

**IMPERIAL CALCASIEU REGIONAL PLANNING &  
DEVELOPMENT COMMISSION**

**FINANCIAL REPORT**

**JUNE 30, 2023**

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION  
Lake Charles, Louisiana

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Imperial Calcasieu Regional Planning  
and Development 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 Imperial Calcasieu Regional Planning and Development Commission as of and for the year ended June 30, 2023, 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 Imperial Calcasieu Regional Planning and Development Commission as of June 30, 2023, 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 Imperial Calcasieu Regional Planning and Development 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 Imperial Calcasieu Regional Planning and Development 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 Imperial Calcasieu Regional Planning and Development 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 Imperial Calcasieu Regional Planning and Development 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 Imperial Calcasieu Regional Planning and 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 19, 2023, on our consideration of the Imperial Calcasieu Regional Planning & Development 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. Troy Quik & Benek*

Lake Charles, Louisiana  
December 19, 2023

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

STATEMENT OF NET POSITION  
June 30, 2023

ASSETS	<u>Governmental Activities</u>
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 381,193
Grants receivable	85,166
Miscellaneous receivable	53,325
Dues receivable	14,301
MPO dues receivable	11,769
Prepaid expenditures	6,276
GIS receivable	<u>4,072</u>
Total current assets	556,102
<b>NONCURRENT ASSETS</b>	
Right to use leased asset, net of amortization	119,305
Capital assets, net	<u>30,040</u>
Total noncurrent assets	149,345
Total assets	<u>705,447</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accrued expenditures	65,489
<b>NONCURRENT LIABILITIES</b>	
Leave payable	10,805
Due within one year	30,705
Due in more than one year	<u>91,461</u>
Total noncurrent liabilities	<u>132,971</u>
Total liabilities	<u>198,460</u>
<b>NET POSITION</b>	
Investment in capital assets, net of related debt	30,040
Unrestricted	<u>476,947</u>
Total net position	<u>\$ 506,987</u>

The accompanying notes are an integral part of this statement.



IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2023

<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	\$ 498,599	\$ 467,937	\$ -	\$ (30,662)
GIS mapping	48,001	65,783	-	17,782
EDA programs	79,463	-	44,560	(34,903)
FHWA programs	285,763	-	358,674	72,911
FTA programs	47,048	-	57,456	10,408
FTA RT region program	701	-	-	(701)
Regional mobility management	43,229	-	60,501	17,272
Rural revitalization	15,947	-	16,815	868
MPO supplement	41,117	-	72,450	31,333
Watershed	229,035	-	138,185	(90,850)
Bike pedestrian master plan	59,354	-	67,467	8,113
DOTD rail study	20,434	-	17,856	(2,578)
DOTD broadband	77,316	-	73,500	(3,816)
	<u>\$ 1,446,007</u>	<u>\$ 533,720</u>	<u>\$ 907,464</u>	<u>\$ (4,823)</u>
Total governmental activities				
General revenues:				
Interest				\$ 1,260
Other income				<u>64,832</u>
				<u>\$ 66,092</u>
Change in net position				\$ 61,269
Net position- beginning of year				<u>445,718</u>
Net position- end of year				<u>\$ 506,987</u>

The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

BALANCE SHEET - GENERAL FUND

June 30, 2023

ASSETS

Cash and cash equivalents	\$ 381,193
Grants receivable	85,166
Miscellaneous receivable	53,325
Dues receivable	14,301
MPO dues receivable	11,769
Prepaid expenditures	6,276
Enterprise receivable	<u>4,072</u>
Total assets	<u>\$ 556,102</u>

LIABILITIES

Accrued expenditures	<u>\$ 65,489</u>
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FUND BALANCES

Nonspendable - prepaid expenditures	6,276
Unassigned fund balance	<u>484,337</u>
Total fund balances	<u>490,613</u>

The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET

June 30, 2023

Total governmental fund balances	\$ 490,613
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	119,305
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	30,040
Balances for compensated absences are not reported in the fund	(10,805)
Long-term liabilities are not due and payable in the Current period and, therefore, are not reported in the funds	<u>(122,166)</u>
Net position of governmental activities	<u>\$ 506,987</u>

The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GENERAL FUND  
Year Ended June 30, 2023

REVENUES	
Federal and state grants	\$ 907,464
Dues	467,937
GIS mapping	65,783
Interest income	1,260
Other income	<u>64,832</u>
Total revenues	<u>1,507,276</u>
EXPENDITURES	
Current operations:	
Planning and development	549,525
Economic development program	79,463
FHWA program	285,763
FTA program	47,048
FTA RT program	701
Regional mobility management	43,229
Rural revitalization	15,947
MPO supplement	41,117
Watershed	229,035
Bike pedestrian master plan	59,354
DOTD rail study	20,434
DOTD broadband	<u>77,316</u>
Total expenditures	<u>1,448,932</u>
Excess (deficiency) over expenditures	58,344
Fund balance - beginning of year	<u>432,269</u>
Fund balance - end of year	<u>\$ 490,613</u>

The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT 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, 2023

Net change in fund balances - total governmental funds	\$ 58,344
Amounts reported for governmental activities in the statement of activities are different because:	
Decrease in compensated absences balances is revenue in the governmental funds, but the obligation increases long-term liabilities in the statement of net position	2,458
Right to use leased asset capital outlay expenditures which were capitalized	1,659
Amortization expense for intangible assets	1,183
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>(2,375)</u>
Change in net position of governmental activities	<u>\$ 61,269</u>

The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

STATEMENT OF NET POSITION - FIDUCIARY FUNDS

June 30, 2023

ASSETS

Investments	<u>\$ 138,072</u>
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LIABILITIES

Deferred compensation benefits	<u>\$ 138,072</u>
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The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
Year Ended June 30, 2023

ADDITIONS	
Employee and employer contributions	\$ 41,341
Net (depreciation) in fair value of investments	<u>15,509</u>
Total additions	56,850
DEDUCTIONS	<u>127,413</u>
Change in net position	(70,563)
Net position held in agency funds:	
Beginning of year	<u>208,635</u>
End of year	<u>\$ 138,072</u>

The accompanying notes are an integral part of this statement.

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

Note 1. Summary of Significant Accounting Policies

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 IMCAL 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

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 that 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 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 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

IMCAL 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. IMCAL 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 IMCAL are characterized by administrative and/or direct financial involvement. As such, they are accounted for in the general fund.

### 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:

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.

- a. 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.

- b. 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. IMCAL 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 IMCAL 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 is 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

IMCAL 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.

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.

IMCAL 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, 2023 are as follows:

	<u>Demand Deposits</u>	<u>Time Deposits</u>
Carry amount	\$ 329,191	\$ 51,735
Bank balances:		
a. Federally insured	\$ 337,264	\$ 51,735

(continued onto next page)

b. Collateralized by securities held by the pledging institution	-	-
c. Under collateralized and uninsured	-	-
	<u>\$ 337,264</u>	<u>\$ 51,735</u>

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, 2023 consisted of reimbursements for expenditures incurred under the following programs:

<u>Program</u>	<u>Amount</u>
FTA grant	\$ 10,408
Rural revitalization	16,815
MPO supplemental	315
DOTD broadband	48,500
Regional mobility management	<u>9,128</u>
Total	<u>\$ 85,166</u>

Management does not believe that there is a credit risk exposure in relation to any of the above receivables.

#### Note 4. Right to Use Leased Assets

The entity has recorded a right to use lease asset. The asset is a right to use assets for office space. The related lease is discussed in Note 6. The right to use lease asset is amortized on a straight-line basis over the terms of the related lease.

	Beginning Balance	Increases	Decreases	Ending Balance
Right to use assets:				
Leased equipment	\$ 129,314	\$ 151,843	\$ (129,314)	\$ 151,843
Less accumulated Amortization for:				
Leased equipment	<u>(101,296)</u>	<u>(32,538)</u>	<u>101,296</u>	<u>(32,538)</u>
Capital assets, net	<u>\$ 28,018</u>	<u>\$ 119,305</u>	<u>\$ (28,018)</u>	<u>\$ 119,305</u>

Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance 7/1/22	Increases	Decreases	Balance 6/30/23
Computers, furniture and equipment	\$ 55,901	\$ 6,194	\$ -	\$ 62,095
Accumulated depreciation	<u>(23,486)</u>	<u>(8,569)</u>	<u>-</u>	<u>(32,055)</u>
Capital assets, net	<u>\$ 32,415</u>	<u>\$ (2,375)</u>	<u>\$ -</u>	<u>\$ 30,040</u>

The depreciation expense for the current year is \$8,569.

Note 6. 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 \$119,305 at June 30, 2023.

(continued onto next page)



The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023 were as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2024	\$ 30,705	\$ 6,495	\$ 37,200
2025	32,599	4,601	37,200
2026	34,610	2,590	37,200
2027	<u>24,251</u>	<u>549</u>	<u>24,800</u>
	<u>\$ 122,166</u>	<u>\$ 14,235</u>	<u>\$ 136,400</u>

The following is a summary of the long-term obligation activity for the year ended June 30, 2023:

	<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	\$ 13,263	\$ 4,928	\$ 7,386	\$ 10,805	\$ -
Lease liabilities	<u>33,721</u>	<u>151,843</u>	<u>63,398</u>	<u>122,166</u>	<u>30,705</u>
Governmental activities long-term liabilities	<u>\$ 46,984</u>	<u>\$ 156,771</u>	<u>\$ 70,784</u>	<u>\$ 132,971</u>	<u>\$ 30,705</u>

Note 7. 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.

Assigned:

Includes fund balance amounts that are intended to be used for specific purposes that are neither considered 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/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 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:

(continued onto next page)

Federal and state grants:	
Economic Development Administration (EDA)	\$ 44,560
Federal Transportation Administration (FTA)	57,456
Federal Highway Administration (FHWA)	358,674
Louisiana Department of Transportation and Development	291,774
Louisiana Department of Administration	16,815
Calcasieu Parish Police Jury	<u>138,185</u>
	<u>\$ 907,464</u>

Note 9. Board of Directors' Compensation

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

Note 10. Deferred Compensation

IMCAL 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 11. 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, 2023:

**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 10, 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.

Investments by Fair Value Level	6/30/23	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Units (Level 3)
Mutual funds:				
Fid Contra	\$ 45	\$ 45	\$ -	\$ -
NCIT Indx 2025B	35,345	35,345	-	-
NCIT Indx 2035B	2,694	2,694	-	-
NCIT Indx 2050B	22,974	22,974	-	-
NCIT Indx 2055B	598	598	-	-
NCIT Indx 2060B	8,247	8,247	-	-
NCIT Indx 2065B	1,215	1,215	-	-
NW Gov Mny Mkt Inv	137	137	-	-
NW Inv Dest Mod Svc	66,311	66,311	-	-
NW MDCAP MKT Indx A	63	63	-	-
NW S P 500 Indy Inst Svc	253	253	-	-
NW SMCAP Indx A	51	51	-	-
Nationwide Fixed Account	139	139	-	-
	<u>\$ 138,072</u>	<u>\$ 138,072</u>	<u>\$ -</u>	<u>\$ -</u>

#### Note 12. Contingent Liabilities and Commitments

The Commission does not have any pending litigation cases at June 30, 2023.

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 14. Subsequent Events

Subsequent events have been evaluated by management through December 19, 2023, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**REQUIRED SUPPLEMENTARY INFORMATION**

IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Grant income	\$ 1,734,052	\$ 910,500	\$ 907,464	\$ (2,536)
Dues	475,641	465,000	467,938	2,938
GIS services	100,000	65,000	65,783	783
Other revenue	-	65,000	66,091	1,091
Total revenues	<u>2,309,693</u>	<u>1,505,000</u>	<u>1,507,276</u>	<u>2,276</u>
<b>EXPENDITURES</b>				
Personnel costs	1,328,580	1,150,000	1,137,828	12,172
Space rental	37,200	37,200	13,200	24,000
Matching funds	-	-	-	-
Reserve funds	-	-	-	-
Travel	-	-	3,459	(3,459)
Equipment	40,000	40,000	49,245	(9,245)
Phone/supplies/postage	15,000	15,000	6,227	8,773
Insurance	10,000	10,000	15,026	(5,026)
Legal and professional	39,000	39,000	47,983	(8,983)
Contract and consultant services	100,000	100,000	57,934	42,066
Data	20,000	20,000	22,811	(2,811)
Lease principal payments	-	-	28,759	(28,759)
Lease interest payments	-	-	1,241	(1,241)
GIS Services	50,000	50,000	24,676	25,324
Other expenses	40,000	40,000	40,543	(543)
Total expenditures	<u>1,679,780</u>	<u>1,501,200</u>	<u>1,448,932</u>	<u>52,268</u>
Excess (deficiency) of revenues over expenditures	629,913	3,800	58,344	54,544
Fund balance - beginning of year	<u>432,269</u>	<u>432,269</u>	<u>432,269</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,062,182</u>	<u>\$ 436,069</u>	<u>\$ 490,613</u>	<u>\$ 54,544</u>

## **OTHER SUPPLEMENTARY INFORMATION**

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



IMPERIAL CALCASIEU REGIONAL PLANNING & DEVELOPMENT COMMISSION  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD  
Year Ended June 30, 2023

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, 2023, are as follows:

Gross salary	\$ 92,457
Benefits - insurance	-
Benefits - retirement	-
Conference and seminar fees	-
Transportation stipend	7,250

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  
Imperial Calcasieu Regional Planning  
and Development 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 Imperial Calcasieu Regional Planning and Development Commission as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Imperial Calcasieu Regional Planning and Development Commission's basic financial statements and have issued our report thereon dated December 19, 2023.

**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. (2023-001 through 2023-002)

#### **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*.

#### **Imperial Calcasieu Regional Planning and Development 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 Imperial Calcasieu Regional Planning & Development 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. Tracy Quirk - Beach*

Lake Charles, Louisiana  
December 19, 2023

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  
Imperial Calcasieu Regional Planning  
and Development Commission  
Lake Charles, Louisiana

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

**Opinion on Each Major Federal Program**

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, 2023. 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 Imperial Calcasieu Regional Planning and Development 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, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe 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. Troy Quil & Bunch*

Lake Charles, Louisiana  
December 19, 2023



IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2023

<u>Grant Type</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Current Expenditures</u>
U.S. Department of Commerce			
Direct Program:			
Economic Development Support for Planning Organizations	11.302	ED22AUS3020022	<u>44,560</u>
U.S. Department of Transportation			
Passed Through Louisiana Department of Transportation:			
Highway Planning and Construction (Federal Highway Program)	20.205	H.014940	67,467
Highway Planning and Construction (Federal Highway Program)	20.205	H.972462.1	358,674
Highway Planning and Construction (Federal Highway Program)	20.205	H.014741	<u>72,450</u>
Total Assistance Listing Number 20.205			<u>498,591</u>
Metropolitan Planning and State and Non-Metropolitan Planning and Research			
	20.505	PL 80-10-22	57,456
Formula Grants for Rural Areas and Tribal Transit Program			
	20.509	PL 80-10-23	<u>60,501</u>
Total U.S. Department of Transportation			<u>616,548</u>
U.S. Department of Housing and Urban Development			
Passed Through Calcasieu Parish Police Jury:			
Community Development Block Grants	14.228		138,185
Passed Through Louisiana Department of Administration			
Community Development Block Grants	14.228	B-08-DI-22-0001	<u>16,815</u>
Total Assistance Listing Number 14.228			<u>155,000</u>
U.S. Department of Agriculture			
Passed Through Louisiana Association of Planning & Development Districts			
	10.752	08-69-05514	<u>73,500</u>
Total Federal Expenditures			<u>\$ 889,608</u>

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2023

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.

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2023

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?  Yes  None reported

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

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

Identification of major programs:

CFDA Number(s)      Name of Federal Program or Cluster

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)

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2023  
(Continued)

SECTION II - FINANCIAL STATEMENT FINDINGS

2023-001 Lack of Segregation of Duties

Finding: Effective internal control is dependent to a great extent on segregation of responsibilities for initiating, 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: Without proper segregation of duties, errors within the financial records or fraud could go undetected.

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.

Response: 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 that will include participation in the review of the monthly accounting data.

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2023

(Continued)

2023-002 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.

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2023

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

No findings to report.

IMPERIAL CALCASIEU REGIONAL PLANNING AND DEVELOPMENT COMMISSION

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2023

SECTION IV- FINANCIAL STATEMENT FINDINGS

2022-001	Lack of segregation of duties	Unresolved - See comment 2023-001 In Section II Financial Statement Findings
2022-002	Controls over financial reporting	Unresolved - See comment 2023-002 in Section II Financial Statement Findings
2022-003	Deposits in excess of federally insured amounts	Resolved

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  
Imperial Calcasieu Regional Planning and Development Commission  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas of the Imperial Calcasieu Regional Planning and Development Commission identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. 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, 2022 through June 30, 2023. 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) **Written Policies and Procedures**

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

*No exceptions noted.*



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

*No exceptions noted.*

- iii. **Disbursements**, including processing, reviewing, and approving.

*No exceptions noted.*

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

*No exceptions noted.*

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, and (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).

*No exceptions noted.*

- ix. Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

*No exceptions noted.*

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

*As of June 30, 2023, the Entity did not have written policies and procedures that addressed this area.*

- xi. Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*No exceptions noted.*

- xii. Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

*No exceptions noted.*

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

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- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws or other equivalent document.

*No exceptions noted.*

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

*No exceptions noted.*

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

*No exceptions noted.*

- iv. *Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.*

*No exceptions noted.*

### **3) Bank Reconciliations**

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- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for 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 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 (e.g., initialed and dated, electronically logged).

*No exceptions noted.*

- 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.

*Management has 1 reconciling item outstanding for more than 12 months and has not researched it.*

#### 4) Collections

---

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

*No exceptions noted.*

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- i. Employees responsible for cash collections do not share cash drawers/registers.

*No exceptions noted.*

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

*No exceptions noted.*

- iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

*No exceptions noted.*

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions is (are) not responsible for collecting cash, unless another employee/official verifies the reconciliation.

*No exceptions noted.*

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was in force during the fiscal period.

*No exceptions noted.*

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

i. Observe that receipts are sequentially pre-numbered.

*No exceptions noted.*

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*No exceptions noted.*

iii. Trace the deposit slip total to the actual deposit per the bank statement.

*No exceptions noted.*

iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

*One deposit not made within one business day of receipt at the collection location.*

v. Trace the actual deposit per the bank statement to the general ledger.

*No exceptions noted.*

**5) 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 #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, 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.

*Employee responsible for processing payments is able to add/modify vendor files.*

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

*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 #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates 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 #5B above, as applicable.

*Five instances where there was no evidence of initials/date or electronic logging.*

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

*No exceptions noted.*

## **6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards**

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

*This procedure is not applicable due to the fact that the Entity does not have any active credit cards, bank debit cards, fuel cards, or purchase cards.*

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder.

*This procedure is not applicable due to the fact that the Entity does not have any active credit cards, bank debit cards, fuel cards, or purchase cards.*

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

*This procedure is not applicable due to the fact that the Entity does not have any active credit cards, bank debit cards, fuel cards, or purchase cards.*

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the

individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

*This procedure is not applicable due to the fact that the Entity does not have any active credit cards, bank debit cards, fuel cards, or purchase cards.*

## **7) Travel and Expense Reimbursement**

---

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

*No exceptions noted.*

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

*No exceptions noted.*

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii).

*No exceptions noted.*

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

*No exceptions noted.*

## **8) Contracts**

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A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management’s representation that the listing is complete.



Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

*No exceptions noted.*

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

*No exceptions noted.*

- iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment: and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval).

*No exceptions noted.*

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*No exceptions noted.*

## **9) Payroll and Personnel**

---

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

*No exceptions noted.*

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

*No exceptions noted.*

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials:

*No exceptions noted.*

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records:

*No exceptions noted.*

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

*No exceptions noted.*

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

*No exceptions noted.*

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, and workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

*No exceptions noted.*

## **10) Ethics**

---

- A. Using the five randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain ethics documentation from management and:

- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.

*No exceptions noted.*

- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable:

*No exceptions noted.*

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

*No exceptions noted.*

### **11) Debt Service**

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

*N/A – No bonds or debt instruments issued during the fiscal period.*

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants):

*N/A – No bonds or debt instruments at the end of the fiscal period.*

### **12) Fraud Notice**

---

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

*No misappropriations of assets during the fiscal period.*

- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds:

*No exceptions noted.*

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

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A. Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

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

- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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

- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

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

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

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

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

---

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

*No exceptions noted.*

B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

*No exceptions noted.*

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements.

*No exceptions noted.*

- ii. Number of sexual harassment complaints received by the agency.

*No exceptions noted.*

- iii. Number of complaints which resulted in a finding that sexual harassment occurred.

*No exceptions noted.*

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.

*No exceptions noted.*

- v. Amount of time it took to resolve each complaint.

*No exceptions noted.*

We were engaged by the Imperial Calcasieu Regional Planning and Development 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 Imperial Calcasieu Regional Planning and Development 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. Tracy Quirk + Beach*

Lake Charles, Louisiana  
December 19, 2023



December 4, 2023  
2023081/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 FY2022-23.

- In response to Section 1) Written Policies and Procedures, x.) Debt Service, our Internal Controls have been updated to include debt issuance approval, continuing disclosure/EMMA reporting requirements, debt reserve requirements, and debt service requirements.
- In response to Section 3) Bank Reconciliations, A. iii.), our Internal Controls have been updated to include a process to review and address outstanding items.
- In response to Section 4) Collections, D. iv.), our Internal Controls have been reviewed by the Bookkeeper, Special Projects Manager and Executive Director to ensure deposits are made within one business day of receiving checks.
- In response to Section 5) Non-Payroll Disbursements, B. iii.), our internal controls have been updated to reflect that the team member responsible for processing payments is prohibited from adding/modifying vendor files.
- In response to Section 5) Non-Payroll Disbursements, C., ii), our internal controls have been reviewed to ensure that non-payroll disbursement transactions are initialed by management.

  
\_\_\_\_\_  
Jamie Gaines  
Special Projects Manager

  
\_\_\_\_\_  
Date