

# OFFICE OF INSPECTOR GENERAL

U.S. Election Assistance Commission

## AUDIT OF THE ADMINISTRATION OF HELP AMERICA VOTE ACT GRANTS AWARDED TO THE STATE OF CONNECTICUT

Report No. G25CT0056-26-07  
March 23, 2026



# HIGHLIGHTS

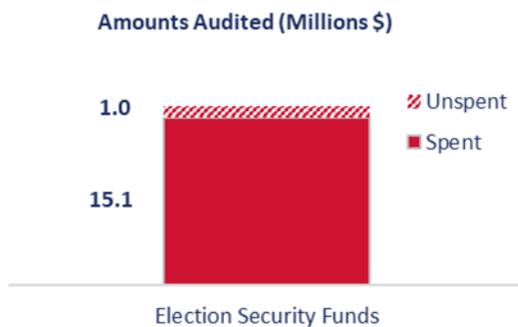
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Report No. G25CT0056-26-07

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### What Was Audited

The independent public accounting firm of McBride, Lock & Associates, LLC, under contract with the Office of Inspector General, audited Help America Vote Act (HAVA) grants administered by the Connecticut Secretary of the State, totaling \$16.1 million. This included federal funds, state matching funds, and interest income earned on the Election Security grant.



The **objectives** of the audit were to determine whether Connecticut:

- (1) used funds for authorized purposes in accordance with Section 101 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 the EAC.

### What Was Found

The audit found that the Connecticut Secretary of the State generally did not account for HAVA funds in accordance with applicable requirements. The office did account for and control property purchased and use the funds in a manner consistent with informational plans provided to the EAC.

The exceptions to the compliance requirements include \$154,189 in unsupported town expenditures and \$278,815 of unsupported state expenditures, resulting from issues with subrecipient monitoring and recordkeeping procedures prior to 2023.

### What Was Recommended

The audit made four recommendations to improve grant administration:

- 1 Transfer into the election fund \$154,189 for the unsupported expenditures.
- 2 Implement subrecipient monitoring policies and procedures and provide training to ensure that subrecipients use federal funds in compliance with federal statutes, regulations and the terms and conditions of the award.
- 3 Transfer into the election fund \$278,815 for the unsupported expenditures noted.
- 4 Implement policies and procedures to ensure expenditures are being compared to budget amounts for the Election Security funds and request changes if expenditures in a budget category exceed the budgeted amount by 10 percent.



**U.S. ELECTION ASSISTANCE COMMISSION  
OFFICE OF INSPECTOR GENERAL**

**DATE:** March 23, 2026

**TO:** U.S. Election Assistance Commission, Executive Director, Brianna Schletz

**FROM:** U.S. Election Assistance Commission, Inspector General, Sarah Dreyer

**SUBJECT:** Audit of the Administration of Help America Vote Act Grants Awarded to the State of Connecticut (Report No. G25CT0056-26-07)

This memorandum transmits the final report on Help America Vote Act grants awarded to the state of Connecticut. The Office of Inspector General contracted McBride, Lock & Associates, LLC, an independent certified public accounting firm, to conduct the audit. The contract required that the audit be performed in accordance with U.S. generally accepted government auditing standards.

McBride, Lock & Associates, LLC is responsible for the attached auditor's report dated March 2026, and the conclusions expressed therein. While the Office of Inspector General coordinated and monitored the firm's performance under the contract, we did not evaluate their adherence to standards and therefore do not express an opinion on the state's administration of grants.

The report contains four recommendations. Recommendation 3 was adjusted after reviewing information that you and the state provided in response to the draft report, and OIG acknowledges management's decisions on these recommendations. Please keep us informed of your corrective actions, so that we may track the implementation status.

We appreciate the assistance you and your staff provided to us during this audit.

cc: Commissioner Thomas Hicks, Chairman  
Commissioner Christy McCormick, Vice Chair  
Commissioner Benjamin W. Hovland  
Commissioner Donald L. Palmer

# McBRIDE, LOCK & ASSOCIATES, LLC

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Certified Public Accountants

Established 1980

## **Performance Audit Report**

**Administration of Payments Received Under the Help America Vote Act by  
the Connecticut Secretary of State**

Prepared for

**The United States Election Assistance Commission (EAC)  
Office of Inspector General**

By

**McBride, Lock & Associates, LLC**

March 2026

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**Performance Audit Report  
Administration of Payments Received Under the Help America Vote Act by  
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**U.S. Election Assistance Commission  
Performance Audit Report  
Administration of Payments Received Under the Help America Vote Act by  
the Connecticut Secretary of State**

**EXECUTIVE SUMMARY**

McBride, Lock & Associates, LLC was engaged by the United States Election Assistance Commission (EAC) Office of the Inspector General to conduct a performance audit of the administration of payments received under the Help America Vote Act of 2002 (HAVA or the Act) by the Connecticut Secretary of State (Office). The payments received by the Office are identified as Election Security. The scope of the audit was Election Security administration from inception on July 30, 2018 through September 30, 2024. The objectives of the audit were to determine whether the Office used funds for authorized purposes in accordance with Section 101 of HAVA and other applicable requirements; properly accounted for and controlled the funds and property purchased with HAVA funds; and used the funds in a manner consistent with the informational plans provided to the EAC.

In addition, the Commission requires states to comply with certain financial management requirements, specifically:

- Expend payments in accordance with Federal cost principles established by the Office of Management and Budget (OMB) – (2 CFR 200).
- Submit detailed annual financial reports on the use of Title I payments.
- Maintain documents and records subject to audit to determine whether payments were used in compliance with HAVA.

We conducted this performance audit in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

Based on the audit procedures performed, except for the matters discussed below, we concluded that the Office generally did not account for and expend the Grant funds in accordance with the requirements mentioned above and for the periods mentioned above. The exceptions are as follows:

1. 17 of the 17 towns selected for subaward testing were determined to not be adequately monitored by the Office. In all instances the Office did not provide evidence of a subaward agreement with the required information, or financial or performance reports supporting any of the towns' expenditures or demonstrating that the activities of the subrecipients were monitored.

Seven of the 17 towns selected for subaward testing (\$63,968) did not provide documentation of how the subaward was expended. Six of the ten towns (\$89,121) that provided documentation did not provide sufficient documentation to be considered supported. One of the ten towns that provided documentation did not support a grant in the amount of \$1,100.

2. The Office did not maintain sufficient documentation of Election Security fund expenditures prior to 2023. Further, the Office did not track expenditures of Election Security funds by budget category to allow for comparison with the budget amounts in the informational plans provided to EAC.

We have included in this report as Appendix A the Connecticut Secretary of State's written response to the draft report. Such response has not been subjected to audit procedures and, accordingly, we do not provide any form of assurance on the appropriateness of the response or the effectiveness of the corrective actions described therein.

## **BACKGROUND**

HAVA created the U.S. Election Assistance Commission (Commission) to assist States and insular areas with improving the administration of federal elections and to provide funds to States to help implement these improvements. The Commission administers grants to States authorized by HAVA under Title I, as follows:

- Title I, Section 101 payments are for activities such as complying with Title III of HAVA for uniform and nondiscriminatory election technology and administration requirements; improving the administration of elections for Federal office; educating voters; training election officials and poll workers; developing a state plan for requirements payments; improving, acquiring, leasing, modifying, or replacing voting systems, and methods for casting and counting votes; improving the accessibility and quantity of polling places; and establishing toll-free telephone hotlines that voters may use.

The HAVA Election Security grant also requires that states must:

- Maintain funds in a state election fund (as described in Section 104 (d) of HAVA).
- Expend payments in accordance with Federal cost principles established by the Office of Management and Budget (OMB) – (2 C.F.R. § 200).
- Submit detailed annual financial reports on the use of Title I payments. Reports must include a summary of expenditures aligned with budget categories in the grantee's plan, a list of equipment obtained with the funds, and a description of how the funded activities met the goals of the plan.
- Provide matching funds of the Federal funds within a period stipulated by the award to be documented on the annual SF-425 submission.
- Maintain documents and records subject to audit to determine whether payments were used in compliance with HAVA.

## **The Awardee – The Connecticut Secretary of State**

The HAVA funds were awarded to the Connecticut Secretary of State. As Commissioner of Elections for the State of Connecticut, the Secretary of State is charged with administering, interpreting and implementing election laws and ensuring fair and impartial elections. The Elections and Voting Division administers, interprets and implements all state and federal laws pertaining to elections, primaries, nominating procedures, and the acquisition and exercise of voting rights.

## **Help America Vote Act State of Connecticut State Plans**

The Connecticut Secretary of State's HAVA budget narrative was prepared by the Secretary of State.

The 2018 Election Security funds were to be spent on the replacement and upgrade of the statewide voting equipment, security enhancements to address cyber vulnerabilities, enhancements to post-election audits, improvements to voter registration systems and management, enhanced security training of officials, and improvements to voting accessibility.

The 2020, 2022 and 2023 Election Security funds were to be used on upgrading and replacing the state's centralized voter registration system.

The 2024 Election Security funds were to be used on further upgrading and replacing the state's centralized voter registration system and funding voter education initiatives in an effort to improve voting security.

## **AUDIT OBJECTIVES**

The objectives of our audit were to determine whether the Office:

1. Used funds for authorized purposes in accordance with Section 101 of HAVA and other applicable requirements;
2. Properly accounted for and controlled property purchased with HAVA payments; and
3. Used the funds in a manner consistent with the informational plans provided to EAC.

In addition to accounting for Grant payments, the Grant requires states to maintain records that are consistent with sound accounting principles that fully disclose the amount and disposition of the payments, that identify the project costs financed with the payments and other sources, and that will facilitate an effective audit. The Commission requires states receiving Grant funds to comply with certain financial management requirements, specifically:

- Expend payments in accordance with Federal cost principles established by the Office of Management and Budget (OMB) – (2 CFR 200).

- Submit detailed annual financial reports on the use of Title I payments.
- Maintain documents and records subject to audit to determine whether payments were used in compliance with HAVA.

**SCOPE AND METHODOLOGY**

We audited the Election Security grant funds received and disbursed by the Office from July 30, 2018 through September 30, 2024. These funds are related to the appropriation of \$380 million under the Consolidated Appropriations Act (CAA), 2018 (P.L. 115-151), \$425 million under the CAA, 2020 (P.L. 115-141), \$75 million under the CAA, 2022 (P.L. 117-103), \$75 million under the CAA, 2023 (P.L. 117-328) and \$55 million under the CAA, 2024 (P.L. 118-47). The scope of activity audited is shown in the following table:

<u>Description</u>	<u>Election Security</u>
Funds Received from EAC	\$ 13,876,298
State Matching Funds	2,007,177
Interest Income	<u>251,035</u>
Total Funds	\$ 16,134,510
Less Disbursements	<u>(15,105,259)</u>
Fund Balance	<u>\$ 1,029,251</u>

The Office’s Election Security expenditures detailed by budget and program category are included as Appendix C.

In planning and performing our audit, we identified the following internal control components and underlying internal control principles as significant to the audit objective:

Objective	Component	Principle
1	Control Activities	Selects and develops control activities Selects and develops general controls over technology Deploys through policies and procedures
	Information and Communication	Uses Relevant Information Communicates Internally Communicates Externally
2	Control Activities	Selects and develops control activities Selects and develops general controls over technology Deploys through policies and procedures
3	Control Activities	Selects and develops control activities Selects and develops general controls over technology Deploys through policies and procedures

We assessed the design, implementation, and operating effectiveness of these internal controls and identified deficiencies that we believe could affect the Office’s ability to use funds for authorized

purposes, and properly account for and control property. The internal control deficiencies we found are discussed in the Audit Results section of this report.

Additionally, for the components and principles which we determined to be significant, we assessed the internal controls and compliance with laws and regulations necessary to satisfy the audit objective.

However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

We excluded procedures related to interest income from the audit due to the Office being included in a separate audit of interest income earned on HAVA funds dated April 15, 2024.

## **AUDIT RESULTS**

We conducted this performance audit in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

Based on the audit procedures performed, we concluded that the Office generally did not account for HAVA funds in accordance with the requirements mentioned above. The Office did properly account for and control property purchased and used the funds in a manner consistent with informational plans submitted during the audit period. The exceptions to applicable compliance requirements are described below.

### **Finding No. 1 – Inadequate Subrecipient Monitoring**

17 of the 17 towns selected for subaward testing were determined to not be adequately monitored by the Office. In all instances the Office did not provide evidence of a subaward agreement with the required information, or financial or performance reports supporting any of the towns' expenditures or demonstrating that the activities of the subrecipients were monitored.

Seven of the 17 towns selected for subaward testing (\$63,968) did not provide documentation of how the subaward was expended. Six of the ten towns (\$89,121) that provided documentation did not provide sufficient documentation to be considered supported. One of the ten towns that provided documentation did not support a grant in the amount of \$1,100.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) at 2 CFR 200.332(b) states that all pass-through entities must: "Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information provided below. A pass-through entity must provide the best available information when some of the information below is unavailable. A pass-through entity must provide the unavailable information when it is obtained. Required information includes: (1) Federal award

identification... (2) All requirements of the subaward, including requirements imposed by Federal statutes, regulations, and the terms and conditions of the Federal award...”

Further, 2 CFR 200.332(e) states that all pass-through entities must: “Monitor the activities of the subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. The pass-through entity is responsible for monitoring the overall performance of a subrecipient to ensure that the goals and objectives of the subaward are achieved.”

The Office provided subawards to Connecticut towns without a subaward agreement or monitoring process in place. Therefore, there are no financial or performance reports to review to ensure that the subaward was used for authorized purposes in compliance with Federal statutes and the terms and conditions of the Election Security grant.

The Office made subawards to towns in the amount of \$3,939,978 and does not have monitoring support for any of those subawards. The audit noted \$154,189 of the \$261,013 of subaward expenditures tested lacked adequate documentation.

### **Recommendation**

We recommend that the EAC require the Office to:

1. Transfer into the election fund \$154,189 for the unsupported expenditures.
2. Implement subrecipient monitoring policies and procedures and provide training to ensure that subrecipients use federal funds in compliance with federal statutes, regulations and the terms and conditions of the award.

### **Connecticut Secretary of State’s Response:**

The Office agrees with the finding that its subrecipient monitoring during the audit period did not meet the requirements of 2 CFR 200.332. The Office distributed sub-grants to Connecticut municipalities to support election security activities and acknowledges that it did not execute formal subaward agreements containing the required elements (Federal award identification, compliance requirements, and reporting obligations) and did not collect financial or performance reports from the towns receiving these funds.

However, the Office partially disagrees with the dollar amount of unsupported subrecipient expenditures. Of the 17 towns tested, ten did provide documentation in response to audit requests. While the auditors determined that six of those ten towns’ documentation was insufficient, the Office notes that several towns provided documentation either shortly before or after the audit deadline of December 5, 2025. In addition, certain towns reported that they had already destroyed their files, which the Office was unable to prevent given that its original sub-grant process did not include explicit federal record retention requirements under 2 CFR 200.334 (three-year retention after final report submission).

The Office acknowledges the unsupported amount of \$154,189 as identified in the report. The Office will work with the EAC Office of Grants Management to determine whether any additional

town documentation submitted after the audit deadline may be considered, and whether replacement transactions funded with state appropriations may be proposed as substitutes for any costs that cannot ultimately be supported, consistent with the approach approved by EAC OGM in the Oregon HAVA audit (Report No. G25OR0058-26-03).

**Auditor’s Response:** The corrective actions proposed by the Office at Appendix A-1, if implemented, would be sufficient to correct the deficiency.

## **Finding No. 2 – Unsupported Costs**

The Office did not maintain sufficient documentation of Election Security fund expenditures prior to 2023. Further, the Office did not track expenditures of Election Security funds by budget category to allow for comparison with the budget amounts in the informational plans provided to EAC.

The Uniform Guidance at 2 CFR 200.403 states that, “Except where otherwise authorized by statute, costs must meet the following criteria in order to be allowable under Federal awards: (g) Be adequately documented.”

The Uniform Guidance at 2 CFR 200.302(b) states that, “The recipient's and subrecipient's financial management system must provide for the following: (5) Comparison of expenditures with budget amounts for each Federal award.”

Furthermore, EAC budget instructions (e.g., [https://www.eac.gov/sites/default/files/2025-04/FY25%20Budget%20Worksheet%20Instructions\\_508.pdf](https://www.eac.gov/sites/default/files/2025-04/FY25%20Budget%20Worksheet%20Instructions_508.pdf)) require grantees to request changes to budget categories over 10 percent.

Five of the 26 expenditures selected for testing (\$278,815 of \$4,016,763) were determined to be unsupported due to the Office not providing an invoice or other supporting documentation. These expenditures were for postage, election equipment, IT data services and IT hardware.

The Office’s past recordkeeping procedures led to the inability to provide invoices for the seven expenditures. There has been personnel turnover on the team that administers the Office’s grant, and prior to 2023 the backup for each transaction was not maintained in the accounting software. The Office is unable to locate the physical backup for the above transactions dated 2020 and 2021.

The audit noted \$278,815 of expenditures which lacked adequate documentation. Also, due to the past recordkeeping procedures, the Office is unable to categorize expenditures into budget categories as required.

## **Recommendation**

We recommend that the EAC require the Office to:

3. Transfer into the election fund \$278,815 for the unsupported expenditures noted.

4. Implement policies and procedures to ensure expenditures are being compared to budget amounts for the Election Security funds and request changes if expenditures in a budget category exceed the budgeted amount by 10 percent.

**Connecticut Secretary of State's Response:**

The Office acknowledges that its recordkeeping practices prior to 2023 did not meet the documentation standards required by 2 CFR 200.403(g) and that it was unable to produce invoices for seven of the 26 expenditures tested. The Office also acknowledges that it did not track expenditures by budget category in a manner that would allow direct comparison with the informational plans submitted to EAC, as required by 2 CFR 200.302(b)(5).

However, the Office partially disagrees with the total dollar amount of \$1,679,631 in questioned costs. Following receipt of the draft findings, the Office's current fiscal manager undertook a comprehensive search of CORE-CT transaction histories, archived paper files, and records held by other state agencies. The documentation described below existed at the time of fieldwork but could not be located within the audit timeline due to the recordkeeping conditions described above.

If the documentation described is accepted, the remaining potentially unsupported balance under Finding No. 2 would be reduced from \$1,679,631 to \$56,024, consisting of telephone charges (\$55,373) for which the Office is still gathering documentation from DAS, and the FedEx charge (\$651) for which partial documentation exists.

**Auditor's Response:** The audit initially noted \$1,679,631 of unsupported costs consisting of seven transactions. The documentation for the transactions in question was first requested on September 12, 2025. On March 9, 2026, we were provided documentation to support two of the seven transactions, leaving \$278,815 unsupported. The corrective actions proposed by the Office at Appendix A-1, if implemented, would be sufficient to correct the recordkeeping deficiencies.

The Office responded on March 6, 2026 and partially agreed and partially disagreed with the findings. The EAC responded on February 26, 2026, and stated that they will work with the Connecticut Secretary of State to implement and complete appropriate corrective action on the findings. The Office's complete response is included as Appendix A-1 and the EAC's complete response as Appendix A-2.

McBride, Lock & Associates, LLC performed the related audit procedures between May 5, 2025, and March 9, 2026.

*McBride, Lock & Associates, LLC*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
March 9, 2026

**APPENDIX A-1**

**Response of the  
Connecticut Secretary of State  
to the Draft Report**



## Office of the Secretary of the State

State of Connecticut  
165 Capitol Avenue, Suite 1000  
P.O. Box 150470, Hartford, CT 06115-0470

**Stephanie Thomas**

Secretary of the State

**Jennifer D. Barahona**  
Deputy Secretary of the State

March 6, 2026

Sarah Dreyer

Inspector General

U.S. Election Assistance Commission

Office of Inspector General

633 3rd St. NW, Suite 200

Washington, DC 20001

RE: Response to Draft Performance Audit Report — Administration of Payments Received Under the Help America Vote Act by the Connecticut Secretary of State

Dear Inspector General Dreyer:

Thank you for the opportunity to review and respond to the draft performance audit report prepared by McBride, Lock & Associates, LLC on behalf of the EAC Office of Inspector General. The Connecticut Secretary of the State (the Office) takes its responsibility as steward of federal election funds seriously and appreciates the role of independent oversight in strengthening our grant administration.

The audit covered the administration of Election Security grant funds under HAVA Section 101 from inception on July 30, 2018, through September 30, 2024. The Office cooperated fully with the audit team throughout fieldwork and the exit conference held on January 22, 2026.

Before addressing each finding, the Office wishes to provide context that is relevant to both findings. The period from which the auditors sampled documentation—primarily 2020 and 2021—coincided with the onset of the COVID-19 global pandemic, which completely upended the Office's normal operations and forced staff to work remotely for the first time in the history of this agency. Access to paper records, vendor offices, and routine in-person processes was severely disrupted.

Adding to this challenge, the fiscal manager responsible for grant documentation during this period was nearing the end of a long career and had operated for many years under a paper-based system of document storage. The transition to electronically attaching backup documentation in the state's financial system (CORE-CT/PeopleSoft) proved difficult, and many transactions processed during this period fell into a gap between the legacy paper system and the new electronic workflow. Shortly after the pandemic's operational disruptions subsided, this manager retired.

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\*The State of Connecticut is an Affirmative Action/Equal Opportunity Employer.

What followed was an extended period of leadership instability in the Office’s fiscal operations. The retiring manager was succeeded by an individual who, while performing admirably, did not have extensive experience managing a complex financial organization with federal grant obligations. Within a short period, two additional managers held the position before each transferring out of the agency. A retired state employee was then brought in on a temporary basis to maintain continuity until the Office’s current fiscal manager was hired. In total, six different employees headed the fiscal department over a span of approximately four years. Each transition compounded the loss of institutional knowledge regarding historical documentation, filing conventions, and grant compliance practices.

The Office recognizes that these circumstances do not relieve it of its compliance obligations under 2 CFR Part 200 or the terms of the Election Security grant. However, they provide important context for how the documentation deficiencies identified in this audit occurred and why the Office was unable to produce certain records during fieldwork. The corrective actions described below are designed to ensure that these conditions cannot recur.

## **Finding No. 1 — Inadequate Subrecipient Monitoring**

### **Response: Partially Agree**

The Office agrees with the finding that its subrecipient monitoring during the audit period did not meet the requirements of 2 CFR 200.332. The Office distributed sub-grants to Connecticut municipalities to support election security activities and acknowledges that it did not execute formal subaward agreements containing the required elements (Federal award identification, compliance requirements, and reporting obligations) and did not collect financial or performance reports from the towns receiving these funds.

However, the Office partially disagrees with the dollar amount of unsupported subrecipient expenditures. Of the 17 towns tested, ten did provide documentation in response to audit requests. While the auditors determined that six of those ten towns’ documentation was insufficient, the Office notes that several towns provided documentation either shortly before or after the audit deadline of December 5, 2025. In addition, certain towns reported that they had already destroyed their files, which the Office was unable to prevent given that its original sub-grant process did not include explicit federal record retention requirements under 2 CFR 200.334 (three-year retention after final report submission).

The Office acknowledges the unsupported amount of \$154,189 as identified in the report. The Office will work with the EAC Office of Grants Management to determine whether any additional town documentation submitted after the audit deadline may be considered, and whether replacement transactions funded with state appropriations may be proposed as substitutes for any costs that cannot ultimately be supported, consistent with the approach approved by EAC OGM in the Oregon HAVA audit (Report No. G25OR0058-26-03).

### **Recommendation 1: Transfer \$154,189 into the election fund for unsupported expenditures.**

The Office agrees in principle that unsupported costs must be resolved but requests the opportunity to work with EAC OGM to either (a) provide supplemental documentation from towns that have responded after the audit deadline, or (b) identify qualifying replacement transactions funded with state appropriations that may offset the questioned amount. The Office will transfer the remaining balance of any costs that cannot be supported or replaced.

### **Recommendation 2: Implement subrecipient monitoring policies and procedures.**

The Office agrees with this recommendation. The following corrective actions have been taken or are planned:

1. The Office has developed a standardized sub-grant agreement template for future distributions to municipalities. The agreement incorporates all elements required by 2 CFR 200.332, including Federal award identification, applicable compliance requirements, an indirect cost rate (or confirmation that none is applicable), record retention requirements aligned with 2 CFR 200.334, and the right of access for auditors.
2. The Office has established a subrecipient monitoring procedure requiring collection of expenditure reports, supporting documentation, and certification of allowable use prior to close-out of any future sub-grant.
3. The Office will provide training to fiscal staff and Elections Division personnel on subrecipient monitoring requirements under the Uniform Guidance.
4. For the towns that reported having destroyed their records, the Office has documented each town's response, the date of the request, and the town's stated reason. This documentation is available for EAC review.

#### **Target Completion Date:**

Sub-grant agreement template and monitoring procedures — Completed, 01/15/26. Staff training — Target date September 30, 2026. Resolution of unsupported costs with EAC OGM — target date September 30, 2026.

## **Finding No. 2 — Unsupported Costs**

### **Response: Partially Agree**

The Office acknowledges that its recordkeeping practices prior to 2023 did not meet the documentation standards required by 2 CFR 200.403(g) and that it was unable to produce invoices for seven of the 26 expenditures tested. The Office also acknowledges that it did not track expenditures by budget category in a manner that would allow direct comparison with the informational plans submitted to EAC, as required by 2 CFR 200.302(b)(5).

However, the Office partially disagrees with the total dollar amount of \$1,679,631 in questioned costs. Following receipt of the draft findings, the Office's current fiscal manager undertook a comprehensive search of CORE-CT transaction histories, archived paper files, and records held by other state agencies. The documentation described below existed at the time of fieldwork but could not be located within the audit timeline due to the recordkeeping conditions described above. The Office provides the following item-by-item response:

### **\$1,200,816.10 — Fort Orange Press Inc. (Absentee Ballot Application Printing and Mailing)**

The Office has located and can provide the original purchase order, the vendor's proposal with statement of work, the CORE-CT receipt/delivery report, Executive Order 7GG (authorizing COVID-related emergency procurement), invoice, and correspondence from the Department of Administrative Services (DAS) confirming that the competitive solicitation requirement was waived for this purchase due to the COVID-19 pandemic. The Office believes this documentation is sufficient to support the expenditure as an allowable election administration cost under HAVA Section 101 and requests that this amount be removed from the questioned costs.

### **\$200,000 — LHS Associates Inc.**

This expenditure was a payment to LHS Associates Inc. for the purchase of 200 refurbished AccuVote tabulators under Purchase Order SOSM1-0000005146, dated March 27, 2020. Since the exit conference, the Office has located the original vendor invoice and the original purchase order for this transaction. Together with the underlying state contract and all supplements confirming LHS Associates' role as the named subcontractor, the Office can now provide complete documentation supporting this \$200,000 expenditure. The Office requests that this amount be removed from the costs questioned under Finding No. 2.

#### **\$183,841.75 — UConn IT Data Services (Journal Entry Correction)**

This transaction was a journal entry to charge three UConn invoices for IT Data Services to the HAVA grant. The services were originally paid with State General Fund appropriations and were subsequently reclassified to Election Security via a general ledger correction. The Office has located all three underlying UConn invoices. The Office requests that this amount be removed from the costs questioned.

#### **\$55,373.47 — Telephone Expenses (Journal Entry Correction)**

This transaction was a journal entry to charge telephone service costs to the HAVA grant. These charges were paid directly by the Department of Administrative Services on behalf of the Office using the Office's fund coding. The Office does not receive individual invoices for these charges; rather, DAS processes the payments centrally. The Office has compiled a list of the monthly charges that comprise this amount and is working with DAS to obtain supporting documentation. The Office acknowledges that if adequate documentation cannot be produced, this amount may remain as a questioned cost. However, the Office notes that telephone service is an allowable administrative cost under HAVA Section 101, and the charges represent actual services consumed by the Office during the grant period.

#### **\$20,004 and \$18,945 — General Ledger Corrections (Deposit Reclassification)**

The Office respectfully disagrees that these two items should be classified as unsupported expenditures. These entries were not disbursements of grant funds. Rather, they were correcting journal entries to address a coding error in which a HAVA post-award amendment from the EAC was deposited into the General Fund instead of the State Election Fund. The initial correction misclassified the deposit as capital equipment expense rather than restricted Federal aid revenue. The errors were subsequently corrected by the interim fiscal staff: the \$20,004 entry was corrected on March 26, 2025, and the \$18,945 entry was corrected on March 31, 2025, to properly record the amounts as HAVA revenue in the State Election Fund.

The Office has the original deposit documentation from the State Treasurer and a screenshot of the corresponding amendment in the EAC grant portal. Because these entries represent a revenue reclassification rather than an expenditure of grant funds, the Office requests that the combined \$38,949 be removed from the unsupported cost total. The corrections will be reflected in a pending Federal Financial Report (FFR).

#### **\$650.75 — FedEx Delivery Service**

The Office has located the original purchase order and a signed purchasing card (p-card) statement for this transaction. However, the underlying FedEx invoice has not been located. The Office acknowledges that this cost lacks full supporting documentation. Given the relatively small dollar amount and the availability of the purchase order and p-card record, the Office requests that EAC OGM consider whether the partial documentation is sufficient. If not, the Office agrees that this amount constitutes an unsupported cost.

## Summary of Disputed Amounts

Based on the documentation now available, the Office requests that the following amounts be removed from the \$1,679,631 in questioned costs:

Transaction	Amount	Basis
Fort Orange Press (printing/mailing)	\$1,200,816.10	Full documentation located
UConn IT Data Services	\$183,841.75	Three invoices located
GL Corrections (deposit reclassification)	\$38,949.00	Not expenditures
LHS Associates Inc. (refurbished tabulators)	\$200,000.00	Full documentation located
<b>Subtotal Requested for Removal</b>	<b>\$1,623,606.85</b>	
Remaining (telephone + FedEx)	\$56,024.22	Partial/pending docs

If the documentation described above is accepted, the remaining potentially unsupported balance under Finding No. 2 would be reduced from \$1,679,631 to \$56,024.22, consisting of telephone charges (\$55,373.47) for which the Office is still gathering documentation from DAS, and the FedEx charge (\$650.75) for which partial documentation exists.

### **Recommendation 3: Transfer \$1,679,631 into the election fund for unsupported expenditures.**

The Office disagrees with this amount for the reasons stated above and requests that EAC OGM review the supporting documentation the Office has assembled. For any costs that cannot be fully supported, the Office is prepared to identify qualifying state-funded election expenditures from the same period as replacement transactions, consistent with the precedent established in the Oregon HAVA audit. The Office will transfer the balance of any costs that can be neither supported nor replaced.

### **Recommendation 4: Implement policies and procedures for budget comparison and change requests.**

The Office agrees with this recommendation. The following corrective actions have been taken or are planned:

1. Beginning in fiscal year 2023, all grant expenditure backup documentation is electronically attached to the corresponding transaction in CORE-CT (PeopleSoft). This eliminates the dependency on paper files and ensures documentation is accessible for audit purposes.
2. The Office has established specific chartfields within CORE-CT (PeopleSoft) that correspond directly to the budget categories in the informational plans submitted to EAC. All HAVA Election Security revenue and expenditures are now coded to the appropriate chartfield at the time of transaction entry, enabling real-time tracking of spending by budget category and direct comparison with budgeted amounts without the need for manual reclassification or offline reconciliation.

3. The Office has adopted procurement procedures aligned with the State of Connecticut Department of Administrative Services Procurement Manual. All purchases over the applicable threshold require documented competitive solicitation or a written sole-source justification.
4. The Office will monitor expenditures against budget categories and submit budget modification requests to EAC when any category is projected to exceed the budgeted amount by 10 percent, in accordance with EAC budget instructions.
5. The Office's current fiscal manager has completed training on 2 CFR Part 200 requirements applicable to HAVA grant administration.

#### Target Completion Date:

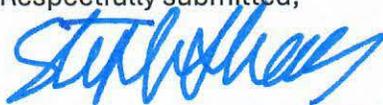
Electronic documentation procedures — Completed, 2023. Budget tracking and reconciliation — Completed, 2025. Procurement procedures — Completed, 2025. Budget modification monitoring — Ongoing. Staff training — Completed, 2025.

#### Closing

The Office is committed to the proper stewardship of federal election funds and to full compliance with the Help America Vote Act, the Uniform Guidance at 2 CFR Part 200, and the terms and conditions of the Election Security grant. The corrective actions described in this response reflect improvements that have already been implemented as well as additional steps the Office will take to ensure these deficiencies do not recur.

The Office welcomes the opportunity to work with the EAC Office of Grants Management to resolve the questioned costs identified in this report and to provide any additional documentation or information that may be needed. Please direct any questions or requests to Michael Carragher, Director of Program Monitoring and Fiscal Review, at 860-310-9863 or [Michael.Carragher1@ct.gov](mailto:Michael.Carragher1@ct.gov).

Respectfully submitted,



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Stephanie Thomas  
Secretary of the State  
State of Connecticut

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Secretary of the State\* ☎ 860-509-6200 🌐 [sots.ct.gov](http://sots.ct.gov)

Business Services Division ☎ 860-509-6002 ✉ [bsd@ct.gov](mailto:bsd@ct.gov) Legislation & Election Administration Division ☎ 860-509-6100 ✉ [lead@ct.gov](mailto:lead@ct.gov)

\*The State of Connecticut is an Affirmative Action/Equal Opportunity Employer.

**APPENDIX A-2**

**Response of the  
U.S. Election Assistance Commission  
to the Draft Report**



U.S. ELECTION ASSISTANCE COMMISSION  
633 3rd St. NW, Suite 200  
Washington, DC 20001

TO: Sarah Dreyer  
Inspector General

FROM: Brianna Schletz  
Executive Director

DATE: February 26, 2026

RE: Response to Draft Audit Report of Grants Awarded to the State of Connecticut,  
OIG Report No. G25CT0056-26-XX.

Thank you for the opportunity to respond to the OIG draft audit of HAVA funds awarded to the Office of the Connecticut Secretary of State (the Office). The audit scope included HAVA Section 101 Election Security funds. The EAC Office of Grants Management (OGM) response to the findings and recommendations are described below.

**Finding #1, Recommendations #1 and #2, Inadequate Subrecipient Monitoring:** The auditors found that 17 towns selected for subaward testing did not provide documentation of how the subaward was expended or did not provide sufficient documentation. Additionally, the auditors found that none of the 17 towns selected for subaward testing were adequately monitored by the Office. In all instances, the Office did not provide evidence of a subaward agreement with the required information, or financial and performance reports supporting expenditures or demonstrating activities were monitored. The auditors recommend that the EAC require the Office to:

1. Transfer into the election fund \$154,189 for the unsupported expenditures.
2. Implement subrecipient monitoring policies and procedures and provide training to ensure that subrecipients use federal funds in compliance with federal statutes, regulations, and the terms and conditions of the award.

**Management Response:**

The EAC OGM agrees with the recommendations and will work with the Office to identify appropriate subrecipient expense documentation and to revise and implement adequate policies, procedures, and training that comply with the requirements for pass-through entities. Full resolution is expected to be completed by September 30, 2026.



U.S. ELECTION ASSISTANCE COMMISSION  
633 3rd St. NW, Suite 200  
Washington, DC 20001

**Finding #2, Recommendations #3 and #4, Unsupported Costs:** The auditors found that seven of the 26 expenditures selected for testing (\$1,679,631 of \$4,016,763) were determined to be unsupported. These expenditures were for absentee ballot printing and postage, election equipment, IT data services, and IT hardware. The auditors also noted that the Office did not maintain sufficient documentation of Election Security fund expenditures prior to 2023. Further, the Office did not track expenditures of Election Security funds by budget category to allow for comparison with the budget amounts in the informational plans provided to the EAC. The auditors recommend:

3. The EAC requires the Office to transfer into the election fund \$1,679,631 for the unsupported expenditures noted.
4. The EAC requires the Office to implement policies and procedures to ensure expenditures are being compared to budget amounts for the Election Security funds and request changes if expenditures in a budget category exceed the budgeted amount by 10%.

**Management Response:**

The EAC OGM generally agrees with the recommendations and highlights the State's transition to a new financial management system in 2023, which ensures adequate record-keeping and drastically improves grant processes. The Office also noted that the significant amount of staff turnover in the financial grant management role, combined with the impacts of the COVID-19 pandemic, contributed to inadequate record-keeping.

OGM will continue to work with the Office to identify documentation for the unsupported expenditures and improve procedures to ensure they allow for comparison with the budget categories and require a budget amendment per EAC policies. Full resolution is expected to be completed by September 30, 2026.

## AUDIT SCOPE AND METHODOLOGY

Our audit methodology included:

- Assessing audit risk and significance within the context of the audit objectives.
- Obtaining an understanding of internal control that is significant to the administration of the HAVA funds and of relevant information systems controls as applicable.
- Identifying sources of evidence and the amount and type of evidence required.
- Determining whether other auditors have conducted, or are conducting, audits of the program that could be relevant to the audit objectives.

As part of our audit, we gained an overall understanding of the internal control environment at the Office. Based on this understanding, we identified certain internal controls that we considered to be significant (or key controls) to achieving each objective. All components of internal control are relevant, but not all may be significant. Significance is defined as the relative importance of a matter within the context in which it is being considered, and is a matter of professional judgment. We made the following determination as to the significance of the underlying internal control principles:

	<b>Objective</b>		
	<b>1</b>	<b>2</b>	<b>3</b>
<b>Control Environment</b>			
1 Demonstrates Commitment to integrity and ethical values	No	No	No
2 Exercises oversight responsibility	No	No	No
3 Establishes structure, authority, and responsibility	No	No	No
4 Demonstrates commitment to competence	No	No	No
5 Enforces accountability.	No	No	No
<b>Risk Assessment</b>			
6 Specifies suitable objectives	No	No	No
7 Identifies and analyzes risk	No	No	No
8 Assesses fraud risk	No	No	No
9 Identifies and analyzes significant change	No	No	No
<b>Control Activities</b>			
10 Selects and develops control activities	Yes	Yes	Yes
11 Selects and develops general controls over technology	Yes	Yes	Yes
12 Deploys through policies and procedures	Yes	Yes	Yes
<b>Information and Communication</b>			
13 Uses relevant information	Yes	No	No
14 Communicates internally	Yes	No	No
15 Communicates externally	Yes	No	No
<b>Monitoring</b>			
16 Conducts ongoing and/or separate evaluations	No	No	No
17 Evaluates and communicates deficiencies	No	No	No

The significance was determined as follows:

Objective 1: Control Activities and its underlying principles were deemed to be significant to our determination of the awardee’s compliance with the objective. The Control Activities component includes the design and implementation of specific tasks performed by individuals within the entity to fulfill their duties and responsibilities and to respond to identified risks. These principles address the design and implementation of activities related to management review, segregation of duties (including restriction of access with the information system), and documentation of internal controls and transactions. We determined these principles to be the most significant to the Office’s proper use of funds and compliance with award requirements.

Information and Communication and its underlying principles were deemed to be significant to our determination of the awardee’s compliance with the financial reporting portion of this objective. These principles address the quality of the information and the internal and external communication processes used to compile the data necessary to meet the Office’s reporting objectives.

Objective 2: Control Activities and its underlying principles were deemed to be significant to our determination of the awardee's compliance with the objective. The Control Activities component includes the design and implementation of specific tasks performed by individuals within the entity to fulfill their duties and responsibilities and to respond to identified risks. These principles address the design and implementation of activities related to management review, segregation of duties (including restriction of access with the information system), and documentation of internal controls and transactions. We determined these principles to be the most significant to the state's proper accounting and control over equipment purchased with HAVA funds.

Objective 3: Control Activities and its underlying principles were deemed to be significant to our determination of the awardee's compliance with the objective. The Control Activities component includes the design and implementation of specific tasks performed by individuals within the entity to fulfill their duties and responsibilities and to respond to identified risks. These principles address the design and implementation of activities related to management review, segregation of duties (including restriction of access with the information system), and documentation of internal controls and transactions. We determined these principles to be the most significant to the Office's use of funds in a manner consistent with the plans provided to the EAC.

To implement our audit methodology, below are some of the audit procedures we performed.

- Interviewed appropriate Office employees about the organization and operations of the HAVA program.
- Reviewed prior single audit reports and other reviews related to the State's financial management systems and the HAVA program for the period under review.
- Reviewed policies, procedures and regulations for the Office management and accounting systems as they relate to the administration of the HAVA program.
- Tested major purchases and the supporting documentation.
- Tested randomly sampled payments made with HAVA funds.
- Evaluated compliance with the requirements for accumulating financial information reported to the Commission on the financial status reports and progress reports, accounting for property, purchasing HAVA related goods and services, and using funds in a manner consistent with the budget plan provided to the EAC.
- Verified the establishment and maintenance of an election fund.
- Observed the physical security/safeguards of selected equipment purchased with HAVA funds and ensure compliance with federal regulation.
- Verified whether the matching requirement was met and, if so, that matching expenditures met the prescribed criteria and allowability requirements of HAVA.

**ELECTION SECURITY EXPENDITURES BY BUDGET CATEGORY AND PROGRAM CATEGORY  
JULY 30, 2018 TO SEPTEMBER 30, 2024**

Note: Election Security Expenditures cannot be categorized by budget or program category. See Finding No. 2.

**MONETARY IMPACT AS OF SEPTEMBER 30, 2024 FOR ELECTION SECURITY GRANT**

Description	Questioned Costs	Unsupported Costs	Additional Funds for Program
Election Security Grant	\$ -	\$ 278,815	\$ -
Fund Balance	<u>\$ -</u>	<u>\$ 278,815</u>	<u>\$ -</u>



Visit our website at [oig.eac.gov](https://oig.eac.gov).

U.S. Election Assistance Commission  
Office of Inspector General  
633 3rd Street, NW, Second Floor  
Washington, DC 20001

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