United States Government Accountability Office

Report to Congressional Committees

November 2021

ELECTION ASSISTANCE COMMISSION

Assessment of Lessons Learned Could Improve Grants Administration

Accessible Version

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A Century of Non-Partisan Fact-Based Work

GAO-22-104313

GAO Highlights

Highlights of GAO-22-104313, a report to congressional committees

November 2021

ELECTION ASSISTANCE COMMISSION

Assessment of Lessons Learned Could Improve Grants Administration

Why GAO Did This Study

During the 2020 federal elections, the EAC administered $400 million in grant funds provided by the CARES Act to help states prepare for and respond to the COVID-19 pandemic.

The CARES Act included a provision for GAO to report on its ongoing monitoring and oversight efforts related to the COVID-19 pandemic. This report (1) describes information that the EAC provided to state and local election officials for conducting elections during the pandemic, (2) describes how the EAC administered CARES Act grant funding, and (3) examines the extent to which the EAC assessed its CARES Act grants administration. GAO reviewed information on the EAC's website on conducting elections during the pandemic and interviewed EAC officials regarding processes for developing and distributing this information. GAO obtained and reviewed the EAC's data on CARES Act grant expenditures, grant guidance for states on expending and reporting funding, and materials the EAC used to review state reports. GAO also interviewed EAC officials regarding grant administration procedures.

What GAO Recommends

GAO recommends that the EAC assess its administration of CARES Act grants to document any lessons learned and, to the extent practicable, implement applicable lessons. The EAC identified ongoing and planned steps to assess and implement lessons learned from its administration of CARES Act grants.

View GAO-22-104313. For more information, contact Rebecca Gambler at (202) 512-8777 or gamblerr@gao.gov.

What GAO Found

The U.S. Election Assistance Commission (EAC)—established to serve as a national clearinghouse of information on election administration, among other responsibilities—shared information on a range of topics to help state and local election officials conduct elections during the COVID-19 pandemic. For example, it shared information on in-person voting, absentee/mail voting, and contingency planning. It also established National Poll Worker Recruitment Day and developed graphics as part of a related public awareness campaign (see fig.).

U.S. Election Assistance Commission (EAC) National Poll Worker Recruitment Day Graphic

Source: EAC. | GAO-22-104313

The EAC administered CARES Act grants by obligating funds and overseeing how states spent the funds, in part by reviewing states' grant reports to check how states spent funds to respond to the pandemic. It also reported information to Congress on how states spent approximately $326 million in grant funds, and to a committee overseeing the response to the pandemic on the specific activities undertaken by states using these funds.

The EAC identified and addressed some issues with its administration of CARES Act grants. For example, while administering CARES Act grants, the EAC revised required grant reporting forms to more clearly align with requirements and to address difficulties some states were having with narrative questions on the forms. The EAC and GAO identified other issues with administration of the grants. For example, GAO found issues with how states and the EAC categorized expenditures involving nearly 20 percent of the total reported spending nationwide. As a result, in the EAC's annual grant expenditure report to Congress, states' expenditures for similar or the same items or activities could be included under multiple categories, making it difficult to consistently determine, by category, how states spent the grant funds.

However, the EAC has not yet assessed its administration of CARES Act grants and documented lessons learned. According to EAC officials, assessing the administration of these grants could identify lessons learned beyond those that officials identified while administering the grants. Additionally, the EAC could document and implement any lessons learned. This could help improve the EAC's administration of ongoing or future grant programs, particularly in the event of a future emergency.

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Abbreviations

COVID-19	Coronavirus Disease 2019
EAC	U.S. Election Assistance Commission
HAVA	Help America Vote Act of 2002

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November 8, 2021

Congressional Committees

The U.S. Election Assistance Commission (EAC), established by the Help America Vote Act of 2002 (HAVA), is to serve as a national clearinghouse of information on the administration of federal elections.[1] Under HAVA, the EAC also administers grant funding for states to improve election administration.[2] In these roles, the EAC provided information and grant funds to state and local election officials to assist with planning for and conducting elections in 2020 during the Coronavirus Disease 2019 (COVID-19) pandemic.

The CARES Act provided $400 million in HAVA grant funds for states to use to prevent, prepare for, and respond to COVID-19 for the 2020 federal election cycle.[3] Under the CARES Act, the EAC was to obligate grant funding to the states no later than 30 days after the date of enactment (March 27, 2020). This emergency funding supplemented the $380 million and $425 million appropriated in the Consolidated Appropriation Acts of 2018 and 2020, respectively. These funds were to help states improve the administration of federal elections, including enhancing election technology and improving election security.[4] In total, the EAC oversaw $1.205 billion in HAVA grant funding—including CARES Act grants—for activities to improve the administration of federal elections since 2018.

The CARES Act also included a provision for us to report on our ongoing monitoring and oversight efforts related to the COVID-19 pandemic.[5] This report is a part of our body of work related to the CARES Act and focuses

[1]See generally Pub. L. No. 107-252, 116 Stat. 1666 (codified as amended at 52 U.S.C. §§ 20901-21145).

[2]See 52 U.S.C. § 20901. The EAC administers grant funding to all 50 states, the District of Columbia, and the five U.S. territories—American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands. For the purposes of this report, we refer to the 50 states, the District of Columbia, and the five U.S. territories as "states."

[3]See Pub. L. No. 116-136, 134 Stat. 281, 530 (2020).

[4]See Pub. L. No. 116-93, 133 Stat. 2317, 2461 (2019); Pub. L. No. 115-141, 132 Stat. 348, 561-62 (2018).

[5]Pub. L. No. 116-136, § 19010, 134 Stat. at 579-81.

on the federal government's efforts to support state and local election officials during the pandemic.[6] This report (1) describes the information that the EAC provided to state and local election officials for conducting elections in 2020 during the pandemic, (2) describes how the EAC administered CARES Act grant funding, and (3) examines the extent to which the EAC has assessed its CARES Act grant administration.

To describe the information the EAC provided to state and local election officials, we reviewed the content and organization of information on its website related to conducting elections in 2020 during the pandemic. The information on the site included documents, webinars, and other materials, such as examples of how election officials implemented voting changes for the 2020 primary elections that could help other election officials prepare for the general election. Further, we interviewed EAC officials regarding their efforts to provide states with information to prepare for the 2020 elections and the processes for producing and distributing this information. In addition, to understand how the EAC coordinated with other entities to develop information on election administration during the pandemic, we interviewed officials from the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency, a federal partner with the EAC in the Joint COVID Working Group.

To describe how the EAC administered CARES Act grant funding and examine the extent to which it assessed its grant administration, we obtained and reviewed EAC's data on grant expenditures by state.[7] Specifically, we obtained and reviewed data that showed the total amount of grant funding spent by each state and the amount of grant funding spent by each state by expenditure category. This enabled us to examine how the EAC calculated states' expenditures used in its annual grant expenditure report to Congress, as well as describe the extent to which the expenditure categories used by the EAC consistently capture

[6]We regularly issue government-wide reports on the federal response to COVID-19. For the latest report, see GAO, *COVID-19: Additional Actions Needed to Improve Accountability and Program Effectiveness of Federal Response,* GAO-22-105051 (Washington, D.C.: Oct. 27, 2021). Our next government-wide report will be issued in January 2022 and will be available on GAO's website at https://www.gao.gov/coronavirus.

[7]Pub. L. No. 116-136, 134 Stat. at 530. The CARES Act made available grant funding to all 50 states, the District of Columbia, and the five U.S. territories, including American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.

spending by states.[8] To determine the reliability of these data, we compared the EAC's data with information submitted by states in grant progress reports to the EAC and interviewed officials about how they compiled and reviewed the accuracy of the data.[9] Based on these steps, we determined the EAC's CARES Act expenditures data to be sufficiently reliable for the purpose of reporting on how the EAC calculated and reported on nationwide spending of grant funding. We discuss other issues related to EAC's reporting of expenditures later in this report.

Further, we reviewed the EAC's CARES Act guidance on the use of grant funding and reporting requirements, such as the *HAVA Progress Report Guidance* that included guidance to states for submitting CARES Act grant progress reports to the EAC. We reviewed the EAC's materials used by officials to review states' grant reports, such as a checklist to compare expenditure information from different types of grant reports. We also interviewed EAC officials to learn about the procedures related to administering CARES Act grants, including any efforts taken to assess its grants administration. We then compared the EAC's plans and activities to assess its grant administration against our prior work identifying leading practices for assessing, documenting, and applying lessons learned to federal programs.[10]

We conducted this performance audit from May 2020 to November 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that

[8]U.S. Election Assistance Commission, *2020 Grant Expenditure Report* (Washington, D.C.: July 2021).

[9]We also reviewed postelection reports and federal financial reports submitted by states to the EAC.

[10]See GAO, *Grants Management: OMB Should Collect and Share Lessons Learned from Use of COVID-19-Related Grant Flexibilities*, GAO-21-318 (Washington, D.C.: Mar. 31, 2021); *DOD Utilities Privatization: Improved Data Collection and Lessons Learned Archive Could Help Reduce Time to Award Contracts*, GAO-20-104 (Washington, D.C.: Apr. 2, 2020); *Project Management: DOE and NNSA Should Improve Their Lessons-Learned Process for Capital Asset Projects*, GAO-19-25 (Washington, D.C.: Dec. 21, 2018); *Recovery Act: Grant Implementation Experiences Offer Lessons for Accountability and Transparency*, GAO-14-219 (Washington, D.C.: Jan. 24, 2014); and *Federal Real Property Security: Interagency Security Committee Should Implement a Lessons-Learned Process*, GAO-12-901 (Washington, D.C.: Sept. 10, 2012).

the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

HAVA was enacted in 2002 to make reforms to the nation's voting processes, including improving voting systems and voter access.[11] HAVA established the EAC to serve as a national clearinghouse and resource for the compilation of information and review of procedures with respect to the administration of federal elections. In addition, HAVA charged the EAC with developing voluntary voting system guidelines. Among its responsibilities, the EAC is to administer HAVA grants to states to improve the administration of elections for federal office.

CARES Act Grant Funding

In March 2020 the CARES Act was enacted, which provided $400 million in HAVA grant funding to states. The CARES Act required that these grant funds be used to prevent, prepare for, and respond to COVID-19 for the 2020 election cycle. It also required the EAC to administer the grants and obligate grant funds to the states no later than April 27, 2020.[12]

In addition to setting requirements for the EAC, the CARES Act included requirements for states on how to spend and report on grant funding. For instance, states were required to obligate all grant funds by December 31, 2020, and obtain a 20 percent match of state funding that they needed to spend by March 27, 2022.[13] In addition, states receiving funds were required to submit a postelection report to the EAC within 20 days of each election in the 2020 election cycle.[14] The EAC was then required to

[11]Pub. L. No. 107-252, 116 Stat. 1666 (2002).

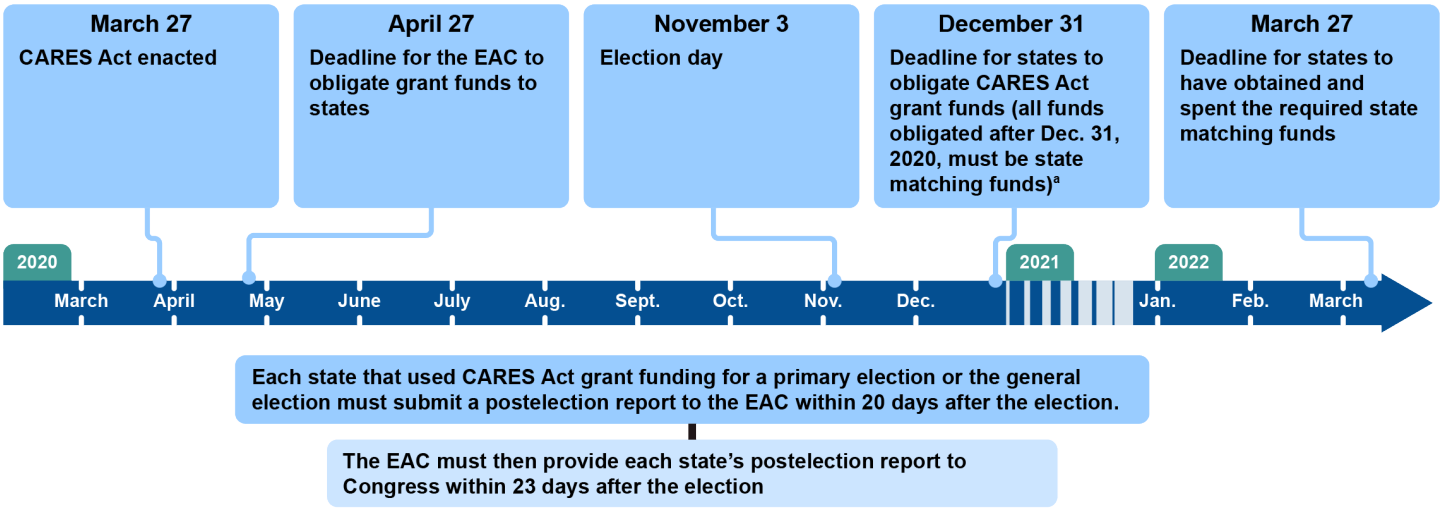
[12]An obligation is a definite commitment that creates a legal liability of the government for the payment of goods and services ordered or received. An expenditure is an amount paid, by cash or cash equivalent, to liquidate government obligations. For the purposes of this report, an expenditure represents the actual spending by a state government of money obligated by the federal government.

[13]See Pub. L. No. 116-93, 131 Stat. at 2461. The 20 percent state match is a requirement for all HAVA grant program funds appropriated in fiscal year 2020, including the additional $400 million appropriated in the CARES Act. The territories of American Samoa, Guam, Northern Mariana Islands, and the U.S. Virgin Islands are exempt from the state match requirement.

[14]Postelection reports are also known as 20-day reports.

provide states' postelection reports to Congress within 23 days after each election. The reports were to include a full accounting of the state's grant expenditures and an explanation of how the expenditures allowed the state to prevent, prepare for, and respond to COVID-19. Since the CARES Act grants were authorized under HAVA, they are also subject to certain existing HAVA grant financial and progress reporting requirements. See figure 1 for a time line of CARES Act grant requirements.

Figure 1: Time Line of CARES Act Grant Requirements for the U.S. Election Assistance Commission (EAC) and States



Source: GAO analysis of the EAC's guidance and CARES Act, Pub. L. No. 116-136, 134 Stat. 281, 530 (2020). | GAO-22-104313

Text of Figure 1: Time Line of CARES Act Grant Requirements for the U.S. Election Assistance Commission (EAC) and States

- March 27, 2020: Cares Act enacted.
- April 27, 2020: Deadline for the EAC to obligate grant funds to the states.
- Nov. 3, 2020: Election Day.
- Dec. 31, 2020: Deadline for states to obligate CARES Act grant funds (all funds obligated after Dec. 31, 2020 must be state matching funds) /a/.
- March 27, 2022: Deadline for states to have obtained and spent the required state matching funds.

Each state that used CARES Act grant funding for a primary election or the general election must submit a postelection report to the EAC within

20 days after the election. The EAC must then provide each state's postelection report to Congress within 23 days after the election.

[a]The territories of American Samoa, Guam, Northern Mariana Islands, and the U.S. Virgin Islands were exempt from the state match requirement.

Source: GAO analysis of the EAC's guidance and CARES Act, Pub. L. No. 116-136, 134 Stat. 281, 530 (2020). | GAO-22-104313

EAC Shared Information to Help States Prepare for and Conduct the 2020 Elections

Through documents, recorded videos, and webpages, the EAC provided information on a range of topics to help state and local election officials prepare for and conduct the 2020 elections during the COVID-19 pandemic. Most of this information was provided publicly on the EAC's website on its COVID-19 Resources webpage. According to EAC officials, they used the website to share information with as many state and local election officials as possible who were responsible for implementing changes to how they conducted elections due to the pandemic. Specifically, the website provided information on in-person voting, absentee/mail voting, poll worker recruiting and training, and contingency planning, among other things.

- **In-person voting.** Through its website, the EAC shared information on how state and local election officials could ensure a safe voting environment at polling locations for in-person voting. For example, the site included documents on how election officials could select polling locations that allowed for COVID-19 safety measures, such as social distancing. The site also included information that highlighted the steps that some jurisdictions took to improve the safety of in-person voting for their primary elections during the pandemic. These included creating a ticketing or reservation system so voters did not have to stand in line while waiting to vote, and using a "teller" window to separate the voter and poll worker. Additionally, the site had a webpage containing voting equipment manufacturers' guides for disinfecting voting equipment.
- **Absentee/mail voting.** Through its website, the EAC shared information on how state and local election officials could prepare for increases in absentee/mail voting. According to EAC officials, they focused on providing documents about establishing or increasing absentee/mail voting because many state and local election officials did not have experience with or systems in place for more voters to

vote by mail rather than at polling locations. In addition, EAC officials said that such changes to absentee/mail voting systems required additional time to implement, so they wanted to share information as quickly as possible. To try to meet these needs, the EAC shared information about, for example, establishing time lines for ramping up an absentee/mail voting system and managing out-bound and in-bound ballots, ensuring the security of electronic ballot delivery and return systems, and using drop boxes to receive ballots. The site also highlighted how some jurisdictions prepared for increases in absentee voting by using public buildings, such as libraries—that were familiar to voters, closed due to the pandemic, and that had security measures already in place—as additional ballot drop box locations. In addition, the site provided examples of how some jurisdictions educated voters about changes to absentee voting. These included providing a list of ballot drop box locations with each mailed ballot and developing informational graphics about the absentee voting process that voters could review on a local jurisdiction's website.

- **Poll worker recruiting and training.** The EAC established the first National Poll Worker Recruitment Day, a public awareness campaign designed to help states and localities recruit younger poll workers who were at lower risk of developing severe symptoms from COVID-19, according to EAC officials. The EAC created graphics and a website for the campaign that directed state and local election officials to information on recruiting and training poll workers. In addition, it created social media accounts to help share information on becoming a poll worker. The website and social media accounts described the role of poll workers and directed interested members of the public to contact their jurisdiction's election office for more information about becoming a poll worker. Figure 2 shows a graphic the EAC developed for National Poll Worker Recruitment Day.

Figure 2: U.S. Election Assistance Commission (EAC) National Poll Worker Recruitment Day Graphic

Source: EAC. | GAO-22-104313

- **Contingency planning.** According to EAC officials, the EAC created a webpage that provided links to documents and information from prior work with election officials on preparing for the continuance of elections during natural disasters and previous pandemics that could help election officials prepare for elections during the COVID-19 pandemic. For example, the EAC provided examples of how some states planned and prepared for the possibility of the H1N1 pandemic affecting their elections. These plans defined the roles and responsibilities of state and local election officials and described how poll workers could safely dispose of used cleaning supplies.

The EAC developed some of the information on its website in response to the pandemic. The EAC also collaborated with other entities to create and share pertinent information on its website. Specifically, the EAC served as the chair of the Joint COVID Working Group, which consisted of representatives from federal, state, and local government agencies and

private entities. The working group developed, for example, information on in-person voting, absentee/mail voting, and poll worker recruitment and training.[15]

The EAC also posted information produced by other federal agencies on its website. For example, it posted safety and security information created by the Centers for Disease Control and Prevention and the Cybersecurity and Infrastructure Security Agency. It also shared documents on such topics as election emergency statutes and policies produced by nongovernmental organizations such as the National Association of Secretaries of State, the National Association of State Election Directors, and the National Conference of State Legislatures. Further, it provided relevant election-related information produced by selected state or local agencies.

In addition to sharing information on its website, EAC officials said they responded individually to questions from state and local election officials and the media. These officials said they did not distribute this type of information publicly on their website because of the highly individualized type of information requested. For example, according to officials, they provided the contact information of personal protective equipment distributors to state and local election officials to help them facilitate the distribution of personal protective equipment. In addition, officials said they used data from the EAC's Election Administration and Voting Survey to answer questions from the media and election officials on various election administration topics, such as how many voters had used different methods of voting—including voting by mail—in prior elections.[16]

[15]The Joint COVID Working Group included members from the election infrastructure subsector's Government Coordinating Council–consisting of federal, state, and local government partners, such as the EAC and the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency–and its Sector Coordinating Council–consisting of private sector companies, such as voting equipment vendors.

[16]The EAC's Election Administration and Voting Survey collects information related to election administration, registration, and voting from all 50 states, the District of Columbia, and U.S. territories on a biennial basis following each federal election. For example, the survey includes national, state, and local data on voter registration, uniformed and overseas voting, voting equipment usage, and absentee voting, among other topics.

EAC Oversaw and Reported to Congress on CARES Act Grant Spending

The EAC administered CARES Act grants by obligating funding and overseeing how states spent the funds. It also reported information to Congress, as well as to the Pandemic Response Accountability Committee, on states' use of CARES Act grants.[17]

Obligating Grant Funding

The EAC obligated CARES Act grant funds to states in response to state requests. The CARES Act required the EAC to obligate grant funding to states by April 27, 2020. To meet this requirement, the EAC asked states to request grant funding by April 14, 2020. EAC officials said they helped states request funding by creating a grant funds request letter template and providing related guidance. For the request letters, the EAC asked state election officials to describe how they planned to spend grant funding consistent with grant requirements. Officials said they subsequently reviewed each request letter to confirm that it was from an authorized representative, that the state agreed to follow requirements, and that the letter detailed how the state would spend funds. Further, officials said they checked how much grant funding the state requested to ensure that it was not more than the amount available for the state.[18] Following the EAC's approval of a state's request, officials said they authorized the disbursement of obligated grant funds. According to EAC officials, they authorized the disbursement of funds within 4 days of receiving a funding request for over 90 percent of states' requests.

[17]The Pandemic Response Accountability Committee was established by the CARES Act to, among other responsibilities, provide oversight of CARES Act funding and pandemic response. See Pub. L. No. 116-136, § 15010(b), 134 Stat. at 534.

[18]The EAC was required to use a formula applicable to certain HAVA grants to calculate how much each state could have requested from the $400 million in the CARES Act. The formula establishes a minimum amount of grant funding available for request by each state and territory and generally directs that the remainder of the available funding be distributed based on voting age population proportion of the state to the national total. See 52 U.S.C. § 20901(d).

Overseeing States' Spending of Grant Funding

The EAC oversaw how states spent grant funding by providing guidance on allowable expenses and reporting requirements, reviewing states' grant reports, and conducting the grant closeout process.

Provide guidance on CARES Act requirements. The EAC developed and provided guidance to help grant recipients understand allowable expenses and reporting requirements for CARES Act grants. Among other things, it hosted a webinar, created a webpage, and developed and distributed various documents. EAC officials said the guidance they developed was based on requirements in the CARES Act and questions they received from states. According to these officials, the EAC hosted a webinar after the passage of the CARES Act to provide information about grant requirements and allow state election officials opportunities to ask questions. EAC officials added that they created a grant webpage where they provided answers to questions that state officials had asked. In addition to the webpage, the EAC developed and distributed guidance documents on grant requirements and reporting. It also developed guidance for states on the grant closeout process.

Review of states' grant reports. The EAC reviewed three types of reports submitted by states: (1) postelection reports filed during the 2020 election cycle, (2) progress reports, and (3) federal financial reports that were due starting in February 2021.

- **Postelection reports.** EAC officials said they reviewed postelection reports to oversee how states spent grant funding for each election during the 2020 election cycle. The CARES Act required states to submit postelection reports to the EAC within 20 days of each election in which grant funds were spent. The EAC was then required to provide such reports to Congress within 23 days after each election. The reports were to include a full accounting of the state's grant expenditures and an explanation of how the expenditures allowed the state to prevent, prepare for, and respond to COVID-19. The EAC required states to use an electronic system to complete and submit postelection reports. Almost all states submitted their last required postelection report for the general election held on November 3, 2020. According to EAC officials, one state submitted a postelection report for a runoff election held after the general election.

  EAC officials said they reviewed states' postelection reports within a week of receipt, sometimes after sending the reports to Congress

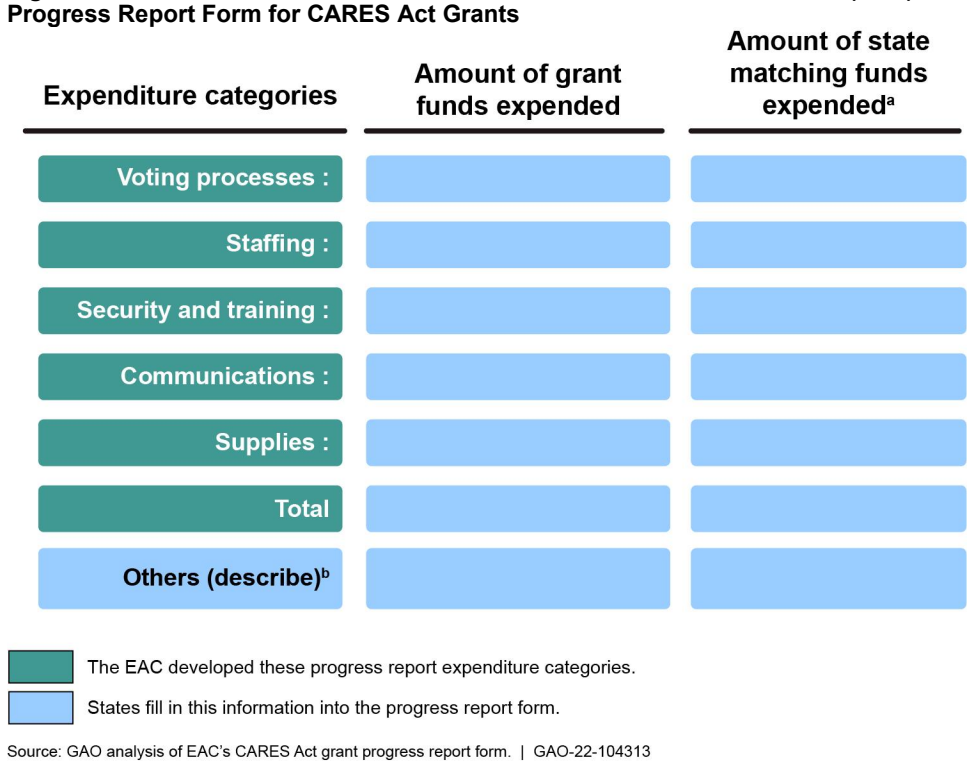
because of the CARES Act requirement to submit the reports within 23 days after an election. These officials told us that if a state reported spending funds on unallowable expenses in the postelection report, they would inform the state of the unallowable expense and review the state's subsequent grant reports to ensure that the state removed the expense. For example, one state described spending grant funding on legal fees, an unallowable expense under CARES Act requirements. According to EAC officials, in this case they met with the state's election officials to discuss why legal fees were not an allowable expense. Officials then reviewed the state's progress report and federal financial report filed in February 2021 to check if the state continued to list the unallowable expense. EAC officials said the state had removed the expense in these subsequent grant reports.

- **Progress reports.** The EAC reviews progress reports to oversee how states spent grant funds, starting from when states initially received funds until the deadline to obligate grant funding by December 31, 2020. The first progress reports were due on February 28, 2021, and then semiannually thereafter until the state met the state matching funds requirement and indicated it was ready to start the grant closeout process. The progress report consists of a narrative section and a financial section.

  In the narrative section of the progress report, states are asked to describe in written responses any issues they faced in relation to conducting elections during the pandemic. The narrative section also asks states to describe how they spent grant funds to address the pandemic. For instance, one state described challenges in communicating with voters about changes to the state's voting processes. That state then described how it spent grant funding on a public awareness campaign to inform voters about the process changes.

  In the financial section of the progress report, states are to input total grant expenditures for the reporting period as well as a breakdown of expenditures by category. The EAC developed five categories by which to track grant expenditures: (1) voting processes, (2) staffing, (3) security and training, (4) communications, and (5) supplies. In its guidance to states, the EAC included examples of expenses to include in each of the five categories and directed states to categorize expenditures for the reporting period in the categories. The guidance also noted that states could add new expenditure categories to report expenses. Figure 3 shows the financial section of the progress report form.

Figure 3: Financial Section of the U.S. Election Assistance Commission's (EAC) Progress Report Form for CARES Act Grants



Source: GAO analysis of EAC's CARES Act grant progress report form. | GAO-22-104313

Table of Figure 3: Financial Section of the U.S. Election Assistance Commission's (EAC) Progress Report Form for CARES Act Grants

Expenditure categories The EAC developed these progress report expenditure categories.	**Amount of grant funds expended**	**Amount of state matching funds expended /a/**
Voting processes	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)
Staffing:	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)
Security and training	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)
Communications:	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)
Supplies:	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)
Total	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)
Others (describe) /b/	(states fill in this information into the progress report form)	(states fill in this information into the progress report form)

[a]The territories of American Samoa, Guam, Northern Mariana Islands, and the U.S. Virgin Islands are exempt from the state match requirement.

[b]States have the option to create their own expenditure category or categories but are not required to do so.

Source: GAO analysis of EAC's CARES Act progress report form. | GAO-22-104313

- **Federal financial reports.** The EAC reviews federal financial reports to oversee high-level financial information for each state, such as the total amount of grant funds received, expended, and not expended as of the filing of the report. Federal financial reports are standard federal government forms, not created specifically for HAVA or CARES grants by the EAC. The first federal financial reports for CARES Act grant funds were due along with the first progress reports on February 28, 2021, then semiannually thereafter until the state indicated it was ready to start the grant closeout process.

EAC officials said that they use a checklist to review each state's progress reports and federal financial reports. Using the checklist, officials told us they compare a state's progress report and federal financial report to identify any discrepancies between the financial information included in both reports. For the progress report, these officials said they use the checklist to review if a state sufficiently explains how it spent grant funds in accordance with CARES Act requirements. For example, if a state enters an amount into the supplies expenditure category in the financial section of the progress report, then EAC officials checked that the state sufficiently described in the narrative section how the supplies were used in response to the pandemic. For the federal financial report, the EAC is to use the checklist to review whether states entered the required high-level financial information. For example, the EAC is to check if the expenses were made during the reporting period covered in the federal financial report.

EAC officials said they asked states to submit corrected progress reports or federal financial reports if, for example, a state did not complete a section of a report, submitted a report using the wrong template or with incorrect reporting dates, did not total the expenditures in the financial section of the progress report, or listed potentially unallowable expenditures in the progress report. Officials would then review the corrected report and, if the requested corrections had been made, the officials would approve the report. Officials told us that in cases where a progress report or federal financial report was complete but certain information provided in the report was unclear, they would approve the report once they obtained email clarification from the state reporting official.

Grant closeout. After a state informs the EAC that it is ready to close out its grant, the EAC starts the grant closeout process to confirm that the state met all grant requirements, such as obtaining and spending the required amount of state matching funds.[19] Officials review the state's final progress report; final federal financial report; list of purchased equipment; list of unused residual supplies; and documentation of the return of unspent grant funding, if any. For the final progress report, according to officials, states are asked to describe their accomplishments and lessons learned from administering elections during the pandemic to help identify best practices for addressing challenges that could be helpful to other election officials, among other reasons. Officials told us they also review each state's list of and plans for voting equipment purchased with grant funds to ensure that the state would continue to use the equipment.[20] In addition, they will check if the state reported any unused residual supplies (such as personal protective equipment). If the state does not have plans to use the voting equipment for future elections or residual supplies had a current fair market value over $5,000, then the EAC determines whether states need to return the equivalent of grant funding for the equipment or unused supplies. The EAC closes the grant after approving the state's final reports and confirming the receipt of unspent federal grant funding, if any.[21] As of October 2021, officials said they have completed grant closeout for 31 states and anticipate completing grant closeout for additional states by the end of 2021.The remaining states will need to fulfill any remaining grant requirements and start the grant closeout process by March 27, 2022.

[19]The territories of American Samoa, Guam, Northern Mariana Islands, and the U.S. Virgin Islands were not required to obtain matching funds from their territorial governments.

[20]According to the EAC's grant closeout guidance, states would need to describe how they would continue to use the equipment for HAVA purposes, such as ensuring the continued security of voting.

[21]The EAC Office of the Inspector General also conducts audits of a subset of states to check for state compliance with HAVA grant requirements. An audit determines if the state was compliant with the requirements for reporting financial information to the EAC on federal financial reports and progress reports, accounting for property, and purchasing related goods and services.

Reporting How States Spent $326 Million in Grant Funding

The EAC reported on how states spent CARES Act grant funding in several ways. The EAC annually reports to Congress on expenditures for all HAVA grants that the agency had administered in the previous year. In July 2021, the EAC provided to Congress its annual grant expenditure report covering almost $326 million in CARES Act grant expenditures from 2020.[22] The report contained information on the amount of expenditures nationwide, by state, and by expenditure category. As discussed later in this report, the EAC reported nationwide grant expenditures using the five expenditure categories it developed for state progress reporting purposes, and two categories it developed to reflect expenditures from some state-created categories.

In addition, the EAC submitted quarterly reports to the Pandemic Response Accountability Committee. These reports also contained information on each states' expenditures but additionally described how each state reported using grant funding. For example, the July 2021 quarterly report described how one state used grant funding to purchase personal protective equipment for poll workers and cleaning services for polling locations.[23]

EAC Addressed Some Issues but Has Not Yet Assessed CARES Act Grants Administration

EAC officials told us that they identified issues and made adjustments, when needed, as they administered CARES Act grants. For example, while administering the grant funds, officials told us they identified that some states had difficulty answering certain questions in the narrative section of the progress report form. EAC officials said they altered the narrative questions to more clearly align with CARES Act requirements, which they said addressed the issues that states experienced.

[22]U.S. Election Assistance Commission, *2020 Grant Expenditure Report.* The report included expenditure information for the period March 28, 2020 through December 31, 2020.

[23]U.S. Election Assistance Commission, *CARES Act Quarterly Report to the Pandemic Response Accountability Committee* (Washington, D.C.: July 10, 2021).

EAC officials identified other issues while administering CARES Act grants. For instance, officials told us that the electronic system that it used for states to submit progress reports allowed states to omit or miscalculate expenditure totals. In the financial section of the progress report, officials told us that the system does not have the capability to automatically calculate a state's total expenditures based on the expenditures listed in the categories. Officials added that, as a result, some states did not include an amount for total expenditures. These officials also told us that among the states that did include total expenditures, some states entered incorrect total expenditures that did not equal the sum of the expenditures listed by category. As a result, officials had to ask these states to revise and resubmit their progress reports.

In addition to the issues that EAC officials identified, we found issues with how states and the EAC categorized expenditures involving nearly 20 percent of the total reported nationwide spending. States were not required to categorize expenditures using the five broad categories developed by the EAC and could create additional expenditure categories in their progress reports. EAC officials told us that they provided this flexibility to states because they recognized there could be allowable expenses that may not fit into one of the five categories.

On the basis of our analysis of state progress reports, we found that states differed in how they categorized similar expenditures. Overall, states had created 60 additional expenditure categories, making it difficult to determine how grant funds were spent across states. For example, in its progress report, one state created a category it called "personal protective equipment and equipment for polling locations" rather than inputting these expenditures into the EAC's categories of "voting processes" or "supplies," as other states did. Similarly, another state created a category it called "contract services" rather than inputting these expenditures into one of the five existing categories based on the type of contract services provided. In both of these examples, the EAC included these expenditures in a broad "other" category of spending in its annual grant expenditure report to Congress. As a result, states' expenditures for similar or the same items, activities, or services could be included under multiple categories in the EAC's annual grant expenditure report, making it difficult to consistently determine, by category, how states spent grant funds.

Another example of an issue related to the categorization of expenditures involves subgrants to local jurisdictions. Thirty-five states reported

providing grant funding to local jurisdictions in the form of subgrants. Of these 35 states, 23 states used the EAC's five categories to report how local jurisdictions spent the subgrants, and the other 12 states created a new category, entitled "subgrants," to report the amount local jurisdictions spent using the subgrants.[24] In its annual grant expenditure report, the EAC included a "subgrants" category comprised of expenditures from states that listed expenditures under a state-created subgrant category. The total of the subgrant category in the annual grant expenditure report represented approximately 17 percent of expenditures nationwide. For expenditures included in this category, the EAC was unable to differentiate how much subgrant money was used by local jurisdictions for expenses that could have been distributed across the EAC's five categories—for example, for expenses related to staffing or supplies. Thus, as noted above, the EAC's reporting on nationwide expenditures within its five categories is not complete or consistent, as some states that made subgrants to local jurisdictions reported the jurisdictions' expenditures under those categories, while other states that made subgrants did not.

Our prior work has found that assessing and documenting lessons learned can help agencies collect and analyze information to determine operational or programmatic changes.[25] Collecting information after an event or at the close of a program allows agencies to identify, for example, positive practices that resulted in improvements or negative practices that resulted in undesirable outcomes. The agency can analyze the information collected to determine root causes and identify appropriate actions and necessary resources to resolve the issues. Management can then determine whether to invest resources to act upon the results of the assessment. Furthermore, agencies that identify, document, and apply lessons learned can ensure that they factor beneficial information into planning for future efforts and limit the chance of the recurrence of challenges.

EAC officials initially told us that they were not planning to assess their administration of CARES Act grants to document lessons learned because they had limited personnel to conduct such an assessment while

[24]Ten of the 12 states that created a subgrants category also reported expenses in one or more of the EAC's five categories. However, two of the 12 states did not report any expenses in the EAC's five categories. Instead, these two states reported the entirety of the states' CARES Act grant expenses within the subgrants category these states created.

[25]See GAO-21-318, GAO-20-104, GAO-19-25, GAO-14-219, and GAO-12-901.

continuing to administer other grants. In July 2021, these officials told us that they intended to conduct an assessment and document lessons learned. However, they did not specify how or when the assessment would occur.

According to EAC officials, assessing their administration of CARES Act grants would be beneficial because they could identify additional lessons learned in how they administered the grants. Indeed, the EAC is uniquely positioned to identify and determine the cause of issues faced during CARES Act grants administration. By assessing how it administered these grants, the EAC could identify, document, and implement applicable lessons learned for other grant programs, as well as determine the resources and steps needed to implement those lessons. Additionally, by assessing and documenting its administration of a grants program established and overseen during a time of national emergency, and applying lessons learned to its administration of other grant programs, the EAC would be better prepared to administer grant programs during any future crises.

Conclusions

The EAC has identified and addressed some issues related to its administration of CARES Act grants but has not yet assessed and documented lessons learned. By assessing its experience administering CARES Act grants, the EAC could collect and document valuable information on the benefits and challenges associated with its approach to grants administration. Implementing applicable lessons learned could also help improve the administration of ongoing and future grants programs, particularly in the event of future emergencies.

Recommendations for Executive Action

We are making the following two recommendations to the Executive Director of the EAC:

The EAC should assess its administration of CARES Act grants to document any lessons learned and resources needed for improving grants administration. (Recommendation 1)

The EAC should implement any applicable lessons learned, to the extent practicable, arising from assessing its administration of CARES Act grants. (Recommendation 2)

Agency Comments and Our Evaluation

We provided a draft of this report to DHS and the EAC for review and comment. DHS did not provide written comments. The EAC provided formal, written comments, which are reproduced in full in appendix I.

In its comments, the EAC stated that the agency is dedicated to continuously improving the administration of its grant programs. The EAC noted that it has regularly assessed and plans to continue to assess its administration of the CARES Act grant program to identify and address issues that arise. For example, the EAC noted that it is exploring options for implementing an updated grants management system that will address some of the issues identified with progress reports, for example, by automatically totaling expenditures entered by each state. Additionally, the EAC noted that it plans to pilot changes to the format of its progress reports, including how states are to report subgrant expenditures, with the goal of more clearly identifying how states spend subgrant funds across expenditure categories. Moreover, the EAC noted that it will be reviewing all of its grants policies and procedures in preparation for implementing its proposed grants management system. According to the EAC, these efforts will prevent future recurrence of identified issues and help it plan for upcoming needs for its administration of grants.

The EAC's ongoing and planned efforts align with our recommendations that it assess its administration of CARES Act grants and implement any lessons learned. As noted in our report, it will also be important for the EAC to document any lessons learned and resources needed for improving grants administration identified through its assessment efforts.

We are sending copies of this report to the appropriate congressional committees, the Executive Director of the EAC, the Secretary of Homeland Security, and other interested parties. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact Rebecca Gambler at (202) 512-8777 or gamblerr@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may

be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix II.

Rebecca Gambler
Director, Homeland Security and Justice

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Appendix I: Comments from the U.S. Election Assistance Commission

United States Election Assistance Commission

FROM: Office of the Executive Director, Mona Harrington

RE: Assessment of Lessons Learned Could Improve Grants Administration

DATE: 10/13/21

The U.S. Election Assistance Commission (EAC) is appreciative to the U.S. Government Accountability Office (GAO) for the opportunity to review and respond to the draft report, "Assessment of Lessons Learned Could Improve Grants Administration." The EAC staff engaged with GAO staff over the last year discussing the resources the EAC provided to election officials for conducting elections during the pandemic. During these discussions, EAC staff also reviewed the administration of the CARES Act funds, and any challenges the EAC faced in developing the needed resources and internal processes amid a national health emergency.

The EAC was established by the Help America Vote Act of 2002 (HAVA) and is the only federal agency with the sole focus of election administration. HAVA funds are granted to the States to improve the administration of elections and CARES funds were specifically made available to states to prevent, prepare for, and respond to the coronavirus for the 2020 federal election cycle. This supplemental appropriation funding, distributed by the U.S. Election Assistance Commission, provided states with additional resources to protect the 2020 elections from the effects of the novel coronavirus. The CARES funding brought the EAC's new grant portfolio from 2018 to date to over 1.2 billion dollars. This growth did not come with administrative funds to assist with management of the funds over the lifetime of the grant. For most HAVA grants the period of performance does not expire until all funds are expended. The CARES funding expired at the end of December 2020 with March 2022 as the deadline of when matching funds were required to be spent. With a 30-day deadline to award the CARES funds, the EAC took this challenge seriously, acted immediately, reallocating resources to devise a good plan, and strove to meet a high standard of service to all its grantees and stakeholders. While the EAC was working diligently to administer the funds, answer questions, provide grantee education, election offices were pivoting to meet new demands required to successfully administer the primaries and Presidential election during the 2020 election cycle.

The EAC would like to take this opportunity to note in this response that before this draft report was presented, the EAC was already proactively assessing the grants administration for all HAVA grants, including CARES, and directing resources to adopt the solutions identified and to enhance the program. Given the limited resources the EAC is working with, the EAC's approach in evaluating the administration of its grants includes an assessment of different points of the grant lifecycle to review processes and administration of the funds. During this process, the Grants Team convenes regularly to discuss existing processes and the required enhancements to evaluate the success of that portion of the grant lifecycle. Successful processes are continued, and any challenges are further discussed for improvement.

The EAC's CARES Act grants program is still open and active. CARES closeouts are currently in progress for those grants that have completed all activities under the grant and are ready for final

1

reporting. To date, we have closed out 31 of the 56 grants and anticipate closing out more jurisdictions by the end of 2021. With the program still running, we intend to proceed with assessments on a continuing basis until the program closes with the last grant closing out for CARES based on the project end date of March 27, 2022. All CARES grants will be closed in FY22. Closeout processes start with the submission of Final Reports.

The EAC Grants team regularly evaluates the program and can make required changes for efficiency and accuracy quickly. The EAC grants team also meets to go over a process after the event has passed to evaluate successful practices that resulted in improvements or those that resulted in suboptimal outcomes. The team performs a root cause analysis of the issue and brainstorms ways to address it in the short and/or long-term depending on the issue at hand. If a resource is currently unavailable, the issue is elevated to leadership for consideration to allocate and source those resources. The EAC believes it performed its due diligence in administrating CARES funding during 2020. However, the EAC has identified and corrected as many challenges as possible to enhance the program despite long standing agency budgetary constraints. A few examples of the EAC's grants' administration of HAVA funds, challenges include the following: limited staff dedicated to the EAC's grant administration function, not having a robust grant system of record, and a challenge related to having to re-educate grantees as funding has been inconsistent, which requires more EAC resources to educate grantees on reporting requirements and other aspects of the administration of grants. The EAC found that the growth sustained by the addition of funds over the past two years needed additional staff to administer these ongoing funds. As the CARES funding was being distributed, the EAC hired a Grants Manager to oversee the post-award requirements that accompanied CARES funding, including the 20-day reports. The EAC also added a second grant staff member in January 2021 to support the increase in reporting required by the CARES funding e.g., the 20-day report requirement. Both the Grants Manager and the Grants Specialist served as a resource to the grantees for technical assistance on the use of HAVA funds and the additional reporting requirements and unique restrictions that were new to the State recipients. Having a small but stable team of Grants staff has significantly improved grants administration and elevated the State grantees' compliance and understanding of HAVA grants, including CARES funding implementation for responding to the pandemic. In addition to the Grants Manager and Grants Specialist, another Grants Specialist is being added to the team to support the workload the existing portfolio generates, particularly around the annual and mid-year reporting timeframes.

Making improvements during a national emergency requires agile solutions that are responsive and timely. The EAC staff made this a priority whenever a challenge presented itself or there was further clarity needed by recipients on grant requirements. In addition to real time course correction and solution-oriented administration, the team met to discuss a particular phase of grant administration and implemented improvements to any identified challenges, while confirming previous legal decisions and improvements that were deemed to be working well. At that time, given new reporting requirements in the Act, the team developed the electronic submission process for progress reporting within a limited timeframe and under the constraints of the Paperwork Reduction Act. The limited resources that were initially available to move reporting from email to an electronic system provided some improvement to the administration of grants at the EAC, however any new change for grantees is susceptible to presenting new challenges for staff and grantees from a grantee education standpoint. Throughout the year while EAC staff administered both old and new HAVA grant programs, the team found that a grants system had become critical for the ongoing success of the EAC grant's program. The Grants team received approval to explore

options for a grants system and leadership approved the proposal for an interagency agreement for these services. The system will alleviate many of the issues identified by the Grants Team over the course of the grants lifecycle and improve grants administration during the present time and in the event of future funding.

During our interviews with GAO staff, the EAC highlighted EAC staff efforts to be responsive to a unique and challenging environment in which CARES funding was distributed and monitored. Our approach included real time assessments and interventions for improvement of administration of these funds. This funding and resource challenge is exasperated by the dynamic that the agency is small, about 40 staff members in total and has historically been under resourced, the current budget is slightly below what it was a decade back without calculating inflation. The EAC did not receive any additional funds to accompany the increase in grant funding to administer the funds, given those limitations, we found an approach and strategy to meet a standard for awarding, tracking, and closing out the CARES funds competently and successfully. The lack of resources to support the increase in funding, which comes with an increase in workload and responsibility throughout the lifecycle of the grant, remains a challenge for the EAC. Given all that, our successful execution of the CARES Act funds is a testimony to our leadership and dedication of staff as well as the agency's resilience and ability to pivot immediately during a global pandemic, and successfully carry out its mission.

Identifying issues and problem solving is instinctive to the culture of the EAC and the Grants department. The EAC grants team is dedicated to continuously improving the administration of the grants as it did in 2020 when the CARES Act funds were received. A grants management system for the lifecycle of the grants has become critical to efficiently process pre-award as well as post award activities across all EAC grants. The grant system services will automate many of our manual processes, allowing our limited Grants staff to turn their attention to program objectives and more strategic goals.

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We appreciate the GAO's recommendations for the EAC. We embrace continuous improvement throughout the EAC. We continue to assess and improve our grants administration for all our HAVA funding, including CARES grants which are now nearing closeout.

Thank you for your interest in the EAC's grant administration of CARES funding and for the opportunity to respond.

Text of Appendix I: Comments from the U.S. Election Assistance Commission

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Appendix II: GAO Contact and Staff Acknowledgments

GAO Contact

Rebecca Gambler, (202) 512-8777 or gamblerr@gao.gov

Staff Acknowledgments

In addition to the contact named above, Tom Jessor (Assistant Director), Meghan Squires (Analyst-in-Charge), Brad Crofford, Benjamin Crossley, Aaron Gluck, Peter Haderlein, Serena Lo, Amanda Miller, Heidi Nielson, Kevin Reeves, and Jeff Tessin made key contributions to this report.

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