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A Summary of
**Reports Submitted by Regional
Planning Commissions**

September 2011
Report No. 12-001



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Overall Conclusion

All of the 24 regional planning commissions (RPCs) in Texas submitted all applicable¹ statutorily required financial, productivity, performance, and salary reports to the State Auditor's Office. Those reports were due to the State Auditor's Office between July 1, 2010, and June 30, 2011.

Submitting those reports is important because, according to their most recent annual financial statements, the 24 RPCs:

- Received \$875,323,761 in local, state, and federal funds.
- Spent \$79,085,020 in American Recovery and Reinvestment Act funds.

While the 24 RPCs submitted all applicable statutorily required reports, only 10 (41.7 percent) submitted all of the specific information required by statute and/or the Texas Administrative Code. For example, 5 (20.8 percent) of the 24 RPCs did not specify the salaries for positions exempt from the classification salary schedule as required by statute and the Texas Administrative Code. In addition, 6 (25.0 percent) of the 24 RPCs submitted productivity and performance reports that did not include an analysis of progress made toward achieving planned goals and objectives for certain programs, as required by the Texas Administrative Code.

Background Information

Regional planning commissions (RPCs) are governed by Chapter 391 of the Texas Local Government Code. 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 sources of funding to support their purposes. Texas Local Government Code, Section 391.0095(a), requires that each RPC annually report 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, Section 391.0117(e), 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.

The Texas Administrative Code provides specific details regarding the statutory requirements.

¹ In *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010), the State Auditor's Office reported compliance with reporting requirements for some reports due to the State Auditor's Office between July 1, 2010, and June 30, 2011. Compliance related to those reports previously reported was not included in this summary.

Statute and the Texas Administrative Code do not provide specific guidance on the format that RPCs should use to report productivity and performance information. As a result, auditors observed the following:

- The RPCs used a variety of formats (for example, narrative formats or a table) to prepare their productivity and performance reports.
- Some of the productivity and performance reports specifically identified and quantified performance measure information, but others summarized performance measure information and program information.

External certified public accountants (CPAs) issued unqualified opinions² on the financial statements for all 24 RPCs. However, the CPAs' audits of the annual financial statements for 3 (12.5 percent) of the 24 RPCs identified material weaknesses or significant deficiencies in internal controls over financial reporting or compliance with major federal and state award programs. Those three RPCs were:

- Middle Rio Grande Development Council (see Chapter 1-N).
- Panhandle Regional Planning Commission (see Chapter 1-Q).
- Texoma Council of Governments (see Chapter 1-W).

According to their audited financial statements, management of those three RPCs asserted that they were taking steps to address the material weaknesses and/or significant deficiencies.

The information the RPCs submitted indicated that RPCs have multiple programs and functions. According to the RPCs' audited financial statements, some of the programs on which the RPCs spent the largest amounts of funds included housing, transportation, and workforce development.

Summary of Objectives, Scope, and Methodology

The objectives of this summary were to:

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

² An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

The scope of this summary covered reports due to the State Auditor's Office between July 1, 2010, and June 30, 2011.

The methodology for this summary included determining whether RPCs recognized by the Office of the Governor submitted statutorily required information due to the State Auditor's Office between July 1, 2010, and June 30, 2011. Auditors did not verify the accuracy of that information. Auditors also compiled certain information provided by the RPCs, such as the results of financial statement audits and information from productivity and performance reports.

This project was a non-audit service; therefore, the information in this report was not subjected to all 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 Submitted by Regional Planning Commissions

Compliance with Reporting Requirements

All of the 24 regional planning commissions (RPCs) in Texas submitted all applicable³ statutorily required financial, productivity, performance, and salary reports to the State Auditor's Office. Those reports were due to the State Auditor's Office between July 1, 2010, and June 30, 2011. It is important to note that auditors compiled information that RPCs submitted to the State Auditor's Office, and that information was not subjected to the tests and confirmation that would be performed in an audit.

Ten (41.7 percent) of the 24 RPCs submitted all of the applicable information required by statute and/or the Texas Administrative Code. Fourteen (58.3 percent) of the 24 RPCs did not submit all of the applicable information required by statute and/or the Texas Administrative Code. For example, 5 (20.8 percent) of the 24 RPCs did not specify salaries for positions exempt from the classification salary schedule as required by statute and the Texas Administrative Code. In addition, 6 (25.0 percent) of the 24 RPCs submitted productivity and performance reports that did not include an analysis of progress made toward achieving planned goals and objectives for certain programs, as required by the Texas Administrative Code.

Statute and the Texas Administrative Code do not provide specific guidance on the format RPCs should use to report productivity and performance information. As a result, auditors observed the following:

- The RPCs used a variety of formats (for example, narrative formats or a table) to prepare their productivity and performance reports.
- Some of the productivity and performance reports specifically identified and quantified performance measure information, but others summarized performance measure information and program information.

Table 1 on the next page summarizes RPCs' compliance with statutory and Texas Administrative Code requirements to submit information to the State Auditor's Office. In Table 1:

³ In *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010), the State Auditor's Office reported compliance with reporting requirements for some reports due to the State Auditor's Office between July 1, 2010, and June 30, 2011. Compliance related to those reports previously reported was not included in this summary.

- “Complied” indicates that the RPC submitted the statutorily required reports, and the specific information in those reports met the statutory requirements and supplemental requirements in the Texas Administrative Code.
- “Partially Complied” indicates that the RPC submitted the statutorily required reports, but the specific information in those reports did not meet some or all of the statutory requirements or supplemental requirements in the Texas Administrative Code.

Table 1

Regional Planning Commissions' Compliance with Requirements to Submit Information to the State Auditor (For Information Due Between July 1, 2010, and June 30, 2011)								
Regional Planning Commission	Required Information							
	Amount and Sources of Funds Received	Amount and Sources of Funds Expended	Expense and Indirect Cost Computation Information	Productivity and Performance During Reporting Period	Projected Productivity and Performance for Next Reporting Period	Results of an Audit by a Certified Public Accountant	Report of Disposed Assets	Salary Schedule
Alamo Area Council of Governments	Complied	Complied	Complied	Not Applicable ^a	Not Applicable ^a	Complied ^b	Not Applicable ^a	Complied
Ark-Tex Council of Governments	Complied	Complied	Complied	Partially Complied	Complied	Complied	Complied	Complied ^b
Brazos Valley Council of Governments	Complied	Complied	Complied	Partially Complied ^b	Complied ^b	Complied	Complied ^b	Complied
Capital Area Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied
Central Texas Council of Governments	Complied	Complied	Complied	Partially Complied ^b	Partially Complied ^b	Complied	Complied	Partially Complied ^b
Coastal Bend Council of Governments	Complied	Complied	Complied	Not Applicable ^a	Not Applicable ^a	Complied	Not Applicable ^a	Complied
Concho Valley Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied ^b
Deep East Texas Council of Governments	Complied	Complied	Complied	Partially Complied ^b	Partially Complied ^b	Complied	Partially Complied ^b	Partially Complied ^b
East Texas Council of Governments	Complied	Complied	Partially Complied	Partially Complied	Complied	Complied	Complied	Complied ^b
Golden Crescent Regional Planning Commission	Complied	Complied	Partially Complied	Complied	Complied	Complied ^b	Complied	Complied ^b
Heart of Texas Council of Governments	Complied	Complied	Complied	Partially Complied ^b	Complied ^b	Complied	Complied	Partially Complied

**Regional Planning Commissions' Compliance with Requirements to Submit Information to the State Auditor
(For Information Due Between July 1, 2010, and June 30, 2011)**

Regional Planning Commission	Required Information							
	Amount and Sources of Funds Received	Amount and Sources of Funds Expended	Expense and Indirect Cost Computation Information	Productivity and Performance During Reporting Period	Projected Productivity and Performance for Next Reporting Period	Results of an Audit by a Certified Public Accountant	Report of Disposed Assets	Salary Schedule
Houston-Galveston Area Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied
Lower Rio Grande Valley Development Council	Complied	Complied	Partially Complied	Not Applicable ^a	Not Applicable ^a	Complied	Not Applicable ^a	Complied
Middle Rio Grande Development Council	Complied	Complied	Partially Complied	Complied	Complied	Complied	Complied	Complied ^b
Nortex Regional Planning Commission	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied ^b
North Central Texas Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied
Panhandle Regional Planning Commission	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied
Permian Basin Regional Planning Commission	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Partially Complied
Rio Grande Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied
South East Texas Regional Planning Commission	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Partially Complied ^b
South Plains Association of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Partially Complied
South Texas Development Council	Complied	Complied	Complied	Partially Complied	Complied	Complied	Complied	Complied
Texoma Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Partially Complied	Complied
West Central Texas Council of Governments	Complied	Complied	Complied	Complied	Complied	Complied	Complied	Complied
Summary of Compliance								
Number and Percent That Complied	24 (100.00%)	24 (100.00%)	20 (83.33%)	14 (66.67%)	19 (90.48%)	24 (100.00%)	19 (90.48%)	18 (75.00%)

**Regional Planning Commissions' Compliance with Requirements to Submit Information to the State Auditor
(For Information Due Between July 1, 2010, and June 30, 2011)**

Regional Planning Commission	Required Information							
	Amount and Sources of Funds Received	Amount and Sources of Funds Expended	Expense and Indirect Cost Computation Information	Productivity and Performance During Reporting Period	Projected Productivity and Performance for Next Reporting Period	Results of an Audit by a Certified Public Accountant	Report of Disposed Assets	Salary Schedule
Number and Percent That Partially Complied	0 (0.00%)	0 (0.00%)	4 (16.67%)	7 (33.33%)	2 (9.52%)	0 (0.00%)	2 (9.52%)	6 (25.00%)

^a In *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010), the State Auditor's Office reported the RPC's compliance with related reporting requirements for the report due to the State Auditor's Office between July 1, 2010, and June 30, 2011.

^b The RPC submitted this information after the due date established in the Texas Administrative Code.

Source: Auditors' analysis of information that RPCs submitted.

Audited Financial Statements

External certified public accountants (CPAs) issued unqualified opinions⁴ on the financial statements for all 24 RPCs. However, the CPAs' audits of the annual financial statements for 3 (12.5 percent) of the 24 RPCs identified material weaknesses or significant deficiencies in internal controls over financial reporting or compliance with major federal and state award programs. Those three RPCs were:

- Middle Rio Grande Development Council (see Chapter 1-N).
- Panhandle Regional Planning Commission (see Chapter 1-Q).
- Texoma Council of Governments (see Chapter 1-W).

According to their audited financial statements, management of those three RPCs asserted that they were taking steps to address the material weaknesses and/or significant deficiencies identified.

Programs and Functions

The information the RPCs submitted indicated that RPCs have multiple programs and functions. According to the RPCs' audited financial statements, some of the programs on which the RPCs spent the largest amounts of funds include housing, transportation, and workforce development. Appendix 5 includes general descriptions of some of the major programs RPCs administer.

⁴ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Alamo Area Council of Governments

Alamo Area Council of Governments	
Location	San Antonio, TX
Number of Counties	12
Population	2,249,011
Number of Positions on Salary Schedule	161
Executive Director's Salary	\$156,042
Net Assets	\$11,022,108
Total Revenue	\$37,381,544
Total Expenditures	\$36,456,962
Total American Recovery and Reinvestment Act Funds Spent	\$3,006,550
Amount of Disposed Assets	\$3,151
Sources: Texas County Population Estimates, 2010; audited financial statements as of December 31, 2009; report of disposed assets as of December 31, 2009; and salary schedule as of January 2010.	

The Alamo Area Council of Governments submitted all applicable statutorily required reports, and except as reported in *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010)⁵, the specific information in those applicable reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion⁶ on its annual financial statements for the fiscal year ended December 31, 2009. The audit report did not include any findings.

According to this RPC's audited financial statements for the fiscal year ended December 31, 2009, the two programs for which this RPC spent the largest amounts of funds were aging and health and welfare.

⁵ In *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010), the State Auditor's Office reported on the Alamo Area Council of Governments' compliance with reporting requirements for its productivity and performance reports and disposed assets report required to be submitted to the State Auditor's Office by December 30, 2010.

⁶ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Ark-Tex Council of Governments

Ark-Tex Council of Governments	
Location	Texarkana, TX
Number of Counties	10
Population	325,409 ^a
Number of Positions on Salary Schedule	65
Executive Director's Salary	\$95,270
Net Assets	\$6,973,695
Total Revenue	\$17,522,898
Total Expenditures	\$16,487,270
Total American Recovery and Reinvestment Act Funds Spent	\$1,776,009
Amount of Disposed Assets	\$11,876

^a Population includes Miller County in Arkansas, which has a population of 43,462. Total population of the 9 Texas counties served by the Ark-Tex Council of Governments is 281,947.

Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.

The Ark-Texas Council of Governments submitted all statutorily required reports; however, the productivity and performance reports this RPC submitted did not contain all the information required by the Texas Administrative Code. The productivity and performance reports did not contain an analysis of progress made toward achieving planned goals and objectives.

This RPC received an unqualified opinion⁷ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were housing and urban development and transportation.

⁷ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Brazos Valley Council of Governments

Brazos Valley Council of Governments	
Location	Bryan, TX
Number of Counties	7
Population	319,447
Number of Positions on Salary Schedule	85
Executive Director's Salary	\$160,014
Net Assets	\$8,157,035
Total Revenue	\$33,886,043
Total Expenditures	\$34,385,282
Total American Recovery and Reinvestment Act Funds Spent	\$1,916,951
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Brazos Valley Council of Governments submitted all statutorily required reports; however, its productivity and performance reports did not contain all of the components required by the Texas Administrative Code. The productivity and performance reports did not contain a comparison of planned to actual performance for certain programs.

This RPC received an unqualified opinion⁸ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were workforce development and housing and urban development.

⁸ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Capital Area Council of Governments

Capital Area Council of Governments	
Location	Austin, TX
Number of Counties	10
Population	1,830,003
Number of Positions on Salary Schedule	61
Executive Director's Salary	\$119,360
Net Assets	\$6,470,172
Total Revenue	\$22,952,919
Total Expenditures	\$20,601,793
Total American Recovery and Reinvestment Act Funds Spent	\$311,744
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Capital Area Council of Governments submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion⁹ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were emergency communication and aging.

⁹ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Central Texas Council of Governments

Central Texas Council of Governments	
Location	Belton, TX
Number of Counties	7
Population	449,641
Number of Positions on Salary Schedule	119
Executive Director's Salary	\$153,780
Net Assets	\$5,287,232
Total Revenue	\$43,093,187
Total Expenditures	\$44,153,452
Total American Recovery and Reinvestment Act Funds Spent	\$4,655,423
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of June 30, 2010; report of disposed assets as of June 30, 2010; and salary schedule as of July 2011.	

The Central Texas Council of Governments submitted all statutorily required reports; however, the productivity and performance reports and the salary schedule this RPC submitted did not contain all of the information required by the Texas Administrative Code.

Its productivity and performance reports did not contain (1) an analysis of progress made toward achieving planned goals for specific programs, (2) a comparison of planned to actual performance for specific programs, and (3) specific performance measure projections for this RPC's programs. The salary schedule did not include enough information to enable auditors to compare it with the salary schedules in the State's Position Classification Plan. As a result, auditors could not verify whether this RPC complied with statutory and Texas Administrative Code requirements.

This RPC received an unqualified opinion¹⁰ on its financial statements for the fiscal year ended June 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were housing and urban development and health and human services.

¹⁰ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Coastal Bend Council of Governments

Coastal Bend Council of Governments	
Location	Corpus Christi, TX
Number of Counties	12
Population	571,987
Number of Positions on Salary Schedule	28
Executive Director's Salary	\$111,712
Net Assets	\$1,075,924
Total Revenue	\$5,833,039
Total Expenditures	\$6,159,651
Total American Recovery and Reinvestment Act Funds Spent	\$12,483
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of December 31, 2009; report of disposed assets as of December 31, 2009; and salary schedule as of January 2011.	

The Coastal Bend Council of Governments submitted all applicable statutorily required reports, and except as reported in *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010)¹¹, the specific information in those applicable reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion¹² on its financial statements for the fiscal year ended December 31, 2009. The audit report did not include any findings.

According to this RPC's audited financial statements for the fiscal year ended December 31, 2009, the two programs for which this RPC spent the largest amounts of funds were health and welfare and 9-1-1 emergency communications.

¹¹ In *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010), the State Auditor's Office reported on the Coastal Bend Council of Governments' compliance with reporting requirements for its productivity and performance reports and disposed assets report required to be submitted to the State Auditor's Office by December 30, 2010.

¹² An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Concho Valley Council of Governments

Concho Valley Council of Governments	
Location	San Angelo, TX
Number of Counties	13
Population	154,192
Number of Positions on Salary Schedule	101
Executive Director's Salary	\$90,643
Net Assets	\$85,126
Total Revenue	\$12,930,576
Total Expenditures	\$12,910,320
Total American Recovery and Reinvestment Act Funds Spent	\$530,590
Amount of Disposed Assets	\$13,380
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Concho Valley Council of Governments submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion¹³ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were head start and emergency communications.

¹³ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Deep East Texas Council of Governments

Deep East Texas Council of Governments	
Location	Jasper, TX
Number of Counties	12
Population	378,477
Number of Positions on Salary Schedule	124
Executive Director's Salary	\$108,516 - \$179,051
Net Assets	\$1,836,146
Total Revenue	\$28,238,631
Total Expenditures	\$28,940,519
Total American Recovery and Reinvestment Act Funds Spent	\$101,278
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Deep East Texas Council of Governments submitted all statutorily required reports; however, the productivity and performance reports, disposed assets report, and salary schedule this RPC submitted did not contain all of the information required by statute and the Texas Administrative Code.

The productivity and performance reports did not contain (1) an analysis of progress made toward achieving planned goals and objectives for certain programs and (2) specific performance measure projections for certain programs. The disposed assets report did not contain the disposition date for each disposed asset. The salary schedule did not specify the salaries for positions exempt from the classification salary schedule.

This RPC received an unqualified opinion¹⁴ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were regional housing authority and disaster recovery.

¹⁴ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

East Texas Council of Governments

East Texas Council of Governments	
Location	Kilgore, TX
Number of Counties	14
Population	829,749
Number of Positions on Salary Schedule	110
Executive Director's Salary	\$98,162
Net Assets	\$4,829,600
Total Revenue	\$46,821,967
Total Expenditures	\$47,311,564
Total American Recovery and Reinvestment Act Funds Spent	\$6,218,719
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The East Texas Council of Governments submitted all statutorily required reports; however, its expense and indirect cost computation information and productivity and performance reports did not contain all of the components required by the Texas Administrative Code.

The expense and indirect cost computation information did not include a comparison of the actual indirect cost allocation and the proposed indirect cost allocation. The productivity and performance reports did not contain an analysis of progress made toward achieving certain planned goals and objectives.

This RPC received an unqualified opinion¹⁵ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were workforce development and aging.

¹⁵ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Golden Crescent Regional Planning Commission

Golden Crescent Regional Planning Commission	
Location	Victoria, TX
Number of Counties	7
Population	188,626
Number of Positions on Salary Schedule	35
Executive Director's Salary	\$105,638
Net Assets	\$3,228,482
Total Revenue	\$9,636,797
Total Expenditures	\$8,075,924
Total American Recovery and Reinvestment Act Funds Spent	\$718,751
Amount of Disposed Assets	\$7,391
Sources: Texas County Population Estimates, 2010; audited financial statements as of August 31, 2010; report of disposed assets as of August 31, 2010; and salary schedule as of September 2010.	

The Golden Crescent Regional Planning Commission submitted all statutorily required reports; however, its expense and indirect cost computation information did not contain all of the components required by statute and the Texas Administrative Code. The expense and indirect cost computation information did not include (1) the methodology for computing the indirect cost and (2) a comparison of the actual indirect cost allocation to the proposed indirect cost allocation.

This RPC received an unqualified opinion¹⁶ on its financial statements for the fiscal year ended August 31, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were health and welfare and public safety.

¹⁶ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Heart of Texas Council of Governments

Heart of Texas Council of Governments	
Location	Waco, TX
Number of Counties	6
Population	349,273
Number of Positions on Salary Schedule	31
Executive Director's Salary Range	\$74,118 - \$122,294
Net Assets	\$2,016,817
Total Revenue	\$9,078,987
Total Expenditures	\$7,756,326
Total American Recovery and Reinvestment Act Funds Spent	\$1,143,120
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Heart of Texas Council of Governments submitted all statutorily required reports; however, its productivity and performance reports and salary schedule did not contain all of the components required by statute and the Texas Administrative Code.

The productivity and performance reports did not include (1) a comparison of planned performance to actual results and (2) an analysis of progress made toward achieving planned goals and objectives for certain programs. The salary schedule did not specify the salaries for positions exempt from the classification salary schedule.

This RPC received an unqualified opinion¹⁷ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were aging and transportation.

¹⁷ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Houston-Galveston Area Council of Governments

Houston-Galveston Area Council of Governments	
Location	Houston, TX
Number of Counties	13
Population	6,087,133
Number of Positions on Salary Schedule	Exempt from Reporting
Executive Director's Salary	Exempt from Reporting
Net Assets	\$11,653,460
Total Revenue	\$274,912,732
Total Expenditures	\$272,838,883
Total American Recovery and Reinvestment Act Funds Spent	\$20,190,964
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of December 31, 2009; report of disposed assets as of December 31, 2009; and salary schedule as of January 2011.	
Texas Local Government Code, Section 391.0117(f), exempts an RPC from the requirement to submit a salary schedule if the most populous county that is a member of the RPC 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 <i>County Employment and Wage Information Report</i> .	

The Houston-Galveston Area Council of Governments submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion¹⁸ on its financial statements for the fiscal year ended December 31, 2009. The audit report did not include any findings.

According to this RPC's audited financial statements for the fiscal year ended December 31, 2009, the two programs for which this RPC spent the largest amounts of funds were workforce programs and transportation.

¹⁸ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Lower Rio Grande Valley Development Council

Lower Rio Grande Valley Development Council	
Location	McAllen, TX
Number of Counties	3
Population	1,203,123
Number of Positions on Salary Schedule	122
Executive Director's Salary	\$146,770
Net Assets	\$3,112,729
Total Revenue	\$17,621,567
Total Expenditures	\$17,190,902
Total American Recovery and Reinvestment Act Funds Spent	\$1,041,598
Amount of Disposed Assets	Not Reported
Sources: Texas County Population Estimates, 2010; audited financial statements as of December 31, 2009; report of disposed assets as of December 31, 2009; and salary schedule as of January 2011.	

The Lower Rio Grande Valley Development Council submitted all applicable statutorily required reports¹⁹; however, its expense and indirect cost computation information did not contain all of the information required by the Texas Administrative Code. The expense and indirect cost computation information did not include a comparison of the actual indirect cost allocation and the proposed indirect cost allocation.

This RPC received an unqualified opinion²⁰ on its financial statements for the fiscal year ended December 31, 2009. The audit report did not include any findings.

According to this RPC's audited financial statements for the fiscal year ended December 31, 2009, the two programs for which this RPC spent the largest amounts of funds were aging and disability services and emergency communications.

¹⁹ In *A Review of Reports Submitted by Regional Planning Commissions* (State Auditor's Office Report No. 11-009, October 2010), the State Auditor's Office reported on the Lower Rio Grande Valley Development Council's compliance with reporting requirements for its productivity and performance reports and disposed assets report due to the State Auditor's Office by December 30, 2010.

²⁰ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Middle Rio Grande Development Council

Middle Rio Grande Development Council	
Location	Carrizo Springs, TX
Number of Counties	9
Population	167,010
Number of Positions on Salary Schedule	106
Executive Director's Salary	\$101,198
Net Assets	\$3,708,693
Total Revenue	\$18,573,814
Total Expenditures	\$18,383,847
Total American Recovery and Reinvestment Act Funds Spent	\$4,002,010
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of August 31, 2010; report of disposed assets as of August 31, 2010; and salary schedule as of September 2010.	

The Middle Rio Grande Development Council submitted all statutorily required reports; however, the expense and indirect cost computation information did not contain all the information required by statute and the Texas Administrative Code. The expense and indirect cost computation information did not include a comparison of the actual indirect cost allocation and the proposed indirect cost allocation.

This RPC received an unqualified opinion²¹ on its financial statements for the fiscal year ended August 31, 2010. However, its auditor identified two significant deficiencies in internal controls over compliance with major federal and state award programs related to subrecipient monitoring and cash management. The RPC's management responses indicated that management agreed with the findings and is taking corrective action.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were economic opportunity and public safety.

²¹ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Nortex Regional Planning Commission

Nortex Regional Planning Commission	
Location	Wichita Falls, TX
Number of Counties	11
Population	222,860
Number of Positions on Salary Schedule	29
Executive Director's Salary	\$97,973
Net Assets	\$380,477
Total Revenue	\$4,584,117
Total Expenditures	\$4,508,523
Total American Recovery and Reinvestment Act Funds Spent	\$2,260,400
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Nortex Regional Planning Commission submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion²² on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were aging and emergency communications.

²² An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

North Central Texas Council of Governments

North Central Texas Council of Governments	
Location	Arlington, TX
Number of Counties	16
Population	6,539,950
Number of Positions on Salary Schedule	Exempt from Reporting
Executive Director's Salary	Exempt from Reporting
Net Assets	\$33,011,666
Total Revenue	\$161,912,079
Total Expenditures	\$173,021,434
Total American Recovery and Reinvestment Act Funds Spent	\$19,868,728
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	
Texas Local Government Code, Section 391.0117(f), exempts an RPC from the requirements to submit a salary schedule if the most populous county that is a member of the RPC 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 <i>County Employment and Wage Information Report</i> .	

The North Central Texas Council of Governments submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion²³ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were transportation and workforce development.

²³ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Panhandle Regional Planning Commission

Panhandle Regional Planning Commission	
Location	Amarillo, TX
Number of Counties	26
Population	427,927
Number of Positions on Salary Schedule	45
Executive Director's Salary	\$115,902
Net Assets	\$7,153,488
Total Revenue	\$27,427,137
Total Expenditures	\$26,749,886
Total American Recovery and Reinvestment Act Funds Spent	\$3,595,742
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Panhandle Regional Planning Commission submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion²⁴ on its financial statements for the fiscal year ended September 30, 2010; however, its auditor identified one material weakness. The material weakness related to internal controls over the RPC's financial reporting regarding recognition of expenditures and related accounts payable in the proper accounting period. The RPC's management responses indicated that management agreed with the finding and is taking corrective action.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were workforce development and emergency communications.

²⁴ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Permian Basin Regional Planning Commission

Permian Basin Regional Planning Commission	
Location	Midland, TX
Number of Counties	17
Population	417,679
Number of Positions on Salary Schedule	85
Executive Director's Salary Range	\$52,000 - \$175,000
Net Assets	\$4,793,987
Total Revenue	\$10,284,518
Total Expenditures	\$9,264,591
Total American Recovery and Reinvestment Act Funds Spent	\$1,505,829
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The Permian Basin Regional Planning Commission submitted all statutorily required reports; however, the salary schedule it submitted did not contain all of the information required by statute and the Texas Administrative Code. The salary schedule did not specify the salaries for positions exempt from the classification salary schedule.

This RPC received an unqualified opinion²⁵ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were work force development and aging.

²⁵ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Rio Grande Council of Governments

Rio Grande Council of Governments	
Location	El Paso, TX
Number of Counties	7
Population	1,035,146 ^a
Number of Positions on Salary Schedule	40
Executive Director's Salary	\$89,095
Net Assets	\$833,806
Total Revenue	\$6,425,700
Total Expenditures	\$6,431,325
Total American Recovery and Reinvestment Act Funds Spent	\$344,784
Amount of Disposed Assets	\$0

^a Population includes Dona Ana County in New Mexico, which has a population of 209,233. Total population of the 6 Texas counties served by the Rio Grande Council of Governments is 825,913.

Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.

The Rio Grande Council of Governments submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion²⁶ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not contain any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were aging and emergency communications.

²⁶ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

South East Texas Regional Planning Commission

South East Texas Regional Planning Commission	
Location	Beaumont, TX
Number of Counties	3
Population	388,745
Number of Positions on Salary Schedule	97
Executive Director's Salary Range	\$115,000 - \$126,500
Net Assets	\$6,370,931
Total Revenue	\$39,838,251
Total Expenditures	\$37,528,454
Total American Recovery and Reinvestment Act Funds Spent	\$2,252,384
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The South East Texas Regional Planning Commission submitted all statutorily required reports; however, the salary schedule this RPC submitted did not contain all of the information required by statute and the Texas Administrative Code. The salary schedule did not specify the salaries for positions exempt from the classification salary schedule.

This RPC received an unqualified opinion²⁷ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not contain any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were community services and substance abuse.

²⁷ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

South Plains Association of Governments

South Plains Association of Governments	
Location	Lubbock, TX
Number of Counties	15
Population	411,659
Number of Positions on Salary Schedule	39.5
Executive Director's Salary	Not Reported
Net Assets	\$6,258,277
Total Revenue	\$8,461,499
Total Expenditures	\$7,627,319
Total American Recovery and Reinvestment Act Funds Spent	\$178,110
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The South Plains Association of Governments submitted all statutorily required reports; however, the salary schedule this RPC submitted did not contain all of the information required by statute and the Texas Administrative Code. The salary schedule did not specify the salaries for positions exempt from the classification salary schedule.

This RPC received an unqualified opinion²⁸ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were emergency management and aging.

²⁸ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

South Texas Development Council

South Texas Development Council	
Location	Laredo, TX
Number of Counties	4
Population	330,590
Number of Positions on Salary Schedule	33
Executive Director's Salary	\$153,317
Net Assets	\$1,211,820
Total Revenue	\$9,375,181
Total Expenditures	\$9,222,598
Total American Recovery and Reinvestment Act Funds Spent	\$749,521
Amount of Disposed Assets	No Assets Disposed
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The South Texas Development Council submitted all statutorily required reports; however, the productivity and performance reports this RPC submitted did not contain all of the information required by the Texas Administrative Code. Its productivity and performance reports did not contain an analysis of progress made toward achieving planned goals.

This RPC received an unqualified opinion²⁹ on its financial statements for the fiscal year ended September 30, 2010. The audit report did not contain any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were HIV intervention and prevention and aging.

²⁹ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Texoma Council of Governments

Texoma Council of Governments	
Location	Sherman, TX
Number of Counties	3
Population	193,229
Number of Positions on Salary Schedule	82
Executive Director's Salary	\$88,434
Net Assets	\$2,476,788
Total Revenue	\$14,815,226
Total Expenditures	\$14,114,840
Total American Recovery and Reinvestment Act Funds Spent	\$2,196,019
Amount of Disposed Assets	Not Reported
Sources: Texas County Population Estimates, 2010; audited financial statements as of April 30, 2010; report of disposed assets as of April 30, 2010; and salary schedule as of May 2011.	

The Texoma Council of Governments submitted all statutorily required reports; however, the disposed assets report this RPC submitted did not contain all of the information required by the Texas Administrative Code. The disposed assets report did not include all required information for (1) disposition date and (2) final disposition price.

This RPC received an unqualified opinion³⁰ on its financial statements for the fiscal year ended April 30, 2010; however, its auditor identified one material weakness and two significant deficiencies related to internal controls over financial reporting. The material weakness, which was an unresolved issue from the prior year, related to the design of the RPC's general ledger not matching the format the RPC used for financial statement reporting. The two significant deficiencies, which were also unresolved issues from the prior year, related to limited segregation of duties in the accounting system and the RPC not preparing its financial statements or controlling the year-end

reporting process. In addition, the audit report included one finding related to non-compliance with federal matching/cost-sharing requirements. The RPC's management responses indicated that management agreed with the findings and is taking corrective action.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were housing and client services and community and economic development.

³⁰ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

West Central Texas Council of Governments

West Central Texas Council of Governments	
Location	Abilene, TX
Number of Counties	19
Population	327,390
Number of Positions on Salary Schedule	109
Executive Director's Salary	\$99,784
Net Assets	\$1,874,483
Total Revenue	\$13,715,352
Total Expenditures	\$13,112,196
Total American Recovery and Reinvestment Act Funds Spent	\$507,313
Amount of Disposed Assets	\$0
Sources: Texas County Population Estimates, 2010; audited financial statements as of September 30, 2010; report of disposed assets as of September 30, 2010; and salary schedule as of October 2010.	

The West Central Texas Council of Governments submitted all statutorily required reports, and the specific information in those reports met statutory requirements and supplemental requirements in the Texas Administrative Code.

This RPC received an unqualified opinion³¹ on its annual financial statements for the fiscal year ended September 30, 2010. The audit report did not include any findings.

According to this RPC's most recent audited financial statements, the two programs for which this RPC spent the largest amounts of funds were its employer of record services and aging services.

³¹ An unqualified opinion indicates that the financial statements were presented fairly in all material respects.

Appendices

Appendix 1

Objectives, Scope, and Methodology

Objectives

The objectives of this summary were to:

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

Scope

The scope of this summary covered reports due to the State Auditor's Office between July 1, 2010, and June 30, 2011.

Methodology

The methodology included determining whether the 24 RPCs recognized by the Office of the Governor submitted statutorily required information due to the State Auditor's Office between July 1, 2010, and June 30, 2011. Auditors did not verify the accuracy of that information. Auditors also compiled information the RPCs submitted, such as the results of financial statement audits and information from productivity and performance reports.

This project was a non-audit service; therefore, the information in this report was not subjected to all 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.

Information collected and reviewed included the following:

- Audited financial statements.
- Salary schedules.
- Disposed assets reports.
- Productivity and performance reports.

Procedures and tests conducted included the following:

- Verifying whether RPCs submitted information required by statute and the Texas Administrative Code that was due between July 1, 2010, and June 30, 2011.
- Determining whether the information RPCs submitted included all of the components required by statute and the Texas Administrative Code.
- Compiling certain information the RPCs submitted, such as results from audited financial statements and information from productivity and performance reports.

Criteria used included the following:

- Texas Local Government Code, Chapter 391.
- Title 1, Texas Administrative Code, Sections 3.9410, 3.9420, and 3.9430.

Project Information

Fieldwork was conducted from June 2011 through August 2011. This project was a non-audit service; therefore, the information in this report was not subjected to all 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 this non-audit service:

- Jennifer R. Robinson, MBA (Project Manager)
- Erin J. Cromleigh, CGAP
- Rachel Goldman
- Michael C. Apperley, CPA (Quality Control Reviewer)
- James Timberlake, CIA (Audit Manager)

Texas Administrative Code Requirements for Regional Planning Commissions

The following excerpts from Title 1, Texas Administrative Code, Chapter 3, set forth the components of the information that regional planning commissions (also referred to as councils of governments or COGs) are required to submit.

Section 3.9410 – Financial Audit Requirements

(a) Not later than nine months after the close of each COG's fiscal year, each COG shall submit a completed financial audit prepared by a certified public accountant, 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 and the provisions of OMB Circular A-133 and the State Single Audit Circular, when applicable, to CJD³², the State Auditor, the Comptroller of Public Accounts, and the Legislative Budget Board, and shall make the financial audit available to each member of the Legislature.

(c) The annual financial audit shall include the following:

- (1) the amount and source of funds received by the COG;
- (2) the amount and source of funds expended by the COG;
- (3) an explanation of any method used by the COG to compute an expense of the COG, including computation of any indirect costs of the COG; and
- (4) a statement of indirect costs which compares actual indirect cost allocations with the proposed indirect cost allocation plan used to establish an indirect cost rate.

(d) Audit costs are allowable costs as identified in UGMS³³ and are allocable to the various programs administered by a COG.

(e) The annual financial audit shall be paid for from the funds of the COG.

Section 3.9420 – Salary Schedules

(a) For each fiscal year, each COG shall publish a salary schedule containing a classification salary schedule for classified positions, and identifying and specifying the salaries for positions exempt from the classification salary schedule.

(b) The salary schedule adopted by the COG may not exceed, for classified positions, the state salary schedule for classified positions as prescribed by the

³² CJD stands for the Criminal Justice Division of the Office of the Governor or its designee.

³³ UGMS stands for the Uniform Grant Management Standards, promulgated by the Office of the Governor.

general appropriations act adopted by the most recent legislature. A COG may adopt a salary schedule that is equal to or less than the state salary schedule.

(c) A position may only be exempted from the classification salary schedule adopted by the COG if the exemption and the salary paid for the exempt position is within the range prescribed by the general appropriations act.

(d) Wage and salary comparability will be determined from the state position classification plan, positions exempt from the state position classification plan, the State Auditor's biennial reports on state classification and pay, and the State Auditor's reports on benefits as a percentage of salary, as well as the U.S. Department of Labor's Employment Cost index and other appropriate sources, including documentation provided by the COG.

(e) Not later than the 45th day before the date of the beginning of each COG's fiscal year, each COG shall submit its salary schedule, as approved by its governing body, including the salaries of all exempt positions, to the State Auditor and shall make its salary schedule available to each member of the Legislature.

(f) If the State Auditor, subject to the Legislative Audit Committee's approval for inclusion in the audit plan under §321.013, Government Code, has recommendations to improve a COG's salary schedule or a portion thereof, the State Auditor shall report the recommendations to CJD.

(g) CJD may not allow the portion of the schedule for which the State Auditor has recommendations to go into effect until revisions or explanations are received from a COG that are satisfactory to CJD and support the recommendations from the State Auditor.

(h) This section does not apply to a COG if the most populous county that is a member of the COG has an actual average weekly wage that exceeds the state actual average weekly wage by 20% or more for the previous year as determined by the Texas Workforce Commission in its County Employment and Wage Information Report.

(1) A COG exempted from the salary provisions by this subsection shall annually file an exemption notice with the State Auditor.

(2) The exemption notice shall contain supporting information from the Texas Work Force Commission's County Employment and Wage Information Report for the applicable period.

Section 3.9430 – Reports

Not later than the last business day of the month of December of each year, each COG shall submit the following to CJD, the State Auditor, the Comptroller of Public Accounts, and the Legislative Budget Board, in a format prescribed by CJD:

- (1) a report of the COG's productivity and performance during the most recently completed fiscal year, which shall include:
 - (A) the outcomes of the program's activities at the most detailed level reported to each sponsoring agency, including:
 - (i) any program output measures the COG is required to report to an entity sponsoring the program; and
 - (ii) any outcome measures the COG is required to report to an entity sponsoring the program;
 - (B) a comparison of planned performance and actual results; and
 - (C) an analysis of progress made toward achieving planned goals and objectives;

- (2) a projection of the COG's productivity and performance during the next fiscal year based upon the COG's specified goals, objectives, and performance measures for the next fiscal year;

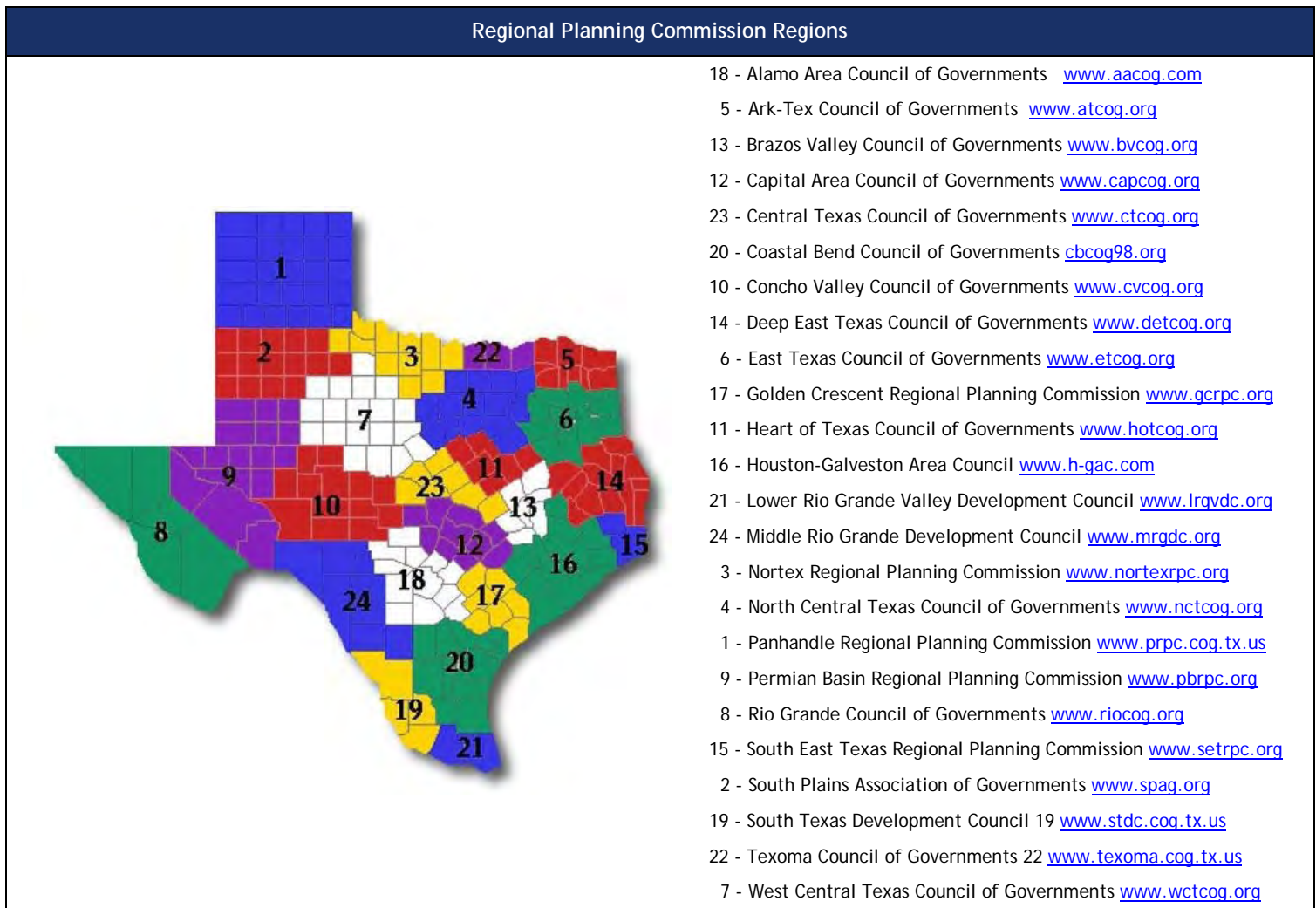
- (3) a report of any assets disposed of by the COG, which shall include the following:
 - (A) an itemized list describing each disposed asset;
 - (B) the acquisition date of each disposed asset;
 - (C) the purchase price of each disposed asset;
 - (D) the reason for disposing of each asset;
 - (E) the disposition date of each disposed asset; and
 - (F) the final disposition price for each disposed asset;

- (4) a complete annual financial statement, which shall include a list of receipts and expenditures by accounts.

Map of Regional Planning Commission Regions

Regional planning commissions provide services to areas ranging from 3 counties (the Lower Rio Grande Valley Development Council, the South East Texas Regional Planning Commission, and the Texoma Council of Governments) to 26 counties (the Panhandle Regional Planning Commission). Figure 1 presents a map of the regional planning commissions and the Texas counties to which they provide services.

Figure 1



Source: The Texas Association of Regional Councils' Web site at http://www.txregionalcouncil.org/display.php?page=regions_map.php.

Financial and Population Information Regarding Regional Planning Commissions

Regional planning commissions provide services to more than 25 million people. The North Central Texas Council of Governments provides services to the highest number of people (6,539,950), while the Concho Valley Council of Governments provides services to the fewest number of people (154,192).

Table 2 lists each regional planning commission's total revenue from all sources, total expenditures, total American Recovery and Reinvestment Act (ARRA) funds expended, and population.

Table 2

Financial and Population Information Regarding Regional Planning Commissions					
Regional Planning Commission	Fiscal Year End	Total Revenue from All Sources	Total Expenditures	ARRA Funds Expended	Population
Alamo Area Council of Governments	December 31, 2009	\$37,381,544	\$36,456,962	\$3,006,550	2,249,011
Ark-Tex Council of Governments	September 30, 2010	17,522,898	16,487,270	1,776,009	325,409 ^a
Brazos Valley Council of Governments	September 30, 2010	33,886,043	34,385,282	1,916,951	319,447
Capital Area Council of Governments	September 30, 2010	22,952,919	20,601,793	311,744	1,830,003
Central Texas Council of Governments	June 30, 2010	43,093,187	44,153,452	4,655,423	449,641
Coastal Bend Council of Governments	December 31, 2009	5,833,039	6,159,651	12,483	571,987
Concho Valley Council of Governments	September 30, 2010	12,930,576	12,910,320	530,590	154,192
Deep East Texas Council of Governments	September 30, 2010	28,238,631	28,940,519	101,278	378,477
East Texas Council of Governments	September 30, 2010	46,821,967	47,311,564	6,218,719	829,749
Golden Crescent Regional Planning Commission	August 31, 2010	9,636,797	8,075,924	718,751	188,626
Heart of Texas Council of Governments	September 30, 2010	9,078,987	7,756,326	1,143,120	349,273
Houston-Galveston Area Council of Governments	December 31, 2009	274,912,732	272,838,883	20,190,964	6,087,133
Lower Rio Grande Valley Development Council	December 31, 2009	17,621,567	17,190,902	1,041,598	1,203,123
Middle Rio Grande Development Council	August 31, 2010	18,573,814	18,383,847	4,002,010	167,010
Nortex Regional Planning Commission	September 30, 2010	4,584,117	4,508,523	2,260,400	222,860

Financial and Population Information Regarding Regional Planning Commissions

Regional Planning Commission	Fiscal Year End	Total Revenue from All Sources	Total Expenditures	ARRA Funds Expended	Population
North Central Texas Council of Governments	September 30, 2010	161,912,079	173,021,434	19,868,728	6,539,950
Panhandle Regional Planning Commission	September 30, 2010	27,427,137	26,749,886	3,595,742	427,927
Permian Basin Regional Planning Commission	September 30, 2010	10,284,518	9,264,591	1,505,829	417,679
Rio Grande Council of Governments	September 30, 2010	6,425,700	6,431,325	344,784	1,035,146 ^b
South East Texas Regional Planning Commission	September 30, 2010	39,838,251	37,528,454	2,252,384	388,745
South Plains Association of Governments	September 30, 2010	8,461,499	7,627,319	178,110	411,659
South Texas Development Council	September 30, 2010	9,375,181	9,222,598	749,521	330,590
Texoma Council of Governments	April 30, 2010	14,815,226	14,114,840	2,196,019	193,229
West Central Texas Council of Governments	September 30, 2010	13,715,352	13,112,196	507,313	327,390
Totals		\$875,323,761	\$873,233,861	\$79,085,020	25,398,256

^a Population includes Miller County in Arkansas, which has a population of 43,462. The total population of the 9 Texas counties served by the Ark-Tex Council of Governments is 281,947.

^b Population includes Dona Ana County in New Mexico, which has a population of 209,233. The total population of the 6 Texas counties served by the Rio Grande Council of Governments is 825,913.

Sources: Texas County Population Estimates, 2010; and most recent audited financial statements submitted by the regional planning commissions.

Information Regarding Regional Planning Commissions' Major Programs

This appendix presents general descriptions of some of the major programs that regional planning commissions (RPCs) provide. Auditors used various reports that RPCs provided to compile these descriptions.

Area Agency on Aging Program (categorized as Health and Welfare for some RPCs)

This program provides various services for persons who are 60 years of age or older. Services typically include transportation, meals, and benefits counseling.

Disaster Recovery Programs

These programs provide services to citizens in the aftermath of a natural disaster. Services include housing and weatherization repairs, with a focus on senior citizens and special needs populations.

Emergency Communications 9-1-1 and Public Safety Programs

These programs include maintaining, testing, and enhancing 9-1-1 systems throughout each RPC's respective region.

Head Start Program

This program provides services to children and families, including preparing children for kindergarten and encouraging parental involvement in their children's activities.

Health and Welfare Programs

Expenditures for health and welfare programs typically relate to other RPC programs. For example, for the Alamo Area Council of Governments, health and welfare program expenditures are related to the Alamo Local Authority for Intellectual and Developmental Disabilities (formerly the Bexar Mental Retardation Authority), which provides services such as employment assistance and specialized therapies to eligible children and adults with intellectual and developmental disabilities.

HIV Intervention and Prevention Program

This program provides a variety of services and opportunities for people and families affected by HIV/AIDS.

Housing and Urban Development, Community Services/Affordable Housing, and Health and Human Services Programs

These programs provide services including assistance to low-income residents to obtain decent, safe, and sanitary housing. These programs also may assist low-income residents by providing repairs to increase energy efficiency and use of Energy Star appliances.

Substance Abuse Program

This program provides a variety of services that address alcoholism and other drug addictions. Those services include (1) outreach and education to high-risk youths and the community and (2) assistance in providing screening, referral, and placement services.

Transportation Program

This program provides services such as non-emergency transportation for eligible clients, such as senior citizens, and promotes ideas that balance transportation needs with land use and environmental issues.

Work Force Development, Economic Opportunity, and Employer of Record Programs

These programs typically provide services such as (1) job placement assistance, (2) training, and (3) subsidized or free child care to qualified workers. Other services may include assistance to employers in locating and hiring qualified employees and providing payroll services.

Related State Auditor's Office Work

Related State Auditor's Office Work		
Number	Product Name	Release Date
11-009	A Review of Reports Submitted by Regional Planning Commissions	October 2010
10-038	An Audit Report on the East Texas Council of Governments' Procurement of Services for Selected Programs	August 2010

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The Honorable Rick Perry, Governor

Board Chairs and Executive Directors of the Following Regional Planning Commissions

Alamo Area Council of Governments
Ark-Tex Council of Governments
Brazos Valley Council of Governments
Capital Area Council of Governments
Central Texas Council of Governments
Coastal Bend Council of Governments
Concho Valley Council of Governments
Deep East Texas Council of Governments
East Texas Council of Governments
Golden Crescent Regional Planning Commission
Heart of Texas Council of Governments
Houston-Galveston Area Council of Governments
Lower Rio Grande Valley Development Council
Middle Rio Grande Development Council
Nortex Regional Planning Commission
North Central Texas Council of Governments
Panhandle Regional Planning Commission
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South East Texas Regional Planning Commission
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South Texas Development Council
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