



U.S. ELECTION ASSISTANCE COMMISSION
OFFICE OF INSPECTOR GENERAL
1335 East West Highway - Suite 4300
Silver Spring, MD 20910

October 13, 2015

Memorandum

To: Alice Miller
Acting Executive Director

From: Roger La Rouche 
Deputy Inspector General

Subject: Inspector General's Statement Summarizing the Major Management and Performance Challenges Facing the U.S. Election Assistance Commission

In accordance with the Reports Consolidation Act of 2000, I am submitting our annual statement summarizing the areas which the Office of Inspector General considers to be the most serious management and performance challenges facing the U.S. Election Assistance Commission. We compiled this list based upon our audit, inspection and evaluation work; and general knowledge of the agency's operations.

This year's management challenges are the same as last year: (1) performance management and accountability and (2) records management. We have noted the progress that EAC has made on each of the challenges identified.

If you have any questions or need additional information, please contact me at (301) 734-3106 or at rlarouche@eac.gov.

Attachment

cc: Chair, U.S. Election Assistance Commission



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**U.S. ELECTION ASSISTANCE COMMISSION
MAJOR MANAGEMENT AND PERFORMANCE
CHALLENGES**

Introduction

The Reports Consolidation Act of 2000 requires the Office of Inspector General (OIG) to report annually on what it considers to be the most serious management and performance challenges facing the U.S. Election Assistance Commission (EAC). Management challenges are derived from cross-cutting issues that arise during our regular audit, evaluation and investigatory work. They are also influenced by our general knowledge of the agency's operations and the works of other evaluative bodies such as the Government Accountability Office (GAO).

For fiscal year 2015, the OIG is reporting on two management and performance challenges facing the EAC. Each of these management challenges have been reported in prior years:

- Performance Management and Accountability
- Records Management

**CHALLENGE 1: PERFORMANCE MANAGEMENT AND
ACCOUNTABILITY - ISSUED IN 2008**

In February of 2008, the OIG issued a report that identified long-standing and overarching weaknesses related to EAC operations. The assessment disclosed that the EAC needed to establish:

- Short and long-term strategic plans, performance goals and measurements to guide the organization and staff.
- An organizational structure that clearly defines areas of responsibility and an effective hierarchy for reporting.
- Appropriate and effective internal controls based on risk assessments.
- Policies and procedures in all program areas to document governance and accountability structure and practices in place. It is imperative that the Commissioners define their roles and responsibilities in relationship to the daily operations of the EAC and to assume the appropriate leadership role.

Effective management and accountability are integral to any operation and must start with senior management. At the EAC, direction and management are carried out by four full-time commissioners and an executive director. Generally, the commissioners establish policy and the executive director carries out policy by administering the day-to-



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day operations of the organization. The Help America Vote Act requires that any action of the commissioners be carried out by the approval (vote) of at least three. For almost five years through December 2014, EAC has lacked a quorum. Thus, critical businesses; including holding formal public meetings, adopting new policy and plans, issuing formal advisory opinions, accrediting EAC Voting System Test Laboratories, acting on appeals of voting system certification denials or revocations, and modifying or updating the Voluntary Voting System Guidelines; have not been carried out. Furthermore, EAC has persevered without an executive director since October 2011. These conditions and some confusion over the roles and responsibilities of the commissioners and the executive director have resulted in a lack of leadership, an inability of EAC to focus on key duties, a failure to hold people accountable, and a decline in staff morale.

EAC's Progress

Progress has been made. The Senate confirmed three new commissioners who were sworn-in on January 13, 2015. The Commissioners issued new policy in February which (1) defines the Commission and its duties, (2) provides for the division of duties regarding policy making and day-to-day operations, and (3) establishes an order of succession in the case of key vacancies. Also, the Commissioners obtained a high-level review which covered EAC's organization and mission, and selected other matters.

Further action is needed. This includes completing the process to hire an executive director and a general counsel; obtaining input from key stakeholders on EAC mission, goals, and objectives and how to achieve them; revising the strategic plan; assessing the organization structure; identifying skill sets needed to meet strategic goals and objectives; crafting a staffing plan; and evaluating draft policies and procedures.

CHALLENGE 2: RECORDS MANAGEMENT - ISSUED IN 2010

Maintaining complete and accurate records of the operations, policies, procedures and practices are critical to effective agency performance. Furthermore, retention of government records is mandated by federal law. Without these records, an agency cannot retain an institutional knowledge. In that regard, since its inception in December 2003, the EAC has seen eight commissioners, two general counsels, and program directors come and go.

The EAC does not have an approved records retention schedule. Similarly, there are no procedures for management and retention of records being uniformly implemented at the EAC. The OIG first noted the EAC's lack of a records management system in 2008, when it issued the Assessment of EAC's Program and Financial Operations. Since that time, the OIG has conducted several audits and evaluations of EAC and its programs that have revealed a continuing problem with maintaining records. Most recently, in 2010, the OIG audited a grant distributed by the EAC. EAC staff was unable to locate



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the file related to that grant or any emails from the previous grants director under whose administration the grant was awarded. In addition, the EAC disbursed payment on that grant without records of whether and to what extent the grantee had performed services commensurate with the grant proposal and award.

The lack an approved system for records retention leaves the EAC vulnerable to suit by information requesters and susceptible to waste, fraud, or abuse of its resources and the intentional destruction of government records in violation of federal law. The EAC should expeditiously take steps to adopt a records management system, obtain approval of that system from the National Archives and Records Administration (NARA), and train its staff on the proper retention of federal government records.

EAC's Progress

EAC completed the records retention schedules for Human Resources, the Office of General Counsel, Chief Financial Officer, and Grants and Communications on February 15, 2015, and submitted the schedules to NARA. The schedule for the Research Division is in the development stages and will be submitted by December 15, 2015. The schedule for Testing and Certification was submitted to and returned by NARA for wording changes. The target for resubmission is also December 15, 2015. Finally, EAC has begun to plan for a system to organize and archive EAC emails.