

**AVOYELLES PARISH PORT COMMISSION**

**FINANCIAL STATEMENTS  
JUNE 30, 2025**

**DUCOTE & COMPANY  
Certified Public Accountants  
P. O. Box 309  
219 North Washington St.  
Marksville, LA 71351**

**AVOYELLES PARISH PORT COMMISSION  
Simmesport, Louisiana**

**June 30, 2025**

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**INDEPENDENT AUDITORS' REPORT**

Mr. Jason Bordelon  
Chairperson  
Avoyelles Parish Port Commission  
Simmesport, Louisiana 71369

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the Avoyelles Parish Port Commission (hereinafter "the Commission"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Commission as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting 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 *Governments Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities, under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the 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 the 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 the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' 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 auditors' report that includes our opinions. 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 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 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 judgement 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 professional 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. We also 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 Commission's internal control. Accordingly, no such opinion is expressed. We 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, and conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America requires that certain information be presented to supplement the basic financial statements. The Commission has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

The Commission has not presented any other required supplementary information. Accordingly, we did not apply limited procedures to required supplementary information in accordance with auditing standards generally accepted in the United States of America.

**Other Reporting Required by *Government Auditing Standards***

In Accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions, 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 Commission'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 Commission's internal control over financial reporting and compliance.

***Ducote & Company***

Certified Public Accountants  
Marksville, Louisiana  
December 15, 2025

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**AVOYELLES PARISH PORT COMMISSION**  
**Simmesport, Louisiana**

**Statement of Net Position**  
**June 30, 2025**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 391,259
Investments	859,286
Accounts receivable	5,300
Capital assets, net	18,277,513
Total assets	<u>19,533,358</u>
<b>LIABILITIES</b>	
Accounts and other accrued payables	2,401
Total Liabilities	<u>2,401</u>
<b>NET POSITION</b>	
Net investment in capital assets	18,277,513
Restricted	1,253,444
Total net position	<u>\$ 19,530,957</u>

The accompanying notes are an integral part of this financial statement.

**AVOYELLES PARISH PORT COMMISSION  
Simmesport, Louisiana**

**Statement of Activities  
For the Year Ended June 30, 2025**

<b>Activities</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net Expense and Changes in Net Position Governmental Activities</b>
		<b>Charges for Services</b>	<b>Capital Grants and Contributions</b>	<b>Operating Grants and Contributions</b>	
<i>Governmental Activities:</i>					
General Government					
Economic development	\$ 925,184	\$ 219,102	\$ 988,855	\$ 40,000	\$ 322,773
General revenues:					
Interest income					\$ 15,612
Miscellaneous					1,093
					16,705
Total general revenues					
					339,478
Change in net position					
Net position - July 1, 2024					19,191,479
Net position - June 30, 2025					\$ 19,530,957

The accompanying notes are an integral part of this financial statement.

**FUND FINANCIAL STATEMENTS**

**AVOUELLES PARISH PORT COMMISSION**  
**Simmesport, Louisiana**

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**

	<b>Total Governmental Funds</b>
<b>ASSETS</b>	
Cash	\$ 391,259
Investments	859,286
Accounts Receivable	<u>5,300</u>
<b>Total Assets</b>	<b><u><u>\$ 1,255,845</u></u></b>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accrued liabilities	\$ 2,401
<b>Total liabilities</b>	<b><u>2,401</u></b>
Fund balances:	
Restricted	<u>1,253,444</u>
	<u>1,253,444</u>
<b>Total Liabilities and Fund Balances</b>	<b><u><u>\$ 1,255,845</u></u></b>

The accompanying financial statements are an integral part of this financial statement.

**AVOYELLES PARISH PORT COMMISSION  
Simmesport, Louisiana**

**Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2025**

Total fund balance for the governmental fund at June 30, 2025	\$ 1,253,444
Total net assets reported for the governmental activities in the statement of net assets is different because:	
Capital assets used in the governmental activities are not financial resources, and there are not reported in the funds.	
These assets consist of:	
Cost of capital assets as of June 30, 2025	\$ 27,600,731
Less: accumulated depreciation as of June 30, 2025	<u>(9,323,218)</u> <u>18,277,513</u>
Net position of governmental activities at June 30, 2025	<u><u>\$ 19,530,957</u></u>

The accompanying notes are an integral part of this financial statement.

**AVOYELLES PARISH PORT COMMISSION**  
**Simmesport, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**GOVERNMENTAL FUND - SPECIAL REVENUE FUND**  
**For the Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental revenues	\$ 40,000	\$ 1,028,855	\$ 1,028,855	\$ -
Rental Income	216,000	218,302	219,102	800
Miscellaneous revenues	1,740	1,095	1,093	(2)
Total revenues	<u>257,740</u>	<u>1,248,252</u>	<u>1,249,050</u>	<u>798</u>
<b>EXPENDITURES</b>				
Current -				
General government - economic development				
Insurance	55,000	62,550	62,564	(14)
Professional services	50,200	25,000	21,260	3,740
Operating Expenses	83,700	115,890	112,803	3,087
Facilities maintenance	13,000	37,550	35,983	1,567
Capital Outlay	70,000	1,021,305	1,021,305	-
Total Expenditures	<u>271,900</u>	<u>1,262,295</u>	<u>1,253,915</u>	<u>8,380</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Interest Income	-	14,480	15,612	1,132
Total other financial sources	<u>-</u>	<u>14,480</u>	<u>15,612</u>	<u>1,132</u>
Excess(deficiency) of revenues over expenditure	(14,160)	437	10,747	10,310
Fund balance, beginning	<u>1,242,697</u>	<u>1,242,697</u>	<u>1,242,697</u>	
Fund balance, ending	<u>\$ 1,228,537</u>	<u>\$ 1,243,134</u>	<u>\$ 1,253,444</u>	

The accompanying notes are an integral part of the basic financial statements.

**AVOYELLES PARISH PORT COMMISSION  
Simmeport, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2025**

Total net changes in fund balance at June 30, 2025, per the statement of revenues, expenditures and changes in fund balance		\$ 10,747
 Governmental funds report capital outlays as expenditures. . However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays during the year ended June 30, 2025	\$ 1,021,305	
Depreciation expense for the year ended June 30, 2025	<u>(692,574)</u>	<u>328,731</u>
 Total changes in net position at June 30, 2025 per statement of activities		 <u><u>\$ 339,478</u></u>

The accompanying notes are an integral part of this financial statement.

## **AVOYELLES PARISH PORT COMMISSION**

### **NOTES TO THE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2025**

#### **INTRODUCTION**

The Avoyelles Parish Port Commission (the "Commission") was created by the provisions of Louisiana Revised Statute (LRS) 34:1801. The statute provides for the Commission to be composed of seven members who shall serve without compensation. Four commissioners are to be appointed by the Avoyelles Parish Police Jury, two are to be appointed by the Town of Simmesport, and the final commissioner is to be elected by the appointed commissioners. The commissioners serve terms from two to six years. The Port Commission has the authority to regulate commerce and traffic, to administer docks and landings, and to construct or acquire equipment, wharves, and buildings for the commerce of the port area within Avoyelles Parish.

Act 594 of the 2016 Louisiana Legislature, enacted on June 17, 2016 amended LRS 34:1801, provided for changes in the membership of the Avoyelles Parish Port Commission. Effective on June 17, 2016, membership of the Commission is comprised of nine members, at least three of which shall be minorities, with one member domiciled in each policy jury district who shall serve without compensation and who shall be appointed, subject to Senate confirmation.

Act 332 of the 2021 Regular Session of the Louisiana Legislature, enacted on June 14, 2021, amended LRS 34:1801, providing for changes in the membership of the Avoyelles Parish Port Commission. Effective June 14, 2021, membership of the Commission is comprised of five members, two appointed by the Avoyelles Parish Police Jury, one appointed by the Town of Simmesport and two appointed by the District 28 House Representative and State Senator, collectively. Each commissioner shall be domiciled in Avoyelles Parish and will serve 4-year staggered terms.

The Avoyelles Parish Port at Simmesport, LA is an inland port located on the Atchafalaya River, an 18 foot draft river in central Louisiana. The Port's Master Plan outlines a multi-purpose, four phase development on 2,200 acres of land, including a 200 acre industrial park, port dock, and recreational area and boat launch.

#### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

##### **A. REPORTING ENTITY**

The Commission, for financial purposes, includes all the funds relevant to the operations of the Avoyelles Parish Port Commission. The financial statements presented herein do not include agencies which have been formed under applicable laws or separate and distinct units of government apart from the Avoyelles Parish Port Commission.

The Commission is considered a primary government and is financially independent and is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Commission.

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

**B. BASIS OF PRESENTATION**

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the reporting entity as a whole. These statements include all funds of the reporting entity, which are considered to be governmental activities. Governmental activities are generally financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents comparison between direct and program revenues for the Commission's governmental activities. Direct expenses are those that are specifically associated with a program of function, and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Commission and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Finance Statements (FFS)

The accounts of the Port Commission are organized on the basis of funds. A fund is an independent fiscal accounting entity with a separate set of self-balance accounts. Fund accounting segregates fund according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained with legal and managerial requirements.

The Commission maintains one fund categorized as a governmental fund.

Governmental Funds –

Special Revenue Fund

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**C. MEASUREMENT FOCUSE AND BASIS OF PRESENTATION**

Measurement Focus

The measurement focus determines the accounting and financial reporting treatment applied to a fund.

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (Continued)**

**C. MEASUREMENT FOCUSE AND BASIS OF PRESENTATION (Continued)**

The governmental activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The governmental funds use the current financial resources measurement focus. This measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income.

**Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. An exception to this is grant revenue collected on a reimbursement basis. Those reimbursable grants are recognized as revenue when reimbursable expenditures are made. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on long-term debt and employee vacation and sick leave, which are recognized when due and payable.

**Program revenues**

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Commission's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Commission's general revenues.

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (Continued)**

**E. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents

Cash and cash equivalents include all demand accounts, savings accounts, and certificate of deposits held by the Commission. Cash equivalents include short-term, highly liquid investments with original maturities of three months (90 days) or less from the date of acquisition. Cash and cash equivalents are reported at costs, which approximates fair value due to their short maturities.

Investments

Under Louisiana state law, the Commission is authorized to invest in United States Treasury securities and other federally backed obligations. Investments with original maturities greater than three months (90 days) are classified as investments; those with original maturities of three months or less are classified as cash equivalents. Investments are reported at cost, which approximates fair value.

**F. CAPITAL ASSETS**

Capital assets are reported in the government-wide financial statements. All capital assets are capitalized at historical costs or estimated cost if historical cost is not available. Donated assets are valued at their fair market value at the time of the donation. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings and improvement	40 years
Machinery and equipment	7-15 years
Transportation equipment	5-15 years

**G. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**H. EQUITY CLASSIFICATIONS**

In the government-wide statements, equity is classified as net position and displayed in three components, as applicable. The components are as follows:

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (Continued)**

**H. EQUITY CLASSIFICATIONS (Continued)**

- a. ***Net investment in capital assets*** – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. ***Restricted*** – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred outflows of resources related to the restricted asset.
- c. ***Unrestricted*** – all other net position that does not mee the definition of “restricted” or “invested in capital assets”.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications based on the constraints imposed on the use of the resources. As such fund balances of the government fund is classified as follows:

- a. ***Non-spendable fund balance*** – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- b. ***Restricted fund balance*** – amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.
- c. ***Committed fund balance*** – amounts that can be used only for specific purposes determined by a formal action by the commissioners of the Avoyelles Parish Port Commission.
- d. ***Assigned fund balance*** – amounts that are constrained by the Port Commission's intent that they will be used for specific purpose.
- e. ***Unassigned fund balance*** - all other amounts not included in the other spendable classifications.

**AVOYELLES PARISH PORT COMMISSION**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (Continued)**

**H. EQUITY CLASSIFICATIONS (Continued)**

It is the Commission's policy to use restricted amounts first when both restricted and unrestricted fund balance is available. Additionally the Commission uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

At June 30, 2025, the Commission had cash, cash equivalents and investments (book balances) as follows:

Cash and Cash Equivalents	\$ 391,259
Certificates of Deposits	<u>859,286</u>
Total	<u>\$ 1,250,545</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Commission's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2025, bank balances were secured as follows:

Bank balances	<u>\$1,316,659</u>
Secured by:	
FDIC Insurance	\$ 500,000
Pledged Securities	<u>816,659</u>
Total	<u>\$1,316,659</u>

Deposits in the amount of \$816,659 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutes' trust department or agent, but not in the Commission's name. The Commission does not have a policy for custodial credit risk.

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3. CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2025 is as follows:

	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Capital assets, not being depreciated				
Land	\$ 1,969,676	-	-	\$ 1,969,676
Construction in progress	-	-	-	-
	<u>1,969,676</u>	<u>-</u>	<u>-</u>	<u>1,969,676</u>
Capital assets, being depreciated				
Buildings	4,090,750	1,021,305	-	5,112,055
Land improvements	562,770	-	-	562,770
Equipment	496,902	-	-	496,902
Infrastructure	19,459,328	-	-	19,459,328
	<u>24,609,750</u>	<u>1,021,305</u>	<u>-</u>	<u>25,631,055</u>
Total Capital Assets	26,579,426	<u>1,021,305</u>	<u>-</u>	27,600,731
Less accumulated depreciation	(8,630,644)	<u>(692,574)</u>	<u>-</u>	<u>(9,323,218)</u>
Net Capital Assets	<u>\$ 17,948,782</u>			<u>\$ 18,277,513</u>

**NOTE 5. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The statutes which created the Port Commission, place certain limitations and restrictions on the collections and disbursements of the Fund. The Fund is compliant with all significant limitations and restrictions for the year ended June 30, 2025.

**NOTE 6. FUND BALANCES**

Fund balances for the Port Commission consisted of the following as of June 30, 2025:

**Restricted fund balance** – The committed fund balance consists of funds which are restricted by Louisiana State Statute for the activities of the Port Commission

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 7. AGREEMENTS**

*Brudd Construction Co LLC*

On February 15, 2012, the Port Commission entered into a lease agreement with Brudd Construction LLC (Brudd) for Brudd to occupy and use property at the Port as a tenant, for a period of 10 years, beginning April 1, 2012 and ending on April 12, 2022. The lease was renewed effective February 15, 2022 for a period of ten years at a rate of \$4,500 per month.

*Helena Chemical*

In 2009, the Port Commission entered into a lease agreement with Helena Chemical for the use of the Liquid Fertilizer Terminal at the Port. The lease term is for 10 years, with an option to renew. The annual rental rate is \$60,000 flat rate for the first 20,000 tons and then \$4 per ton over the first 20,000 tons of liquid fertilizer transported through the terminal. The lease continues to be renewed on an annual basis.

*Gridsource*

The Port Commission entered into a month-to-month lease agreement with Gridsource for a small part of the port to store its equipment while they are installing fiber optics for \$800 per month starting March 17, 2025

*Farmland*

The Port Commission entered a lease for the rental of the 693.21 acres of farmland at an annual rental rate of \$147 per plantable acre for a total annual rent of \$101,902. The rental term is for 5 years, beginning January 1, 2021, with the first payment due January 1, 2021, and then on January 1st of each subsequent year

**NOTE 8. SCHEDULE OF COMMISSIONERS**

<u>Commission</u>	<u>Position</u>	<u>Term Expires</u>	<u>Compensation</u>
Jason Bordelon *	Chairman effective June 2024	June 2028	\$0
Scott Williams *	Vice-Chairman	June 2026	\$0
Patrich Deshotels *	Commissioner	June 2027	\$0
Andrea Webb *	Commissioner	June 2026	\$0
Christopher Lacour *	Commissioner	June 2027	\$0

\* Commissioners at June 30, 2025

**AVOYELLES PARISH PORT COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 9. COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD**

In accordance with Louisiana Revised Statute 24:513(A)(3) and Louisiana Legislative Auditor guidelines, the Commission is required to disclose compensation, benefits, and other payments made to the agency head. For the year ended June 30, 2025, Jason Bordelon, Board Chairman, did not receive any compensation, benefits, or reimbursements from the Commission.

**NOTE 10. LITIGATION AND CONTINGENCIES**

At June 30, 2025, the Avoyelles Parish Port Commission was not involved in any litigation that would materially affect the financial statements.

**NOTE 11. SUBSEQUENT EVENTS**

Subsequent events were evaluated through December 15, 2025, which is the date the financial statements were available to be issued. There are no further subsequent events to disclose.

**INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS**

**INDEPENDENT AUDITORS' 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**

Mr. Jason Bordelon  
Chairperson  
Avoyelles Parish Port Commission  
Simmesport, Louisiana 71369

We have audited in accordance 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 the governmental activities and the major funds, of the Avoyelles Parish Port Commission (hereinafter "the Commission"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated December 15, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of audit results and findings as items 2025-001 and 2025-002, that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are 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 statements. 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*.

## **Avoyelles Parish Port Commission's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Commission response to the finding identified in our audit and described in the accompanying schedule of current findings and prior year findings and management's corrective action plan. The Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

## ***Ducote & Company***

Certified Public Accountants  
Marksville, Louisiana  
December 15, 2025

**AVOYELLES PARISH PORT COMMISSION**  
**Simmesport, Louisiana**

**SCHEDULE OF PRIOR AND CURRENT FINDINGS AND  
MANAGEMENT'S CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2025**

**SECTION I – SUMMARY OF AUDITORS' REPORT**

1. The auditors' report expresses an unqualified opinion on the financial statements of the Avoyelles Parish Port Commission.
  
2. Two material weaknesses and one noncompliance disclosure during the audit of the basic financial statements are reported in the 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

**SECTION II – PRIOR YEAR FINDINGS:**

**A. Internal Control Over Financial Reporting**

There were no items reported at June 30, 2024.

**B. Compliance**

There were no items reported at June 30, 2024.

**AVOUELLES PARISH PORT COMMISSION**  
Simmesport, Louisiana

**SCHEDULE OF PRIOR AND CURRENT FINDINGS AND  
MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2025**

**SECTION III - FINANCIAL STATEMENT FINDINGS**

**A. Internal Control –**

2025-001 – Segregation of Duties

Year Initially Occurring: Unknown

**CRITERIA:** *Internal Control* is a process – effected by those charged with governance, management and other personnel – designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The Commission's internal control over financial reporting include those policies and procedures that pertain to the Commission's ability to record, process, summarize and report financial data consistent with the assertions embodied in financial statements.

**CONDITION:** Accounting and financial functions are not adequately segregated.

**CAUSE:** The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

**EFFECT:** Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

**RECOMMENDATION:** Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties

**MANAGEMENT RESPONSE:** Management concurs with the finding. Due to the limited number of personnel and the cost-benefit considerations associated with additional staffing, full segregation of duties is not currently feasible. Management will continue to implement and document compensating controls, including increased supervisory review, periodic independent review of bank reconciliations and disbursement activity, and enhanced documentation of management oversight. These measures are intended to mitigate the risk associated with limited segregation of duties

**AVOYELLES PARISH PORT COMMISSION**  
Simmesport, Louisiana

**SCHEDULE OF PRIOR AND CURRENT FINDINGS AND  
MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2025**

**SECTION III - FINANCIAL STATEMENT FINDINGS (continued)**

**A. Internal Control – (continued)**

2025-002 – Application of Generally Accepted Accounting Principles (GAAP)

Year Initially Occurring: Unknown

**CRITERIA:** The Commission's internal control over financial reporting includes policies and procedures that pertain to its ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements, including the ability of management and staff to detect potential misstatements that may exist in the financial statements and related disclosures.

**CONDITION:** Management and staff lack the expertise and/or experience in the selection and application of generally accepted accounting principles, as applicable to governmental entities in the financial statement preparation process.

**CAUSE:** The cause of the condition results from a reliance on the external auditor as part of the internal control process.

**EFFECT:** Financial statements and related supporting transactions may reflect a departure from generally accepted accounting principles.

**RECOMMENDATION:** Due to the size of the operation and the cost-benefit of establishing enhanced internal control over financial statement preparation, it may not be feasible to enhance these controls. Currently our financial staff receive training related to their job duties and we carefully review the financial statements, related notes, and proposed adjustments. All questions are adequately addressed by our auditors which allows us to appropriately supervise these functions. We feel the appropriate steps have been taken to reduce the financial statement risk related to this finding

**MANAGEMENT RESPONSE:** Management concurs with the finding. Due to the size and complexity of the Commission's operations, management continues to rely on external audit assistance for the preparation and final review of the financial statements and related disclosures. Management and financial staff will continue to participate in training relevant to governmental accounting and financial reporting requirements and will maintain an active role in reviewing the financial statements, notes, and proposed audit adjustments.

**AVOUELLES PARISH PORT COMMISSION**  
**Simmesport, Louisiana**

**SCHEDULE OF PRIOR AND CURRENT FINDINGS AND  
MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2025**

**SECTION III - FINANCIAL STATEMENT FINDINGS (continued)**

**B. Compliance –**

There were no items reported at June 30, 2025.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Mr. Jason Bordelon  
Chairperson  
Avoyelles Parish Port Commission  
Simmesport, Louisiana 71369  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The Avoyelles Parish Port Commission's management is responsible for those C/C areas identified in the SAUPs.

The Avoyelles Parish Port Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

**1) Written Policies and Procedures**

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
  - iii. **Disbursements**, including processing, reviewing, and approving.
  - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

## **2) Board or Finance Committee**

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- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
  - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons

on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

### **3) Bank Reconciliations**

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- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### **4) Collections (excluding electronic funds transfers)**

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- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
  - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
  - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.
  - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - v. Trace the actual deposit per the bank statement to the general ledger.

**5) *Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

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- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written

policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
  - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

#### **6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

#### **7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
  - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
  - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

## **8) Contracts**

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- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

## **9) Payroll and Personnel**

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- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on

termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### **10) Ethics**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
  - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

### **11) Debt Service**

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

### **12) Fraud Notice**

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

### **13) Information Technology Disaster Recovery/Business Continuity**

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- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

**We performed the procedure and discussed the results with management.**

- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

**We performed the procedure and discussed the results with management.**

- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**We performed the procedure and discussed the results with management.**

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**We performed the procedure and discussed the results with management.**

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

1. Hired before June 9, 2020 - completed the training; and
2. Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

**We performed the procedure and discussed the results with management.**

#### **14) Prevention of Sexual Harassment**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

#### **FINDINGS:**

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Exceptions found as a result of applying procedures listed are as follows:

#### **Written Policies:**

***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

***Prevention of Sexual Harassment***, including (2) annual employee training, and (3) annual reporting.

#### **Bank Reconciliation:**

Bank reconciliation assessed did not include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged).

**Payroll and Personnel**

One of three employees did not document daily attendance.

Records did not show evidence of supervisor’s approval of attendance and leave for the selected employees or officials.

**Travel and Expense Reimbursements**

Three of four tested transactions did not include supporting documentation.

**Ethics:**

Four of four employees evaluated did not show evidence of completion of one hour of ethics training valid during the calendar year as required.

**Information Technology Disaster Recovery:**

We performed the procedure and discussed the results with management.

**Sexual Harassment:**

Four of four employees evaluated did not show evidence of completion of Sexual Harassment training valid during the fiscal year as required.

**MANAGEMENT’S RESPONSE**

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Management acknowledges the findings noted in the Statewide Agreed-Upon Procedures (SAUP) report for the year ended June 30, 2025. We appreciate the recommendations provided and view them as an opportunity to strengthen internal controls and improve compliance with applicable laws, regulations, and best practices.

Regarding the findings identified, management recognizes the importance of maintaining proper documentation, adherence to established policies, and timely oversight of financial and operational activities. In response, management has reviewed current procedures and is implementing corrective actions to address the deficiencies noted in the report.

We were engaged by the Avoyelles Parish Port Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Avoyelles Parish Port and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

**DUCOTE & COMPANY**  
Marksville, Louisiana  
December 15, 2025