAM & CO., Ltd.

	General Fund Type		Variance
	Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>			
Federal and State Grants	\$ 457,355	\$ 436,884	\$ (20,471)
Local Match - IMCAL	76,511	68,260	(8,251)
Dues	90,209	90,480	271
Other Income	<u>8,000</u>	<u>9,994</u>	<u>1,994</u>
Total Revenues	632,075	605,618	(26,457)
<u>EXPENDITURES</u>			
Current			
Personal Services	250,199	236,050	14,149
Contractual and Operating Supplies	69,499	70,679	(1,180)
Matching Dues	76,511	68,260	8,251
Capital Outlay	22,552	33,612	(11,060)
Rehab Expense	<u>199,061</u>	<u>194,061</u>	<u>5,000</u>
Total Expenditures	617,822	602,662	15,160
Excess of Revenues over Expenditures	14,253	2,956	(11,297)
<u>FUND BALANCE</u>			
Beginning of Year	141,823	141,823	-
Ending Fund Balance	<u>\$ 156,076</u>	<u>\$ 144,779</u>	<u>\$ (11,297)</u>

The Accompanying Notes are an Integral Part of this Statement

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ENTITY

Imperial Calcasieu Regional Planning and Development Commission (IMCAL) 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 IMCAL 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 which are controlled by or dependent on the Board of Commissioners of the Imperial Calcasieu Regional Planning and Development 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 ACCOUNTING

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to

aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The Commission has the following fund types and account groups:

Governmental Fund - General Fund is used to account for the Commission's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "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 to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Grant revenue, dues and interest are susceptible to accrual. The dues related to the next fiscal year are accrued and deferred. Other receipts become measurable and available when cash is received by the Commission and are recognized as revenue at that time. The Commission also considers the materiality of the amount when determining accruals.

The general fund is the Commission's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund also accounts for the various federal grants awarded to the Commission.

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

Account Groups. The general fixed asset account group is used to account for fixed assets not accounted for in proprietary or trust funds. The general long term debt account group is used to account for general long term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

C. FIXED ASSETS/DEPRECIATION

The Commission follows the practice of recording fixed assets at cost or estimated historical cost in the General Fixed Asset Account Group (GFAAG). For financial statement presentation purposes, assets purchased are recorded as expenditures in the general fund and capitalized at cost in the GFAAG.

For fixed assets purchased with non-grant money, depreciation has been provided using the straight-line method over the estimated service lives of the assets. Depreciation amounted to \$1,014 for the year ended June 30, 1999 and is charged to the various programs as an indirect cost. Fixed assets purchased with federal or state grant funds are not depreciated.

D. DEFERRED REVENUE

Deferred revenue is provided for the 1999-2000 dues (\$90,478) that are billed in the current year but are not due and payable until the following year. Included in the deferred revenue reported above is a grant from the Port of Lake Charles for \$10,000 which is designated for the 1999-2000 fiscal year but was received in May, 1999.

E. 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.

F. ACCUMULATED LEAVE

For governmental fund types, the Commission's liability for accumulated unpaid annual leave has been recorded in

the general long-term debt group of accounts. These amounts will be recorded as fund 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 in the general purpose financial statements; however, no liability is reported for unpaid accumulated sick leave.

G. CASH AND CASH EQUIVALENTS

The Commission's cash and cash equivalents are currently comprised of cash on hand, demand deposits and certificates of deposit. State statutes authorize the Commission to invest in United States bonds, treasury notes or certificates, time certificates of deposit of state banks organized under the laws of Louisiana and national banks having its principal office in the State of Louisiana, as well as other investments stipulated in R.S. 33:2955. See Note 4 for further disclosures regarding cash and cash equivalents.

H. PREPAID EXPENDITURES/RESERVED FUND BALANCE

The Commission has purchased commercial auto, general liability, 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 has been reserved for the prepaid expenditures recorded in these funds to reflect the amount of fund balance not currently available for expenditures.

I. BUDGETS

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 original budget was adopted in May, 1998 and was amended on April 19, 1999. The amended budget is presented in these financial

statements. Formal budgetary integration is employed as a management control device during the year.

J. ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could differ from those estimates.

K. TOTAL COLUMNS OF COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operation, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: FIXED ASSETS

A summary of changes in general fixed assets for the fiscal year ended June 30, 1998 is as follows:

<u>General Fixed Assets</u>	Balance July 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1999</u>
Non-Grant Program Fixed Assets:				
Furniture and Equipment	\$ 67,395	\$ 7,034	\$ 15,408	\$ 59,021
Improvements	<u>7,600</u>	<u>-</u>	<u>-</u>	<u>7,600</u>
Sub-total	\$ 74,995	\$ 7,034	\$ 15,408	\$ 66,621
Grant Program Fixed Assets:				
Furniture and Equipment	\$ <u>74,289</u>	\$ <u>26,578</u>	\$ <u>6,980</u>	\$ <u>93,887</u>
Total	\$ <u>149,284</u>	\$ <u>33,612</u>	\$ <u>22,388</u>	\$ <u>160,508</u>
<u>Accumulated Depreciation</u>	Balance July 1, <u>1997</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1998</u>
Non-Grant Program Fixed Assets:				
Furniture and Equipment	\$ 66,795	\$ 794	\$ 15,408	\$ 52,181
Improvements	<u>6,555</u>	<u>220</u>	<u>-</u>	<u>6,775</u>
Total	\$ <u>73,350</u>	\$ <u>1,014</u>	\$ <u>15,408</u>	\$ <u>58,956</u>

NOTE 3: CHANGES IN LONG-TERM DEBT

The following is a summary of transactions relating to the Commission's long-term debt/liabilities during fiscal year ended June 30, 1998:

	Balance <u>7/01/98</u>	<u>Principal</u>		Balance <u>6/30/99</u>
		<u>Additions</u>	<u>Reductions</u>	
Accumulated unpaid vacation	\$ <u>8,808</u>	\$ <u>-</u>	\$ <u>1,158</u>	\$ <u>7,650</u>
Total Long-Term Debt	\$ <u>8,808</u>	\$ <u>-</u>	\$ <u>1,158</u>	\$ <u>7,650</u>

NOTE 4: CASH AND CASH EQUIVALENTS

At June 30, 1998, Imperial Calcasieu Regional Planning and Development Commission had the following balances in its cash accounts:

	<u>Bank Balance</u>	<u>Book Balance</u>
Petty Cash	N/A	\$ 150
Hibernia National Bank: Checking	\$ 18,268	17,954
First Federal Savings: Certificate of Deposit	55,489	55,489
Bank One: Money Market	124,019	124,019
Cafeteria Plan Checking	<u>1,113</u>	<u>1,113</u>
Total Cash	<u>\$198,889</u>	<u>\$198,725</u>

Governmental Accounting Standards Board Statement 3 (GASB-3) concludes that deposits with financial institutions should be evaluated for risk and classified in one of the three following categories:

Category 1 - Insured or collateralized with securities held by the governmental entity or by its agent in the name of the governmental entity.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the governmental entity's name.

Category 3 - Uncollateralized or collateralized with securities that are not evidenced by a written security agreement or not in the name of the governmental entity.

	<u>Bank Balance</u>	<u>Book Balance</u>
Category 1	\$198,889	\$198,575
Category 2	-	-
Category 3	<u>-</u>	<u>-</u>
Total Cash	<u>\$198,889</u>	<u>\$198,575**</u>

** Petty Cash of \$150 is not presented in the above presentation.

NOTE 5: RECEIVABLES

Grants receivable at June 30, 1999, consisted of reimbursements for expenditures incurred under the following programs:

<u>Program</u>	<u>Amount</u>
FHWA Grant	\$ 10,101
EDA Grant	6,986
FTA Grant	179
Enterprise Zone	<u>2,312</u>
Total	<u>\$ 19,578</u>

Miscellaneous non-grant receivables were recorded in the amount of \$192 (including \$48 in interest receivable) while \$19,489 was recorded for 1999-2000 dues which were billed in June, 1999, but not received by June 30, 1999. Management does not believe that there is a credit risk exposure in relation to any of the above receivables.

NOTE 6: BOARD OF DIRECTORS' COMPENSATION

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

NOTE 7: LEASE COMMITMENTS

The Commission leases its office space on an annual basis at a monthly rate of \$1,362. The lease is annual and renewable by the Commission. The lease expenditure for the year ended June 30, 1999 is \$16,342.

The Commission leased a 1997 Ford Taurus for \$347 for 24 months beginning in August, 1997. This lease is considered an operating lease. Total lease expenditure for the year ended June 30, 1999 is \$4,164.

NOTE 8: 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 Grants:

Economic Development Administration (Cycle 98-99)	\$ 32,486
Economic Development Administration (Cycle 97-98)	\$ 19,947
Federal Transportation Administration (98-99)	\$ 16,912
Federal Highway Administration (FHWA)	\$158,146

State Grants:

Enterprise Zone	\$ 10,332
Low Income Housing Rehabilitation	\$199,061

NOTE 9: DEFERRED COMPENSATION PLAN

IMCAL offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all IMCAL employees at their option, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the participant or beneficiary) solely the property of IMCAL subject only to the claims of IMCAL's general creditors. Participants' rights under the plan are equal to those of general creditors of IMCAL in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of management that IMCAL has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Commission believes it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 10: CAFETERIA PLAN

IMCAL offers its employees a flexible benefit plan known as a cafeteria plan, created in accordance with Internal Revenue Code Section 125. The plan, available to all full time employees, permits them to elect to have a portion of their salary paid to the plan and thereby not be subject to federal income or social security taxes on these amounts.

Therefore, the plan allows the plan participants to use tax-free dollars to pay for certain kinds of benefits and expenses which would normally be paid for with out of pocket, taxable dollars. Any amounts remaining in employee reimbursement accounts at the end of the plan year for which reimbursement of qualifying expenses has not been requested are forfeited.

NOTE 11: RETIREMENT COMMITMENTS

The Commission employees are members of the U.S. Social Security system which administers the plan and is responsible for benefit payments.

NOTE 12: CONTINGENT LIABILITIES AND COMMITMENTS

The Commission does not have any pending litigation cases at June 30, 1999. 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 which are subject to final review and approval as to allowability 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 13: JOINT SERVICE AGREEMENT

On May 29, 1997, the Commission entered into a joint service agreement with the Lake Charles Harbor and Terminal District to provide the District statistical data and information available to IMCAL which may aid the District in enticing and locating new industrial prospects to the District or in securing federal or state funding for road or other projects benefiting the District. The District has agreed to make a yearly payment of \$10,000. The period of this agreement is for one year and is renewable. A similar agreement was in effect for the prior year.

NOTE 14: RISK MANAGEMENT

As discussed in Note 1-H, the Commission has purchased commercial insurance for its auto, general liability, and dishonesty insurance. They have not retained any risk with respect to these activities. There were no significant reductions in coverages from the previous year and no significant claims in excess of insurance coverage.

The Commission also participates in the Louisiana Parish Government Risk Management Agency pool for its workers' compensation insurance coverage. The Commission is assessed an annual fee of approximately \$1,148, which is comparable with the amount assessed in the prior year, in exchange for this insurance coverage. Other than the annual premium, there have been no other assessments made by the pool and no further requirements imposed on the Commission.

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
 SCHEDULE OF REVENUE AND EXPENDITURES - GRANT FUNDS

For the Year Ended June 30, 1999

GUS SCHRAM & CO., Ltd

	ECONOMIC DEVELOPMENT ADMINISTRATION				DEPARTMENT OF TRANSPORTATION			TOTAL (MEMORANDUM ONLY)
	EDA Cycle 97-98	EDA Cycle 98-99	Low Income Housing Rehab	Enterprise Zone	FTA 98-99	FHWA		
REVENUES								
Federal and State Grants	\$ 19,947	\$ 32,486	\$ 199,061	\$ 10,332	\$ 16,912	\$ 158,146	\$	436,884
Local Match - IMCAL	13,668	10,828	0	0	4,228	39,536		68,260
Total Revenues	33,615	43,314	199,061	10,332	21,140	197,682		505,144
EXPENDITURES								
Salaries	13,842	16,816	0	4,394	9,019	67,944		112,015
Fringe Benefits	2,439	2,774	0	751	1,316	9,671		16,951
Consultants and Contractors	0	0	0	0	150	215		365
Travel	907	2,967	0	0	93	8,617		12,584
Supplies	47	3	0	0	0	183		233
Telephone	157	122	0	22	3	1,169		1,473
Publications and Printing	142	56	0	0	0	150		348
Registration and Subscriptions	25	621	0	0	75	1,687		2,408
Miscellaneous	94	0	0	0	0	70		164
Maintenance	0	0	0	0	0	189		189
Postage	188	131	0	62	11	341		733
Advertising	0	0	0	0	0	120		120
Indirect Expenses	15,774	19,824	0	5,103	10,473	78,892		130,066
Equipment Purchases	0	0	0	0	0	28,434		28,434
Rehab Expenses	0	0	199,061	0	0	0		199,061
Total Expenditures	33,615	43,314	199,061	10,332	21,140	197,682		505,144
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$	0

Note 1: The above schedule includes depreciation of \$219 and the current year's accrual of leave costs of \$(1,158), which are charged as an indirect cost for accounting purposes. The schedule does not include non-federal expenditures of \$96,579. For financial statement purposes, the depreciation and leave costs are reflected in the general fixed asset account group and the general long term debt account group, respectively. These denoted items, when combined with the total expenditures on this schedule, will reconcile to the total expenditures on Exhibit 2 of this report.



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

To the Members of the
Imperial Calcasieu Regional Planning and Development Commission
Lake Charles, Louisiana

We have audited the general purpose financial statements of the Imperial Calcasieu Regional Planning and Development Commission, as of and for the year ended June 30, 1999, and have issued our report thereon dated September 13, 1999. We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of Imperial Calcasieu Regional Planning and Development Commission's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting.

However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, the reportable condition (lack of segregation of duties) described above is considered a material weakness.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Gus Schram & Co., Ltd.

September 13, 1999

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS PREPARED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED JUNE 30, 1999

I. Summary of Auditors' Results:

A) Type of Auditors' Report on Financial Statements:

Unqualified Opinion

B) Reportable Conditions and Material Weaknesses in Audit of Financial Statements:

Schedule 2, Item 99-1 is a reportable condition and a material weakness.

C) Compliance Findings in Audit of Financial Statements:

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

II. Compliance and Internal Control over Financial Reporting:

A) Internal Control - Financial Statement Audit

99-1 Lack of Segregation of Duties

Finding: Effective internal control is dependent to a great extent on segregation of responsibilities for initialing, evaluating, and approving transactions from those for detail accounting and other related functions.

Criteria: Proper internal controls require that there be segregation of certain duties.

Effect: There is no current financial statement impact of this finding.

Cause: Because of the entity's size, segregation of duties is not always feasible.

Recommendation: As in the previous year, we recommend that the executive director and board members continue to take an active interest in the monitoring of the Commission's financial information.

Schedule 2

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS PREPARED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED JUNE 30, 1999

B) Compliance with Laws and Regulations - Financial Statement Audit:

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Schedule 3

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
SCHEDULE OF PRIOR YEAR FINDINGS PREPARED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED JUNE 30, 1999

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL
STATEMENTS

98-1	Lack of Segregation of Duties	Unresolved - See Schedule 2, Comment 99-1.
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IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 1999

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

99-1 Lack of Segregation
of Duties -

At this point, it is not feasible to increase the size of our accounting staff in order to provide proper segregation of duties. As we have done in the past, the management will continue to take the necessary actions to properly monitor the financial activities of the Commission which will include participation in the review of the monthly accounting data.