OFFICE OF INSPECTOR GENERAL
U.S. Election Assistance Commission

MANAGEMENT CHALLENGES
FOR THE U.S. ELECTION ASSISTANCE COMMISSION IN
FISCAL YEAR 2024
Introduction

This is the Office of Inspector General’s (OIG’s) independent assessment of the top management challenges facing the U.S. Election Assistance Commission (EAC). The Reports Consolidation Act of 2000 requires us to annually update our assessment of EAC’s “most serious management and performance challenges facing the agency and briefly assess the agency’s progress in addressing those challenges.”

Based on our oversight work, we identified five challenges EAC must navigate to fully meet its mission:

- Aligning Resources With Mandates While Addressing Expectations and Risks
- Attracting and Retaining a Highly Skilled Workforce
- Coordinating to Meet Customer Service and Critical Infrastructure Goals
- Providing Effective Oversight of Grantees
- Strengthening Internal Controls

In this report, we modified the first management challenge from last year to account for EAC’s increased appropriation. Many of the challenges mirror last year but have new conditions that may impact EAC’s ability to navigate such challenges. We also elevated a challenge related to the agency’s controls over records and policies. We focused on areas that most impact the agency’s ability to help election officials improve the administration of elections and help Americans participate in the voting process. The report includes a description of all five challenges, EAC’s progress in addressing them, and the work that remains to be done. We note that some of the challenges stem from factors beyond EAC’s full control.

We are committed to providing timely oversight of EAC’s programs and operations and this report will help inform OIG’s work.

Aligning Resources With Mandates While Assessing Expectations and Risks

In fiscal year 2023, EAC received an appropriation of $28 million, an increase of $8 million from FY 2022. EAC is the only federal agency with a specific mandate to help improve U.S. election administration and was established in 2002 with the enactment of the Help America Vote Act (HAVA). HAVA outlined three main functions for the independent agency: (1) testing and certification of voting systems, (2) providing a clearinghouse of information for election officials and the public, and (3) distributing grants to states and territories. EAC addresses its three-pronged mandate with four bipartisan Commissioners and support from 63 staff members.

Why is This a Challenge?

The process of executing the budget is central to EAC’s ability to deliver on its mandates and there are inherent challenges to spend additional funds when the funds need to be obligated within 1 year. However, EAC received an increase in funding when the 2023 appropriation was signed into law on December 29, 2022. This was after a 3-month continuing resolution that left EAC with 9 months to responsibly spend an additional $8 million from the previous year—or 29 percent more—while accounting for increased expectations and programmatic risks.

In addition to the budget-related challenges, there continues to be growing needs in the election community, driven by increased interest in elections and intensified demand on election workers. The U.S. election system is impacted by new and emerging risks such as artificial intelligence and staffing shortages. The challenging and changing environment emphasizes the importance that agency communication remains consistent, balanced, and bipartisan.

As states prepare for the 2024 election year, expectations for EAC have increased. EAC continues to report an uptick in Freedom of Information Act requests, and new requests from election administrators. Recently, EAC, as a trusted source of election information, has been called on to provide comprehensive messaging around its Voluntary Voting System Guidelines (VVSG) 2.0. Despite growing expectations and demands, EAC also faces the introduction of new bills, including one that outlines responsibilities yet limits resources of the Commission.

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3 Other federal agencies have roles in regulating or supporting U.S. campaigns or federal elections. Congressional Research Service, Federal Role in U.S. Campaigns and Elections: An Overview (September 2018).
6 The federal fiscal year runs from October 1 to September 30.
7 Voluntary Voting System Guidelines 2.0 are the most recent version of specifications and requirements against which voting systems can be tested to determine if they meet required standards. EAC adopted VVSG 2.0 in February 2021.
Progress and Ongoing Work to Address the Challenge

EAC leadership remains committed to the responsible stewardship of federal taxpayer funds and providing support to states and territories in the administration of elections. To address the funding challenges and increased expectations, EAC reports it has used pilot initiatives to incrementally expand programs.

In response to stakeholders, the EAC Testing and Certification Program increased staff, hiring field auditors with a regional presence to report on anomalies in the field. EAC’s request for funds in the Fiscal Year 2024 Congressional Budget Justification bolsters this with an additional request for field inspections of certified voting systems and post-manufacturing audits of voting system equipment via a Field Services Program. The program aims “to ensure configurations of fielded EAC certified systems are consistent with their scope of certification, gather anomaly reports from election officials, provide trainings, and perform site reviews.” 8 This was initially included as a pilot program in the previous year’s budget.

Similarly, the 2023 EAC budget request included a pilot testing program for electronic poll books, and the 2024 request asks for funds to establish a permanent program for testing and certifying electronic pollbooks.

EAC has taken steps to increase awareness of agency progress, including resuming in-person meetings for the three HAVA-mandated Federal Advisory Committee Act (FACA) boards.9 In 2021, EAC also established the Local Leadership Council to get input from local election leaders across the country. EAC held an in-person Local Leadership Council meeting in the summer of 2023 to share and gather information.

Work That Needs to Be Done

While EAC has taken steps to address this challenge, our work indicates there are still opportunities to assess risk and strategically align resources with the agency’s mandate. EAC has used pilots to test programs, but needs to thoughtfully plan how pilots will be expanded, identify risks, and determine what additional resources are needed to fully transfer pilots to full programs. The agency’s budget requests the EAC full-time equivalent personnel the agency needs to carry out its mission, but it does not distinguish by program.

OIG audited the EAC information security program for fiscal year 2023 and found that the Office of the Chief Information Officer did not fully implement its governance risk and compliance solution in accordance with federal guidance. The solution is to manage and monitor cybersecurity risk activities and provide a centralized enterprise-wide view of risk across EAC.10

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8 EAC, Fiscal Year 2024 Congressional Budget Justification.
Similarly, the recent testing and certification audit found that EAC had not conducted a formal risk assessment of the testing and certification program or established an enterprise risk management program for the agency in accordance with the U.S. Office of Management and Budget Circular No. A-123. This management challenge is also contingent on external factors. To fully address the challenge, in addition to assessing risk and expectations, EAC must advocate for funding and determine if it would benefit from multi-year funding given election cycles, while continuing to demonstrate progress.

**Attracting and Retaining a Highly Skilled Workforce**

Federal standards require agencies to continually assess needs so its workforce has the required knowledge, skills, and abilities to achieve organizational goals. Federal regulations also require agencies to conduct formal workforce planning and, as part of that, agencies must “[e]nsure leadership continuity by implementing and evaluating recruitment, development, and succession plans for leadership positions.”

The success of EAC’s mission relies on the Commission’s ability to attract and retain a highly skilled workforce, while having appropriate succession plans. However, EAC continues to face significant challenges in this area with turnover and vacancies in key positions.

**Why is This a Challenge?**

EAC’s increased funding has been used for programmatic growth, without a corresponding expansion of its operational support functions. While EAC must continue to meet its obligations under HAVA, it must also meet the requirements and standards put forth for federal entities, despite being a small agency. Currently, this is hampered by HAVA’s executive salary caps and restrictions on the Commissioners.

**Small agency and increased administrative needs.** With the increase in funding and return to pre-pandemic travel levels, EAC has more administrative support needs than it did before. Meanwhile, it has no additional support staff. For example, a single employee is currently charged with responsibility for EAC’s administrative support, contract oversight, and human resources. These three critical functions have no segregation of duties or deputy positions to provide additional coverage and training. The result is that program staff are often pulled into ad hoc “other duties as assigned” to support travel and events such as board meetings and hearings. Further, the workload provides minimal time for professional development, with some employees saying they have been denied training.

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12 5 CFR 250.204.
Organizational chart and succession planning. For several years, EAC has operated without an approved organizational chart. The Commissioners had agreed upon an organizational chart early in 2023, but the new Executive Director wanted changes and agreement on them has not been reached. The current organizational chart notes that it is operational, but as of September 2023 it was still pending a final vote by the Commissioners. While this does not impede the Commission’s operations, the lack of an organizational chart impacts the prospect of additional leadership opportunities, staff knowing reporting lines, and ensuring continuity of operations. Additionally, as of Spring 2023, the Chief Operating Officer role was no longer filled and there is little opportunity for advancement within EAC. Leadership notes that there has been a degradation of institutional knowledge as individuals leave the organization.

These factors impact morale and retention that was already a challenge, as reflected in the 2022 Federal Employee Viewpoint Survey results. The survey found an overwhelming 98 percent of staff responded that the work they do is important and there were no negative responses to the statement “I like the work I do.” However, 28 percent responded neutrally or negatively to whether the workload was reasonable. There was a 52 percent neutral or negative response to the question “How satisfied are you with your opportunity to get a better job in your organization?” For training satisfaction, 34 percent responded neutrally or negatively.

Figure 1. Select Results From Federal Employee Viewpoint Survey Results

![Graphs showing survey results](source)

Vacancies and salary caps. In February 2022, the General Counsel position became vacant, and the Acting General Counsel left in May 2023. EAC reports difficulty filling the position, mainly due to the salary cap. HAVA allows the Executive Director, General Counsel, and staff of the Commission to be appointed without adhering to competitive service restrictions, but they

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13 EAC, Fiscal Year 2024 Congressional Budget Justification.
must not be paid more than the annual rate of basic pay for level V of the Executive Schedule, or $172,100 for 2023.

According to EAC, salary caps continue to create a challenge in retaining employees who can leave for more money and career opportunities with other federal agencies, including election-related positions at the Cybersecurity and Infrastructure Security Agency (CISA). In addition to higher salaries, according to EAC, CISA can offer additional pay to employees regardless of position due to the cybersecurity role of the agency. Leadership reports that the salary cap is not comparable to other executive-level positions in the federal government, making recruitment and retention difficult.

EAC has also had challenges filling the Human Resources Manager position, which was advertised in August 2023. Without a Human Resources Manager, the agency struggles to address the factors identified in this management challenge.

**Commissioner salary restrictions.** EAC has four bipartisan Commissioner positions that are presidential appointments requiring Senate confirmation—among the most senior leadership positions in the federal government. In accordance with HAVA, the Commissioners are compensated at the annual rate of basic pay for level IV of the Executive Schedule (one step higher than the Executive Director). However, the Commissioners continue to be impacted by the U.S. Office of Personnel Management’s (OPM’s) pay freeze for senior political officials, resulting in them being compensated less than EAC directors after the directors receive annual bonuses.

Some Commissions have part-time Commissioners, but EAC Commissioners work full time with extensive travel across the nation to meet with election directors and speak at election conferences. The Commissioners also review the election resource materials EAC produces and vote to approve agency policies. With restrictions, some senior political officials can partake in other activities, but HAVA specifically states that the Commissioners may not engage in any other business, vocation, or employment while serving as a member of the Commission and requires Commissioners to terminate or liquidate any pre-existing business, vocation, or employment before sitting as a member of the Commission. Even if allowed, doing so would be difficult given the Commissioners’ current workload. These restrictions limit the desirability of these positions nominated by the president and confirmed by the Senate, yet a quorum of Commissioners is critical to EAC’s functions and ensuring the agency remains bipartisan.

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14 Help America Vote Act of 2022, Public Law 107-252 § 204.
17 Help America Vote Act of 2022, Public Law 107-252 § 203.
Progress and Ongoing Work to Address the Challenge

In February, EAC hired an Executive Director to lead agency operations. This person has been working to address HAVA pay caps, and reportedly received approval from OPM to offer critical pay to three positions: the Executive Director, General Counsel, and Chief Information Officer. Although the critical pay will be temporary, according to the Executive Director, it would supersede the restrictions in HAVA. Another way the Executive Director has been working to compensate staff is by getting waivers to provide significant bonuses to senior staff.

To address challenges with recruitment and retention, EAC has used remote work to attract and retain staff in key positions and has used recruiting services to help identify General Counsel applicants. Additionally, the agency is looking to establish a college tuition repayment program and leadership training opportunities to help with retention. EAC leaders report they have been successful in obtaining elections-related experts but have struggled to fill operational positions that require a greater knowledge of federal rules and regulations.

For the Commissioner pay freeze, EAC continues to participate in conversations with other Commissions and Congress to address the longstanding issue and determine a solution moving forward.

EAC is aware of the human resource challenges it faces and the 2024 budget justification includes a request for funds to be more forward-thinking and provide guidance on strategic and operational human capital management issues. The request included funding for supervisory training, workforce planning, OPM studies, and bringing more human resources in-house. Furthermore, the request highlights the goal of achieving the agency’s diversity and inclusion initiatives. Positively, EAC has hired a Diversity, Equity, Inclusion, Accessibility and Equal Employment Opportunity Officer. Finally, EAC continues to propose legislative changes to modify HAVA restrictions that have made hiring and recruitment particularly difficult.

Work That Needs to Be Done

Despite the limitations of HAVA and being a small agency, EAC still needs to strategically address its human resource challenges and appropriately staff positions with qualified personnel. OIG has seen an uptick in employee complaints related to the lack of having a qualified head of Human Resources and uncertainty about who to report employee issues to within the organization.

In December 2022, we alerted EAC that some contracts were not being executed in accordance with EAC policies, the Federal Acquisition Regulations System, and the Digital Accountability and Transparency Act of 2014. Specifically, we found an employee was signing contracts without Contracting Officer authority, ultimately making unauthorized commitments that must be ratified.19

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Furthermore, a March 2023 OIG audit recommended that EAC utilize federal guidance to conduct a staffing assessment for the Testing and Certification Program. As part of this, we recommended that EAC consider what technical competencies are required for the team.\(^\text{20}\) EAC could do this more broadly as it looks to expand the number of full-time employees and considers succession planning and training opportunities. We acknowledge that some of the limitations in HAVA associated with this challenge are beyond the agency’s control. To better understand the challenges the agency faces in this area, OIG has included an audit of EAC’s human resources in the 2024 Oversight Plan.\(^\text{21}\)

### Coordinating to Meet Customer Service and Critical Infrastructure Goals

HAVA mandates that the Commission serves as a national clearinghouse and resource for the compilation of information with respect to the administration of federal elections. However, EAC resources are voluntary for states to use, and each state has the jurisdiction to administer elections in accordance with state laws. EAC coordinates services with CISA to ensure election administrators have the security resources necessary to protect the U.S. election system, which was designated as critical infrastructure in 2017.

**Why is This a Challenge?**

EAC has numerous stakeholders and partners, and for EAC to fulfill its role as a customer service agency supporting critical infrastructure, it must continue to navigate challenges related to partnerships and coordination efforts at the state and federal levels. Furthermore, in an increasingly partisan election atmosphere, it is important to have a commission that is bipartisan in both fact and appearance.

**State Coordination.** Election administrators across the nation make up one of EAC’s largest groups of stakeholders. EAC attempts to address the needs of states without interfering with the way each state runs its elections. As a result, EAC provides voluntary guidance documents, best practices, and toolkits on several topics to assist election administrators in achieving the necessary competencies to run effective elections, as shown in Figure 2. EAC leadership notes they are careful to ensure that EAC documents are presented with a neutral message.

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\(^{21}\) EAC OIG, *Oversight Plan for Fiscal Year 2024*. 
As part of its state coordination efforts, EAC partners with the National Association of State Election Directors (NASED) and the National Association of Secretaries of State (NASS). In March 2023, NASED called on EAC to preempt misinformation and ensure public communications are unambiguous that voting systems certified to VVSG 1.0 remain federally certified.\textsuperscript{22}

HAVA mandates that EAC compile and disseminate information on aspects of election administration and voting. One way EAC meets this mandate is by collecting information through the Election Administration and Voting Survey (EAVS) every 2 years; however, EAC continues to face challenges because it does not have an exemption from the Paperwork Reduction Act (PRA).\textsuperscript{23} When the Federal Election Commission clearinghouse duties were transferred to EAC, the exemption to the PRA was not, making it a time-consuming process for EAC to make changes to the survey and to obtain data from local governments.

**Federal coordination.** The 2013 Presidential Policy Directive 21 (PPD-21) designated 16 critical infrastructure sectors, namely “systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters.”\textsuperscript{24} In 2017, the Secretary of the Department of Homeland

\textsuperscript{22} National Association of State Election Directors, Letter to U.S. Election Assistance Commission.

\textsuperscript{23} Pub. L. No. 96–511 (codified at 44 U.S.C. § 3501 et seq.).

\textsuperscript{24} The White House, Office of the Press Secretary, Presidential Polity Directive: Critical Infrastructure Security and Resilience (PPD-21), February 12, 2013.
Security designated U.S. election systems as part of the nation’s critical infrastructure, under the Government Facilities Sector. The Election Infrastructure Subsector covers a range of assets, including facilities, polling places, centralized vote tabulation locations, registration databases, voting machines, and other systems. The designation by DHS established elections systems as meeting the definition of critical infrastructure and being secured to safeguard the democratic process.

Other federal agencies have roles in elections, but EAC is responsible for the broad scope of improving election administration. CISA has a role as it relates to election security, as noted on the election wheel shown in Figure 2. Furthermore, CISA’s website notes the following roles and responsibilities: 1) physical security and cybersecurity of the systems and assets that support elections; 2) working collaboratively with state and local governments, election officials, federal partners, and private sector partners; and 3) providing resources on election security for the public and election officials to protect against new and evolving threats.

EAC reports it has had challenges coordinating with CISA, particularly as CISA looks to expand its role in elections. EAC budgeted and recruited a field services team, reportedly sharing information with CISA and stakeholders throughout the process. Shortly after EAC onboarded staff, CISA announced it was hiring its own regional analysts. Not only does this compound EAC’s challenges with hiring and retention (as outlined in challenge 2), but it also presents issues of duplication and capacity since there is already a limited pool of election experts.

Historically, the U.S. Government Accountability Office (GAO) has noted that interagency coordination is a longstanding challenge in the federal government, particularly when agencies are coordinating crosscutting missions. Recent GAO work highlights best practices for interagency working groups, such as defining outcomes; measuring performance and ensuring accountability; establishing leadership approaches; and using resources, such as funding, staff, and technology.

As EAC works to provide customer service while navigating coordination challenges, it must also be bipartisan. The Chair and Vice Chair requirements in HAVA limit the ability for the Commission to demonstrate balance by requiring a Chair and Vice Chair be selected for a term of 1 year, and not be affiliated with the same political party. Currently, this means each year the Chair and Vice Chair rotate political parties and in the even years, or election years, one party always fills the Chair role.

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26 CISA, Election Security | Cybersecurity and Infrastructure Security Agency CISA.  
27 GAO, Barriers to Interagency Coordination (GGD-00-106, March 2000).  
28 GAO, Implementation Approaches Used to Enhance Collaboration in Interagency Groups (GAO-14-220, February 2014).
Progress and Ongoing Work to Address the Challenge

EAC reports it continues to receive a positive response to its election resources. The Commissioners travel extensively to get feedback from election officials and EAC received welcome reactions to its Local Leadership Council meeting and new website redesign. EAC also continues to request it be added to the list of PRA-exempt agencies. In lieu of an exemption, EAC reports it diligently plans work while accounting for delays related to the PRA and relies heavily on its advisory boards to willingly provide timely, anecdotal information.

Finally, EAC participates in the National Security Council and interagency council and task force meetings. EAC previously requested it be named as a Co-Sector Specific Agency and strives to share information, comment, and be included when election-related topics are discussed.

Work That Needs to Be Done

Aspects of this challenge are largely out of EAC’s control. To fully address the challenge, EAC must continue to work with its partners and advocate for an exemption to the PRA. Additionally, EAC must continue to participate in federal working groups and meetings and advocate for employing best practices for interagency coordination.

Providing Effective Oversight of Grantees

EAC awards grants, provides guidance on the appropriate use of funds, and monitors how states and territories spend funds by reviewing financial and progress reports. From 2018 through 2020, EAC awarded $805 million in federal funds to the 50 states, the District of Columbia, and 5 U.S. territories (American Samoa, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, and the United States Virgin Islands). In 2022 and 2023, EAC received $75 million in grant funds each year to distribute to all 56 states and territories for election security.

Why is This a Challenge?

EAC’s ability to oversee grant funds continues to be hampered by grantee capacity and turnover in election offices. More recently, changing guidance and lack of definitions for allowable expenses have furthered this challenge.

- **Grantee capacity and turnover.** An April 2023 study found that there is significant turnover with local election officials. Furthermore, 74 percent of local election officials responded that their budgets needed to grow to meet administration and security needs.29 HAVA grants are unique, and they have specific requirements that differ from other funds; for

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example, the grants have no expiration and are required to be put in a separate interest-bearing account. There are also significant reporting requirements (e.g., states were required to complete quarterly financial reporting and annual progress reporting for 2022 grants). With turnover, and election offices being underfunded, new election officials would benefit from technical assistance from the EAC Office of Grants Management (OGM) to better understand reporting requirements, ask questions, and request assistance.

- **Inconsistent guidance.** A 2022 GAO opinion concluded that EAC has wide discretion to determine how grantees can use HAVA funds when not explicitly prohibited by law.\(^3\) EAC attempts to list information on allowable and unallowable HAVA expenses on its website via a frequently asked questions section, but in some instances the grantee contacts EAC directly to receive guidance that may differ from historical guidance provided. For example, the notice of grant award for the Coronavirus Aid, Relief, and Economic Security (CARES) Act required grantees to earn interest on funds, but EAC waived this requirement for 12 CARES Act grantees on the basis that there was conflicting guidance on whether this requirement applied to the CARES Act funds, and the fact that EAC’s accountants did not have the information they needed to calculate what the interest should have been in order to issue a bill of collection. Meanwhile, the states that earned interest by placing funds into interest-bearing accounts, as initially required, had to return to EAC the interest earned that was not spent. In another example, a state reported they communicated with EAC and received approval for an expenditure, but the EAC had no documentation of the approval.\(^3\) Finally, in August 2022, EAC changed the standing guidance on matching requirements. New guidance states grantees must *obligate* funds necessary to meet the required match no later than 2 years from receiving the grant funds, where previously the match could be met during the life of the grant.\(^3\) The changes in guidance make it challenging for EAC grant specialists and grantees.

These challenges are compounded by the grant office having relatively new staff. The most senior member of the team joined in January 2021. Often, a federal grants team consists of program officers who provide technical assistance and grant administrators; however, at EAC, staff fill both roles while also responding to inquiries from stakeholders.

**Progress and Ongoing Work to Address the Challenge**

In FY 2023, EAC added staff to the Office of Grants Management, growing the team to six grant specialists. However, the Grants Director position has become vacant and was being advertised in August 2023.

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\(^3\) Regarding the allowability of security services, the opinion found: “HAVA and the appropriations at issue do not explicitly authorize, nor do they explicitly prohibit, such expenditures. If not otherwise specified in law, an expense is authorized where it bears a reasonable, logical relationship to the purpose of the appropriation to be charged.” B-333826, *Electoral Assistance Commission—Use of Grant Funds for Security Services* (gao.gov).

\(^3\) EAC OIG, *Audit of the Help America Vote Act Grants Awarded to the State of Alaska* (G22AK0020-23-06, August 2023).

In FY 2021, EAC invested in a grants management system to automate its grant administration functions and it became operational in FY 2022. However, in FY 2023, EAC contracted for a new system that is in the process of being implemented. EAC is hopeful the new system will be easier for grantees to use.

To address the challenges related to inconsistent guidance, EAC’s attorneys help OGM with interpreting relevant laws. However, as noted previously the General Counsel position has been vacant since February 2022 and the Acting General Counsel left EAC in May 2023.

**Work That Needs to Be Done**

Our audits find that states generally accounted for HAVA funds in accordance with applicable requirements, accounted for and controlled property purchased, and used funds in a manner consistent with the informational plans they had submitted. However, we continue to have findings related to the federal financial reports not reconciling to the general ledger, and states lacking procedures to properly monitor inventory control and subrecipients (i.e., counties).  

EAC has made strides to build up its grant oversight, but there are still opportunities to provide more robust technical assistance to grantees. For example, the Northern Mariana Islands received funds for the first time in 2020 and had trouble meeting the reporting requirements and documentation required for federal grants. OIG is committed to working with OGM to ensure states have the guidance they need and that they are responsibly using federal funds in accordance with laws and regulations.

There is also work to be done to offer more consistent and transparent guidance to grantees. Recently, we alerted EAC that unallowable activities may be occurring, and it may be inadvertently providing inconsistent guidance to grantees because it has not adopted its own definitions of “voter registration,” “voter education,” and “get-out-the-vote” (GOTV). HAVA also does not define the terms. Communication showed that a grants contractor may have been providing email approval for the following as an allowable activity under HAVA grants: “adding additional staff and purchasing equipment such as laptops for outreach tables . . . to expand and increase the ability, and information related to registering/updating voter registrations.” Finally, our risk assessment of EAC’s grant closeout process found opportunities for EAC to improve consistency in the grant closeout process.

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Strengthening Internal Controls

Internal controls are processes used by management to help an entity achieve its objectives; run its operations efficiently and effectively; report reliable information about its operations; and comply with applicable laws and regulations. Due to the critical importance of having strong internal controls and longstanding open recommendations related to records and policies, we have elevated this to a top management challenge facing the agency in 2024.

Why is This a Challenge?

As a small agency with little depth, coupled with recent loss of institutional knowledge, EAC has an increased need for strong policies, complete records, and standard operating procedures. However, implementation of these efforts often falls to the wayside and operations are completed as they have historically been completed rather than ensuring compliance and keeping policies up to date. An OIG recommendation to enhance records management and documentation of policies and procedures has remained open since 2017.37

Policies. Many of EAC’s policies are in draft or have not been fully updated and finalized. For example, OIG found that EAC contracts were not being executed in accordance with federal regulations and EAC procurement policies were in draft and not being used.38 In other instances, EAC is operating without policies. EAC’s recent FACA board costs were incurred without appropriate policies and procedures to ensure that federal regulations were followed, and costs were minimized, resulting in the agency paying $110 for lunches and paying other costs above those allowable by federal regulations.39 Finally, while EAC has a robust 2023 Grants Manual, the manual was in draft during our audit and we found the grant system user guide was not finalized despite the system being in use.40

Records. In 2008, GAO recommended EAC establish requirements for the adequate maintenance of records related to the Voting System Test Laboratories (VSTL) accreditation program. In response to this recommendation, EAC updated the VSTL program manual to include language that records shall be retained or disposed of consistent with federal statutes and regulations.41 However, as of this publication, individual divisions at EAC had not yet updated their records disposition schedules.42 Lastly, during an OIG risk assessment of EAC’s

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41 GAO, Federal Programs for Accrediting Laboratories That Test Voting Systems Need to Be Better Defined and Implemented (GAO-08-770, September 2008).
grant closeout process we had difficulty determining the effectiveness of the process because EAC staff was unable to identify and locate documents that predated their time with EAC.\textsuperscript{43}

In September 2023, the U.S. Office of Government Ethics issued a report noting that EAC did not provide required annual ethics training to employees in 2022. Further, the EAC lacked policies around destruction of documents and EAC was unable to provide records of new employees receiving initial ethics training.\textsuperscript{44}

\textbf{Progress and Ongoing Work to Address the Challenge}

In 2022, EAC contracted a firm to establish policies and training for human resource functions, and in May 2022, EAC’s Office of General Counsel completed a records policy in collaboration with the National Archives and Records Administration, establishing a commission-wide Records Management and Retention Policy.

EAC reports it onboarded a records specialist in September 2023 to help with the effort. The Records Management Specialist has prioritized ensuring that the EAC records schedules are up to date and consistent with guidelines and has been in regular communication with the Archivist.

EAC hired a Compliance Officer to assist the agency with meeting federal requirements and reports it is working to hire a Contracting Officer to ensure federal acquisition regulations are met.

\textbf{Work That Needs to Be Done}

In addition to the specific areas noted, EAC needs to robustly consider how it can establish policies and update them in accordance with federal standards. Furthermore, EAC needs to implement its records management policy and create disposition schedules to ensure divisions are appropriately maintaining and disposing records.

\textsuperscript{43} EAC OIG, \textit{Risk Assessment of the U.S. Election Assistance Commission’s Grant Closeout Procedures} (O23HQ0046-23-10, September 2023).

\textsuperscript{44} United States Office of Government Ethics, \textit{Ethics Program Inspection Report} (23-51, September 2023).
The Election Assistance Commission (EAC) agrees with the top management challenges presented by the EAC Inspector General, and thanks the Inspector General for highlighting these important matters. Specifically, the EAC is grateful that the Inspector General included context for the challenges and focused on those areas that most impact the agency’s ability to help election officials improve the administration of elections and help Americans participate in the voting process. The EAC shall utilize the Inspector General’s Statement to implement better customer service and continue to fulfill the Commission’s mandate to the American public and the democratic process.

As noted in the Inspector General’s statement, there continues to be growing needs in the election community, driven by increased interest in elections and intensified demand on election workers. Through the implementation of Help America Vote Act (HAVA) requirements, the EAC stands prepared to mitigate these needs as a federal partner in election administration. The Inspector General also astutely notes that the U.S. election system is impacted by resource and staffing shortages and emerging risks such as artificial intelligence. To address this, EAC will continue to increase Commission support to states and localities by adding new staff, piloting new programs, developing new resources and increasing awareness of agency progress. Strong partnerships at the Federal, state, and local level will continue to assist the EAC in remaining agile in addressing these new and emerging risks.

The EAC appreciates the Inspector General highlighting the appropriations process, as the EAC has diligently worked to align resources with mandates while also assessing expectations and risk. The Commission has also used, and will continue to use, an increased budget and staff to further build out internal controls. Additionally, the EAC believes that lifting the pay cap restrictions would allow the agency to recruit and retain highly skilled employees, specifically cybersecurity experts and other election specialists. Retention of employees and Commissioners is especially critical in maintaining institutional knowledge. An exemption to the PRA would enable the agency to better understand and rapidly respond to the pressing needs of our stakeholders and provide increased oversight of grant funds.

The EAC looks forward to implementing the recommended steps identified in the Inspector General’s statement and addressing these challenges to the extent possible absent Congressional action. The Commission is thankful to the Inspector General for her oversight and input on EAC operations.
Visit our website at [oig.eac.gov](http://oig.eac.gov).

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