



A Summary of

# **Financial and Performance Reports Submitted by Regional Planning Commissions**

December 2018  
Report No. 19-013



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## Overall Conclusion

All 24 regional planning commissions (RPCs) in Texas submitted all statutorily required financial, asset disposal, productivity, performance, and salary reports to the **State Auditor's Office**. According to their most recent audited annual financial reports or audited comprehensive annual financial reports for fiscal year 2017, the 24 RPCs that submitted those reports received \$852,347,081 in revenues.

The 24 **RPCs' audited annual financial reports** or audited comprehensive annual financial reports contained all the elements required by Texas Local Government Code, Chapter 391. However, 5 (22 percent) of the 23 RPCs that were statutorily required to submit salary schedules to the **State Auditor's Office** submitted salary schedules after the statutorily required due dates. In addition, 7 (30 percent) of the 23 RPCs that were statutorily required to **submit salary schedules to the State Auditor's Office** submitted salary schedules with positions for which salaries or salary ranges exceeded the maximum salaries authorized by statute. After auditors identified and communicated those errors to the RPCs, 6 (86 percent) of the 7 RPCs submitted revised salary schedules with positions for which salaries or salary ranges were less than or equal to the maximum salaries authorized by statute. Additionally, one RPC was not statutorily required to **submit a salary schedule to the State Auditor's Office**.

**The information in this report covers RPC reports that the State Auditor's Office** obtained between September 1, 2017, and August 31, 2018, unless otherwise indicated in the RPC subchapter.

### Background Information

Regional planning commissions (RPCs) are governed by Texas Local Government Code, Chapter 391. The 24 RPCs in Texas are political subdivisions created under Texas statute to improve the health, safety, and general welfare of residents and to plan for future development. RPCs have the authority to receive state, federal, and other funding sources to support their purposes. Texas Local Government Code, Section 391.0095(a), requires that each RPC annually submit to the State Auditor:

- The amount and source of funds received.
- The amount and source of funds expended.
- An explanation of any method the RPC used to compute an expense, including computation of any indirect costs.
- **A report of the RPC's productivity and performance during the annual reporting period.**
- **A projection of the RPC's productivity and performance during the next annual reporting period.**
- **The results of an audit of the RPC's affairs** prepared by an independent certified public accountant.
- A report of any assets of which the RPC disposed.

Texas Local Government Code, Sections 391.0117(e) and (f), also requires each RPC that meets certain **conditions to submit to the State Auditor the RPC's salary schedule**, including the salaries of all exempt positions, no later than the 45th day before the date **of the beginning of the RPC's fiscal year**.

## Audited Annual Financial Reports and Audited Comprehensive Annual Financial Reports

External certified public accountants (CPAs) issued unmodified opinions on the financial statements for all 24 RPCs.<sup>1</sup> All of the audited annual financial reports or audited comprehensive annual financial reports contained the elements required by Texas Local Government Code, Chapter 391. Two (8 percent) of the 24 **RPCs'** audited financial statements identified a significant deficiency.

## Salary Schedules

All 23 RPCs that were statutorily required to submit salary schedules submitted salary schedules **to the State Auditor's Office**. Five of the 23 RPCs submitted their salary schedules after the statutorily required due dates. Texas Local Government Code, Section 391.0117, requires an RPC to submit its salary schedule, including the salaries of all exempt positions, to the State Auditor no later than the 45th day before the **date of the beginning of the RPC's fiscal year**.

Seven of the 23 RPCs submitted their salary schedules with positions for which salaries or salary ranges exceeded maximum salaries authorized by statute. Texas Local Government Code, Section 391.0117, requires an RPC to adopt a salary schedule that does not exceed the state salary schedule for classified positions as prescribed by the General Appropriations Act adopted by the most recent Legislature. However, after auditors contacted the RPCs about the errors, 6 of the 7 RPCs submitted revised salary schedules with positions for which salaries or salary ranges were less than or equal to maximum salaries authorized by statute.

One of the total 24 RPCs, the Houston-Galveston Area Council, was not statutorily **required to submit a salary schedule to the State Auditor's Office under** Texas Local Government Code, Section 391.0117(f).

## RPC Programs

**The information the RPCs submitted to the State Auditor's Office** indicated that the RPCs have multiple programs and functions. **According to the RPCs' audited** annual financial reports or audited comprehensive annual financial reports, some of the programs on which the RPCs spent the largest amounts of funds included workforce programs, transportation, and aging population and disabilities services.

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<sup>1</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

## *Project Objectives and Scope*

The objectives of this project were to:

- Determine whether RPCs have submitted reports, audits, and salary schedules to the State Auditor, as required by Texas Local Government Code, Sections 391.0095 and 391.0117, and report any failure to comply with the reporting requirements to the Office of the Governor.
- Analyze reports and audits, including any working papers and other supporting documentation, as deemed necessary.

**The scope of this project covered the reports the State Auditor’s Office obtained** from RPCs between September 1, 2017, and August 31, 2018, unless otherwise indicated in the RPC subchapter.

This project was a non-audit service; therefore, the information in this report was not subjected to the tests and confirmations that would be performed in an audit. However, the information in this report was subject to certain quality control procedures to help ensure accuracy.

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# Detailed Results

## Chapter 1

### **Summary of Information from Reports That Regional Planning Commissions Submitted**

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#### Compliance with Reporting Requirements

All 24 regional planning commissions (RPCs) in Texas submitted all statutorily required financial, asset disposal, productivity, performance, and salary reports to the State Auditor's Office. Additionally, all 24 RPCs' audited annual financial reports or audited comprehensive annual financial reports contained the elements required by Texas Local Government Code, Chapter 391. According to the most recent audited annual financial reports or audited comprehensive annual financial reports for fiscal year 2017, the 24 RPCs received \$852,347,081 in total revenues.

However, 10 (43 percent) of the 23 RPCs that were statutorily required to submit salary schedules within the review period for this report (September 1, 2017, through August 31, 2018) did not fully comply with all of the statutory requirements regarding their salary schedules. One of the total 24 RPCs, the Houston-Galveston Area Council, was not statutorily required to submit a salary schedule to the State Auditor's Office.

Auditors compiled the information that the RPCs submitted to the State Auditor's Office, but that information was not subjected to the tests and confirmations that would be performed in an audit. However, the information in this report was subject to certain quality control procedures to help ensure accuracy.

The State Auditor's Office received the information that the RPCs submitted for this report between September 1, 2017, and August 31, 2018, unless otherwise indicated in the RPC subchapter. RPCs do not have the same fiscal years, and there were five different fiscal year end dates among the 24 RPCs. Specifically, the fiscal year end dates among the 24 RPCs were:

- April 30 – 1 RPC.
- June 30 – 1 RPC.
- August 31 – 2 RPCs.

- September 30 – 16 RPCs.
- December 31 – 4 RPCs.

Audited Annual Financial Reports and Audited Comprehensive Annual Financial Reports

External certified public accountants (CPAs) issued unmodified opinions on the financial statements for all 24 RPCs that submitted their audited annual financial reports or audited comprehensive annual financial reports.<sup>2</sup>

Two (8 percent) of the 24 RPCs' audited annual financial reports or audited comprehensive annual financial reports identified a significant deficiency. Those two RPCs were:

- The East Texas Council of Governments (see Chapter 1-I).
- The Middle Rio Grande Development Council (see Chapter 1-N).

Salary Schedules

All 23 RPCs that were statutorily required to submit salary schedules did submit salary schedules to the State Auditor's Office. Eighteen (78 percent) of the 23 RPCs submitted salary schedules to the State Auditor's Office within the required time periods. Five (22 percent) of the 23 RPCs submitted their salary schedules after the statutorily required due dates. Texas Local Government Code, Section 391.0117, requires an RPC to submit its salary schedule, including the salaries of all exempt positions, to the State Auditor no later than the 45th day before the date of the beginning of the RPC's fiscal year. (See Chapters 1-A through 1-X for more information about each RPC's compliance with that requirement.) The five RPCs that did not submit salary schedules by the statutorily required due dates were:

- The Central Texas Council of Governments (see Chapter 1-E).
- The Golden Crescent Regional Planning Commission (see Chapter 1-J).
- The Nortex Regional Planning Commission (see Chapter 1-O).
- The South East Texas Regional Planning Commission (see Chapter 1-T).
- The Texoma Council of Governments (see Chapter 1-W).

In addition, 16 (70 percent) of the 23 RPCs that were statutorily required to submit salary schedules to the State Auditor's Office submitted salary

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<sup>2</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

schedules with positions for which salaries or salary ranges were less than or equal to maximum salaries authorized by statute. However, 7 (30 percent) of the 23 RPCs submitted salary schedules with positions for which salaries or salary ranges exceeded the maximum salaries authorized by statute. Texas Local Government Code, Section 391.0117, requires an RPC to adopt a salary schedule that does not exceed the state salary schedule for classified positions as prescribed by the General Appropriations Act adopted by the most recent Legislature. After auditors contacted the RPCs about the errors, 6 (86 percent) of the 7 RPCs submitted revised salary schedules with positions for which salaries or salary ranges were less than or equal to maximum salaries authorized by statute. (See Chapters 1-A through 1-X for more information about each RPC's compliance with that requirement.) Those six RPCs were:

- The Brazos Valley Council of Governments (see Chapter 1-C).
- The Coastal Bend Council of Governments (see Chapter 1-F).
- The Deep East Texas Council of Governments (see Chapter 1-H).
- The Lower Rio Grande Valley Development Council (see Chapter 1-M).
- The Middle Rio Grande Development Council (see Chapter 1-N).
- The Nortex Regional Planning Commission (see Chapter 1-O).

The one RPC that did not submit a revised salary schedule was the Texoma Council of Governments (see Chapter 1-W).

The Houston-Galveston Area Council filed an exemption to the salary schedule reporting requirements under Texas Local Government Code, Section 391.0117(f). This RPC reported that its most populous county, Harris County, had an actual average weekly wage that exceeded the state actual average weekly wage by 24.7 percent according to the Texas Workforce Commission's *County Employment and Wage Information Report* for 2016, the most recent year with complete wage data. (See Chapter 1-L for more information.)

#### Programs and Functions

The information the RPCs submitted to the State Auditor's Office indicated that the RPCs have multiple programs and functions. Chapters 1-A through 1-X identify the two largest programs in terms of expenditures for each RPC. Examples of those programs include the following:

- Workforce programs.
- Transportation.
- Aging population and disabilities services.
- Housing and urban development.
- Health and human services.
- Emergency communications.
- Community development.
- Family and children services.
- Economic opportunity.
- Employer of record services.
- HIV intervention and prevention.
- Public safety.

Chapter 1-A  
 Alamo Area Council of Governments

The Alamo Area Council of Governments submitted all statutorily required reports.

Alamo Area Council of Governments	
Location	San Antonio, TX
Number of Counties	13
Population	2,249,718
Number of Positions on Salary Schedule	129 <sup>a</sup>
<b>Executive Director's Salary Range</b>	\$158,983 to \$230,525 <sup>b</sup>
Net Position	\$10,190,502
Total Revenue	\$47,926,546
Total Expenditures	\$47,844,053
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
<sup>b</sup> The salary schedule for this RPC contained only a salary range.	
Sources: U. S. Census Bureau 2010 population totals and the Alamo Area Council of <b>Governments' audited</b> comprehensive annual financial report as of December 31, 2017, and salary schedule for 2018.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2017.<sup>3</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were aging services (\$18,732,002) and health and welfare services (\$11,600,496).

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<sup>3</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-B  
Ark-Tex Council of Governments

The Ark-Tex Council of Governments submitted all statutorily required reports.

Ark-Tex Council of Governments	
Location	Texarkana, TX
Number of Counties	10 <sup>a</sup>
Population	325,409 <sup>a</sup>
Number of Positions on Salary Schedule	107 <sup>b</sup>
<b>Executive Director's Salary Range</b>	\$83,991 to \$142,052 <sup>c</sup>
Net Position	\$6,037,645
Total Revenue	\$16,676,466
Total Expenditures	\$17,026,821
<sup>a</sup> Number of counties and population include Miller County in Arkansas, which has a population of 43,462.	
<sup>b</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
<sup>c</sup> The salary schedule for this RPC contained only a salary range.	
Sources: U.S. Census Bureau 2010 population totals and the Ark-Tex Council of Governments' audited annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>4</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were housing and urban development services (\$7,079,836) and transportation services (\$3,983,767).

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<sup>4</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-C  
 Brazos Valley Council of Governments

The Brazos Valley Council of Governments submitted all statutorily required reports.

Brazos Valley Council of Governments	
Location	Bryan, TX
Number of Counties	7
Population	319,447
Number of Positions on Salary Schedule	91 <sup>a</sup>
<b>Executive Director's Salary</b>	\$183,872
Net Position	\$7,654,251
Total Revenue	\$38,278,576
Total Expenditures	\$36,873,149
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
Sources: U.S. Census Bureau 2010 population totals and the Brazos Valley Council of <b>Governments' audited</b> comprehensive annual financial report as of September 30, 2017, and salary schedule for 2019.	

This RPC's salary schedule had two positions with salaries that exceeded maximum salaries in the state classification salary schedule. After auditors communicated the errors to the RPC, it submitted a revised salary schedule that did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>5</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were workforce development services (\$11,145,195) and housing and urban development services (\$10,604,138).

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<sup>5</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-D  
 Capital Area Council of Governments

The Capital Area Council of Governments submitted all statutorily required reports.

Capital Area Council of Governments	
Location	Austin, TX
Number of Counties	10
Population	1,830,003
Number of Positions on Salary Schedule	67 <sup>a</sup>
<b>Executive Director's Salary</b>	\$152,825
Net Position	\$24,994,747
Total Revenue	\$27,977,324
Total Expenditures	\$27,854,424
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.  Sources: U.S. Census Bureau 2010 population totals and the Capital Area Council of <b>Governments' audited annual financial report as of September 30, 2017</b> , and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>6</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were emergency communication services (\$14,490,318) and aging services (\$9,867,011).

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<sup>6</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-E  
 Central Texas Council of Governments

The Central Texas Council of Governments submitted all statutorily required reports.

Central Texas Council of Governments	
Location	Belton, TX
Number of Counties	7
Population	449,641
Number of Positions on Salary Schedule	107 <sup>a</sup>
<b>Executive Director's Salary</b>	\$210,612
Net Position	\$3,928,227
Total Revenue	\$42,875,894
Total Expenditures	\$42,893,199
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Central Texas Council of Governments' audited annual financial report as of June 30, 2017, and salary schedule for 2019.</p>	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule. However, this RPC did not submit its salary schedule by the statutorily required due date. Texas Local Government Code, Section 391.0117(e), requires an RPC to submit its salary schedule to the State Auditor's Office no later than the 45th day before the date of the beginning of the RPC's fiscal year. The RPC's salary schedule was due by May 17, 2018; however, the RPC submitted its salary schedule on September 4, 2018, which was 110 days past the due date.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended June 30, 2017.<sup>7</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were housing and urban development services (\$15,120,221) and health and human services (\$12,050,659).

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<sup>7</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-F  
Coastal Bend Council of Governments

The Coastal Bend Council of Governments submitted all statutorily required reports.

Coastal Bend Council of Governments	
Location	Corpus Christi, TX
Number of Counties	11
Population	571,280
Number of Positions on Salary Schedule	25 <sup>a</sup>
<b>Executive Director's Salary</b>	\$132,082
Net Position	\$684,977
Total Revenue	\$5,701,127
Total Expenditures	\$5,987,465
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
Sources: U.S. Census Bureau 2010 population totals and the Coastal Bend Council of <b>Governments' audited</b> comprehensive annual financial report as of December 31, 2017, and salary schedule for 2018.	

This RPC's salary schedule had three positions with salaries that exceeded maximum salaries in the state classification salary schedule. After auditors communicated the errors to the RPC, it submitted a revised salary schedule that did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2017.<sup>8</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were health and welfare services (\$3,186,153) and emergency communications services (\$2,135,674).

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<sup>8</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-G  
 Concho Valley Council of Governments

The Concho Valley Council of Governments submitted all statutorily required reports.

Concho Valley Council of Governments	
Location	San Angelo, TX
Number of Counties	13
Population	154,192
Number of Positions on Salary Schedule	76 <sup>a</sup>
<b>Executive Director's Salary Range</b>	\$80,500 to \$129,765 <sup>b</sup>
Net Position	\$518,505
Total Revenue	\$13,673,656
Total Expenditures	\$13,478,176
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
<sup>b</sup> The salary schedule for this RPC contained only a salary range.	
Sources: U.S. Census Bureau 2010 population totals and the Concho Valley Council of Governments' audited annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>9</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were family and children services (\$7,884,777) and emergency communications services (\$2,714,406).

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<sup>9</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-H  
 Deep East Texas Council of Governments

The Deep East Texas Council of Governments submitted all statutorily required reports.

Deep East Texas Council of Governments	
Location	Jasper, TX
Number of Counties	12
Population	378,477
Number of Positions on Salary Schedule	56 <sup>a</sup>
<b>Executive Director's Salary</b>	\$154,992
Net Position	\$1,326,541
Total Revenue	\$20,172,173
Total Expenditures	\$19,937,310
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Deep East Texas Council of Governments' audited annual financial report as of September 30, 2017, and salary schedule for 2019.</p>	

This RPC's salary schedule had two positions with salary ranges that exceeded maximum salary ranges in the state classification salary schedule. After auditors communicated the errors to the RPC, it submitted a revised salary schedule that did not exceed the maximum salary ranges in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>10</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were regional housing authority services (\$11,296,850) and emergency communications services (\$3,047,591).

<sup>10</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-I  
 East Texas Council of Governments

The East Texas Council of Governments submitted all statutorily required reports.

East Texas Council of Governments	
Location	Kilgore, TX
Number of Counties	14
Population	829,749
Number of Positions on Salary Schedule	140 <sup>a</sup>
<b>Executive Director's Salary</b>	\$154,500
Net Position	\$4,369,103
Total Revenue	\$39,122,575
Total Expenditures	\$39,095,059
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the East Texas Council of <b>Governments' audited</b> comprehensive annual financial report as of September 30, 2017, and salary schedule for 2019.</p>	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>11</sup> This RPC's audited comprehensive annual financial report contained all the elements required by Texas Local Government Code, Chapter 391. However, the audited comprehensive annual financial report identified one finding classified as a significant deficiency (see text box for definitions of finding classifications). That finding was related to the RPC not using a competitive procurement method to procure two vendors. In addition, the independent audit found that for one of those vendors, the RPC did not maintain documentation to demonstrate that the vendor was not suspended or debarred, as required by the Code of Federal Regulations, Title 2, Section 200.213. According to the audited comprehensive annual financial report, the RPC concurred with the finding and prepared a corrective action plan to address it.

Finding Classifications
<p>Internal control weaknesses are classified as either significant deficiencies or material weaknesses:</p> <ul style="list-style-type: none"> <li>▪ A significant deficiency is a deficiency, or 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.</li> <li>▪ A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement or material noncompliance with a compliance area will not be prevented, or detected and corrected, on a timely basis.</li> </ul> <p>Source: <i>Government Auditing Standards and Single Audits</i>, American Institute of Certified Public Accountants' Audit Guide, March 1, 2018.</p>

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were workforce development services (\$26,598,671) and aging services (\$3,992,021).

<sup>11</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-J  
Golden Crescent Regional Planning Commission

The Golden Crescent Regional Planning Commission submitted all statutorily required reports.

Golden Crescent Regional Planning Commission	
Location	Victoria, TX
Number of Counties	7
Population	188,626
Number of Positions on Salary Schedule	31 <sup>a</sup>
<b>Executive Director's Salary</b>	\$129,916
Net Position	\$4,187,923
Total Revenue	\$8,711,461
Total Expenditures	\$8,528,843
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Golden Crescent Regional Planning Commission's audited annual financial report as of August 31, 2017, and salary schedule for 2019.</p>	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule. However, this RPC did not submit its salary schedule by the statutorily required due date. Texas Local Government Code, Section 391.0117(e), requires an RPC to submit its salary schedule to the State Auditor's Office no later than the 45th day before the date of the beginning of the RPC's fiscal year. The RPC's salary schedule was due by July 18, 2018; however, the RPC submitted its salary schedule on August 24, 2018, which was 37 days past the due date.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended August 31, 2017.<sup>12</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were health and welfare services (\$6,837,540) and public safety services (\$1,481,985).

<sup>12</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-K  
Heart of Texas Council of Governments

The Heart of Texas Council of Governments submitted all statutorily required reports.

Heart of Texas Council of Governments	
Location	Waco, TX
Number of Counties	6
Population	349,273
Number of Positions on Salary Schedule	26 <sup>a</sup>
<b>Executive Director's Salary Range</b>	\$83,991 to \$142,052 <sup>b</sup>
Net Position	\$1,653,078
Total Revenue	\$7,236,589
Total Expenditures	\$7,118,889
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
<sup>b</sup> The salary schedule for this RPC contained only a salary range.	
Sources: U.S. Census Bureau 2010 population totals and the Heart of Texas Council of Governments' audited annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>13</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were aging services (\$2,934,042) and transportation services (\$1,288,969).

<sup>13</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-L  
Houston-Galveston Area Council

The Houston-Galveston Area Council submitted all statutorily required reports.

Houston-Galveston Area Council	
Location	Houston, TX
Number of Counties	13
Population	6,087,133
Number of Positions on Salary Schedule <sup>a</sup>	82 <sup>b</sup>
<b>Executive Director's Salary Range <sup>a</sup></b>	<b>\$162,802 to \$260,483 <sup>c</sup></b>
Net Position	\$33,631,395
Total Revenue	\$297,054,847
Total Expenditures	\$294,433,538
<p><sup>a</sup> Although it was not required to do so, this RPC submitted a salary schedule for fiscal year 2018. Information from the salary schedule is reported in this text box. However, the State Auditor's Office did not review the salary schedule for compliance because the RPC was not required to comply with Texas Local Government Code, Section 391.0117, for fiscal year 2018.</p> <p><sup>b</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p><sup>c</sup> The salary schedule for this RPC contained only a salary range.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Houston-Galveston Area Council's audited comprehensive annual financial report as of December 31, 2017, and salary schedule for 2018.</p>	

This RPC was not statutorily required to submit a salary schedule to the State Auditor's Office for fiscal year 2018. Under Texas Local Government Code, Section 391.0117(f), an RPC is not required to comply with Texas Local Government Code, Section 391.0117, "if the most populous county that is a member of the commission has an actual average weekly wage that exceeds the state actual average weekly wage by 20 percent or more for the previous year as determined by the Texas Workforce Commission in its *County Employment and Wage Information Report*." This RPC reported that its most populous county, Harris County, had an actual average weekly wage that exceeded the state actual average weekly wage by 24.7 percent according to the Texas Workforce Commission's *County Employment and Wage Information Report* for 2016, the most recent year with complete wage data.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2017.<sup>14</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were workforce program services (\$232,028,757) and transportation services (\$28,150,854).

<sup>14</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-M  
 Lower Rio Grande Valley Development Council

The Lower Rio Grande Valley Development Council submitted all statutorily required reports.

Lower Rio Grande Valley Development Council	
Location	Weslaco, TX
Number of Counties	3
Population	1,203,123
Number of Positions on Salary Schedule	161 <sup>a</sup>
<b>Executive Director's Salary</b>	\$165,000
Net Position	\$11,458,266
Total Revenue	\$26,035,320
Total Expenditures	\$26,067,937
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.  Sources: U.S. Census Bureau 2010 population totals and the Lower Rio Grande Valley Development Council's audited annual financial report as of December 31, 2017, and salary schedule for 2018.	

This RPC's salary schedule had one position with a salary that exceeded the maximum salary in the state classification salary schedule. After auditors communicated the error to the RPC, it submitted a revised salary schedule that did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2017.<sup>15</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were state emergency communications services (\$6,558,776) and health and human services (\$6,396,661).

<sup>15</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-N  
Middle Rio Grande Development Council

The Middle Rio Grande Development Council submitted all statutorily required reports.

Middle Rio Grande Development Council	
Location	Carrizo Springs, TX
Number of Counties	9
Population	167,010
Number of Positions on Salary Schedule	69 <sup>a</sup>
<b>Executive Director's Salary</b>	\$120,000
Net Position	(\$20,844)
Total Revenue	\$11,332,575
Total Expenditures	\$11,871,682
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Middle Rio Grande Development Council's audited annual financial report as of August 31, 2017, and salary schedule for 2019.</p>	

This RPC's salary schedule had two positions with salary ranges that exceeded maximum salary ranges in the state classification salary schedule. After auditors communicated the errors to the RPC, it submitted a revised salary schedule that did not exceed the maximum salary ranges in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended August 31, 2017.<sup>16</sup> This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391. However, the audited annual financial report identified one finding classified as a significant deficiency (see text box for definitions of finding classifications). That finding was related to the RPC not complying with certain child care enrollment requirements established by the Texas Workforce Commission. According to the audited annual financial report, the RPC prepared a corrective action plan to address the finding.

Finding Classifications	
Internal control weaknesses are classified as either significant deficiencies or material weaknesses:	
<ul style="list-style-type: none"> <li>▪ A significant deficiency is a deficiency, or 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.</li> <li>▪ A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement or material noncompliance with a compliance area will not be prevented, or detected and corrected, on a timely basis.</li> </ul>	
<p>Source: <i>Government Auditing Standards and Single Audits</i>, American Institute of Certified Public Accountants' Audit Guide, March 1, 2018.</p>	

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were economic opportunity services (\$7,207,174) and public safety services (\$2,461,368).

<sup>16</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-0  
Nortex Regional Planning Commission

**The Nortex Regional Planning Commission submitted all statutorily required reports.**

Nortex Regional Planning Commission	
Location	Wichita Falls, TX
Number of Counties	11
Population	222,860
Number of Positions on Salary Schedule	30 <sup>a</sup>
<b>Executive Director's Salary</b>	\$114,712
Net Position	\$673,471
Total Revenue	\$4,710,464
Total Expenditures	\$4,708,964
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Nortex Regional Planning Commission's audited annual financial report as of September 30, 2017, and salary schedule for 2019.</p>	

This RPC's salary schedule had one position with a salary that exceeded the maximum salary in the state classification salary schedule. After auditors communicated the error to the RPC, it submitted a revised salary schedule that did not exceed the maximum salaries in the state classification salary schedule. In addition, this RPC did not submit its salary schedule by the statutorily required due date. Texas Local Government Code, Section 391.0117(e), requires an RPC to submit its salary schedule to the State Auditor's Office no later than the 45th day before the date of the beginning of the RPC's fiscal year. The RPC's salary schedule was due by August 17, 2018; however, the RPC submitted its salary schedule on August 31, 2018, which was 14 days past the due date.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>17</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements

required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were aging services (\$1,607,845) and emergency communications services (\$1,336,444).

<sup>17</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-P  
 North Central Texas Council of Governments

The North Central Texas Council of Governments submitted all statutorily required reports.

North Central Texas Council of Governments	
Location	Arlington, TX
Number of Counties	16
Population	6,539,950
Number of Positions on Salary Schedule	224 <sup>a</sup>
<b>Executive Director's Salary Range</b>	\$163,676 to \$276,817 <sup>b</sup>
Net Position	\$17,336,416
Total Revenue	\$149,857,284
Total Expenditures	\$150,085,074
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
<sup>b</sup> The salary schedule for this RPC contained only a salary range.	
Sources: U. S. Census Bureau 2010 population totals and the North Central Texas Council of Governments' audited comprehensive annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>18</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were workforce development services (\$60,308,475) and transportation services (\$44,387,187).

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<sup>18</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-Q  
Panhandle Regional Planning Commission

The Panhandle Regional Planning Commission submitted all statutorily required reports.

Panhandle Regional Planning Commission	
Location	Amarillo, TX
Number of Counties	26
Population	427,927
Number of Positions on Salary Schedule	42 <sup>a</sup>
<b>Executive Director's Salary</b>	\$130,000
Net Position	\$6,220,758
Total Revenue	\$20,175,438
Total Expenditures	\$20,417,432
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the Panhandle Regional Planning Commission's audited comprehensive annual financial report as of September 30, 2017, and salary schedule for 2019.</p>	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>19</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were workforce development services (\$13,360,050) and aging services (\$2,734,852).

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<sup>19</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-R  
 Permian Basin Regional Planning Commission

The Permian Basin Regional Planning Commission submitted all statutorily required reports.

Permian Basin Regional Planning Commission	
Location	Midland, TX
Number of Counties	17
Population	417,679
Number of Positions on Salary Schedule	23 <sup>a</sup>
<b>Executive Director's Salary Range</b>	\$102,481 to \$173,192 <sup>b</sup>
Net Position	\$1,351,174
Total Revenue	\$5,017,593
Total Expenditures	\$5,175,398
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. <sup>b</sup> The salary schedule for this RPC contained only a salary range.  Sources: U.S. Census Bureau 2010 population totals and the Permian Basin Regional Planning Commission's audited annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>20</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were aging services (\$1,994,721) and emergency communications services (\$1,866,489).

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<sup>20</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-S  
Rio Grande Council of Governments

The Rio Grande Council of Governments submitted all statutorily required reports.

Rio Grande Council of Governments	
Location	El Paso, TX
Number of Counties	7
Population	1,035,146 <sup>a</sup>
Number of Positions on Salary Schedule	35 <sup>b</sup>
<b>Executive Director's Salary</b>	\$96,231
Net Position	\$739,374
Total Revenue	\$6,545,555
Total Expenditures	\$6,412,322
<sup>a</sup> Population includes Doña Ana County in New Mexico, which has a population of 209,233.	
<sup>b</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
Sources: U.S. Census Bureau 2010 population totals and the Rio Grande Council of <b>Governments' audited annual financial report</b> as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>21</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were aging services (\$4,624,048) and emergency communication services (\$663,576).

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<sup>21</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-T  
 South East Texas Regional Planning Commission

The South East Texas Regional Planning Commission submitted all statutorily required reports.

South East Texas Regional Planning Commission	
Location	Beaumont, TX
Number of Counties	3
Population	388,745
Number of Positions on Salary Schedule	65 <sup>a</sup>
<b>Executive Director's Salary Range</b>	\$122,500 to \$197,415 <sup>b</sup>
Net Position	\$8,602,058
Total Revenue	\$23,505,620
Total Expenditures	\$20,761,031
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
<sup>b</sup> The salary schedule for this RPC contained only a salary range.	
Sources: U.S. Census Bureau 2010 population totals and the South East Texas Regional <b>Planning Commission's audited</b> comprehensive annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule. However, this RPC did not submit its salary schedule by the statutorily required due date. Texas Local Government Code, Section 391.0117(e), requires an RPC to submit its salary schedule to the State Auditor's Office no later than the 45th day before the date of the beginning of the RPC's fiscal year. The RPC's salary schedule was due by August 17, 2018; however, the RPC submitted its salary schedule on September 19, 2018, which was 33 days past the due date.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>22</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were community development services (\$10,155,136) and transportation planning services (\$2,372,797).

<sup>22</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-U  
 South Plains Association of Governments

The South Plains Association of Governments submitted all statutorily required reports.

South Plains Association of Governments	
Location	Lubbock, TX
Number of Counties	15
Population	411,659
Number of Positions on Salary Schedule	23 <sup>a</sup>
<b>Executive Director's Salary</b>	\$133,901
Net Position	\$6,925,637
Total Revenue	\$4,740,779
Total Expenditures	\$4,803,087
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.  Sources: U.S. Census Bureau 2010 population totals and the South Plains Association of <b>Governments' audited</b> comprehensive annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>23</sup> This RPC's audited comprehensive annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited comprehensive annual financial report, the two programs for which this RPC spent the largest amounts of funds were aging services (\$1,795,910) and emergency communications services (\$1,305,810).

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<sup>23</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-V  
 South Texas Development Council

The South Texas Development Council submitted all statutorily required reports.

South Texas Development Council	
Location	Laredo, TX
Number of Counties	4
Population	330,590
Number of Positions on Salary Schedule	30 <sup>a</sup>
<b>Executive Director's Salary</b>	\$113,132
Net Position	\$670,085
Total Revenue	\$8,348,525
Total Expenditures	\$8,344,446
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.  Sources: U.S. Census Bureau 2010 population totals and the South Texas Development Council's audited annual financial report as of September 30, 2017, and salary schedule for 2019.	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>24</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were HIV intervention and prevention services (\$4,224,426) and aging services (\$2,190,113).

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<sup>24</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-W  
 Texoma Council of Governments

The Texoma Council of Governments submitted all statutorily required reports.

Texoma Council of Governments	
Location	Sherman, TX
Number of Counties	3
Population	193,229
Number of Positions on Salary Schedule	51 <sup>a</sup>
<b>Executive Director's Salary</b>	\$129,652
Net Position	\$2,821,782
Total Revenue	\$11,758,286
Total Expenditures	\$11,524,839
<sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.	
Sources: U.S. Census Bureau 2010 population totals and the Texoma Council of Governments' audited annual financial report as of April 30, 2017, and salary schedule for 2019.	

This RPC's salary schedule had one position with a salary range that exceeded the maximum salary range in the state classification salary schedule. In addition, this RPC did not submit its salary schedule by the statutorily required due date. Texas Local Government Code, Section 391.0117(e), requires an RPC to submit its salary schedule to the State Auditor's Office no later than the 45th day before the date of the beginning of the RPC's fiscal year. The RPC's salary schedule was due by March 17, 2018; however, the RPC submitted its salary schedule on April 9, 2018, which was 23 days past the due date.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended April 30, 2017.<sup>25</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were housing and client services (\$5,397,129) and aging and disabilities services (\$3,073,633).

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<sup>25</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

Chapter 1-X  
West Central Texas Council of Governments

The West Central Texas Council of Governments submitted all statutorily required reports.

West Central Texas Council of Governments	
Location	Abilene, TX
Number of Counties	19
Population	327,390
Number of Positions on Salary Schedule	101 <sup>a</sup>
<b>Executive Director's Salary</b>	\$137,209
Net Position	(\$244,203)
Total Revenue	\$14,912,408
Total Expenditures	\$15,976,926
<p><sup>a</sup> The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.</p> <p>Sources: U.S. Census Bureau 2010 population totals and the West Central Texas Council of <b>Governments' audited annual</b> financial report as of September 30, 2017, and salary schedule for 2019.</p>	

The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

This RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2017.<sup>26</sup> This RPC's audited annual financial report did not contain any findings and contained all the elements required by Texas Local Government Code, Chapter 391.

According to this RPC's most recent audited annual financial report, the two programs for which this RPC spent the largest amounts of funds were employer of record services (\$4,702,606) and emergency communications services (\$2,882,430).

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<sup>26</sup> An unmodified opinion indicates that the financial statements were presented fairly in all material respects.

# Appendices

Appendix 1

## **Objectives, Scope, and Methodology**

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### Objectives

The objectives of this project were to:

- Determine whether regional planning commissions (RPCs) have submitted reports, audits, and salary schedules to the State Auditor, as required by Texas Local Government Code, Sections 391.0095 and 391.0117, and report any failure to comply with the reporting requirements to the Office of the Governor.
- Analyze reports and audits, including any working papers and other supporting documentation, as deemed necessary.

### Scope

The scope of this project covered the reports the State Auditor's Office obtained from RPCs between September 1, 2017, and August 31, 2018, unless otherwise indicated in the RPC subchapter.

### Methodology

The methodology for this project included determining whether the 24 RPCs submitted statutorily required information due to the State Auditor's Office between September 1, 2017, and August 31, 2018. Auditors did not verify the accuracy of that information. Auditors also compiled and analyzed the information that the RPCs submitted, such as the results of the audited annual financial reports or audited comprehensive annual financial reports, and information from salary schedules.

Texas Local Government Code, Section 391.0117(e), requires an RPC to submit its salary schedule to the State Auditor's Office no later than the 45th day before the date of the beginning of the RPC's fiscal year. Due to differences in the presentation of the information among RPC reports, the number of positions on the salary schedule reported for an RPC may not represent the total number of employees at that RPC.

Information collected and reviewed included the following:

- Audited annual financial reports or audited comprehensive annual financial reports.
- Salary schedules.
- Disposed asset reports.
- Productivity and performance reports.

Procedures and tests conducted included the following:

- Determined whether the information that the RPCs submitted (1) included all of the components that statute required and (2) was submitted within the required time frame, when applicable.
- Compiled and analyzed certain information that the RPCs submitted, such as results from audited annual financial reports or audited comprehensive annual financial reports, and information from salary schedules.
- Compiled population and county information for each RPC.

Criteria used included the following:

- Texas Local Government Code, Chapter 391.

#### Project Information

Fieldwork was conducted from August 2018 through October 2018. This project was a non-audit service; therefore, the information in this report was not subjected to the tests and confirmations that would be performed in an audit. However, the information in this report was subject to certain quality control procedures to help ensure accuracy.

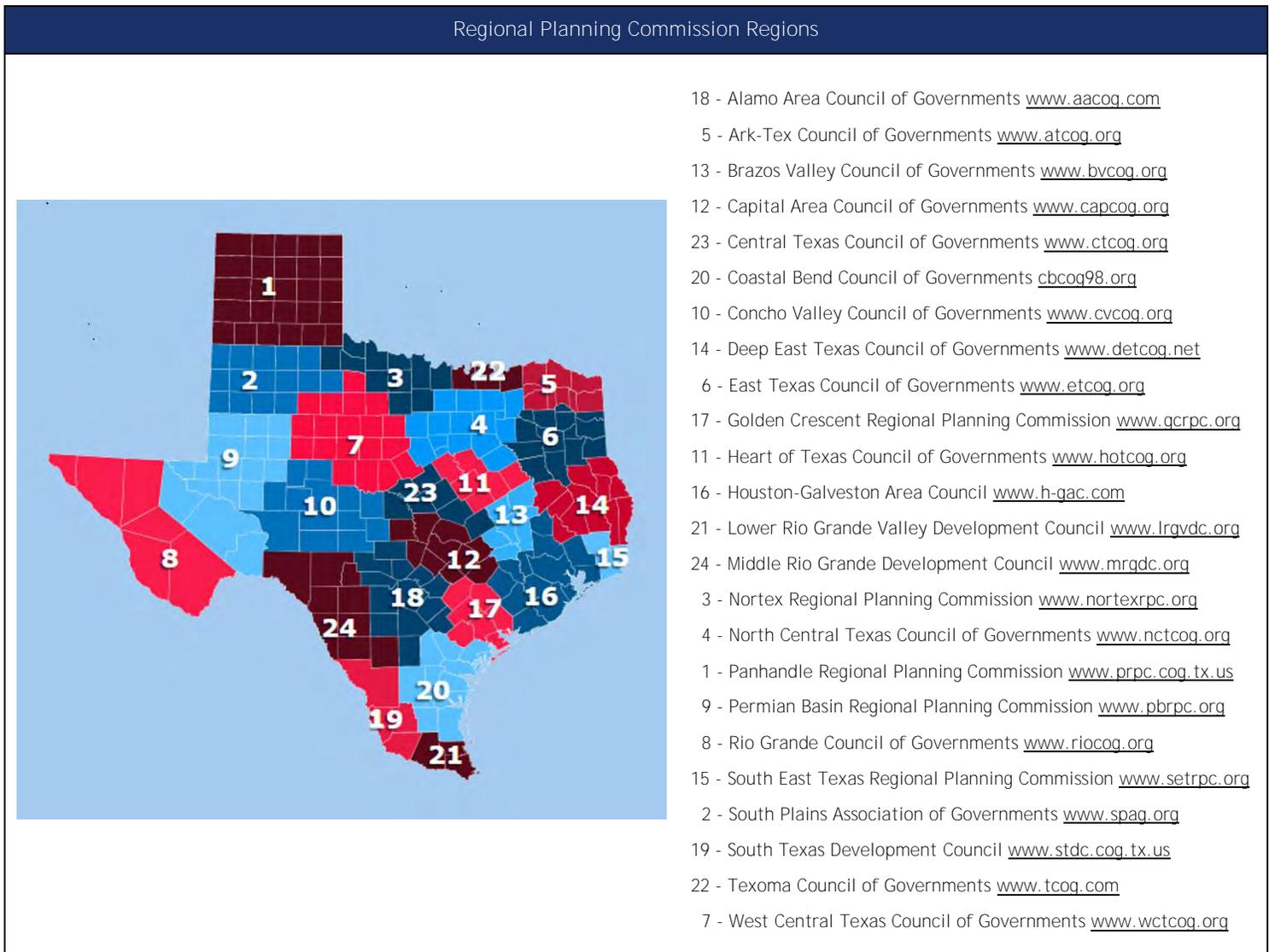
The following members of the State Auditor's staff performed the project:

- Kelly Bratton, CFSA, CRMA, MBA (Project Manager)
- Kirstin Adamcik, MBA
- Elijah Marchlewski
- Robert G. Kiker, CGAP (Quality Control Reviewer)
- Michael A. Simon, MBA, CGAP (Audit Manager)

## Map of Regional Planning Commission Regions

Figure 1 presents a map of the regional planning commissions and the geographic regions in Texas to which they provide services.

Figure 1



Source: The Texas Association of Regional Councils.

## Financial and Population Information Regarding Regional Planning Commissions

Regional planning commissions' (RPCs) services are available to more than 25 million people. Table 1 lists each RPC's reported revenue and expenditures from the RPCs' 2017 audited annual financial reports or audited comprehensive annual financial reports, in addition to each RPC's population based on U.S. Census Bureau 2010 population data.

Table 1

Financial and Population Information Regarding Regional Planning Commissions				
Regional Planning Commission	Fiscal Year End	Total Revenue <sup>a</sup>	Total Expenditures <sup>a</sup>	Population
Alamo Area Council of Governments	December 31, 2017	\$47,926,546	\$47,844,053	2,249,718
Ark-Tex Council of Governments	September 30, 2017	\$16,676,466	\$17,026,821	325,409 <sup>b</sup>
Brazos Valley Council of Governments	September 30, 2017	\$38,278,576	\$36,873,149	319,447
Capital Area Council of Governments	September 30, 2017	\$27,977,324	\$27,854,424	1,830,003
Central Texas Council of Governments	June 30, 2017	\$42,875,894	\$42,893,199	449,641
Coastal Bend Council of Governments	December 31, 2017	\$5,701,127	\$5,987,465	571,280
Concho Valley Council of Governments	September 30, 2017	\$13,673,656	\$13,478,176	154,192
Deep East Texas Council of Governments	September 30, 2017	\$20,172,173	\$19,937,310	378,477
East Texas Council of Governments	September 30, 2017	\$39,122,575	\$39,095,059	829,749
Golden Crescent Regional Planning Commission	August 31, 2017	\$8,711,461	\$8,528,843	188,626
Heart of Texas Council of Governments	September 30, 2017	\$7,236,589	\$7,118,889	349,273
Houston-Galveston Area Council	December 31, 2017	\$297,054,847	\$294,433,538	6,087,133
Lower Rio Grande Valley Development Council	December 31, 2017	\$26,035,320	\$26,067,937	1,203,123
Middle Rio Grande Development Council	August 31, 2017	\$11,332,575	\$11,871,682	167,010
Nortex Regional Planning Commission	September 30, 2017	\$4,710,464	\$4,708,964	222,860
North Central Texas Council of Governments	September 30, 2017	\$149,857,284	\$150,085,074	6,539,950

Financial and Population Information Regarding Regional Planning Commissions				
Regional Planning Commission	Fiscal Year End	Total Revenue <sup>a</sup>	Total Expenditures <sup>a</sup>	Population
Panhandle Regional Planning Commission	September 30, 2017	\$20,175,438	\$20,417,432	427,927
Permian Basin Regional Planning Commission	September 30, 2017	\$5,017,593	\$5,175,398	417,679
Rio Grande Council of Governments	September 30, 2017	\$6,545,555	\$6,412,322	1,035,146 <sup>c</sup>
South East Texas Regional Planning Commission	September 30, 2017	\$23,505,620	\$20,761,031	388,745
South Plains Association of Governments	September 30, 2017	\$4,740,779	\$4,803,087	411,659
South Texas Development Council	September 30, 2017	\$8,348,525	\$8,344,446	330,590
Texoma Council of Governments	April 30, 2017	\$11,758,286	\$11,524,839	193,229
West Central Texas Council of Governments	September 30, 2017	\$14,912,408	\$15,976,926	327,390
Totals		\$852,347,081	\$847,220,064	25,398,256
<sup>a</sup> Total revenue and total expenditures are obtained from the statement of activities in the financial statements. <sup>b</sup> Population includes Miller County in Arkansas, which has a population of 43,462. <sup>c</sup> Population includes Doña Ana County in New Mexico, which has a population of 209,233.				

Sources: U.S. Census Bureau 2010 population totals; audited annual financial reports or audited comprehensive annual financial reports that the RPCs submitted.

## **Related State Auditor's Office Work**

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Related <b>State Auditor's Office Work</b>		
Number	Product Name	Release Date
18-003	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	October 2017
17-006	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	October 2016
16-005	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	October 2015
15-004	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	September 2014
14-005	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	October 2013
13-008	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	November 2012

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