



Luther Speight & Company
Certified Public Accountants and Consultants

REGISTRAR OF VOTERS
FOR THE PARISH OF ORLEANS

FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Sandra Wilson,
Registrar of Voters for the Parish of Orleans
New Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Registrar of Voters for the Parish of Orleans (the Registrar) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Registrar's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Continued,

As described in Note 1, the accompanying financial statements of the Registrar are intended to present the financial position and results of operations arising from the Registrar's appropriations from the City of New Orleans (the City) as of the date of this audit report. As such, the accompanying financial statements present only that portion of the general fund that is attributable to the transactions of the Registrar arising from the annual appropriation made by the City to the Registrar.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Registrar of Voters for the Parish of Orleans, as of December 31, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–8 and 29, schedule of proportionate share of the net pension liability and schedule of contributions and the related notes to required supplemental information on pages on pages 30-32 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Registrar's basic financial statements. The schedule of compensation, benefits, and other payments to agency head (the schedule) is presented to comply with the Act 706 of the 2014 Louisiana Legislative Session and is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Continued.

The schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2020, on our consideration of the Registrar's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Registrar'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 Registrar's internal control over financial reporting and compliance.



Luther Speight & Company CPAs

New Orleans, Louisiana
November 23, 2020

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

The Registrar of Voters for the Parish of Orleans' (the Registrar) management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the Registrar's financial activity, and identify changes in the Registrar's financial position and its ability to address the next and subsequent year financial challenges.

The following is an illustration on how this financial report is presented.



Government-Wide Financial Statements

The government-wide financial statements are new and provide a perspective of the Registrar as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two government-wide statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position, combines and consolidates governmental funds' current financial resources (short-term spendable resources) with the capital assets and long-term obligations, regardless of if they are currently available or not.

Consistent with the full accrual basis of accounting, the Statement of Activities accounts for the current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the cost of various services.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

Continued,

Statement of Net Position

The Statement of Net Position reports all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The statement is presented in a format that displays *assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position*. Net position represents the difference between all other elements in a statement of financial position and should be displayed in three components—*net investment in capital assets; restricted; and unrestricted*.

Restricted Component of Net Position

The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted Component of Net Position

The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Financial Statements

Revenues are recorded when received except when they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used. In addition, capital asset purchases are expensed and not recorded assets. Debt payments are recorded as expenditures in the current year and future debt obligations are not recorded. The General Fund is the only fund of the Registrar. The General Fund is used primarily to account for the operations of the Registrar's office. Its revenues are derived from appropriations received from the City of New Orleans.

REGISTRAR OF VOTERS OF THE PARISH FOR ORLEANS
 NEW ORLEANS, LOUISIANA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2019

The comparative net position of the Registrar is as follows:

<u>ASSETS</u>	<u>2019</u>	<u>2018</u>
Cash in Bank	\$ 15,255	\$ 26,711
Intergovernmental receivables	23,527	20,170
Capital assets, net (Note 4)	<u>867</u>	<u>1,446</u>
Total Assets	<u>39,649</u>	<u>48,327</u>
Deferred Outflows:		
Pension Related	<u>86,433</u>	<u>114,152</u>
Total Assets and Deferred Outflows	<u><u>126,082</u></u>	<u><u>162,479</u></u>
 <u>LIABILITIES</u>		
Accounts Payable	16,726	9,350
Accrued Payroll	9,969	10,820
Compensated Absences Payable	23,358	26,030
Net Pension Liability	<u>574,093</u>	<u>595,215</u>
Total Liabilities	<u>624,146</u>	<u>641,415</u>
Deferred Inflows:		
Pension Related	<u>119,666</u>	<u>89,581</u>
Total Liabilities and Deferred Outflows	<u><u>743,812</u></u>	<u><u>730,996</u></u>
 <u>NET POSITION</u>		
Invested in Capital assets	867	1,446
Unrestricted	<u>(618,597)</u>	<u>(569,963)</u>
Total Net Position	<u>(617,730)</u>	<u>(568,517)</u>
<u>LIABILITIES AND NET POSITION</u>	<u><u>\$ 126,082</u></u>	<u><u>\$ 162,479</u></u>

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2019

Net position can be separated into two categories: invested in capital assets and unrestricted net position. Invested in capital assets is a combination of capital assets at original cost less accumulated depreciation. The original cost of capital assets is \$129,749, which is an accumulation of capital assets acquired less any capital disposals. The accumulated depreciation is the accumulation of depreciation expense since acquisition. This balance reflects a total \$128,882 resulting in net fixed assets of \$867. In accordance with accounting principles generally accepted in the United States of America, depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, expensed over the estimated useful life of the asset. The unrestricted net position is an accumulation of prior year's changes in net position. This balance is directly affected each year by the Registrar's current change in net position.

Analysis of changes in net position:

Revenues:	2019	2018
Intergovernmental revenues	\$ 358,152	\$ 363,893
Other revenues	60,361	-
Total Revenues	<u>418,513</u>	<u>363,893</u>
Expenses:		
Program service expenses	467,726	480,412
Total Expenses	<u>467,726</u>	<u>480,412</u>
Increase/(Decrease) in net position	<u>\$ (49,213)</u>	<u>\$ (116,519)</u>

Capital Assets

At December 31, 2019, the Registrar had \$867 invested in furniture and equipment.

Furniture and Equipment	\$129,749
Less accumulated depreciation	<u>(128,882)</u>
Net capital assets	<u>\$ 867</u>

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

Budget

As required by state law, the Registrar adopts the original budget for the office prior to the commencement of the fiscal year which the budget applies.

Revenue Budget

The Registrar's intergovernmental revenue budget was provided by the City of New Orleans in the form of appropriations totaling \$385,945.

Contacting the Registrar Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Registrar's finances and demonstrate the Registrar's accountability for money it receives. If you have questions about this report or need additional information, contact Dr. Sandra L. Wilson, Registrar, at Room 1W23 City Hall, New Orleans, Louisiana 70112.

BASIC FINANCIAL STATEMENTS

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 STATEMENT OF NET POSITION
 DECEMBER 31, 2019

ASSETS

Cash in Bank	\$	15,255
Intergovernmental receivables		23,527
Capital assets, net (Note 4)		<u>867</u>
Total Assets		<u>39,649</u>
Deferred Outflows:		
Pension Related		<u>86,433</u>
Total Assets and Deferred Outflows		<u><u>126,082</u></u>

LIABILITIES

Accounts Payable		16,726
Accrued Payroll		9,969
Compensated Absences Payable		23,358
Net Pension Liability		<u>574,093</u>
Total Liabilities		<u>624,146</u>
Deferred Inflows:		
Pension Related		<u>119,666</u>
Total Liabilities and Deferred Outflows		<u><u>743,812</u></u>

NET POSITION

Invested in Capital assets		867
Unrestricted		<u>(618,597)</u>
Total Net Position		<u><u>(617,730)</u></u>

LIABILITIES AND NET POSITION		<u><u>\$ 126,082</u></u>
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The accompanying notes are an integral part of these financial statements

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2018

FUNCTIONS / PROGRAMS	Expenses	General Revenues		Net (Expenses) Revenue
		Charges for Services	Operating Public Support	
Governmental activities:				
General government	\$ 467,726	\$ -	\$ 358,152	\$ (109,574)
Total governmental activities:				(109,574)
Other revenues:				
Non-employer contributions				60,361
Total general revenues and transfers				60,361
Changes in net position				(49,213)
Net position - beginning of year				(568,517)
Net position - end of year				\$ (617,730)

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

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
BALANCE SHEET - GOVERNMENTAL FUND
DECEMBER 31, 2019

ASSETS

Cash	\$ 15,255
Due from the City of New Orleans	<u>23,527</u>
Total Assets	<u>38,782</u>

LIABILITIES

Accounts Payable	16,726
Accrued Payroll	<u>9,969</u>
Total Liabilities	<u>26,695</u>

Fund Balance

Fund Balance Unreserved	<u>12,087</u>
Total fund balance	<u>12,087</u>
Total liabilities and fund balance	<u>\$ 38,782</u>

The accompanying notes are an integral part of these financial statements

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2019

REVENUES

Intergovernmental Revenue	\$ 358,152
Total revenue	358,152

EXPENDITURES

Salaries and Fringe Benefits	330,090
Professional Services	13,629
Dues & Subscriptions	754
Convention & Travel	22,779
Rent & Leases	251
Repairs and Maintenance	1,792
Telephone & Communication	442
Miscellaneous	653
Office supplies	1,898
Equipment and Other Supplies	488
Total expenses	372,776

Net change in fund balance	(14,624)
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Fund balance, beginning of year	26,711
Fund balance, end of year	\$ 12,087

The accompanying notes are an integral part of these financial statements

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND
 TO THE STATEMENT OF NET POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2019

Total fund balance-Governmental Fund	\$ 12,087
Deferred Outflows	86,433
Amount reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund:	867
Long-term liabilities are not due and payable in the current period therefore are not reported in the fund:	
Compensated Absences	(23,358)
Deferred Inflows	(119,666)
Net Pension Liability	(574,093)
Net position of governmental activities	<u><u>\$ (617,730)</u></u>

The accompanying notes are an integral part of these financial statements

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES TO THE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2018

Total net change in fund balance-Governmental Fund	<u>\$ (14,624)</u>
Amount reported for governmental activities in the Statement of Activities are different because:	
The Governmental Fund reported capital outlays as expenditures whereas in the Statement of Activities these costs are depreciated over their estimated lives:	
Depreciation expense	(579)
Non-employer contributions to cost-sharing pension plan	60,361
Pension Expense	<u>(94,371)</u>
Total change in net position of governmental activities	<u><u>\$ (49,213)</u></u>

The accompanying notes are an integral part of these financial statements

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 – BACKGROUND

The Registrar of Voters for the Parish of Orleans (the Registrar) is a non-partisan subdivision of the State of Louisiana and is subject to the direction of the Commissioner of Elections. The Registrar is responsible for the registration of voters and for the administration and enforcement of the laws, rules and regulation of the State of Louisiana and the Louisiana Civil Service Commission and after appointment can only be removed by majority vote of the State Board of Election Supervisors for conviction of a felony or specific types of conduct, as set forth in Louisiana Revised Statute 18:53.

Basis of Presentation

The accompanying financial statements of the Registrar have been prepared in conformity with accounting principals generally accepted in the United States of America applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Special-Purpose Financial Statement Presentation

The accompanying special-purpose financial statements include only the appropriations received by the Registrar from the City of New Orleans (the City). As provided by Louisiana Revised Statutes 18:55-59, the State pays, through the Commissioner of Elections, a portion of the salary of the Registrar, the Chief Deputy, and the Confidential Assistant, and one-half of the salaries of the regular employees for each year plus related retirement and other benefits. This compensation is paid directly by the State to the Registrar and its employees and is not included in the accompanying special-purpose financial statements. As such, the accompanying financial statements present only that portion of the general fund that is attributable to the transactions arising from the City's appropriations to the Registrar. In accordance with Governmental Accounting Standards Board pronouncements, the Registrar reports its net position in separate categories, 1) Investment in Capital Assets 2) Restricted and 3) Unrestricted.

Investment in Capital Assets – consists of capital assets, net of accumulated depreciation.

Restricted Net position include realized gains and losses, investment income and gifts and contributions for which donor-imposed restrictions have not been met.

Unrestricted Net Position – consist of net assets which do not meet the definition of the two preceding categories. Unrestricted net assets often are designated to indicate that management does not consider them to be available for general operations. Unrestricted net assets often have constraints on resources which are imposed by management but can be removed or modified.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Statement of Activities – demonstrates the degree to which the direct expenses of a given function or segments are offset by the program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided by a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenue.

Fund Accounting

The Registrar uses a fund (General Fund) to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

The fund of the Registrar is classified as a governmental fund (General Fund), which accounts for the Registrar's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of fixed assets.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Registrar.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

The focus of governmental fund financial statements is on major funds than reporting funds type. Each major fund is presented in a separate column. At December 31, 2019, the general fund is the only major fund of the Registrar.

The General Fund is maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Continued,

Operating Budget

The Registrar adopts a budget (appropriation request) on a calendar year basis for consideration by the City of New Orleans in the preparation of their operating budget of expenditures. The Registrar's budget is submitted to the City prior to November 1. The City advertises, holds hearings, and not later than December 1, the budget is legally enacted through passage of an ordinance. Appropriations for the Registrar's office are listed under the Judicial and Parochial as separate line items.

Cash Account

Cash consists solely of demand deposits fully secured by Federal deposit insurance.

Vacation and Sick Leave

Employees of the Registrar, not including the Registrar of Voters, earn and accumulate vacation and sick leave at varying rates according to their years of service. The amount of vacation and sick leave that may be accumulated by each employee is limited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused vacation leave at the employees' hourly rate of pay at the time of termination. Upon retirement, unused vacation leave in excess of 300 hours plus unused sick leave are used in computing retirement benefits. The liability for unused vacation leave payable at December 31, 2019, is \$23,358.

Estimates

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

Capital Assets

Capital assets are valued at historical cost (at the time purchased), or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their fair market value on the date received. Depreciation has been provided over estimated useful lives of the assets using the straight-line method. The estimated useful lives of furniture and equipment are 5 years.

Depreciation expense for the year ended December 31, 2019 is recorded at \$579.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS\
DECEMBER 31, 2019

NOTE 3 – PENSION PLAN

Substantially all of the employees of the Registrar's office are members of the Registrars of Voters Employees' Retirement System ("System"), a cost-sharing multiple-employer defined benefit pension plan, controlled and administered by a separate board of trustees.

The Registrar of Voters Employees' Retirement System prepares its employer schedules in accordance with the Governmental Accounting Statement No. 68 - Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

Basis of Accounting:

The Registrar of Voters Employees' Retirement System's employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2019.

System Employees:

The System is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the System's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Pension Amount Netting:

The deferred outflows and deferred inflows of resources attributable to differences between projected and actual earnings on pension plan investments recorded in different years are netted to report only a deferred outflow or a deferred inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows are not presented on a net basis.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Continued,

Plan Fiduciary Net Position:

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

1. PLAN DESCRIPTION:

The System was established on January 1, 1955, for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies, and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any member hired prior to January 1, 2013, is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service, regardless of age, may retire. Regular retirement benefits for members hired prior to January 1, 2013, are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013, is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013, are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013, that have attained 30 years of creditable service with at least 20 years of creditable service in the System, are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Continued,

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

Disability benefits are provided to active contributing members with at least ten years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance.

The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service and is not eligible to retire, automatic Option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with Option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic Option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Continued,

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the System.

Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of two and a half percent of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

2. EMPLOYER CONTRIBUTIONS:

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2019, the actual employer contribution rate was 17.00%.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2019.

Pension Liability, Pension Expense, and Deferred Inflows/Outflows of Resources Related to Pensions

At June 30, 2019, the Registrar reported a liability of \$574,093 for its proportionate share of the net pension liability of the Plan. This amount includes a reduction of \$18,707 based upon employer contributions made by the Registrar subsequent to the Plan's June 30, 2019 measurement date. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Registrar's proportion of the net pension liability was based on a projection of the Registrar's long-term share of contributions to the pension plans relative to the project contributions of all participating employers, actuarially determined. At June 30, 2019, the Registrar's proportion was 2.017152%. The Court recognized pension expense of \$94,371 representing its proportionate share of the Plan's net expense, including amortization of deferred amounts.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Continued,

For the year ended June 30, 2019 the Registrar reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Differences between Expected and Actual Experience:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Changes of Assumptions:

Changes of assumptions about future economic or demographic factors used to measure the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Change in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2019

A table reflecting the amounts is as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ -	\$ 93,049
Changes in assumptions	55,836	-
Changes in proportion	11,890	5,082
Net difference between projected and actual earnings on pension plan investments	-	21,535
Employer contributions subsequent to measurement date	18,707	-
Totals	<u>\$ 86,433</u>	<u>\$ 119,666</u>

The deferred outflows related to employer contributions subsequent to the measurement date reported at \$18,707 will be recognized as a reduction of the net pension liability in the Registrar's fiscal year ended December 31, 2019 financial statements.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2019

Continued,

Other amounts reported as deferred outflows of resources and deferred inflows of resources, including the remaining Plan's amortization, related to pensions will be recognized in pension expenses as follow:

Remaining deferred amounts from current year change in proportion	Remaining deferred amounts from prior years changes in proportion	Total deferred amounts from changes in proportion
\$ 5,504	\$ 1,304	\$ 6,808

The Registrar's required projected employer contributions are the basis used to determine the proportionate relationship of the Registrar to all employers of Louisiana Registrar of Voters Employees' Retirement System. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The plan's allocation percentages were used in calculating the Registrar's proportionate share of the pension amounts. The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan for 2019 as compared to the total of all employers' projected contribution effort to the plan for the 2019. The employers' projected contribution effort was actuarially determined by the System's actuary.

3. ACTUARIAL METHODS AND ASSUMPTIONS:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Valuation Date	6/30/2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.50%, net of investment expense
Projected Salary Increases	6.0% (2.4% Inflation)
Mortality Rates	RP-2000 Healthy Mortality Table for active members, healthy annuitants, and beneficiaries
	RP-2000 Disabled Lives Mortality Table for disabled annuitants
Expected Remaining Service Lives	2015 to 2019 - 5 years
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2019

Continued,

During the year ended June 30, 2019, mortality assumptions were set after reviewing an experience study performed on plan data for the period from July 1, 2009, through June 30, 2014. The data was assigned credibility weightings and combined with a standard table to produce current levels of mortality. The mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The mortality tables selected were set forward or set back to approximate mortality improvement.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.83% for the year ended June 30, 2019.

Expected Rates of Return

The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2019 were as follows:

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Domestic Equities	40.0%	7.50%	3.00%
International Equities	20.0%	8.50%	1.70%
Domestic Fixed Incomes	12.5%	2.50%	0.31%
International Fixed Incomes	10.0%	3.50%	0.35%
Alternative Investments	10.0%	6.33%	0.63%
Real Estate	7.5%	4.50%	0.34%
Totals	100%		6.33%
Inflation			2.50%
Expected Arithmetic Nominal Return			8.83%

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2019

Continued,

The discount rate used to measure the total pension liability was 6.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by the Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

A. Sensitivity to Changes in Discount Rate

The following table presents the net pension liability of the participating employers, calculated using the discount rate of 6.50%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2019.

	1% Decrease 5.50%	Current 6.50%	1% Increase 7.50%
Employer's net pension liability	\$636,342	\$377,211	\$154,801

The Registrar's proportionate share of employer contributions as of June 30, 2019 reflected \$47,398, while the proportionate share of non-employer contributions reflected 60,361.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2019

NOTE 4 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2019 are as follows:

<u>CAPITAL ASSETS</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Furniture & Equipment	\$129,749	\$ -	\$ -	\$ 129,749
Accumulated Depreciation	<u>(128,303)</u>		-	<u>(128,303)</u>
NET CAPITAL ASSETS	<u>\$ 1,446</u>			<u>\$ 1,446</u>
Less: Current Year Depreciation Expense				<u>(579)</u>
Net Capital Assets				<u>\$ 867</u>

NOTE 5 - SUBSEQUENT EVENTS

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) spread across multiple countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions in operations and ability for employees to perform their job functions. Subsequent events have been evaluated through November 23, 2020 and management advised us that no other reportable matters existed.

REQUIRED SUPPLEMENTARY INFORMATION

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

<u>PROGRAM REVENUES</u>	<u>Budget</u>	<u>Actual</u>
Appropriations - City of New Orleans	\$ 385,945	\$ 358,152
Total program revenue	<u>\$ 385,945</u>	<u>358,152</u>
 <u>EXPENDITURES</u>		
Salaries and fringe benefits	338,545	330,090
Professional services	10,000	13,629
Printing & Binding	4,500	-
Dues & Subscriptions	200	754
Convention & Travel	8,000	22,779
Rent & Leases	12,200	251
Repairs and Maintenance	3,000	1,792
Telephone	1,500	442
Miscellaneous	-	653
Office Supplies	8,000	1,898
Equipment and Other Supplies	-	488
Total expenses	<u>\$ 385,945</u>	<u>\$ 372,776</u>

See Independent Auditor's Report

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Registrar's Proportion of the Net Pension Liability	2.01715%	1.98627%	1.94589%	1.99984%	1.97918%
Registrar's Proportionate Share of the Net Pension Liability	\$ 377,211	\$ 468,845	\$ 427,143	\$ 567,457	\$ 484,708
Registrar's Covered-Employee Payroll	\$ 330,090	\$ 330,847	\$ 330,938	\$ 348,847	\$ 329,365
Registrar's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	114.28%	141.71%	129.07%	162.67%	147.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	121.26%	121.26%	105.82%	85.22%	94.35%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Contractually Required Contribution	\$ 47,099	\$ 46,849	\$ 53,605	\$ 62,167	\$ 65,106
Contributions in Relation to the Contractually Required Contribution	\$ 36,750	\$ 51,006	\$ 53,605	\$ 62,167	\$ 65,106
Contribution Deficiency/(Excess)	\$ 10,349	\$ (4,157)	\$ -	\$ -	\$ -
Registrar's Covered-Employee Payroll	\$ 330,090	\$ 330,847	\$ 330,938	\$ 348,847	\$ 329,365
Contributions a a Percentage of Covered-Employee Payroll	11.13%	15.42%	16.20%	17.82%	19.77%

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1: CHANGES IN BENEFIT TERMS

There were no significant changes in benefit terms during the years presented on the accompanying schedules.

NOTE 2: CHANGES IN ASSUMPTIONS

There were no significant changes in assumptions during the years presented on the accompanying schedules.

OTHER SUPPLEMENTARY INFORMATION

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
 NEW ORLEANS, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
 PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

FOR THE YEAR ENDED DECEMBER 31, 2019

Agency Head Name: Sandra L. Wilson

Purpose	Amount
Salary	\$144,292.72
Benefits-insurance	N/A
Benefits-retirement	Contributions by employee
Benefits-other	N/A
Car allowance	N/A
Vehicle provided by government	N/A
Per diem	N/A
Reimbursements	N/A
Travel	N/A
Registration fees	N/A
Conference travel	N/A
Continuing professional education fees	N/A
Housing	N/A
Unvouchered expenses*	N/A
Special meals	N/A



Luther Speight & Company
Certified Public Accountants and Consultants

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 Honorable Sandra Wilson,
Registrar for the Parish of Orleans
New Orleans, Louisiana

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 the governmental activities and each major fund of the Registrar of Voters for the Parish of Orleans (the Registrar), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Registrar's basic financial statements and have issued our report thereon dated November 23, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Registrar'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Registrar's internal control. Accordingly, we do not express an opinion on the effectiveness of the Registrar'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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as finding #2019-01 that we consider to be a significant deficiency.

Continued,

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Registrar'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 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*.

Management's Response to Findings

The Registrar's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The Registrar's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

A handwritten signature in blue ink, appearing to read "Luther Speight & Co".

Luther Speight & Company CPAs

New Orleans, Louisiana
November 23, 2020

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
SUMMARY OF AUDITOR'S RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Section I – Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(s) identified
not considered to be material weaknesses? X Yes _____ No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards (Not Applicable)

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

FINDING NO. 2019-01: PAYROLL AND HUMAN RESOURCE PROCEDURES NOT FOLLOWED
CONSISTENTLY

CRITERIA:

Best practices for governmental entities published by the Louisiana Legislative Auditor relating to proper internal controls over payroll and personnel files state the following:

Payroll Documentation

Effective controls could consist of (1) including in the individual personnel files the approved salary or rate of pay amount; (2) requiring all employees to complete simple time reports to document hours worked; (3) requiring the time reports be approved by the appropriate supervisor; and (4) maintaining simple records to account for vacation and sick leave earned and taken by employees.

Employee Personnel Records

A personnel file should be maintained for each employee that contains, at a minimum, (1) the employment application form that includes background information (employee's name, address, date of birth, emergency contact) and work experience of the employee; (2) the approved starting salary or rate of pay amount; (3) the Federal Employee's Withholding Allowance Certificate Form W-4 and Louisiana Employee Withholding Exemption Certificate Form L-4; (4) approved salary or hourly pay rate increases/decreases; (5) employee authorized deductions (e.g., insurance, deferred compensation plan); (6) performance appraisals; (7) promotions; and (8) disciplinary actions.

CONDITION:

The Organization's payroll processing and human resource procedures were not adequate and did not include sufficient documentation to support payroll disbursements. We examined a sample of sixty-two (62) payroll transactions and fourteen (14) personnel files and noted that eleven (11) of the payroll transactions were supported by employee sign-in attendance sheets; however these documents did not reflect supervisory approval.

CAUSE

We were unable to determine the cause for these exceptions noted

EFFECT:

The internal control environment over payroll and human resources was not adequate.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

FINDING NO. 2019-01: PAYROLL AND HUMAN RESOURCE PROCEDURES NOT FOLLOWED
CONSISTENTLY

RECOMMENDATION:

We recommend that each the daily attendance sheets be reviewed, approved and signed by supervisors.

MANAGEMENT'S RESPONSE:

Employees daily are required to report attendance by signing into a daily attendance log sheet. This will be continued. However, controls will be implemented to ensure that the daily report of employee attendance and daily summary of time earned by employees are reconciled, completed daily and signed as approved by supervisors.

REGISTRAR OF VOTERS FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA
UPDATE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

<u>Finding #</u>	<u>Description</u>	<u>Resolved/Unresolved</u>
2018-001	Payroll and Human Resource Procedures	Unresolved



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**REGISTRAR OF VOTERS
FOR THE PARISH OF ORLEANS**

AGREED UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019



Luther Speight & Company
Certified Public Accountants and Consultants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Sandra L. Wilson
Registrar of Voters for the Parish of Orleans
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Registrar of Voters for the Parish of Orleans (ROV) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

Results: *The Registrar is housed in City Hall at the City of New Orleans. Budgeting is accomplished through the City Council of New Orleans and is processed through the City's accounting System. The Registrar does not have a need for a separate policy for budgeting.*

b) ***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.

Results: Purchasing and disbursements are also coordinated and processed through the City's accounting system so the Registrar follows the City's policies. The Registrar does not have a need for a separate policy for purchasing.

- c) **Disbursements**, including processing, reviewing, and approving

Results: See Purchasing above.

- d) **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).

Results: The Registrar does not collect actual cash or checks at their office, so there is not a need for a Receipts/Collection policy.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: We obtained the Registrar's Office Policy Manual, which details payroll procedures. We noted procedures for attendance and leave records.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

Results: Not applicable. All contracts are maintained via either the City of New Orleans or the State of Louisiana's purchasing system.

- g) **Credit Cards (and debit cards, fuel cards, P-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)

Results: Not applicable. The Registrar does not maintain credit cards.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: The Registrar complies with the City of New Orleans' Policy for Travel and Business Expenses. We obtained Policy Memorandum No. 9, which details the City's travel policies.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Results: *The Registrar follows the City of New Orleans' ethics policies. We noted the Registrar's employees complete ethics training.*

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: *Not applicable—no debt outstanding.*

- k) **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.

Results: *The Registrar follows the City of New Orleans' disaster recover/business continuity policies and procedures.*

Board or Finance Committee

Results: *The Registrar does not have a Board of Directors. However, the City of New Orleans has regular meetings and posts videos of the meetings online. AUP step is not applicable to the Registrar.*

Bank Reconciliations

Results: *We noted no findings in this section for the year ended December 31, 2018. Therefore, we determined this section was not necessary for the year ended December 31, 2019.*

Collections

Results: *We noted that the Registrar does not collect cash or checks at its office location. Collections AUP step is not applicable.*

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

Results: We noted no findings in this section for the year ended December 31, 2018. Therefore, we determined this section was not necessary for the year ended December 31, 2019.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

Results: We noted the Registrar does not maintain credit cards. Credit Cards AUP step is considered not applicable

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

Results: We noted no findings in this section for the year ended December 31, 2018. Therefore, we determined this section was not necessary for the year ended December 31, 2019.

Contracts

Results: We noted that contracts are maintained via either the City of New Orleans or the State of Louisiana's purchasing systems. Contracts AUP step is considered not applicable.

Payroll and Personnel

2. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: Of the 5 employees selected, we noted that all 5 of their paid salaries agreed to their authorized pay rates in the personnel files.

3. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #3 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Results: *Of the 5 employees selected for the one pay period, we noted that all 5 of their attendance and leave was documented.*

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Results: *Of the 5 employees selected for the one pay period, we noted that 1 of the 5 of their attendance and leave records was not approved by a supervisor.*

Management's Response: *Additional controls will be implemented to ensure attendance and leave records are reviewed daily and approved consistently.*

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: *We noted the Registrar keeps track of all employees leave hours taken and hours remaining in a report. We use this report for the payroll accrual for the audit.*

- 4. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results: *We noted only one terminated employee during 2019. All other information agreed to the file.*

- 5. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results: *Management's representation obtained.*

Ethics

- 6. Using the 5 randomly selected employees/officials from procedure #3 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Results: We noted an Ethics training certificate was not included in 1 of the 5 employee's personnel file.

Management's Response: Employee was terminated prior to completing Ethics Certification. However, the employee's 2018 certificate was provided.

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results: We noted the Registrar has an Office Policy Manual, but does not have an official Ethics policy.

Management's Response: The Registrar of Voters' office is compliant with Policy #49—The Louisiana Code of Governmental Ethics as is that of the Department of State and the Office of the Secretary of State. Policy #49 is the office's policy and all employees are required to complete Ethics Training annually to be compliant.

Debt Service

Results: We noted no debt was issued during fiscal 2019. Debt Service AUP step is not applicable.

Other

7. 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.

Results: We were advised by the Registrar that no misappropriations of public funds or assets occurred during the year.

8. 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.

Results: We noted the required notice posted on the Registrar's premises. In addition, the Registrar's office is located within City Hall and the lobby has the required postings. The City of New Orleans has the notice posted on their website.

We were not engaged to and did not conduct an examination or review, 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.

The purpose of this report is 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.

A handwritten signature in blue ink, appearing to read "Luther Speight & Co". The signature is stylized and cursive.

Luther Speight & Company CPAs
New Orleans, Louisiana
November 23, 2020