

OFFICE OF INSPECTOR GENERAL

U.S. Election Assistance Commission

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

Report No. G25MS0068-26-09
May 26, 2026



HIGHLIGHTS

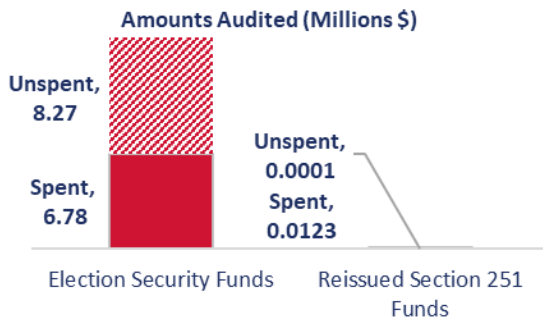
AUDIT OF THE HELP AMERICA VOTE ACT GRANTS AWARDED TO THE STATE OF MISSISSIPPI

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What Was Audited

The independent public accounting firm of Allmond & Company, LLC, under contract with the Office of Inspector General, audited Help America Vote Act (HAVA) grants administered by the Mississippi Secretary of State's Office, totaling \$15.07 million. This included federal funds, state matching funds, and interest income earned on the Election Security and Reissued Section 251 grants.



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

- (1) used funds for authorized purposes in accordance with relevant sections 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 Mississippi Secretary of State's Office properly accounted for and controlled property purchased with HAVA funds. However, the audit was unable to conclude whether Mississippi used the funds in a manner consistent with the informational plans provided to the EAC or whether the funds were used for authorized purposes, due to internal control deficiencies. Specifically, the state did not provide general ledger detail in a timely manner to support the entire expenditure of federal funds—resulting in over \$7.5 million in questioned costs—and supporting documentation was not provided for 1 of 58 transactions sampled, resulting in questioned costs of \$10,000.

What Was Recommended

The audit made five recommendations to improve grant administration.



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

DATE: May 26, 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 Mississippi (Report No. G25MS0068-26-09)

This memorandum transmits the final report on Help America Vote Act grants awarded to Mississippi. The Office of Inspector General contracted Allmond & Company, 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.

Allmond & Company, LLC is responsible for the attached auditor's report 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.

Please keep us informed of the actions taken on the report's five recommendations, as we will track the status of their implementation.

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

**U.S. ELECTION ASSISTANCE COMMISSION
PERFORMANCE AUDIT REPORT
THE HELP AMERICA VOTE ACT GRANTS AWARDED TO
THE MISSISSIPPI SECRETARY OF STATE'S OFFICE**



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**U.S. ELECTION ASSISTANCE COMMISSION
PERFORMANCE AUDIT REPORT
THE HELP AMERICA VOTE ACT GRANTS AWARDED TO
THE MISSISSIPPI SECRETARY OF STATE’S OFFICE**

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**U.S. ELECTION ASSISTANCE COMMISSION
PERFORMANCE AUDIT REPORT
THE HELP AMERICA VOTE ACT GRANT AWARDED TO
THE MISSISSIPPI SECRETARY OF STATE'S OFFICE**

EXECUTIVE SUMMARY

The U.S. Election Assistance Commission (EAC) Office of Inspector General (OIG) contracted with Allmond & Company, LLC (Allmond & Company) to perform a Help America Vote Act of 2002 (HAVA) Grant audit of the Mississippi Secretary of State's Office (Mississippi). The scope of our audit is the Section 251 Reissued funds from October 1, 2018 through March 31, 2025 and Election Security grant funds issued from inception on March 23, 2018 through March 31, 2025. The objectives of the audit were to determine whether the Mississippi Secretary of State's Office (1) used funds for authorized purposes in accordance with the relevant sections 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 the EAC.

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

- Payments are in compliance with the Federal cost principles established by the Office of Management and Budget (OMB) 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards
- Submitting required annual and semiannual financial and progress reports to the EAC.
- Maintaining documents and records subject to audit to determine whether payments were used in compliance with HAVA.

We conducted the performance audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, collectively referred to as generally accepted government auditing standards (GAGAS). 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 in accordance with 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 Mississippi properly accounted for and controlled property purchased by its counties. However, we were unable to conclude if Mississippi used funds in a manner consistent with informational plans submitted during the audit period. Additionally, we were unable to conclude whether Mississippi used funds for authorized purposes in accordance with the relevant sections of HAVA and other applicable requirements. Specifically, we noted the following:

- Mississippi did not provide general ledger detail of the State's Federal interest expenditures or State's matching expenses to support amounts reported on its Federal Financial Reports (FFRs) in a timely manner, resulting in questioned costs of \$5,835,776.64. Additionally, Mississippi's general ledger detail of HAVA grant expenses does not agree to the total grant expenses reported in the Federal Financial Reports for the Section 251 and Election Security grants resulting in questioned costs of \$1,707,439.12. This makes the total questioned cost \$7,543,215.76. Lack of

grant financial management controls increases the risk of inaccurate reporting, noncompliance with federal regulations, and potential recapture of grant funds by the EAC.

- Mississippi did not provide sufficient supporting documentation for 1 of 58 federal expenditure samples tested, totaling \$10,000.00. This lack of support increases the risk of inaccurate reporting, non-compliance with federal regulations, and potential recapture of grant funds by the EAC.

We have included in this report as Appendix I Mississippi'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

The EAC was established by the Help America Vote Act of 2002 (HAVA). The law recognized the need for states to invest in their election infrastructure. The EAC was established to foster those programs and promote and enhance voting for United States citizens. The EAC is an independent, bipartisan commission charged with developing guidance to meet HAVA requirements, adopting voluntary voting system guidelines, and serving as a national clearing house of information on election administration. The EAC also maintains the national mail voter registration form. The EAC's mission is to help election officials improve the administration of elections and help Americans participate in the voting process. The EAC also accredits testing laboratories, certifies voting system, and monitors the use of the HAVA grant funds.

HAVA was enacted to improve the administration of elections for Federal office. HAVA established several grant programs, including Section 251 and Election Security grants, to provide states with funding to upgrade voting systems, improve election administration, and ensure compliance with Federal election requirements.

Section 251 Reissued

The purpose of the Section 251 reissued grant is to support the requirements of HAVA Title III and to facilitate other activities aimed at improving the administration of elections for federal office. Key requirements for the grant include:

- All requirement payments and state matching funds must be deposited in the State Election Fund, as outlined in Section 254(b)(1) of HAVA. Interest earned on these funds, as well as any net program income, must be retained in the Fund and used exclusively for allowable activities described in Section 251(b) of HAVA.
- Recipients must adhere to all applicable federal requirements, including Office of Management and Budget (OMB) guidance on cost principles, administrative requirements, and audit standards.
- Annual reporting is mandated by HAVA Section 258, with expenditure and narrative reports due by December 31 each year, covering the preceding period from October 1 to September 30. These reports must summarize expenditures by activity category, list voting equipment obtained, and describe how funded activities conform to the State plan.
- Provide matching funds of the federal funds awarded, and this match must be provided within a timeframe documented on the award. The matching funds must be documented on the annual FFR.

Election Security

The purpose of the Election Security grant is to improve the administration of elections for Federal office, including enhancing election technology and making security improvements to the systems, equipment, and processes used in federal elections. Key requirements for the grant include:

- All federal and state matching funds must be deposited in the state election fund as described in Section 104(d) of HAVA. Interest earned and any net program income must also be retained in the election fund and used for allowable activities under Section 101 of HAVA.
- Grantees must comply with all applicable federal requirements, including those under the Federal Financial Accountability and Transparency Act (FFATA), Office of Management and Budget (OMB) guidance, and 2 CFR § 200.
- Submit quarterly Federal Financial Reports and annual financial and progress reports summarizing expenditures, project activities, equipment purchases, and training funded to ensure compliance with HAVA requirements.
- Provide matching funds of the federal funds awarded, and this match must be provided within a timeframe documented on the award. The matching funds must be documented on the annual FFR.
- Maintain all documents and records subject to audit to verify that payments were used in compliance with HAVA requirements.”

The Awardee – The Mississippi Secretary of State’s Office

The Mississippi Secretary of State’s Office is a service and information agency. There are eight divisions of the Secretary of State’s Office: Business Services & Regulation, Charities, Elections, External Affairs, Policy & Research, Publications, Public Lands and Securities. The Elections Division trains local elections officials, who run elections in Mississippi, collects campaign finance and lobbying reports, manages the statewide voter registry, collects election returns, assists local election officials in carrying out their election related responsibilities, and administers federal funding from HAVA.

In 2018, Mississippi was reissued \$12,452 in Section 251 grant funding. Mississippi used the 251 grants to improve polling stations. The following chart summarizes Mississippi’s Section 251 reissued grant expenditures by major program and budget category:

		Program Category					
		Voter Education	Cyber and Physical Security	Voting Equipment & Processes	Accessibility	Voter Registration Systems	Total Expenditures
Budget Category	Contractual	--	--	--	--	--	--
	Equipment	--	--	--	--	\$12,346.00	\$12,346.00
	Subgrants	--	--	--	--	--	--
	Total	--	--	--	--	\$12,346.00	\$12,346.00

Mississippi also received a total of \$12,521,137 in HAVA Election Security funding across fiscal years 2018, 2020, 2022, 2023, and 2024. These funds were used to provide subgrants to its counties to purchase elections improvement related to voting equipment, voter registration systems, accessibility improvements and cyber and physical security. Additionally, the state used the funds for voter education and cyber and physical security. The following chart summarizes Mississippi’s HAVA Election Security grant expenditures by major program and budget category:

		Program Category					
		Voter Education	Cyber and Physical Security	Voting Equipment & Processes	Accessibility	Voter Registration Systems	Total Expenditures
Budget Category	Contractual	\$275,937.78	--	--	--	--	\$275,937.78
	Equipment	--	\$3,400.00	--	--	--	\$3,400.00
	Subgrants	--	\$11,128.80	\$6,166,746.53	\$83,017.14	\$238,564.39	\$6,499,456.86
	Total	\$275,937.78	\$14,528.80	\$6,166,746.53	\$83,017.14	\$238,564.39	\$6,778,794.64

AUDIT OBJECTIVES

The primary objectives of our audit were to determine if the Mississippi:

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

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

- Payments are in compliance with the Federal cost principles established by the Office of Management and Budget (OMB) 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards
- Submitting required annual and semiannual financial and progress reports to the EAC.
- Maintaining documents and records subject to audit to determine whether payments were used in compliance with HAVA.

SCOPE AND METHODOLOGY

The scope of our audit is the reissued Section 251 funds from October 1, 2018 through March 31, 2025 and Election Security grant funds issued from March 23, 2018 through March 31, 2025. Mississippi received the following grant funds during the scope of our audit:

Description	Section 251 (Total Funds)
Funds Reissued	
Unexpended Federal Funds (from the EAC)	\$11,829.00
Unexpended State Matching Funds	\$623.00
Unexpended Program Interest	--
Interest Earned After Reissuance	--
Total Funds	\$12,452.00
Expenditures	
Federal Expenditures	\$10,288.00
State Matching Expenditures	\$2,058.00
Federal Interest Expenditures	--
Total Expenditures	\$12,346.00
Remaining Funds Balance	
Remaining Fund Balance (Funds Reissued less Total Expenditures)	\$106.00

Description	Election Security Funds
Funds Received	
Federal Funds Received from the EAC	\$12,521,137.00
Required State Matching Funds	\$1,831,696.00
Program Income	--
Interest Earned (as of 3/31/2025)	\$700,649.37
Total Funds Received	\$15,053,482.37
Expenditures	
Federal Expenditures	\$6,778,794.64
State Matching Expenditures	--
Federal Interest Expenditures	--
Total Expenditures	\$6,778,794.64
Remaining Funds Balance	
Remaining Fund Balance (Funds Received less Total Expenditures)	\$8,274,687.73

We conducted our audit in accordance with GAGAS applicable to performance audits. Those standards required that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our audit objectives. To accomplish our objectives, we:

- Obtained an understanding of any regulatory criteria related to Mississippi's responsibilities to administer grant funding awarded under HAVA.
- Assessed the internal and information system controls in place that are significant to the audit objectives, in order to assess audit risk and design audit procedures.
- Identified internal controls significant to our audit objectives for sample testing. Specifically, tested internal controls in place in the areas of financial management, procurement, property, time and attendance, expense approval, sub-grantee monitoring, and grant execution and reporting.
- Selected a statistical representative sample of grant expenditures. These grant expenditures were tested for accuracy and program compliance by reviewing grant file documents, grant agreements, timesheets, financial management system documentation, invoices, financial status reports, and request for advance/reimbursement for grant payment forms.
- Reconciled and reviewed the financial reports for the reissued Section 251 grant, and Election Security grants to the EAC's and Mississippi's accounting records as of March 31, 2025.
- Verified that Mississippi's state match for each grant complied with the award requirements.
- We did not perform any testing over the interest income earned as it was out of scope. This area was excluded because it was addressed in the recently issued OIG report (G23HQ0027-24-07).
- Reviewed support for a sample of subawards and direct costs, including expenditures such as equipment, travel, and supplies, to determine whether the goods or services were allowable.

- Reviewed Mississippi’s Notice of Grant Awards, State Narrative Plan, Federal Financial Reports, financial records, policies on cost allocation and allowability, budgets, financial statements and Single Audit reports, performance reports, and grant and program applications to determine if Mississippi is administering their grants in accordance with the EAC and OMB requirements.

AUDIT RESULTS

Based on the procedures performed, we found that Mississippi properly accounted for and controlled property purchased with HAVA payments. However, we were unable to conclude whether Mississippi used the funds in a manner consistent with the informational plans provided to the EAC. We also could not determine whether the funds were used for authorized purposes under HAVA and other applicable requirements due to internal control deficiencies related to grant financial management and expense documentation. Our findings and recommendations are discussed in detail below.

Below, we have presented a Schedule of Unsupported Cost as of March 31, 2025, which reflects the results of our audit:

Schedule of Unsupported Cost	
Description	Unsupported Cost
Unsupported Federal Expenditures	\$1,717,439.12
Unsupported State Matching Expenditures	\$5,728,175.64
Unsupported Federal Interest Expenditures	\$107,601.00
Total	\$7,553,215.76

Allmond & Company, LLC

Lanham, MD
 May 18, 2026

Improvements Needed over Internal Controls related to EAC Grant Financial Management (MS-2025-01)

CONDITION:

Improvements are needed over the Mississippi Secretary of State’s Office (Mississippi) internal controls related to EAC grants’ financial management. During our review of Mississippi’s general ledger (GL), we noted Mississippi did not provide general ledger detail to support the entire expenditure of federal funds reported on its FFRs resulting in questioned costs as shown in Table 1. Moreover, the general ledger did not differentiate between the expenditure of Section 251 and Election Security funds. We also noted that Mississippi did not provide general ledger detail to support its state matching and federal interest expenditures in a timely manner. We initially requested the general ledger detail on April 29, 2025 with an initial due date of June 4, 2025. We did not receive the general ledger data of the state match expenditures until March 19, 2026. Due to time constraints, we could not perform audit procedures necessary to substantiate the accuracy of the reported state match expenditures, resulting in questioned costs as shown in Table 1.

Table 1: Unsupported Questioned Costs

	Federal Expenditures	Recipient Share Expenditures	Federal Interest Expenditures	Total
Section 251	\$ 10,288.00	\$ 2,681.33	--	\$12,969.33
Election Security	\$ 8,488,291.76	\$ 5,725,494.31	\$ 107,601.00	\$14,321,387.07
Total Expenses per FFRs	\$ 8,498,579.76	\$ 5,728,175.64	\$ 107,601.00	\$14,334,356.40
Expenses per MS GL	\$ 6,791,140.64	--	--	\$6,791,140.64
Total Questioned Costs	\$1,707,439.12	\$5,728,175.64	\$107,601.00	\$7,543,215.76

CRITERIA:

OMB’s Uniform Guidance §200.302, Financial Management, states in part, “All recipient and subrecipient financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by the terms and conditions; and tracking expenditures to establish that funds have been used in accordance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The recipient's and subrecipient's financial management system must provide for the following:

- (1) Identification of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Assistance Listings title and number, Federal award identification number, year the Federal award was issued, and name of the Federal agency or pass-through entity.
- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements in §§ 200.328 and 200.329 . . .”

OMB’s Uniform Guidance §200.303, Internal Controls, states in part, “The recipient and subrecipient must:

- (a) Establish, document, and maintain effective internal control over the Federal award that provides reasonable assurance that the recipient or subrecipient is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should align with the guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control-Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal award . . .”

The Government Accountability Office (GAO) Standards for Internal Control in the Federal Government, (issued September 2014) Principle 10.01: Design Control Activities, states, “Management should design control activities to achieve objectives and respond to risks. The following attributes contribute to the design, implementation, and operating effectiveness of this principle:

- Response to Objectives and Risks
- Design of Appropriate Types of Control Activities
- Design Control Activities at Various Levels
- Segregation of Duties.”

GAO Standards for Internal Controls in the Federal Government, (issued September 2014), Principle 10 – Design of Appropriate Types of Control Activities, 10.03, Control activities over information processing, states, “A variety of control activities are used in information processing. Examples include edit checks of data entered; accounting for transactions in numerical sequences; comparing file totals with control accounts; and controlling access to data, files, and programs.”

GAO Standards for Internal Controls in the Federal Government, (issued September 2014), Principle 10 – Design of Appropriate Types of Control Activities, 10.03, Accurate and timely recording of transactions, states, “Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.”

GAO Standards for Internal Controls in the Federal Government, (issued September 2014), Principle 12 – Implement Control Activities, Documentation of Responsibilities through Policies, 12.04, states “Management documents in policies the internal control responsibilities of the organization.”

CAUSE:

- Mississippi does not have documented procedures on how to reconcile its general ledger detail data to the expenses reported in the FFRs and submitted to the EAC.
- Mississippi has recently experienced staff turnover within the Finance Division, including the departure of the Chief Financial Officer.

EFFECT:

Failure to maintain sufficient general ledger detail for federal and state match expenditures could result in the following:

- Increased risk of inaccurate reporting Section 251, Election Security Federal and State Matching grant expenses to the EAC.
- Increased risk of non-compliance with OMB's Uniform Guidance regulations.
- Mississippi's inability to verify the amounts reported to the EAC, requiring recapture of grant funds.

RECOMMENDATIONS:

We recommend that the EAC require Mississippi management to:

1. Establish written policies and procedures to prepare a reconciliation of the state's general ledger detail to actual grant and state matching expenses reported on the FFR.
2. Update grant financial management policies and procedures to include consistently using unique grant identification number when recording grant and state matching expenditures.
3. Review the federal grant, interest and state match unsupported questioned costs, totaling \$7,543,215.76 and either provide adequate supporting documentation or make the necessary adjustments to the reported matching and federal expenditures.

Improvements Needed over Internal Controls related to Maintenance of HAVA Grant Expense Documentation (MS-2025-02)

CONDITION:

Improvements are needed over Mississippi Secretary of State’s Office (Mississippi) internal controls related to maintaining HAVA grant expense documentation. During our testing of federal expenditures for the period October 1, 2018 through March 31, 2025, Mississippi did not provide supporting documentation, including procurement process documents, invoices and receiving documents, for 1 of the 58 samples tested, resulting in questioned costs totaling \$10,000.00. The unsupported expenditure was related to a county payment.

CRITERIA:

State of Mississippi Local Government Records Retention Schedule, Accounts Payable Files, states in part, “Documentation for payment of each claim. May include request for payment, copy of check issued, original invoice, copy of purchase order, copies of bids and contracts, requisitions, backup material, related correspondence in any format, and various reports generated as a part of the accounts payable process. . . Retention: Three (3) years after release of audit.”

OMB’s Uniform Guidance §200.303, Internal Controls, states in part, “The recipient and subrecipient must:

(a) Establish, document, and maintain effective internal control over the Federal award that provides reasonable assurance that the recipient or subrecipient is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should align with the guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control-Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(b) Comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal award . . .”

OMB’s Uniform Guidance §200.403 Factors affecting allowability of costs, states in part, “Except where otherwise authorized by statute, costs must meet the following criteria to be allowable under Federal awards:

(g) Be adequately documented.”

GAO Standards for Internal Controls in the Federal Government, (issued September 2014), Principle 10.03: Design of Appropriate Types of Control Activities states in part, “Management designs appropriate types of control activities for the entity’s internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system . . .

Appropriate documentation of transactions and internal control

Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination . . . Documentation and records are properly managed and maintained.”

CAUSE:

Mississippi state personnel responsible for preparing and maintaining financial records had not received adequate training on current state policies and procedures on document retention for all federal expenditures reported to the EAC.

EFFECT:

Failure to maintain sufficient supporting documentation for federal expenditures could result in the following:

- Increased risk of inaccurate reporting of grant expenses to EAC.
- Increased risk of non-compliance with OMB's Uniform Guidance regulations.
- Mississippi's inability to verify the amounts reported to the EAC, requiring recapture of grant funds.

RECOMMENDATION:

We recommend that the EAC require Mississippi's management to:

4. Implement procedures to ensure that all federal and state matching expenditures are supported by appropriate documentation and retained in accordance with federal record-keeping requirements.
5. Review the questioned Election Security costs of \$10,000 and either provide adequate supporting documentation or make the necessary adjustments to the reported matching and federal expenditures.

Appendix I Response of the Mississippi Secretary of State's Office to the Draft Report



May 15, 2026

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

Re: Response to Draft Audit Report No. G25MS0068-26-XX – Audit of the Administration of Help America Vote Act Grants Awarded to the State of Mississippi

Dear Inspector General Dreyer:

The Mississippi Secretary of State's Office ("Mississippi" or "MSOS") appreciates the opportunity to review and respond to the Draft Audit Report regarding the administration of Help America Vote Act ("HAVA") grants awarded to the State of Mississippi. Mississippi values the oversight role of the U.S. Election Assistance Commission Office of Inspector General ("OIG") and remains committed to ensuring proper stewardship, accountability, transparency, and compliance in the administration of federal grant funds.

The MSOS acknowledges the findings identified in the draft report and recognizes the importance of timely and complete financial reporting and documentation. Mississippi respectfully provides the following response and description of corrective actions implemented or currently underway.

1. Response to Finding MS-2025-01

Improvements Needed over Internal Controls related to EAC Grant Financial Management

The MSOS acknowledges the requested general ledger documentation was not provided within the timeframe requested during the audit process. However, the MSOS did ultimately provide general ledger documentation responsive to the audit request.

During the course of the audit, the MSOS experienced significant staffing and operational disruptions within the Finance Division, including the termination of the Finance Director. Following these staffing changes, remaining personnel were required to obtain access credentials to the Mississippi Department of Finance and Administration's financial management system (MAGIC) and undergo training necessary to retrieve and analyze historical grant financial data.

Despite these challenges, the MSOS undertook substantial efforts to reconstruct and review grant financial records, including reviewing Federal Financial Reports ("FFRs"), general ledger reports, and supporting documentation associated with HAVA Election Security and Section 251 grant expenditures.

Furthermore, throughout the time the Election Security Grant has been active, the MSOS has seen significant turnover affecting personnel responsible for financial reporting and grant

administration. Not including other supporting personnel within the Finance Division, the MSOS has seen the following turnover in senior leadership of the Finance Division:

Name	Start Date	End Date	Duration of Employment
Lisa Moore	5/1/2016	6/1/2020	4 years
Emily Tschiffely	9/1/2020	3/15/2022	1.5 years
Jennifer Head	5/19/2022	3/31/2023	10 months
Joette Pickle	4/1/2023	1/1/2025	1 year 8 months
Brett DeRossette	4/1/2025	1/31/2026	10 months

The times in which the end date of one person and start date of another did not coincide were marked with interim leadership and external contractors unfamiliar with the HAVA grant process providing support to the Finance Division.

In reviewing the draft audit findings and reconciling the findings with our records, the MSOS identified reporting errors within certain previously submitted FFRs in regards to the total amount of federal share of election security grant expenditures being higher than what Mississippi actually expended as evidenced by accounting records. Mississippi is currently conducting a detailed reconciliation of the applicable grant expenditures and general ledger records. Previously provided documentation throughout the audit process will substantiate these reporting errors.

As the basis for almost the entirety of questioned federal share of election security expenses arises from the comparison of the total federal expenditures listed on the FFRs covering reporting until March 31, 2025, the MSOS believes this will largely resolve the questioned federal share of election security grant expenses. The MSOS also understands unliquidated federal share of election security grants expenses as reported on the FFR were calculated by the auditors in determining the amount expended, which would have increased the total amount of actual expenditures even those unliquidated expenses had not yet been expended. The MSOS will work with the EAC and OIG as necessary to substantiate expenditures, correct previously submitted FFRs, and resolve questioned costs identified in the report.

Additionally, the MSOS notes that the questioned state matching costs identified in the report largely stem from the inability to timely reconcile and segregate expenditures reflected in the financial reporting system, rather than any determination that funds were used for unauthorized purposes. The MSOS remains committed to fully reconciling the grant expenditures and ensuring all allowable costs are properly supported.

To address the concerns identified in the audit and prevent similar issues from occurring in the future, the MSOS has implemented and/or developed the following corrective actions and procedural safeguards:

- Restructured the allocation of duties within the Finance Division to improve oversight, timeliness, and continuity of records;
- Further developed written policies and procedures governing the preparation and review of Federal Financial Reports and annual progress reports;
- Implemented procedures requiring the use and retention of full grant-specific general ledger reports from the MAGIC financial management system for each reporting cycle;
- Established reconciliation procedures requiring Finance Division staff to reconcile reported expenditures to the applicable HAVA grant general ledger prior to submission of any FFR or progress report;
- Implemented procedures requiring review of all journal entries associated with HAVA grants to determine whether such entries should properly be included in grant expenditure totals;
- Established documentation requirements requiring written justification and retention of records for any journal entries excluded from grant expenditure reporting;
- Established internal review procedures requiring supervisory review of FFRs and supporting reconciliations prior to submission;
- Implemented centralized electronic retention procedures for HAVA grant records and supporting financial documentation in shared internal grant compliance folders; and
- Developed procedures requiring periodic internal reviews of grant reporting documentation and supporting records throughout the reporting period rather than solely at the time of audit.

The MSOS believes these corrective measures substantially strengthen internal controls and financial management procedures related to HAVA grant administration and reporting. As evidence of these changes, the MSOS will provide newly implemented policies in connection with the submission of this response.

2. Response to Finding MS-2025-02

Improvements Needed over Internal Controls related to Maintenance of HAVA Grant Expense Documentation

The MSOS acknowledges the finding regarding one transaction for which supporting documentation was not readily available during the audit process. The MSOS has since provided supporting documentation for this transaction.

The MSOS has since undertaken efforts to improve centralized retention and retrieval of grant-related documentation, particularly for records involving subgrants and county

reimbursements. The MSOS recognizes the importance of maintaining complete procurement, invoice, payment, and receiving documentation for all grant expenditures.

As noted above, the MSOS has implemented enhanced record retention procedures, centralized electronic storage requirements, and additional training for personnel responsible for maintaining HAVA grant documentation. The MSOS has also implemented procedures requiring verification that supporting documentation has been received and retained prior to reimbursement or reporting of expenditures.

The MSOS will continue efforts to locate and provide any additional supporting documentation associated with the questioned transactions and will work cooperatively with the EAC regarding any necessary adjustments.

The MSOS appreciates the professionalism and cooperation of the OIG and Allmond & Company during the audit process. Mississippi remains committed to strengthening its financial management controls, improving grant reconciliation and reporting procedures, and ensuring continued compliance with HAVA and applicable federal requirements.

The MSOS respectfully requests that the corrective actions and ongoing reconciliation efforts described herein be considered during the finalization and resolution of the audit findings.

Sincerely,



Michael Watson
Mississippi Secretary of State

Appendix II 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: May 14, 2026

RE: Response to Draft Audit Report of Grants Awarded to the State of Mississippi,
OIG Report No. G25MS0068-26-XX.

Thank you for the opportunity to respond to the OIG draft audit of HAVA funds awarded to the Office of the Mississippi Secretary of State (Mississippi). The audit scope included HAVA Section 101 Election Security and Section 251 Requirements Payment funds. The EAC Office of Grants Management's (OGM) response to the findings and recommendations is described below.

Finding #1, Recommendations #1, #2, and #3: Improvements Needed to Internal Controls.

The auditors found that Mississippi did not provide general ledger detail to support the full amount of federal funds reported on its Federal Financial Reports, resulting in \$1,707,439.12 in questioned costs. Additionally, the general ledger did not differentiate between expenditures for Section 251 and Election Security funds. Mississippi also did not provide general ledger detail to support its state matching and federal interest expenditures in a timely manner, resulting in \$5,835,776.64 of questioned costs. The auditors recommend that the EAC require Mississippi to:

1. Establish written policies and procedures to prepare a reconciliation of the state's general ledger detail to actual grant and state matching expenses reported on the FFR.
2. Update grant financial management policies and procedures to include the use of unique grant identification numbers when recording grant and state matching expenditures.
3. Review the federal grant, interest, and state match unsupported questioned costs, totaling \$7,543,215.76, and either provide adequate supporting documentation or make the necessary adjustments to the reported matching and federal expenditure.

Management Response:

The EAC OGM generally agrees with the recommendations and recognizes that significant staff turnover at the Mississippi Secretary of State's Office contributed to gaps in internal controls and the delay in providing documentation to the auditors. Mississippi confirmed that the same financial procedures used for the tested federal expenditures are used for the state matching



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expenditures. The EAC OGM will work with Mississippi to reconcile financial reporting with the general ledger and update the state's financial policies and procedures to include the use of unique grant identification numbers. The EAC OGM will also sample and test the state matching and federal interest expenditures to ensure Mississippi is following state and federal procedures and resolve any questioned or unsupported costs. Full resolution is expected to be completed by March 31, 2027.

Finding #2, Recommendations #4 and #5, Maintenance of HAVA Grant Expense

Documentation: During testing, the auditors found that Mississippi did not provide supporting documentation, including procurement process documents, invoices, and receiving documents, for 1 of the 58 samples tested, resulting in questioned costs totaling \$10,000. The auditors recommend that the EAC require Mississippi to:

4. Implement procedures to ensure that all federal and state matching expenditures are supported by appropriate documentation and retained in accordance with federal record-keeping requirements.
5. Review the questioned Election Security costs of \$10,000 and either provide adequate supporting documentation or make the necessary adjustments to the reported matching and federal expenditures.

Management Response:

The EAC OGM agrees with recommendation 4 and will work with Mississippi to implement procedures to ensure all federal and state matching expenditures are supported by appropriate documentation and retained. Mississippi has provided support documentation for the \$10,000 Election Security costs and is working with the EAC OGM to close recommendation 5. Full resolution is anticipated by December 31, 2026.



Visit our website at 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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