BANNOCK PLANNING ORGANIZATION

FINANCIAL STATEMENTS

SEPTEMBER 30, 2024
With Summarized Comparative Totals as of September 30, 2023

BANNOCK PLANNING ORGANIZATION

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2024
With summarized comparative totals as of September 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of,
Bannock Planning Organization, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bannock Planning Organization, Inc. (a nonprofit organization), which comprise of the statement of financial position as of September 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bannock Planning Organization, Inc., as of September 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bannock Planning Organization, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 general accepted auditing standards and *Governmental 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 statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

Supplementary Information

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

Report on Summarized Comparative Information

We have previously audited the Bannock Planning Organization, Inc.'s 2023 financial statements, and our report dated May 17, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 3, 2025, on our consideration of Bannock Planning Organization, Inc.'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 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 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 Bannock Planning Organization, Inc.'s internal control over financial reporting and compliance.



Pocatello, Idaho
March 3, 2025

BANNOCK PLANNING ORGANIZATION

STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2024
With summarized comparative totals as of September 30, 2023

	Management and General	Operations Modeling	FHWA Planning	SMART Grant	Total	2023
ASSETS						
CURRENT ASSETS						
Cash	$ 425,329	$ 187,883	$ -	$ -	$ 613,212	$ 522,981
Interfund receivable	176,348	-	-	-	176,348	35,491
Receivable from grantor	-	-	37,488	138,860	176,348	35,491
	601,677	187,883	37,488	138,860	965,908	593,963
PROPERTY AND EQUIPMENT - at cost						
Property and equipment	390,176	-	-	-	390,176	248,852
Vehicles	49,396	-	-	-	49,396	49,396
	439,572	-	-	-	439,572	298,248
Less accumulated depreciation	213,707	-	-	-	213,707	158,425
	225,865	-	-	-	225,865	139,823
	$ 827,542	$ 187,883	$ 37,488	$ 138,860	$ 1,191,773	$ 733,786
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts payable	$ 148,226	$ -	$ -	$ -	$ 148,226	$ 18,814
HRA employee payable	4,029	-	-	-	4,029	2,835
Vacation payable	7,719	-	-	-	7,719	5,361
Deferred revenue	7,089	187,883	-	-	194,972	130,317
Interfund payable	-	-	37,488	138,860	176,348	35,491
	167,063	187,883	37,488	138,860	531,294	192,818
NET ASSETS						
Without donor restrictions	660,479	-	-	-	660,479	540,968
	$ 827,542	$ 187,883	$ 37,488	$ 138,860	$ 1,191,773	$ 733,786

The accompanying notes to financial statements are an integral part of these financial statements

BANNOCK PLANNING ORGANIZATION

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDING SEPTEMBER 30, 2024
With summarized comparative totals as of September 30, 2023

	Without Donor Restrictions		With Donor Restrictions			
	Management and General	Operations Modeling	FHWA Planning	SMART Grant	Total	2023
REVENUES						
Government grants		$ -	$ 185,793	$ 791,753	$ 977,546	$ 181,260
Investment return	17,950				17,950	926
Local revenue	44,464	83,971	14,717		143,152	185,815
Net assets released from restriction	992,263	-	(200,510)	(791,753)	-	-
	1,054,677	83,971	-	-	1,138,648	368,001
EXPENSES						
Management and general	84,227	-	-	-	84,227	50,656
Program Services						
FHWA Planning	200,510	-	-	-	200,510	190,357
SMART Grant	791,753	-	-		791,753	4,875
Operations Modeling		83,971	-	-	83,971	98,192
	1,076,490	83,971	-	-	1,160,461	344,080
CHANGE IN NET ASSETS	(21,813)	-	-	-	(21,813)	23,921
BEGINNING NET ASSETS	540,968	-	-	-	540,968	511,610
CONTRIBUTED CAPITAL	141,324	-	-	-	141,324	5,437
ENDING NET ASSETS	$ 660,479	$ -	$ -	$ -	$ 660,479	$ 540,968

The accompanying notes to financial statements are an integral part of these financial statements

BANNOCK PLANNING ORGANIZATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDING SEPTEMBER 30, 2024
With summarized comparative totals as of September 30, 2023

	Program Services					
	Management and General	Operations Modeling	FHWA Planning	SMART Grant	Total	2023
EXPENSES						
Salaries and benefits	$ 4,930	$ 44	$ 116,317	$ -	$ 121,291	$ 106,456
Contracted services	-	50,070	1,727	121,204	173,001	35,336
Telephone	1,419	-	1,987	-	3,406	8,291
Postage, printing, and copies	2	6	1,701	-	1,709	1,654
Advertising	-	-	1,985	-	1,985	3,110
Travel and training	6,198	-	6,680	7,765	20,643	13,011
Professional services	3,333	2,153	9,983	-	15,469	16,443
Rent	-	-	10,575	-	10,575	10,575
Supplies	2,851	25,644	2,214	-	30,709	22,784
Repairs and maintenance	743	1,015	144	-	1,902	1,679
Insurance	2,554	-	3,108	-	5,662	5,474
Utilities	47	-	1,460	-	1,507	921
Internet access services	-	-	2,309	-	2,309	-
Equipment purchase	5,320	5,039	16,227	662,784	689,370	53,988
Software purchase	468	-	23,647	-	24,115	12,538
Subscriptions and memberships	1,080	-	446	-	1,526	2,142
Depreciation	55,282	-	-	-	55,282	49,678
	$ 84,227	$ 83,971	$ 200,510	$ 791,753	$ 1,160,461	$ 344,080

The accompanying notes to financial statements are an integral part of these financial statements

BANNOCK PLANNING ORGANIZATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING SEPTEMBER 30, 2024
With summarized comparative totals as of September 30, 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Government grants	$ 836,689	$ 179,570
Local revenue	143,152	185,815
Investment return	17,950	926
Cash paid to suppliers and employees	(766,236)	(262,385)
NET CASH PROVIDED BY OPERATING ACTIVITIES	231,555	103,926
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of equipment	(141,324)	(74,609)
NET CASH USED BY INVESTING ACTIVITIES	(141,324)	(74,609)
NET INCREASE (DECREASE) IN CASH	90,231	29,317
BEGINNING CASH	522,981	493,664
ENDING CASH	$ 613,212	$ 522,981

RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

CHANGE IN NET ASSETS	$ (21,813)	$ 23,921
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation	55,282	49,678
Contributed capital	141,324	5,437
(Increase) decrease in assets		
Receivable from grantors	(140,857)	(1,690)
Increase (decrease) in current liabilities		
Accounts payable	129,412	10,351
Vacation payable	2,358	(1,786)
HRA employee payable	1,194	(489)
Deferred revenue	64,655	18,504
	253,368	80,005
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 231,555	$ 103,926

The accompanying notes to financial statements are an integral part of these financial statements

NOTE 1 - Summary of Significant Accounting Policies

Bannock Planning Organization (BPO) is recognized as an Idaho nonprofit organization and as a charitable organization under the Internal Revenue Code Section 501(C)(3).

BPO was organized to conduct and/or coordinate various planning services, activities, and functions, which may include the preparation, review, and/or recommendation of plans, policies and programs related to planning and regulator responsibilities for transportation, transportation improvement, air quality, population and employment projections and such other purposes and authority as are consistent with the conduct of planning services for members or in the pursuit and/or performance of cooperative agreements for regional planning.

Bannock Planning Organization receives the majority of its funding from government grants. The following is a summary of the more significant policies:

1. Financial Statement

The Organization's financial statements are prepared in accordance with accounting standards for Not-For-Profit Organizations. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

2. Fund Accounting

The accounts of Bannock Planning Organization are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues, and expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped and reported in the following categories:

Net Assets without Donor Restrictions

These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program related services, and performing administrative functions.

Net Assets with Donor Restrictions

These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until stipulated time restrictions ends or the purpose of the restriction is accomplished, the net assets are restricted.

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respoectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions received with a donor stiuplation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stiuplated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net asset swithout donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions and investment return having donor stipulations that are satisfied in the same period received or earned are reported as revenue and net assets with donor restrictions and shown as net assets released from restrictions.

3. Basis of Accounting

Bannock Planning Organization funds are accounted for using the accrual basis of accounting.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Revenue streams applicable to the Organization that qualify as exchange transactions with "customers" (fee for service contracts) are recognized at a single point upon receipt when all risks and rewards transfer. Amounts received from customers in advance, such as deposits for reserved future services, are recorded as refundable advances until the Organization's performance obligations are satisfied. Such deferred revenue is historically not material.

Contributions (Including Grants and Government Assistance Revenue)

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional promises to give-that is, those with a measurable performance or other barrier and right of return- are not recognized until the conditions on which they depend have been met. Contributions received with both donor imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

4. Property and Equipment

Bannock Planning Organization follows the practice of capitalizing all expenditures for equipment and vehicles in excess of $5,000; the fair value of donated fixed assets is similarly capitalized. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets.

5. Cash and cash equivalents

For the purposes of the statement of cash flows, BPO considers cash to be all unrestricted and temporarily restricted cash accounts. The Organization also considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

6. Accumulated Unpaid Vacation and Sick Leave

Accumulated unpaid vacation, sick pay and other employee benefit amounts are accrued when incurred. BPO sponsors a non-vested sick leave plan.

7. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

8. Reclassification

The presentation of certain accounts have been reclassified from prior statements to conform with the current year presentation.

NOTE 2 - Receivable from Grantors

Receivable from the Idaho Department of Transportation and local agencies for the following projects:

	2024	2023
FHWA Planning	$ 37,488	$ 30,616
SMART Grant	138,860	4,875
	$ 176,348	$ 35,491

NOTE 3 - Property and Equipment

A summary of Property and Equipment at September 30, 2024 follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Property and Equipment	$ 248,852	$ 141,324	$ -	$ 390,176
Vehicles	49,396	-	-	49,396
	$ 298,248	$ 141,324	$ -	439,572
Less accumulated depreciation				213,707
				$ 225,865

A summary of Property and Equipment at September 30, 2023 follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Property and Equipment	$ 174,243	$ 74,609	$ -	$ 248,852
Vehicles	49,396	-	-	49,396
	$ 223,639	$ 74,609	$ -	298,248
Less accumulated depreciation				158,425
				$ 139,823

NOTE 4 - Health Reimbursement Arrangement Plan

Bannock Planning Organization established a Health Reimbursement Arrangement Plan effective October 1, 2013 to provide medical care benefits relating to expenses not covered under a medical policy and due to the company's size the inability to obtain a group medical policy. Bannock Planning Organization has the option to contribute $500 a month for each eligible employee and will carry funds from one plan year to the next in order to build a participant reserve. As of September 30, 2024, the balance of the account was $4,029.

NOTE 5 - Contingencies

Bannock Planning Organization is subject to program compliance audits by its grantors or the grantors' representatives. These audited financial statements are intended to meet the grantors' requirements for compliance audits. However, they are subject to acceptance by the grantor agency. Accordingly, Bannock Planning Organization's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at the time although Bannock Planning Organization expects such amounts, if any, to be immaterial.

NOTE 6 - Pension Plan

Bannock Planning Organization contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov. The Base Plan's EIN number is 82-0262042. As of June 30, 2024, the system's fiduciary net position as a percentage of total pension liability was 83.09%.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

NOTE 6 - Pension Plan (continued)

For the year ended June 30, 2024, the required contribution rate as a percentage of covered payroll for members was 7.168% for general members and 10.83% for police/firefighters. The employer rate as a percentage of covered payroll was 11.96% for general members and 14.65% for police/firefighter members. BPO contributions required and paid were $10,550 for the year ended September 30, 2024 and $9,839 for the year ended September 30, 2023. The Organization's contributions did no exceed 5% of total plan contributions. The Organization was not charged a surcharge.

The risk of participating in U.S. multiemployer pension plans is different from single-employer pension plans in the following aspects:

a) Assets contributed to the multiemployer plan by one company may be used to provide benefits to employees of other participating companies.

b) If a participating company stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating companies.

c) If BPO stops participating in its multiemployer plan, then BPO could be required to pay an amount, referred to as a withdrawal liability, based on the unfunded status of the plan. BPO has no intention of withdrawing from the multiemployer pension plan in which they participate.

NOTE 7 - Investment Return

The components of investment return consists of the following:	2024	2023
Interest income from banks	$ 17,950	$ 926

NOTE 8 - Net assets released from restriction

During the year, the following amounts were released from donor restricted net asset funds and expensed in the management and general fund.

	2024	2023
FHWA Planning	$ 200,510	$ 190,357
SMART Grant	791,753	4,875
	$ 992,263	$ 195,232

NOTE 9 - Concentrations of Risk

A significant portion of Bannock Planning Organization’s revenue is from federal grants. The continued operation of the Organization is dependent upon renewing its grant sources or replacing them with other revenue producing operations.

NOTE 10 - Subsequent Events

Subsequent events were evaluated up to March 3, 2025, the date the financial statements were available to be issued.

NOTE 11 - Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2023, from which the summarized information was derived.

NOTE 12 - Income Taxes

BPO has been classified as an organization described under Section 501(c)(3) of the Internal Revenue Code (the "Code") and, therefore, is exempt from Federal Income taxes under Section 501(a) of the Code and similar State of Idaho tax provisions. Federal law imposes tax on income that is not related to an organization's tax-exempt purposes or otherwise excluded under the Code.

BPO has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, determine its filing and tax obligations in jurisdictions for which it has nexus, and to review other matters that may be considered tax positions. Management of BPO believes there are no uncertain tax positions. BPO's tax returns remain subject to audit by the IRS for three years after filing. At September 30, 2024, the returns for the tax years 2020, 2021, 2022, and 2023 remain open.

NOTE 13 - Liquidity and Availability of Financial Assets

BPO's primary sources of support are member contributions and governmental grants. Most of that support is required to be used in accordance wth the purpose restrictions imposed by the donors. BPO's objective is to maintain liquid financial assets without donor restrictions sufficient to cover 60 days of program expenditures.

As shown on the face of the statement of financial position, and summarized below, most of the BPO's financial assets are not subject to donor-imposed restrictions on use:

Financial assets available within one year and free of donor restrictions:	
Cash and cash equivalents	$ 613,212
Accounts receivable and grantor receivables	176,348
Available without restriction within one year	789,560
Total financial assets	$ 789,560

NOTE 14 - Office Lease

BPO leases office space under a lease that expired and is now on a month to month lease. Rent expense incurred under this lease was $10,575 and $10,575 for the year ended September 30, 2024 and September 30, 2023.

NOTE 15 - Contributed Capital

During the year, BPO acquired equipment that was purchased with Federal dollars in the amount of $141,324 as of September 30, 2024. The purchases were expensed in order to report the total amount of federal funds expended and shown as contributed capital in the unrestricted fund in order to capitalize the equipment.

SINGLE AUDIT SECTION

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

To the Board of Directors
Bannock Planning Organization
Pocatello, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Bannock Planning Organization (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 3, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit, we considered Bannock Planning Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bannock Planning Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bannock Planning Organization's financial statements are free of 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 determination of financial statement amounts. 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

This 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Pocatello, Idaho
March 3, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL

To the Board of Directors
Bannock Planning Organization
Pocatello, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bannock Planning Organization's compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Bannock Planning Organization's major federal programs for the year ended September 30, 2024. Bannock Planning Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Bannock Planning Organization complied in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Bannock Planning Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Bannock Planning Organization'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, statues, regulations, rules, and provisions of contracts or grant agreements applicable to Bannock Planning Organization's federal programs.

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* , and the Uniform Guidance, we :

- Exercise professional 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 Bannock Planning Organization'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 Bannock Planning Organization'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 Bannock Planning Organization'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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with Uniform Guidance.

Report on Internal Control Over Compliance

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

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

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.



Pocatello, Idaho
March 3, 2025

BANNOCK PLANNING ORGANIZATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	Federal Assistance Listing Number	Additional Award Identification	Total Federal Expenditures
U.S. Department of Transportation			
Strengthening Mobility and Revolutionizing Transportation (SMART)	20.941	SMARTFY22N1P1G22	$ 791,753
Flow through funding from the Idaho Transportation Department Federal Highway Administration	20.205	KN22495	185,793
Total U.S Department of Transportation			$ 791,753

BANNOCK PLANNING ORGANIZATION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Bannock Planning Organization, under programs of the federal government for the year ended September 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 selected portion of the operations of Bannock Planning Organization, it is not intended to and does not present the financial position, changes, in net assets, or cash flows of Bannock Planning Organization.

NOTE B - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C - Indirect Cost Rate

Bannock Planning Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

BANNOCK PLANNING ORGANIZATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

SUMMARY OF AUDIT RESULTS

A. The auditor's report expresses an unmodified opinion on whether the financial statements of Bannock Planning Organization were prepared in accordance with GAAP.

B. No significant deficiencies were disclosed during the audit of the financial statements reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.

C. No instances of noncompliance material to the financial statements of Bannock Planning Organization, which would be required to be reported with *Government Auditing Standards*, were disclosed during the audit.

D. No significant deficiencies in internal control over major federal award programs were disclosed during the audit and reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No material weaknesses are reported.

E. The auditor's report on compliance for the major federal award programs for Bannock Planning Organization expresses an unmodified opinion on all major federal programs.

F. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).

G. The program tested as a major program includes: Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program - U.S. Department of Transportation, Assistance Listing #20.941.

H. The threshold used for distinguishing between Types A and B programs was $750,000.

I. Bannock Planning Organization was determined to be a low-risk auditee.

FINDINGS-FINANCIAL STATEMENTS AUDIT

None.

PRIOR YEAR FINDINGS

None.