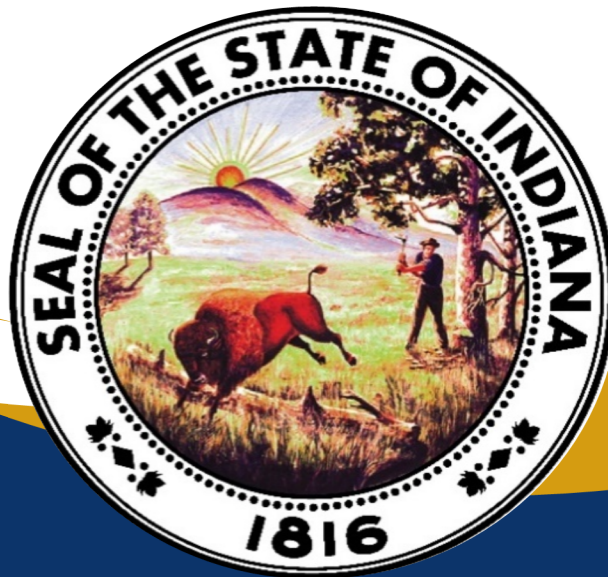


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

**Paul D. Joyce, CPA
State Examiner**

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
VANDERBURGH COUNTY, INDIANA
July 1, 2023 to June 30, 2024



FILED
12/19/2024



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

December 19, 2024

Board of Directors
Evansville Metropolitan Planning Organization
Vanderburgh County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Evansville Metropolitan Planning Organization (Organization). We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the Unit as of June 30, 2024, and its cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a supplemental report for Evansville Metropolitan Planning Organization was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

**EVANSVILLE METROPOLITAN
PLANNING ORGANIZATION**
Vanderburgh County, Indiana

FINANCIAL STATEMENT
June 30, 2024

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
Vanderburgh County, Indiana

FINANCIAL STATEMENT
June 30, 2024

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited)	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS.....	5
NOTES TO FINANCIAL STATEMENT.....	6
OTHER INFORMATION	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS.....	10
SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited)	11
SCHEDULE OF CAPITAL ASSETS (Unaudited)	12
STATE REPORTING INFORMATION (Unaudited)	13
SUPPLEMENTARY INFORMATION (Unaudited)	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	14
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	16
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	17
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE.....	19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	22

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
SCHEDULE OF OFFICIALS (Unaudited)
June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Seyed Shokouhzadeh	07-01-23 to 06-30-24
Finance Officer	Kari A. Akin	07-01-23 to 06-30-24
Chairman of the Policy Committee	Jack Corn, Jr.	07-01-23 to 06-30-24

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Evansville Metropolitan Planning Organization
Evansville, Indiana

Report on the Audit of the Financial Statement***Opinion***

We have audited the accompanying statement of receipts, disbursements, and cash and investment balances of the Evansville Metropolitan Planning Organization (the Unit) as of and for the year ended June 30, 2024, and the related notes (the financial statement).

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above present fairly, in all material respects, the cash and investment balances of the Unit as of June 30, 2024, and its cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to below does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Unit as of June 30, 2024, or changes in net position or cash flows thereof for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Unit, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the Unit prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

(Continued)

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unit's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Unit's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise the Unit's financial statement. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statement. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement as a whole.

Other Information

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Other Information Schedules, and State Reporting Information, but does not include the financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2024, our consideration of the Unit's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Unit's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Unit's internal control over financial reporting and compliance.


Crowe LLP

Indianapolis, Indiana
November 14, 2024

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended June 30, 2024

<u>Fund</u>	Cash and Investments <u>07-01-23</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>06-30-24</u>
General Fund	\$ 1,398,145	\$ 252,482	\$ 232,995	\$ 1,417,632
FTA	(806)	583,573	602,480	(19,713)
PL	(82,053)	639,049	672,884	(115,888)
STBG	(10,875)	113,202	132,178	(29,851)
HSIP	(14,716)	90,309	90,252	(14,659)
SPR	<u>(34,195)</u>	<u>39,748</u>	<u>35,468</u>	<u>(29,915)</u>
Totals	<u>\$ 1,255,500</u>	<u>\$ 1,718,363</u>	<u>\$ 1,766,257</u>	<u>\$ 1,207,606</u>

See Independent Auditor's Report and notes to the financial statement.

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
NOTES TO FINANCIAL STATEMENT
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The Evansville Metropolitan Planning Organization (the Unit) was established under the laws of the State of Indiana. The Unit operates under an appointed governing board.

The accompanying financial statement presents the financial information for the Unit.

Basis of Accounting: The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

Funds: The financial statement contains the following funds:

General fund: Accounts for all of the Unit's resources not reported in another fund

FTA: Federal Transit Authority funding

PL: Highway planning cluster planning funding

STBG: Highway planning cluster surface transportation block grant funding

HSIP: Highway planning cluster highway safety improvement program funding

SPR: Highway planning cluster state planning research funding

Cash and Investments: Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services. Amounts received including, but not limited to the following: planning Unit charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable television receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

(Continued)

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
NOTES TO FINANCIAL STATEMENT
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other receipts. Amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

Disbursements: Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services. Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those Units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies. Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements. Amounts disbursed for various purposes including, but not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, lease agreements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund (PDIF). This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Unit to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units. Given the limited investment parameters applicable under state statute, certain risks, such as credit, custodial, concentration, and interest rate are not deemed significant. As of the year ended June 30, 2024, the Unit held investments in non-negotiable certificates of deposit.

The Unit held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable.

(Continued)

NOTE 3 - RISK MANAGEMENT

The Unit may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the Unit to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

The Unit has purchased insurance to address the risks described above.

NOTE 4 - CASH BALANCE DEFICITS

The financial statement contains five funds with deficits in cash totaling \$210,026 that existed at June 30, 2024. The funds are entirely funded by reimbursable grants, and the deficits existed due to the timing of the reimbursement occurring after June 30, 2024 for expenses incurred before year-end.

NOTE 5 - PENSION PLAN

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Unit to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the Unit ability to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

(Continued)

NOTE 5 - PENSION PLAN (Continued)

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS

The Unit provides an optional, single employer 457b deferred compensation plan to eligible retirees. These benefits pose a liability to the Unit for this year and in future years. Information regarding the benefits can be obtained by contacting the Unit who has the authority under which benefits and contribution requirements are established or can be amended. The Unit made contributions to the plan during the years under audit.

OTHER INFORMATION (Unaudited)

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	General Fund	FTA	PL	STBG	HSIP	SPR	Totals
Cash and investments - beginning	\$ 1,398,145	\$ (806)	\$ (82,053)	\$ (10,875)	\$ (14,716)	\$ (34,195)	\$ 1,255,500
Receipts:							
Intergovernmental receipts	-	583,573	639,049	113,202	90,309	39,748	1,465,881
Charges for services	238,673	-	-	-	-	-	238,673
Other receipts	13,809	-	-	-	-	-	13,809
Total receipts	<u>252,482</u>	<u>583,573</u>	<u>639,049</u>	<u>113,202</u>	<u>90,309</u>	<u>39,748</u>	<u>1,718,363</u>
Disbursements:							
Personal services	168,799	52,564	581,345	-	77,555	29,893	910,156
Supplies	424	114	1,246	-	173	76	2,033
Other services and charges	54,071	68,129	61,786	132,178	8,570	3,763	328,497
Capital outlay	9,701	481,673	28,507	-	3,954	1,736	525,571
Total disbursements	<u>232,995</u>	<u>602,480</u>	<u>672,884</u>	<u>132,178</u>	<u>90,252</u>	<u>35,468</u>	<u>1,766,257</u>
Excess (deficiency) of receipts over disbursements	<u>19,487</u>	<u>(18,907)</u>	<u>(33,835)</u>	<u>(18,976)</u>	<u>57</u>	<u>4,280</u>	<u>(47,894)</u>
Cash and investments - ending	<u>\$ 1,417,632</u>	<u>\$ (19,713)</u>	<u>\$ (115,888)</u>	<u>\$ (29,851)</u>	<u>\$ (14,659)</u>	<u>\$ (29,915)</u>	<u>\$ 1,207,606</u>

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2024

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 134,619</u>	<u>\$ 173,917</u>

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2024

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Machinery, equipment, and vehicles	\$ <u>662,695</u>
Total capital assets	\$ <u>662,695</u>

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
STATE REPORTING INFORMATION
June 30, 2024

The reports presented herein were prepared in addition to another official report prepared for the Unit as listed below:

Indiana State Board of Accounts Compliance Examination of the Evansville Metropolitan Planning Organization.

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts*.

SUPPLEMENTARY INFORMATION

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year ended June 30, 2024

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended	Passed Through to Subrecipient
<u>Department of Transportation</u>					
Federal Transit Cluster					
Federal Transit Formula Grants KY FTA 5307 23	City of Evansville	20.507	KY-2023-016-00	\$ 10,000	\$ -
Total – Federal Transit Cluster				<u>10,000</u>	<u>-</u>
Highway Planning and Construction					
Highway Planning and Construction					
Transportation Planning					
KY PL 2023	Kentucky Transportation Cabinet		KY 2200001396	12,057	-
KY PL 2024	Kentucky Transportation Cabinet		KY 2300001366	53,224	-
KY PL 2024 Pavement	Kentucky Transportation Cabinet		SC 625-2300001787	21,501	-
IN PL 2023	Indiana Department of Transportation		A249-23-G220018	86,577	-
IN PL 2024	Indiana Department of Transportation		A249-23-G220018 S1	465,692	-
Surface Transportation Block Grant					
IN STBG 2023					
IN STBG 2024 Pavement					
	Indiana Department of Transportation		A249-23-G220018	26,696	-
			A249-23-G220018 S1	86,506	-
State Planning Research					
IN SPR 2023					
	Indiana Department of Transportation		A249-23-G220018	39,748	-
Highway Safety Improvement Program					
IN HISP 2023					
IN HSIP 2024					
	Indiana Department of Transportation		A249-23-G220018	19,903	-
			A249-23-G220018 S1	<u>70,407</u>	<u>-</u>
Total – Highway Planning and Construction				<u>882,311</u>	<u>-</u>
Transit Services Programs Cluster					
Enhanced Mobility of Seniors and Individuals with Disabilities					
Direct Award					
FTA 5310 20 VEH		20.513	IN-2020-035-00	1,887	1,887
FTA 5310 22 Admin + bus			IN-2021-051-00	265,106	265,106
FTA 5310 23 Admin + Op			IN-2022-022-00	<u>305,291</u>	<u>277,324</u>
Total – Transit Services Programs Cluster				<u>572,284</u>	<u>544,317</u>

(Continued)

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year ended June 30, 2024

<u>Federal Grantor Agency Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity (or Other) Identifying Number</u>	<u>Total Federal Awards Expended</u>	<u>Passed Through to Subrecipient</u>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research FY 23 KY FTA 5303	Kentucky Transportation Cabinet	20.505	KY-2021-030-01	\$ 1,289	\$ -
Total for ALN 20.505				<u>1,289</u>	<u>-</u>
Total federal awards expended – Department of Transportation				<u>\$ 1,465,884</u>	<u>\$ 544,317</u>

See accompanying notes to the schedule of expenditure of federal awards.

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year ended June 30, 2024

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Evansville Metropolitan Planning Organization (the "Unit") under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Unit, it is not intended to and does not present the receipts, disbursements, and cash and investment balances – regulatory basis of the Unit.

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expensed when the reimbursement is received.

NOTE 2 - INDIRECT COST RATE

The Unit has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Those Charged with Governance
Evansville Metropolitan Planning Organization
Evansville, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Evansville Metropolitan Planning Organization ("Unit"), which comprise the statement of receipts, disbursements, and cash and investment balances of the Unit as of and for the year ended June 30, 2024 and the related notes to the financial statement, which collectively comprise the Unit's financial statement, and have issued our report thereon dated November 14, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Unit's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Unit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Unit's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Unit's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 14, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Those Charged with Governance
Evansville Metropolitan Planning Organization
Evansville, Indiana

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

We have audited the Evansville Metropolitan Planning Organization's (the Unit) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Unit's major federal program for the year ended June 30, 2024. The Unit's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Unit complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Major Federal Program

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

We are required to be independent of the Unit and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Unit's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Unit's federal programs.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Unit's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Unit's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Unit's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Unit's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Unit's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

(Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 14, 2024

EVANSVILLE METROPOLITAN PLANNING ORGANIZATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditors report issued Adverse as to GAAP, Unmodified as to regulatory basis

Internal control over financial reporting

Material weakness(es) identified? _____ Yes X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes X None Reported

Noncompliance material to financial statement noted? _____ Yes X No

Federal Awards

Internal control over major programs

Material weakness(es) identified? _____ Yes X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes X None Reported

Type of auditor’s report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)? _____ Yes X No

Identification of major programs

ALN Number Name of Federal Program or Cluster

20.205 Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs \$ 750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.
