



OFFICE OF INSPECTOR GENERAL
U.S. Election Assistance Commission



SEMIANNUAL REPORT TO CONGRESS
OCTOBER 1, 2022 - MARCH 31, 2023

Message from the Inspector General



Brianna Schletz
Inspector General

I am pleased to present this *Semiannual Report to Congress* covering the oversight activities of the Office of Inspector General (OIG) for the U.S. Election Assistance Commission (EAC) from October 1, 2022, to March 31, 2023. This is in accordance with the Inspector General Act of 1978, as amended.

During this semiannual period, EAC welcomed a new Executive Director, received an increase in appropriations, and is actively growing its team to meet EAC's mission—to help election officials improve the administration of elections and help Americans participate in the voting process. OIG remains committed to its mission to safeguard the federal investment in our electoral system by conducting objective and meaningful oversight of EAC and its programs. To meet our goals, OIG is using a combination of oversight tools, such as management advisory reports, to alert EAC to high-risk areas and urge timely action. See page five for more information on how OIG used investigative, audit, and advisory tools to address risks related to EAC's contracting practices.

During the first half of fiscal year 2023, we processed 374 [OIG Hotline](#) complaints—28 percent more than the total received in all of fiscal year 2022 (271 complaints). We issued five audit reports, two management advisories, and reported on the top [management challenges](#) facing EAC in fiscal year 2023. We also have nine ongoing projects: one mandatory audit, one mandatory review, six audits of Help America Vote Act (HAVA) grants (Alaska, American Samoa, Guam, Missouri, North Carolina, and Wisconsin), and an audit of EAC's contracting and procurement activities.

I look forward to continuing to promote economy, efficiency, and effectiveness in EAC programs and operations.

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Election Assistance Commission Profile

Congress established the U.S. Election Assistance Commission (EAC or Commission) through the passage of the Help America Vote Act (HAVA) of 2002 (Pub. L. 107-252). EAC is an independent, bipartisan commission that serves as a national clearinghouse and resource for the compilation of information and review of procedures for the administration of federal elections. The President appoints and the Senate approves four commissioners authorized by HAVA.

EAC's principal duties include maintaining a national clearinghouse of information on election administration; testing and certifying, decertifying, and recertifying voting systems; adopting voluntary voting system guidelines; and administering grants authorized by HAVA. From inception to 2011, EAC distributed over \$3 billion in grants to the 50 states, in addition to the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa (hereinafter referred to as "states and territories"). In 2020, the Northern Mariana Islands also became an EAC grant recipient.

Most recently, in both the 2022 and 2023 appropriations, EAC received \$75 million in HAVA Election Security Grant funds to be awarded to states and territories. The purpose of the awards is to "improve the administration of elections for federal office, including to enhance election technology and make election security improvements." EAC also received \$1 million for the Help America Vote College Program, to remain available until expended. Learn more at www.eac.gov.

Office of Inspector General Profile/Mission

Created in 2005, the Office of Inspector General is an independent division of EAC. HAVA required the appointment of an Inspector General (IG) for EAC and amended the Inspector General Act (IG Act) of 1978 to identify EAC as a Designated Federal Entity. During this 6-month period, OIG has attained four full-time employees—the Inspector General, Assistant Inspector General for Audit, a senior auditor, and program analyst. The program analyst position was filled March 27, 2023. OIG continues to leverage its staff resources, contracts for audits with independent public accounting (IPA) firms, and services from other federal agencies to perform the duties required under the IG Act.

As a small OIG, the office relies on EAC for functions related to information technology, budget, and human resources. To increase the office independence, EAC OIG is working with the Office of Management and Budget and EAC to ensure that OIG's budget is specified as an amount "no less than" within the President's Budget and Appropriations language. This aligns with the Council of the Inspectors General on Integrity and Efficiency's (CIGIE) [legislative priority](#) on Enhancing Independence and Efficiency by Providing Separate and Flexible OIG Funding.

The primary mission of OIG is to conduct independent audits, evaluations, inspections, and investigations to promote economy and efficiency and to prevent and detect fraud, waste, abuse, and mismanagement in the programs and operations of EAC. The three primary activities are: 1) audits of

grant recipients, 2) audits of programs and operations, and 3) investigations related to staff, operations, or grant recipients.

Audits, Inspections, and Evaluations

During the 6 months that ended March 31, 2023, OIG issued one discretionary audit, two mandatory audits, two HAVA grant audits, and two management advisories. Final reports are publicly accessible via the [EAC OIG website](#) and on [Oversight.gov](#).

Audit of the U.S. Election Assistance Commission’s Testing and Certification Program

Due to increased public interest and hotline inquiries, as well as the importance of voting systems to the nation’s elections, OIG performed this audit to provide the general public, lawmakers, and other stakeholders with additional information on EAC’s testing and certification program. The objectives of the audit were to describe (1) the process for accrediting voting system test laboratories and certifying voting systems and (2) the factors that affect EAC’s testing and certification program. The [final report](#) was issued in March 2023. OIG found EAC has a robust lab accreditation program and voting system certification process. However, there are significant factors that impact the program. Specifically, the audit identified opportunities to improve stakeholder coordination and communication; program implementation related to policies, procedures, communication, and staffing; and the assessment of program risks. OIG made seven recommendations.

Audit of the U.S. Election Assistance Commission’s Compliance with the Federal Information Security Modernization Act (FISMA) for Fiscal Year 2022

OIG engaged an independent public accounting firm to conduct the fiscal year 2022 FISMA audit. The objective was to determine whether EAC implemented selected security controls for certain information systems in support of FISMA. The [final report](#) was issued in November 2022. OIG found that EAC generally complied with FISMA requirements by implementing selected security controls for tested systems. EAC received an overall *Level 4 – Managed and Measurable* maturity level; therefore, the EAC information security program is effective. OIG made five recommendations to address vulnerabilities that EAC Office of the Chief Information Officer did not: (1) consistently resolve known vulnerabilities; (2) fully configure Security Content Automation Protocol (SCAP) scanning procedures; (3) track software license usage; and (4) test EAC’s contingency plan and provide contingency training.

Audit of the U.S. Election Assistance Commission’s Financial Statements for Fiscal Years 2022 and 2021

OIG engaged Brown & Company CPAs and Management Consultants, PLLC, to conduct the audit of EAC’s financial statements for the fiscal years ended September 30, 2022, and September 30, 2021. The [final](#)

[report](#) was issued in November 2022. OIG found EAC's financial statements present fairly, in all material respects, EAC's position as of September 30, 2022, and its net cost of operations, changes in net position, and budgetary resources for the fiscal year ended in accordance with U.S. generally accepted accounting principles. The audit did not identify any deficiencies in internal control over financial reporting that were considered to be material weaknesses or significant deficiencies. The audit did not identify any findings and, therefore, OIG made no recommendations.

HAVA Grant Audits

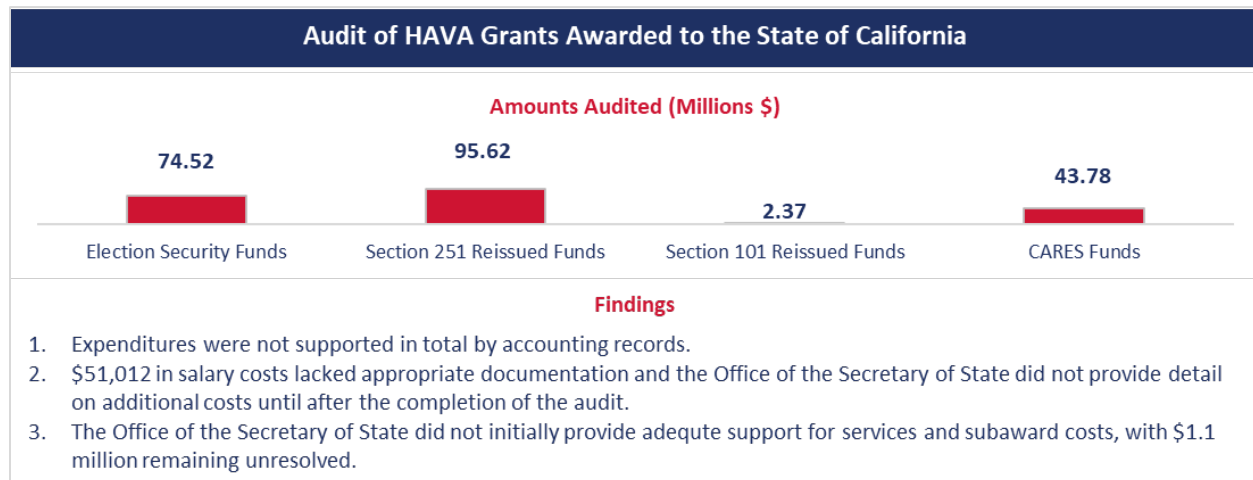
During this semiannual period, OIG completed two audits of the administration of payments received under the Help America Vote Act. The two audit reports contained 13 recommendations and just over \$2 million in questioned or unsupported costs. Summaries of each completed audit are below.

2	HAVA Audit Reports Issued
13	Audit Recommendations
217.5	\$ Audited, in Millions
2,000,043	\$ Questioned

California

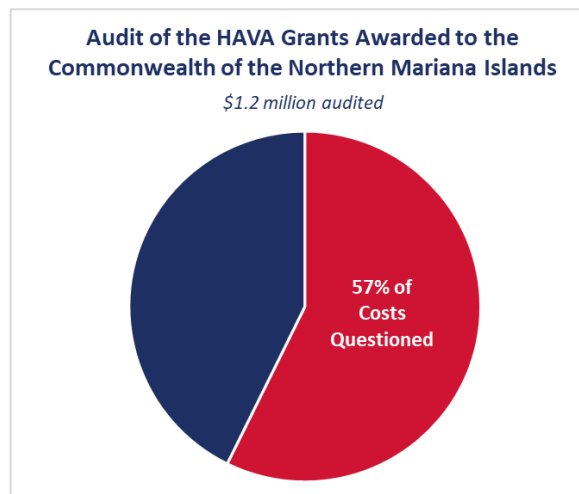
OIG engaged the independent accounting firm of McBride, Lock and Associates, LLC, to conduct an audit of funds received by the State of California under HAVA, including state matching funds and interest earned, totaling \$216.3 million. The [final report](#) was issued in October 2022.

The audit found the California Secretary of State Office generally used funds for authorized purposes, properly accounted for and controlled property purchased, and used funds in a manner consistent with the informational plans provided to EAC. However, there were three exceptions and OIG made eight recommendations to address the findings.



Commonwealth of the Northern Mariana Islands

Internal staff conducted this audit after notification from the EAC Grants Office that the Commonwealth of the Northern Mariana Islands (CNMI) had not turned in required federal reports. The [final report](#) was issued in February 2023. OIG found that the CNMI Commonwealth Election Commission (1) could not always provide documentation and explanations to support that its grants were used for authorized and intended purposes, resulting in over \$687,000 in questioned costs; (2) did not use funds in accordance with applicable requirements, including the submission of required reports and the deposit of grant funds in an interest bearing election fund; and (3) does not have policies to properly control equipment purchases. OIG made five recommendations.



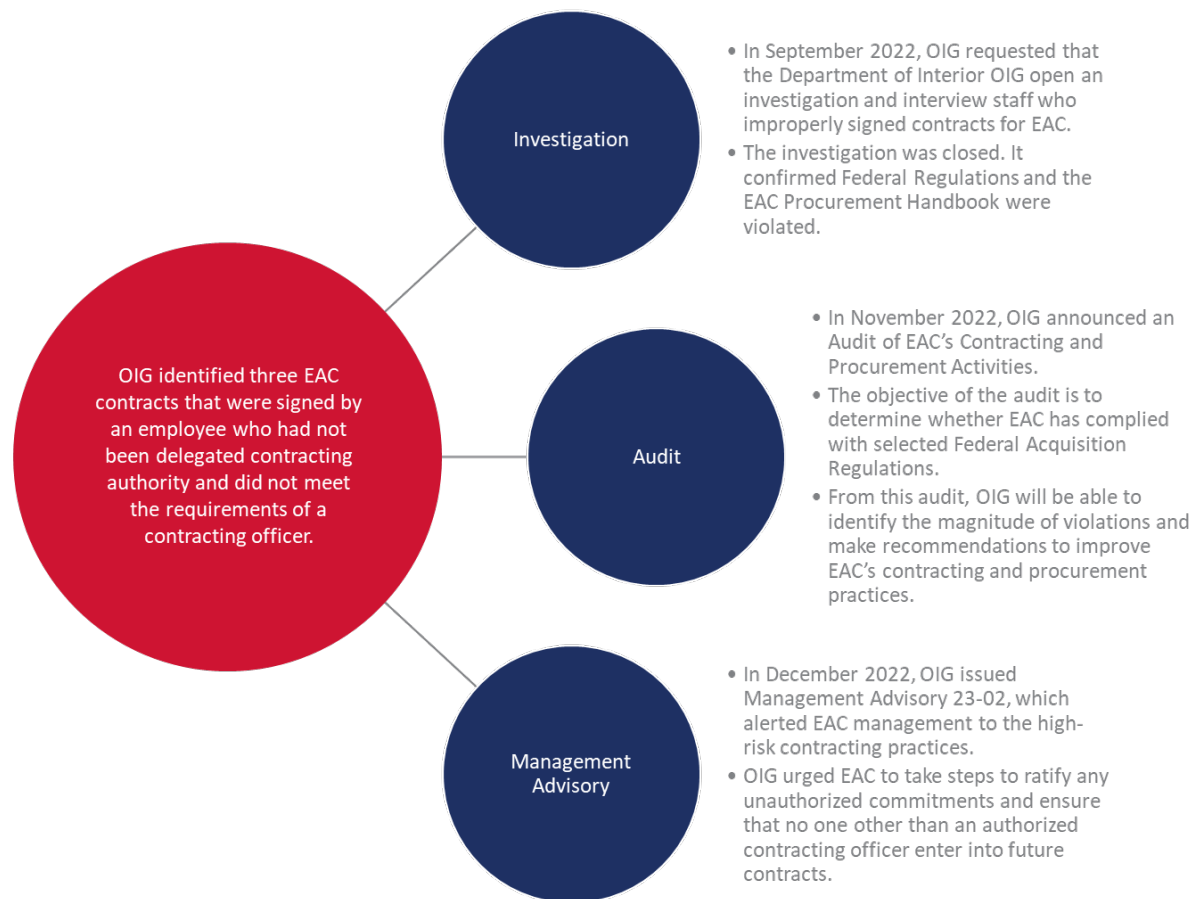
Management Advisory: Define voter registration, voter education, and get-out-the-vote

OIG issued a [management advisory](#) in December 2022 to alert EAC about an identified risk. Specifically, OIG found EAC may be inadvertently providing inconsistent guidance to grantees and there is a risk that unallowable activities may be taking place because the terms “voter registration,” “voter education,” and “get-out-the-vote” (GOTV) are not defined in HAVA. We urged EAC to develop a plan to ensure that staff members are providing consistent guidance and know when to seek General Counsel guidance when something requires interpretation. As part of this, we urged EAC to adopt definitions of “voter registration,” “voter education,” and “GOTV” and ensure such definitions are publicly available and incorporated into EAC’s policies and procedures, in addition to HAVA grant guidance and certifications.

Management Advisory: Procurement and Contracting Practices

OIG issued a [management advisory](#) in December 2022 to alert EAC that its contracting practices may not be executed in accordance with EAC policies, the Federal Acquisition Regulations System, and the Digital Accountability and Transparency Act of 2014. We did this in conjunction with an investigation and announced an audit of the subject for more robust oversight, as described in the figure on the next page.

OIG'S MULTI-PRONGED APPROACH TO ADDRESS CONTRACTING RISK



Ongoing and Initiated Work During the Semiannual Period

OIG has nine ongoing projects, six of which were ongoing on October 1, 2022:

Title	Objective(s)	Conducted By (IPA /OIG)
<i>Audit of the Administration of CARES Act and HAVA Election Security Funds for North Carolina</i>	To determine whether North Carolina (1) used funds for authorized purposes in accordance with applicable requirements, (2) properly accounted for and controlled property purchased with EAC funds, and (3) used funds for intended purposes. We will	OIG

Title	Objective(s)	Conducted By (IPA /OIG)
	also determine whether North Carolina complied with requirements for state matching funds.	
<i>Audit of the HAVA Grants Awarded to the State of Alaska</i>	To determine whether Alaska (1) used funds for authorized purposes in accordance with Sections 101 and 251 of HAVA and other applicable requirements; (2) properly accounted for and controlled property purchased with HAVA payments; and (3) used funds in a manner consistent with the informational plans provided to EAC.	IPA
<i>Audit of the HAVA Grants Awarded to American Samoa</i>	To determine whether American Samoa (1) used funds for authorized purposes in accordance with Sections 101 and 251 of HAVA and other applicable requirements; (2) properly accounted for and controlled property purchased with HAVA payments; and (3) used funds in a manner consistent with the informational plans provided to EAC.	IPA
<i>Audit of the HAVA Grants Awarded to Guam</i>	To determine whether Guam (1) used funds for authorized purposes in accordance with Sections 101 and 251 of HAVA and other applicable requirements; (2) properly accounted for and controlled property purchased with HAVA payments; and (3) used funds in a manner consistent with the informational plans provided to EAC.	IPA
<i>Audit of the HAVA Grants Awarded to Missouri</i>	To determine whether Missouri (1) used funds for authorized purposes in accordance with Sections 101 and 251 of HAVA and other applicable requirements; (2) properly accounted for and controlled property purchased with HAVA payments; and (3) used funds in a manner consistent with the informational plans provided to EAC.	IPA
<i>Audit of the HAVA Grants Awarded to Wisconsin</i>	To determine whether Wisconsin (1) used funds for authorized purposes in accordance with Sections 101 and 251 of HAVA and other applicable requirements; (2) properly accounted for and controlled property purchased with HAVA	IPA

Title	Objective(s)	Conducted By (IPA /OIG)
	payments; and (3) used funds in a manner consistent with the informational plans provided to EAC.	

Three projects commenced during the semiannual period:

Audit of EAC’s Contracting and Procurement Activities. In November 2022, OIG announced an audit of EAC’s contracting and procurement activities. The objective is to determine whether EAC has complied with selected Federal Acquisition Regulations. The audit will also review the implementation of seven recommendations made during a fiscal year 2013 procurement audit.

Review of EAC’s Compliance with the Payment Integrity Information Act (PIIA) for Fiscal Year 2022. In February 2023, OIG announced a review of EAC’s compliance with PIIA. The objective is to determine whether EAC complied with the Payment Integrity Information Act of 2019 for fiscal year 2022.

Audit of EAC’s Compliance with the Federal Information Security Modernization Act for Fiscal Year 2023. In March 2023, OIG announced an audit of EAC’s compliance with the Federal Information Security Modernization Act (FISMA) for fiscal year 2023. OIG has contracted with the independent public accounting firm Brown & Company CPAs and Management Consultants, PLLC.

Investigations and Whistleblower Retaliation

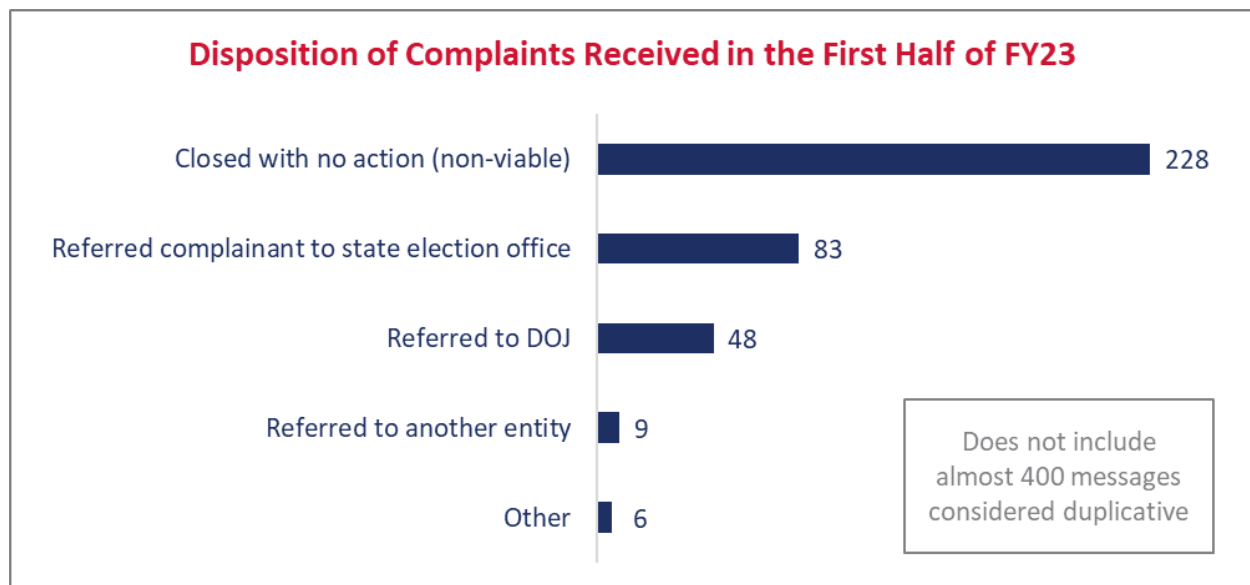
During this semiannual period, EAC OIG continued to use an interagency agreement for investigative services with the Department of Interior (DOI) OIG. In the event EAC OIG receives allegations that require further review, or it encounters fraud indicators during an audit, EAC OIG works with DOI OIG to determine whether to open an investigation.

EAC OIG maintains a hotline voicemail and email mailbox that receives complaint form submissions via website and direct email complaints. The OIG Hotline serves as a vehicle through which EAC employees, as well as members of the public, may report suspected fraud, waste, abuse, and mismanagement. EAC OIG works with the Department of Justice (DOJ) Public Integrity Section and its FBI contacts to refer any potential criminal acts related to federal elections and voter fraud that are received. The DOJ Public Integrity Section oversees the investigation and prosecution of federal crimes affecting government integrity, including election

DOJ’s Election Crimes Branch supervises the nationwide response to election crimes, such as voter fraud.

crimes. The [Election Crimes Branch](#) within the section supervises the nationwide response to election crimes, such as voter fraud and campaign-finance offenses. When we receive complaints that are not within EAC OIG's jurisdiction but are related to election crimes, such as voter fraud, we forward the information to DOJ without assessing whether it is a viable complaint.

We received 374 complaints during the semiannual period, with 228 being closed with no action. Generally, these complaints did not deal with EAC programs or grants and, therefore, were not within EAC OIG's purview, or there was not enough information to refer the complainant to an appropriate entity. The figure below demonstrates the disposition of complaints received by EAC OIG for the reporting period. The "other" category includes areas that have been referred for audit are still being researched.



The authority and responsibility to administer elections is specifically reserved for states and territories. When EAC OIG receives complaints related to voter registration or administration of elections, we refer the complainant to the appropriate state election office. During this reporting period we made 83 such referrals.

OIG (through our memorandum of understanding with the U.S. Department of Interior OIG) closed one investigation during the semiannual reporting period. The report was provided to EAC OIG in January 2023 and subsequently a [summary](#) was issued. OIG also provided EAC a referral for suspension and debarment and information to consider in establishing a suspension and debarment office. We did not perform or report on any investigations involving senior government employees. Also, OIG was not made aware of any instances of whistleblower retaliation during the semiannual period.

Questioned Costs, Unsupported Costs, and Funds Put to Better Use

During this semiannual period, OIG issued two reports with recommendations for questioned or unsupported costs, and funds put to better use totaling \$2,000,043. Management agreed with the associated recommendations and is working with the states involved to recover any unallowable costs.

Description	Audit Reports	Total in Audit Report	Total Dollar Value
Questioned (ineligible) Costs	<i>Audit of the HAVA Grants Awarded to the Commonwealth of the Northern Mariana Islands</i>	\$117,394	\$117,394
Unsupported Costs	<i>Audit of the HAVA Grants Awarded to California</i>	\$1,312,582	\$1,882,649
	<i>Audit of the HAVA Grants Awarded to the Commonwealth of the Northern Mariana Islands</i>	\$570,067	

Summary of Recommendations Closed During the Reporting Period

During the semiannual period, OIG closed 21 recommendations and sustained \$158,635 in questioned costs.

Report	Recommendations Closed this Period	Sustained Questioned Costs
<i>Audit of the Help America Vote Act Grants Awarded to the State of Arizona</i>	1, 2, 3	-
<i>Audit of the Help America Vote Act Grants Awarded to the State of Indiana</i>	1, 2, 3	-
<i>Audit of the Help America Vote Act Grants Awarded to the State of Washington</i>	1, 2, 3, 4, 5	\$158,635

Report	Recommendations Closed this Period	Sustained Questioned Costs
<u>Audit of the Help America Vote Act Grants Awarded to the State of Delaware</u>	1, 2, 4, 5	-
<u>Audit of the Help America Vote Act Grants Awarded to the Commonwealth of Pennsylvania</u>	1, 2, 5, 6	-
<u>Review of EAC's Compliance with the Payment Integrity Information Act for Fiscal Year 2021</u>	1, 2	-

Summary of Outstanding Recommendations

As of March 31, 2023, OIG has two reports containing five open recommendations that are more than 6 months old and for which EAC management had not completed final corrective actions.

<i>U.S. Election Assistance Commission's Policy Review, August 2017, I-PA-EAC-03-17</i>	
Recommendation	Status as of March 31, 2023
Enhance the records management system to document EAC's decisions, operations, policies, procedures, and practices.	EAC continues to report progress on this recommendation. Specifically, the Office of the General Counsel is hiring a Records Management Specialist. EAC also hired a Compliance Officer in September 2022. EAC issued a Records Management and Retention Policy in May 2022, and will update the Standard Operating Procedure to align with the policy. This is anticipated by July 2023.
<i>Audit of the HAVA Grants Awarded to the State of Delaware, September 2022, G22DE0010-22-06</i>	
Recommendation	Status as of March 31, 2023
Require the Office to provide the inventory listing maintained by the IT Department and each County.	The Office has not yet submitted updated inventories from its IT department and the counties. EAC expects the date for submission is April 30, 2023.

Recommendation	Status as of March 31, 2023
Require the Office to provide transaction detail of interest income earned for the Election Security and CARES Act grants.	The Office is working with the state grants management and accounting staff to determine interest earned and/or lost under the grants. EAC set an April 30, 2023, deadline for submission of the interest.
Require the Office to complete and file FFRs for the Section 251 funds or if the Office is unable to complete the Section 251 FFR, obtain financial services to support the completion of the filings.	The Office is working with the state grants management and accounting staff to identify additional expenditures under the 251 grant and submit the required FFRs. EAC set an April 30, 2023, deadline for submission of the interest.
Require the Office to implement procedures and training to properly fill out the required FFRs, which reflect the uses of award funds and the interest income generated from those funds for all HAVA grants.	The Office submitted its FFR preparation procedures to EAC and they are under review. EAC expects to submit information for closing the recommendation by April 30, 2023

NOTE: Recommendations associated with the *Audit of the HAVA Grants Awarded to the State of Delaware* may have cost savings when the state determines interest income calculation and submits required reports.

At the end of the reporting period, EAC provided information for the closure of two recommendations associated with the report titled *Fiscal Year 2021 EAC Compliance with the Federal Information Security Modernization Act*, dated November 2021. As part of the FY 2023 FISMA audit, OIG will review and determine if final corrective action is complete.

Peer Review Activity

Section 989C of the Dodd-Frank Act contains additional semiannual reporting requirements pertaining to peer review reports. Federal Inspectors General are required to engage in peer review processes related to both their audit and investigative operations. In keeping with Section 989C, EAC OIG is reporting the following information related to its audit peer review activities. These activities cover our roles as both the reviewed and the reviewing OIG.

In 3-year cycles, CIGIE coordinates peer reviews of each OIG audit organization. CIGIE's peer review program tests an OIG's system of quality control in accordance with the *CIGIE Guide for Conducting Peer Reviews of the Audit Organizations of Federal Offices of Inspector General*.

EAC OIG Peer Review

EAC OIG's modified peer review for the 3-year period ending March 31, 2021, was performed by the U.S. Federal Labor Relations Authority (FLRA) OIG, and the final peer review report was issued to EAC's Deputy IG on July 19, 2021. The [final report](#) is posted on our website, and concluded that the established policies and procedures for the audit function as of March 31, 2021, were current and consistent with applicable professional standards, as stated.

The review report did not cite any deficiencies. However, EAC OIG received a Letter of Comment that included two findings with recommendations to improve established policies and procedures. EAC OIG has fully addressed the recommendations. EAC OIG's next peer review is scheduled for the 3-year period ending March 31, 2024.

Peer Review of the National Endowment for the Humanities OIG Conducted by EAC OIG

On September 16, 2022, EAC OIG issued a [System Review Report](#) on the audit organization of the National Endowment for the Humanities (NEH) OIG for the 3-year period ending March 31, 2022. We found that the system of control for the audit organization had been suitably designed and complied with requirements to provide NEH OIG with a reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. NEH OIG received a peer review rating of "Pass" and have closed 2 of the 3 recommendations made.

Semiannual Reporting Requirements

In December 2022, amendments to Section 5 of the Inspector General Act were codified in 5 U.S.C Section 405. The following table lists the amended requirements and corresponding page numbers where a requirement is addressed in this report. We also note requirements where we have nothing to report.

Paragraph Number	Description of Requirement	Page in report
1	Description of significant problems, abuses, deficiencies related to the administration of programs and operations of the establishment and associated reports and recommendations for corrective action made by the office.	Nothing to report
2	Identification of each recommendation made before the reporting period, for which corrective action has not been completed, including the potential cost savings associated with the recommendation.	10-11

Paragraph Number	Description of Requirement	Page in report
3	Summary of significant investigations closed during the reporting period.	5, 8
4	Total number of convictions during the period resulting from investigations.	Nothing to report
5	Information regarding each audit, inspection, or evaluation report issued during the reporting period, including (a) a listing of each audit, inspection, or evaluation; (b) if applicable, the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs) and the dollar value of recommendations that funds be put to better use, including whether a management decision had been made by the end of the reporting period.	2-5, 9
6	Information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period.	9-10
7	Information described under Section 804(b) of the Federal Financial Management Improvement Act of 1996.	Nothing to report
8	An appendix containing the results of any Peer Review of EAC OIG conducted by another OIG during the reporting period; or if no peer review was conducted within that reporting period, a statement identifying the date of the last peer review conducted by another OIG.	12
9	List of any outstanding recommendations from any Peer Review of EAC OIG.	Nothing to report
10	Status of Peer Reviews conducted by EAC OIG and why implementation is not complete.	12
11	Statistical tables showing the total number of investigative reports, persons referred to DOJ for criminal prosecution, persons referred to State and local for criminal prosecution, referrals, and indictments.	Nothing to report
12	Description of the metrics used for developing the statistical tables.	Nothing to report
13	Report on each investigation where allegations of misconduct were substantiated involving a senior government employee or senior official; the facts, circumstances of the investigation; and the status and disposition of the matter, including if it was referred to DOJ, date of the referral, and if declined by DOJ, date of declination,	Nothing to report
14	Description of any instance of whistleblower retaliation, including consequences the establishment actually imposed to hold the official accountable.	Nothing to report
15	Information related to interference by the establishment, including a detailed description of any attempt by the establishment to interfere	Nothing to report

Paragraph Number	Description of Requirement	Page in report
	with the independence of the Office, including with budget constraints designed to limit the capabilities of the Office; and incidents where the establishment has resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action and a summary of each report made to the head of the establishment under Section (6)(c) (2) during the reporting period.	
16	Detailed descriptions of the circumstances of each inspection, evaluation, and audit conducted by the Office that is closed and was not disclosed to the public and any investigation conducted by the office involving a senior government employee that is closed and was not disclosed to the public.	Nothing to report



U.S. Election Assistance Commission
633 3rd Street NW, Suite 200
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June 1, 2023

Brianna Schletz, Inspector General
U.S. Election Assistance Commission
633 3rd Street NW, Suite 200
Washington, DC 20001

Dear Inspector General Schletz:

We are writing to highlight the U.S. Election Assistance Commission's (EAC) unwavering commitment to improving agency operations through the incorporation of oversight and accountability recommendations. The Commission appreciates the opportunity to respond to the Office of Inspector General (OIG) semiannual report to Congress covering October 1, 2022, to March 31, 2023.

We would like to take this opportunity to provide an update on the report's findings and identify strategies for moving forward. The EAC appreciates the OIG's vital oversight efforts and programmatic assistance. The Commission seeks to modernize and stay competitive, while remaining focused on oversight-related improvements. We should note that the Commission supports both election officials and voters as we work to protect the integrity of U.S. elections and national security interests in accurate and secure elections. As we work to address the issues raised in the OIG's semiannual report, the EAC remains committed to the careful expenditure of taxpayer dollars. This response delineates the OIG's findings and details our ongoing efforts to strengthen agency operations.

Fiscal Responsibility

As referenced in the OIG's semiannual report, the EAC is pleased that the audit of the agency's financial statements for Fiscal Years 2022 and 2021 did not identify any deficiencies in internal control over financial reporting that were considered to be material weaknesses or deficiencies. The EAC continues to prioritize effective stewardship of appropriations provided by Congress, which results in effective agency operations and productive assistance for election officials.

In 2023, we endeavor to do more. Whether piloting new programs on election-supporting technology, expanding testing and certification services, enhancing grants administration and oversight, or offering clearinghouse-related products under the parameters of HAVA, the EAC will continue to assist election officials. As we do so, we will maintain careful attention to fiscal responsibilities and financial controls.

Grants Oversight

A core component of EAC's mission is distributing, assisting with, monitoring, and auditing the use of [federal grants](#) for the improvement of election administration and security. Provided by Congress, HAVA funds, including the recent appropriation of \$75 million, are a key resource for election administrators dealing with ever-growing demands.

In reviewing specific OIG grant guidance relating to various activities, the EAC Office of Grants Administration recently implemented additional compliance measures for the Commonwealth of the Northern Mariana Islands (CNMI). As of May 2023, the CNMI has failed to comply with our requests, and we intend to pursue debt collection for funds distributed to CNMI.

The EAC Grants Office has also provided guidance to the state of Delaware on final documents necessary to close out the audit of the HAVA grants awarded to the state. In addition, we are pleased to report that the California audit recommendations have all been resolved and closed.

The EAC works diligently to advise states on the availability of funds and has a positive track record with grant administration. We regularly publish guidance in the form of [frequently asked questions](#) and offer extensive training regarding how funds may be used. Agency leadership also understands the importance of critical grants oversight and will continue to monitor any OIG concerns moving forward.

Testing and Certification

The Testing and Certification Division is central to the core mission of the EAC under HAVA. We appreciate the OIG's implementation of audits to identify ways to strengthen the Division and the services it provides to election officials. In 2022, the EAC made considerable progress by accrediting two voting system test laboratories (VSTLs) to test to version 2.0 of the Voluntary Voting System Guidelines (VVSG).

Since the initiation of OIG's audit, the EAC Testing and Certification Division has implemented five updated standard operating procedures, added new staff members, and continued to offer support to an agency-wide update of the EAC website. To build on these successes, the Division is preparing new objectives for the balance of this year. This includes increased collaboration with the National Institute of Standards and Technology and VSTLs, and expanded offerings of EAC testing and certification materials.

Looking ahead, the Division is prioritizing implementation of all recommendations contained in the audit in accordance with the programmatic timeline.

Information Security

The EAC understands the crucial importance of information security and strictly follows the guidelines in the Federal Information Security Management Act of 2002 (FISMA). The Office of the Chief Information Officer (OCIO) monitors, reviews, and addresses vulnerabilities daily. To date, the OCIO has addressed several matters identified by the OIG. For example, critical

vulnerabilities with known exploits are currently resolved within two weeks of notice, as set forth in binding operational directive 22-01.

The OCIO also recently completed its contingency planning exercise and is currently developing training in this area. Additionally, the office has identified target dates in FY 2023 to meet the OIG recommendations relating to software licensing and remediation of other system vulnerabilities.

EAC Management Advisories

Recognizing the value of the OIG's analysis, the EAC views Management Advisories as opportunities to strengthen EAC operations. To this end, the agency has taken steps to address the two recent Management Advisories referenced in the semiannual report relating to EAC HAVA grant guidance on [voter registration and education](#), as well as [procurement and contracting practices](#). Since these advisories and the EAC's response, the agency has developed actionable steps to strengthen guidance to HAVA grant recipients and improve agency contracting operations. We will continue to monitor all related activities and will keep the OIG and Congress informed regarding our efforts to support the nation's elections.

Furthermore, the EAC recently established an Office of Compliance, which enables efficient implementation of recommendations from the OIG and requirements of Executive Orders. The EAC Office of Compliance is proactively updating the EAC Procurement Handbook. This includes updates to stakeholder guidance to ensure consistent messaging. We are also streamlining the EAC website to make agency guidance more easily accessible to election officials and the public. In addition, the EAC Office of General Counsel continues to enhance EAC's records management program, which includes active solicitation for a Records Management Specialist.

Conclusion

In January of this year, the OIG also issued a report entitled, "[Management Challenges for the U.S. Election Assistance Commission in 2023.](#)" The OIG cited areas to expand EAC efforts. We appreciate these opportunities to improve overall agency operations in order to further assist election officials, congressional stakeholders, and voters.

At the EAC, preparations are well underway for the 2024 general election. Over the coming months, our ongoing work with state and local election officials and trusted federal partners will intensify as we identify additional needs and address new concerns. The EAC looks forward to continuing our efforts working with Congress and the EAC OIG to provide outstanding agency operations and detailed use of federal funding over the upcoming months. Please do not hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Christy McCormick", written in a cursive style.

Christy McCormick
Chairwoman

A handwritten signature in blue ink, appearing to read "Ben Hovland", written in a cursive style.

Ben Hovland
Vice Chair

A handwritten signature in blue ink, appearing to read "Donald Palmer", written in a cursive style.

Donald Palmer
Commissioner

A handwritten signature in blue ink, appearing to read "Thomas Hicks", written in a cursive style.

Thomas Hicks
Commissioner



Visit our website at eac.gov/inspector-general

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