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State Auditor

A Summary of
**Financial and Performance Reports
Submitted by Regional Planning
Commissions**

March 2022
Report No. 22-025



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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 financial reports for fiscal year 2020, the 24 RPCs received a combined \$1,024,239,244 in revenue. Overall, they spent the largest amounts of funds on workforce development, transportation, and aging services.

The 24 RPCs' audited annual financial reports contained all the elements required by Texas Local Government Code, Chapter 391. External certified public accountants issued unmodified opinions¹ on those financial statements.

However, 2 (8 percent) of the 24 RPCs submitted salary schedules to the State Auditor's Office after the statutorily required due dates. Those RPCs were Coastal Bend Council of Governments and Nortex Regional Planning Commission. In addition, 2 (8 percent) of the 24 RPCs 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 RPC, the RPC submitted a revised salary schedule with positions for which salaries or salary ranges were less than or equal to the maximum salaries authorized by statute. Those RPCs were the Houston-Galveston Area Council and the West Central Texas Council of Governments.

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.

¹An 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, 2020, and December 15, 2021.

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

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 the RPCs' audited annual financial reports contained the elements required by Texas Local Government Code, Chapter 391. According to the most recent audited annual financial reports for fiscal year 2020, the 24 RPCs received \$1,024,239,244 in total revenues.

However, 2 (8 percent) of the 24 RPCs submitted salary schedules to the State Auditor's Office after the statutorily required due dates.

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, 2020, and December 15, 2021.

Audited Annual Financial Reports

All 24 RPCs submitted their audited annual financial reports. External certified public accountants (CPAs) issued unmodified opinions on the financial statements contained in these reports.

In the audited annual financial reports produced by 4 (17 percent) of the 24 RPCs, the CPAs identified a significant deficiency. Those four RPCs were:

- Alamo Area Council of Governments (see Chapter 1-A).
- Middle Rio Grande Development Council (see Chapter 1-N).
- Permian Basin Regional Planning Commission (see Chapter 1-R).
- Texoma Council of Governments (see Chapter 1-W).

Salary Schedules

All 24 RPCs submitted salary schedules to the State Auditor's Office; 22 (92 percent) were submitted within the required time periods. Two (8 percent) of the RPCs submitted their salary schedules after the statutorily required due dates. Texas Local Government Code, Section 391.0117(e), 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 two RPCs that did not submit salary schedules by the statutorily required due dates were:

- Coastal Bend Council of Governments (see Chapter 1-F).
- Nortex Regional Planning Commission (see Chapter 1-O).

In addition, 22 (92 percent) of the 24 RPCs submitted salary schedules with positions for which salaries or salary ranges were less than or equal to maximum salaries authorized by statute. Two (8 percent) of the 24 RPCs—the Houston-Galveston Area Council and West Central Texas Council of Governments—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 two RPCs about the errors, the RPCs submitted revised salary schedules that were in accordance with Texas Local Government Code, Section 391.0117. (See Chapters 1-A through 1-X for more information about each RPC's compliance with that requirement.)

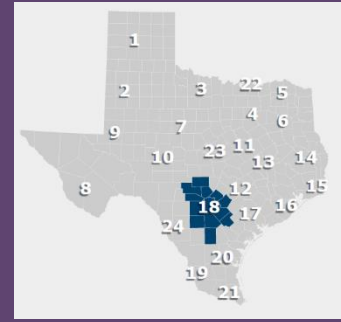
The North Central Texas Council of Governments elected to use salary ranges as prescribed by the 87th Regular Legislative Session, Article IX, Section 17.45. It indicated it used the *2020 Consumer Price Index for All Urban Consumers: All Items in U.S. City Average* in conjunction with its FY2021 Salary Schedule to adjust for inflation and calculate its FY2022 salary ranges (see Chapter 1-P 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 development.
- Transportation.
- Aging services.
- Housing and urban development.
- Health and human services.
- Emergency communications.
- Economic opportunity.

Alamo Area Council of Governments



Location	San Antonio, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	13	\$14,132,554	\$55,893,941	\$54,559,426
Population	2,671,161	Largest Funded Programs		
Number of Positions on Salary Schedule	135 ^a	<i>Aging Services</i>		\$25,931,144
Executive Director's Salary Range	\$175,279–\$245,154 ^b	<i>Health and Welfare Services</i>		\$13,265,591

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

Sources: U.S. Census Bureau 2020 population totals and the Alamo Area Council of Governments' audited annual financial report as of the RPC's fiscal year end date of December 31, 2020, and salary schedule for 2022.

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

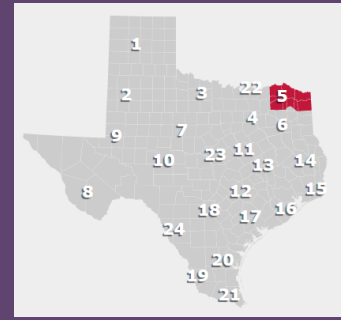
Salary Schedule. The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391. However, the independent audit identified four findings classified as a *significant deficiencies*². Those findings were related to:

1. Accounting Segregation of Duties.
2. General Ledger reconciliation.
3. Timely Financial Statement Close.
4. Schedule of Expenditures of Federal and State Awards Preparation.

² 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.

Ark-Texas Council of Governments



Location	Texarkana, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	10 ^a	\$7,908,745	\$17,517,997	\$16,712,149
Population	321,218	Largest Funded Programs		
Number of Positions on Salary Schedule	114 ^b	<i>Housing and Urban Development</i>		\$7,519,221
Executive Director's Salary	\$129,224	<i>Transportation Services</i>		\$4,007,952

^a Number of counties and population include Miller County in Arkansas, which has a population of 42,600.

^b The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

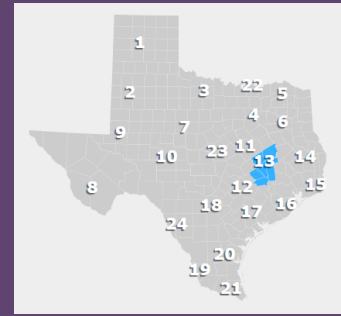
Sources: U.S. Census Bureau 2020 population totals and the Ark-Tex Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Brazos Valley Council of Governments



Location	Bryan, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	7	\$22,957,213	\$48,930,494	\$44,464,903
Population	362,495	Largest Funded Programs		
Number of Positions on Salary Schedule	197 ^a	<i>Workforce Development</i>		\$15,623,611
Executive Director's Salary	\$175,011	<i>Housing and Urban Development</i>		\$13,190,981

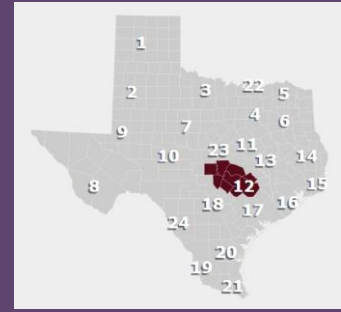
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Brazos Valley Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Capital Area Council of Governments



Location	Austin, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	10	\$35,413,360	\$28,012,971	\$25,340,092
Population	2,407,031	Largest Funded Programs		
Number of Positions on Salary Schedule	71 ^a	<i>Emergency Communications</i>		\$12,301,667
Executive Director's Salary Range	\$171,860	<i>Aging Services</i>		\$10,475,259

^a 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 2020 population totals and the Capital Area Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Central Texas Council of Governments



Location	Belton, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	7	\$4,717,952	\$51,404,594	\$51,421,290
Population	518,529	Largest Funded Programs		
Number of Positions on Salary Schedule	114 ^a	<i>Health and Human Services</i>		\$18,655,680
Executive Director's Salary	\$247,824	<i>Housing and Urban Development</i>		\$15,384,587

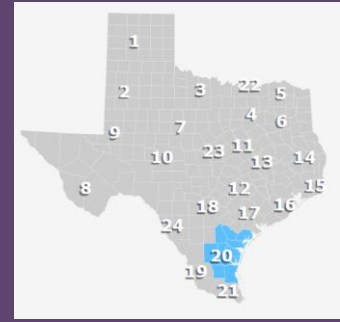
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Central Texas Council of Governments' audited annual financial report as of June 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended June 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Coastal Bend Council of Governments



Location	Corpus Christi, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	11	\$1,084,617	\$7,663,112	\$7,791,143
Population	582,074	Largest Funded Programs		
Number of Positions on Salary Schedule	34 ^a	<i>Health and Welfare Services</i>		\$4,848,384
Executive Director's Salary	\$145,787	<i>Emergency Communications</i>		\$2,147,739

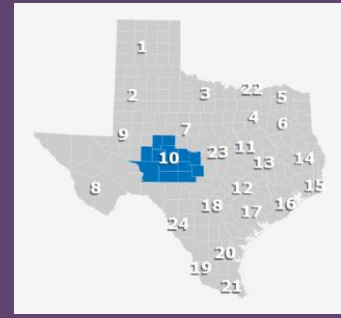
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Coastal Bend Council of Governments' audited annual financial report as of December 31, 2020, and salary schedule for 2022.

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

Salary Schedule. 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 November 17, 2021; however, the RPC submitted its salary schedule on January 11, 2022.

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Concho Valley Council of Governments



Location	San Angelo, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	13	\$10,642,917	\$21,445,320	\$18,390,966
Population	159,613	Largest Funded Programs		
Number of Positions on Salary Schedule	285 ^a	<i>Family and Children Services</i>		\$8,059,689
Executive Director's Salary Range	\$70,000–\$199,300 ^b	<i>Transportation Services</i>		\$5,482,713

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

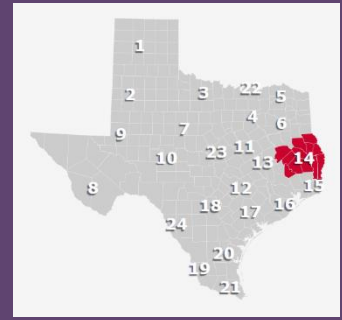
Sources: U.S. Census Bureau 2020 population totals and the Concho Valley Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Deep East Texas Council of Governments



Location	Lufkin, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	12	\$2,374,900	\$20,138,167	\$20,424,580
Population	371,070	Largest Funded Programs		
Number of Positions on Salary Schedule	58 ^a		<i>Housing</i>	\$11,945,711
Executive Director's Salary	\$169,992		<i>Emergency Services</i>	\$2,910,286

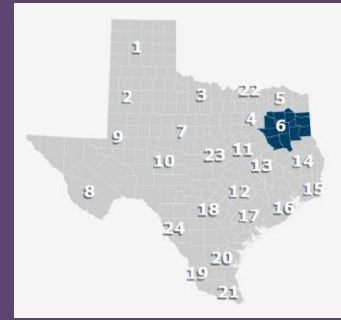
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Deep East Texas Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

East Texas Council of Governments



Location	Kilgore, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	14	\$6,144,908	\$50,629,427	\$49,831,731
Population	871,375	Largest Funded Programs		
Number of Positions on Salary Schedule	172 ^a	<i>Workforce Development</i>		\$36,814,572
Executive Director's Salary	\$175,446	<i>Transportation Services</i>		\$5,069,520

^a 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 2020 population totals and the East Texas Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Golden Crescent Regional Planning Commission



Location	Victoria, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	7	\$6,003,938	\$10,246,756	\$8,792,420
Population	193,239	Largest Funded Programs		
Number of Positions on Salary Schedule	44 ^a	<i>Health and Welfare Services</i>		\$7,561,244
Executive Director's Salary	\$123,600	<i>Public Safety</i>		\$895,915

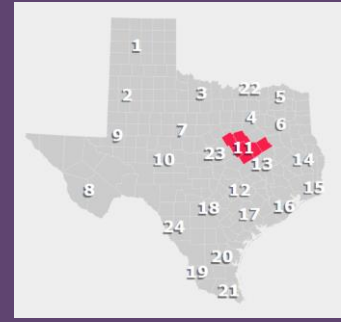
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Golden Crescent Regional Planning Commission's audited annual financial report as of August 31, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended August 31, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Heart of Texas Council of Governments



Location	Waco, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	6	\$2,240,615	\$8,269,001	\$7,549,588
Population	373,237	Largest Funded Programs		
Number of Positions on Salary Schedule	28 ^a		<i>Aging Services</i>	\$3,458,930
Executive Director's Salary Range	\$83,991-\$142,052 ^b		<i>Transportation Services</i>	\$1,646,543

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

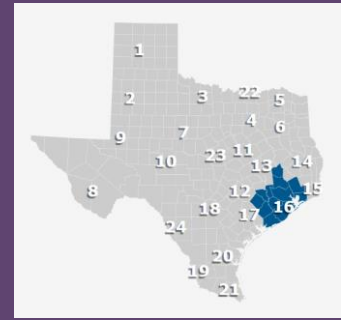
Sources: U.S. Census Bureau 2020 population totals and the Heart of Texas Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Houston-Galveston Area Council



Location	Houston, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	13	\$36,062,620	\$391,967,021	\$390,273,485
Population	7,297,022	Largest Funded Programs		
Number of Positions on Salary Schedule	100 ^a	<i>Workforce Programs</i>		\$343,589,322
Executive Director's Salary Range	\$162,000–\$261,068 ^b	<i>Transportation Services</i>		\$22,158,714

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

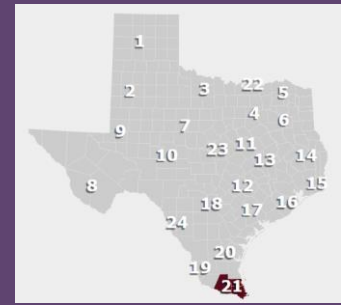
Sources: U.S. Census Bureau 2020 population totals and the Houston-Galveston Area Council's audited annual financial report as of December 31, 2020, and salary schedule for 2022.

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

Salary Schedule. This RPC's salary schedule had positions with salaries that exceeded the salary range 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 salary ranges in the state classification salary schedule.

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Lower Rio Grande Valley Development Council



Location	Weslaco, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	3	\$16,682,701	\$28,236,444	\$26,321,755
Population	1,311,962	Largest Funded Programs		
Number of Positions on Salary Schedule	180 ^a	<i>Health and Human Services</i>		\$7,522,359
Executive Director's Salary Range	\$124,832–\$175,100 ^b	<i>Transportation Services</i>		\$6,156,423

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

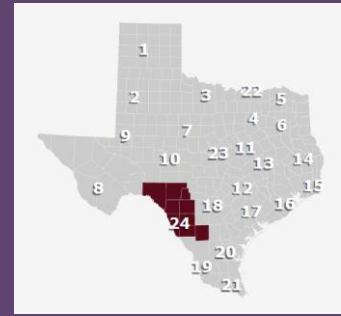
Sources: U.S. Census Bureau 2020 population totals and the Lower Rio Grande Valley Development Council's audited annual financial report as of December 31, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended December 31, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Middle Rio Grande Development Council



Location	Carrizo Springs, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	9	-\$1,202,460	\$15,193,286	\$15,467,028
Population	162,295	Largest Funded Programs		
Number of Positions on Salary Schedule	82 ^a	<i>Economic Opportunity</i>		\$10,555,339
Executive Director's Salary	\$120,000	<i>Health and Welfare Services</i>		\$2,315,580

^a 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 2020 population totals and the Middle Rio Grande Development Council's audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

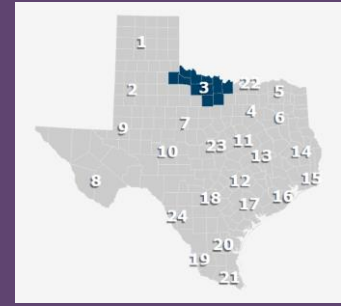
Salary Schedule. The salaries on this RPC's salary schedule did not exceed the maximum salaries in the state classification salary schedule.

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391. However, the independent audit identified two findings classified as *significant deficiencies*³. Those findings were related to:

1. Timely General Ledger Reconciliation.
2. Federal and State Award Findings and Questioned Costs: Sub-Receipt Monitoring.

³ 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.

Nortex Regional Planning Commission



Location	Wichita Falls, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	11	\$530,302	\$4,702,646	\$4,707,332
Population	216,808	Largest Funded Programs		
Number of Positions on Salary Schedule	31 ^a		<i>Aging Services</i>	\$2,100,570
Executive Director's Salary	\$127,783		<i>Emergency Services</i>	\$785,433

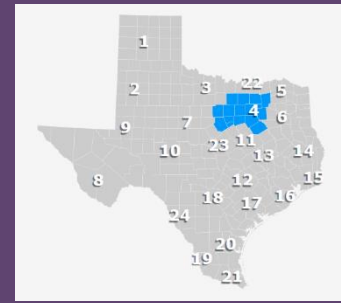
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Nortex Regional Planning Commission's audited annual financial report as of September 30, 2020, and salary schedule for 2022.

The Nortex Regional Planning Commission submitted all statutorily required reports.

Salary Schedule. 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, 2021; however, the RPC submitted its salary schedule on September 24, 2021.

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

North Central Texas Council of Governments



Location	Arlington, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	16	\$17,223,312	\$159,352,502	\$158,268,765
Population	7,831,768	Largest Funded Programs		
Number of Positions on Salary Schedule	214 ^a	<i>Workforce Development</i>		\$84,339,773
Executive Director's Salary Range	\$183,608–\$293,770 ^b	<i>Transportation Services</i>		\$40,638,495

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

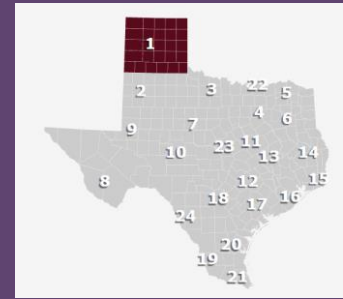
Sources: U.S. Census Bureau 2020 population totals and the North Central Texas Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

Salary Schedule. The RPC elected to use salary ranges as prescribed by the General Appropriations Act (87th Regular Legislative Session, Article IX, Section 17.45). It indicated it used the *2020 Consumer Price Index for All Urban Consumers: All Items in U.S. City Average* in conjunction with its FY2021 Salary Schedule to adjust for inflation and calculate its FY2022 salary ranges.

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Panhandle Regional Planning Commission



Location	Amarillo, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	26	\$6,277,762	\$29,589,521	\$29,194,972
Population	434,358	Largest Funded Programs		
Number of Positions on Salary Schedule	47 ^a	<i>Workforce Development</i>		\$20,643,600
Executive Director's Salary	\$136,580	<i>Aging Services</i>		\$3,810,117

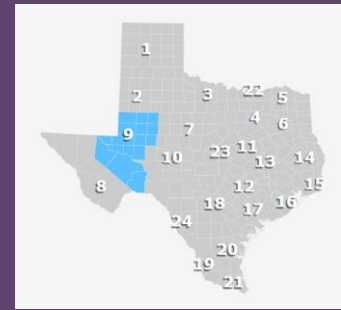
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the Panhandle Regional Planning Commission's audited annual financial report as of September 30, 2020, and salary schedule for 2022.

The Panhandle Regional Planning Commission submitted all statutorily required reports.

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Permian Basin Regional Planning Commission



Location	Midland, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	17	\$783,721	\$6,198,802	\$5,786,793
Population	487,845	Largest Funded Programs		
Number of Positions on Salary Schedule	23 ^a		<i>Aging Services</i>	\$2,417,479
Executive Director's Salary Range	\$106,500–\$171,688 ^b		<i>Emergency Communication</i>	\$2,056,763

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

Sources: U.S. Census Bureau 2020 population totals and the Permian Basin Regional Planning Commission's audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391. However, the independent audit identified one finding classified as a *significant deficiency*⁴ related to segregation of duties.

⁴ 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.

Rio Grande Council of Governments



Location	El Paso, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	7 ^a	\$1,190,753	\$8,864,438	\$8,610,639
Population	1,108,281	Largest Funded Programs		
Number of Positions on Salary Schedule	41 ^b		<i>Aging Services</i>	\$6,663,026
Executive Director's Salary	\$101,053		<i>Emergency Communication</i>	\$781,537

^a Number of counties and population include Doña Ana County in New Mexico, which has a population of 219,561.

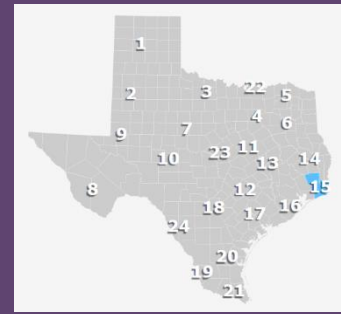
^b The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.
Sources: U.S. Census Bureau 2020 population totals and the Rio Grande Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

South East Texas Regional Planning Commission



Location	Beaumont, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	3	\$7,961,852	\$12,552,444	\$12,395,354
Population	397,565	Largest Funded Programs		
Number of Positions on Salary Schedule	66 ^a	<i>Emergency Communications</i>		\$2,868,048
Executive Director's Salary Range	\$106,500–\$171,688 ^b	<i>Aging Services</i>		\$2,599,860

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

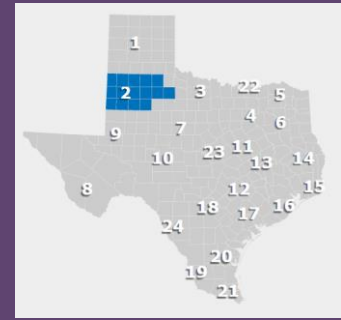
Sources: U.S. Census Bureau 2020 population totals and the South East Texas Regional Planning Commission's audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

South Plains Association of Governments



Location	Lubbock, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	15	\$9,082,850	\$7,676,252	\$5,657,739
Population	431,764	Largest Funded Programs		
Number of Positions on Salary Schedule	39.5 ^a		<i>Aging Services</i>	\$2,295,532
Executive Director's Salary	\$144,895		<i>Emergency Communications</i>	\$1,297,499

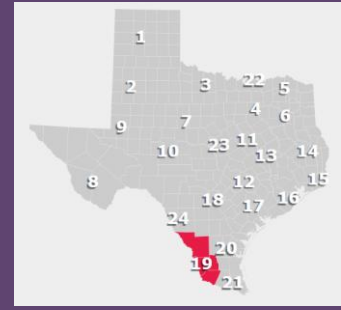
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the South Plains Association of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

South Texas Development Council



Location	Laredo, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	4	\$759,166	\$9,654,619	\$9,430,808
Population	351,761	Largest Funded Programs		
Number of Positions on Salary Schedule	37 ^a	<i>HIV Intervention and Prevention</i>		\$4,944,777
Executive Director's Salary	\$122,352	<i>Aging Services</i>		\$2,454,127

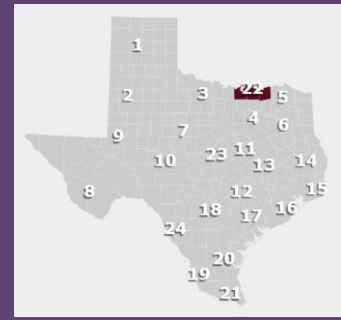
^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC. Sources: U.S. Census Bureau 2020 population totals and the South Texas Development Council's audited annual financial report as of September 30, 2020, and salary schedule for 2022.

The South Texas Development Council submitted all statutorily required reports.

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Texoma Council of Governments



Location	Sherman, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	3	\$2,841,986	\$14,863,433	\$14,731,109
Population	212,873	Largest Funded Programs		
Number of Positions on Salary Schedule	49 ^a	<i>Housing and Urban Development</i>		\$9,822,515
Executive Director's Salary Range	\$114,660	<i>Aging Services</i>		\$2,692,660

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

Sources: U.S. Census Bureau 2020 population totals and the Texoma Council of Governments' audited annual financial report as of April 30, 2020, and salary schedule for 2022.

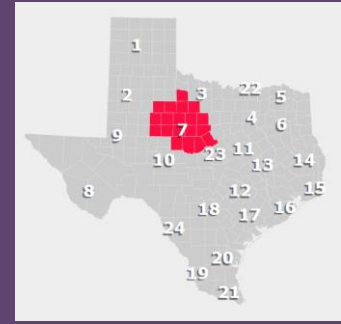
The Texoma Council of Governments submitted all statutorily required reports.

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended April 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391. However, the independent audit identified one finding classified as a *significant deficiency*⁵ related to a material misstated account in the general ledger.

⁵ 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.

West Central Texas Council of Governments



Location	Abilene, TX	Net Position	Total Revenue	Total Expenditures
# of Counties	19	-\$3,235,169	\$15,236,056	\$15,220,933
Population	332,322	Largest Funded Programs		
Number of Positions on Salary Schedule	70 ^a	<i>Employer of Record Services</i>		\$4,993,109
Executive Director's Salary Range	\$90,177-154,500 ^b	<i>Emergency Communications</i>		\$2,913,406

^a The number of positions on the salary schedule reported for this RPC may not represent the total number of employees at this RPC.

^b The salary schedule for this RPC contained only a salary range.

Sources: U.S. Census Bureau 2020 population totals and the West Central Texas Council of Governments' audited annual financial report as of September 30, 2020, and salary schedule for 2022.

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

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

Annual Financial Report. The RPC received an unmodified opinion on its financial statements for the fiscal year ended September 30, 2020. This RPC's audited annual financial report contained all the elements required by Texas Local Government Code, Chapter 391.

Appendices

Appendix 1

Objective, Scope, and Methodology

Objective

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, 2020, and December 15, 2021.

Methodology

The methodology for this project included determining whether the 24 RPCs submitted statutorily required information to the State Auditor's Office. Auditors did not verify the accuracy of the information. Auditors compiled and analyzed the information that RPCs submitted, such as audited annual financial reports, audited comprehensive annual financial reports, and 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.
- Salary schedules.
- Productivity and performance reports.

- Disposed asset reports.

Procedures and tests conducted included the following:

- Determined whether the information that 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 audited annual financial reports, audited comprehensive annual financial reports, and salary schedules.
- Compiled population and service area information for each RPC.

Criteria used included the following:

- Texas Local Government Code, Chapter 391.

Project Information

Fieldwork was conducted from November 2021 through February 2022. 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.

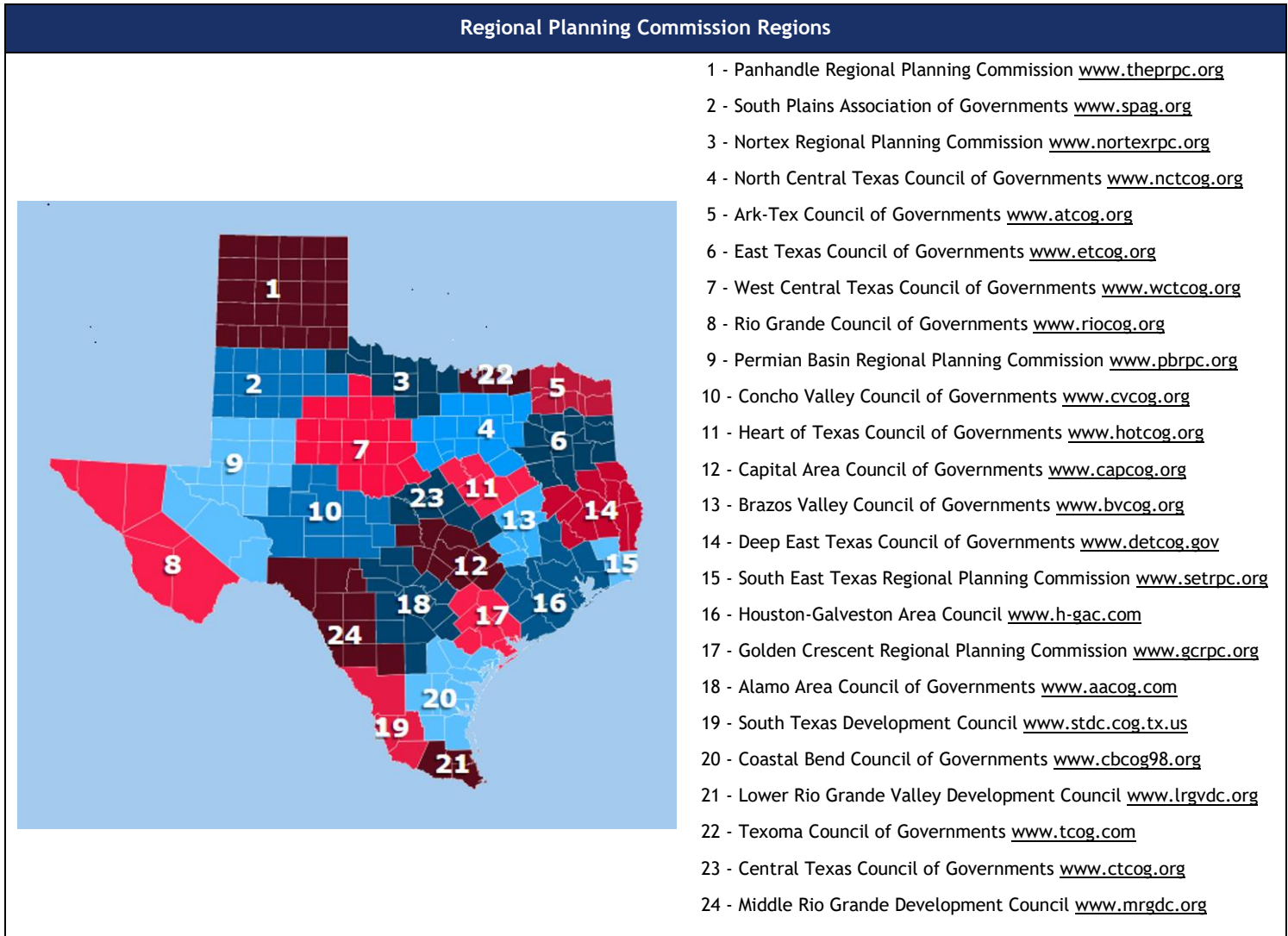
The following members of the State Auditor's staff performed the project:

- Michelle Rodriguez, CFE (Project Manager)
- Benjamin Hikida, MAcy, CFE
- Hudson Marsh
- Dana Musgrave, MBA, CFE (Quality Control Reviewer)
- Michael A. Simon, MBA, CGAP (Audit Manager)

Map of Regional Planning Commission Regions

Figure 1 shows the regions served by each regional planning commission in Texas.

Figure 1



Source: The Texas Association of Regional Councils' website <https://txregionalcouncil.org/regional-councils/>

Financial and Population Information Regarding Regional Planning Commissions

The services of regional planning commissions (RPCs) are available to more than 29 million people. Table 1 lists each RPC's reported revenue and expenditures from the RPC's 2020 audited annual financial reports, in addition to each RPC's population according to U.S. Census Bureau 2020 population data.

Table 1

Financial and Population Information Regarding Regional Planning Commissions				
Regional Planning Commission	Fiscal Year End	Total Revenue ^a	Total Expenditures ^a	Population
Alamo Area Council of Governments	December 31, 2020	\$55,893,941	\$54,559,426	2,671,161
Ark-Tex Council of Governments	September 30, 2020	\$17,517,997	\$16,712,149	321,218 ^b
Brazos Valley Council of Governments	September 30, 2020	\$48,930,494	\$44,464,903	362,495
Capital Area Council of Governments	September 30, 2020	\$28,012,971	\$25,340,092	2,407,031
Central Texas Council of Governments	June 30, 2020	\$51,404,594	\$51,421,290	518,529
Coastal Bend Council of Governments	December 31, 2020	\$7,663,112	\$7,791,143	582,074
Concho Valley Council of Governments	September 30, 2020	\$21,445,320	\$18,390,966	159,613
Deep East Texas Council of Governments	September 30, 2020	\$20,138,167	\$20,424,580	371,070
East Texas Council of Governments	September 30, 2020	\$50,629,427	\$49,831,731	871,375
Golden Crescent Regional Planning Commission	August 31, 2020	\$10,246,756	\$8,792,420	193,239
Heart of Texas Council of Governments	September 30, 2020	\$8,269,001	\$7,549,588	373,237
Houston-Galveston Area Council	December 31, 2020	\$391,967,021	\$390,273,485	7,297,022
Lower Rio Grande Valley Development Council	December 31, 2020	\$28,236,444	\$26,321,755	1,311,962
Middle Rio Grande Development Council	September 30, 2020	\$15,193,286	\$15,467,028	162,295
Nortex Regional Planning Commission	September 30, 2020	\$4,702,646	\$4,707,332	216,808
North Central Texas Council of Governments	September 30, 2020	\$159,352,502	\$158,268,765	7,831,768
Panhandle Regional Planning Commission	September 30, 2020	\$29,589,521	\$29,194,972	434,358

Financial and Population Information Regarding Regional Planning Commissions				
Regional Planning Commission	Fiscal Year End	Total Revenue ^a	Total Expenditures ^a	Population
Permian Basin Regional Planning Commission	September 30, 2020	\$6,198,802	\$5,786,793	487,845
Rio Grande Council of Governments	September 30, 2020	\$8,864,438	\$8,610,639	1,108,281 ^c
South East Texas Regional Planning Commission	September 30, 2020	\$12,552,444	\$12,395,354	397,565
South Plains Association of Governments	September 30, 2020	\$7,676,252	\$5,657,739	431,764
South Texas Development Council	September 30, 2020	\$9,654,619	\$9,430,808	351,761
Texoma Council of Governments	April 30, 2020	\$14,863,433	\$14,731,109	212,873
West Central Texas Council of Governments	September 30, 2020	\$15,236,056	\$15,220,933	332,322
Totals		\$1,024,239,244	\$1,001,345,000	29,407,666
^a Total revenue and total expenditures are obtained from the statement of activities in the financial statements. ^b Population includes Miller County in Arkansas, which has a population of 42,600. ^c Population includes Doña Ana County in New Mexico, which has a population of 219,561.				

Sources: U.S. Census Bureau 2020 population totals and audited annual financial reports that the RPCs submitted.

Related State Auditor's Office Reports

Related State Auditor's Office Reports		
Number	Report Name	Release Date
21-012	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	February 2021
20-012	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	December 2019
19-013	A Summary of Financial and Performance Reports Submitted by Regional Planning Commissions	December 2018
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

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Legislative Audit Committee

The Honorable Dan Patrick, Lieutenant Governor, Joint Chair
The Honorable Dade Phelan, Speaker of the House, Joint Chair
The Honorable Joan Huffman, Senate Finance Committee
The Honorable Robert Nichols, Member, Texas Senate
The Honorable Greg Bonnen, House Appropriations Committee
The Honorable Morgan Meyer, House Ways and Means Committee

Office of the Governor

The Honorable Greg Abbott, 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
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
Permian Basin Regional Planning Commission
Rio Grande Council of Governments
South East Texas Regional Planning Commission
South Plains Association of Governments
South Texas Development Council
Texoma Council of Governments
West Central Texas Council of Governments



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