THE U.S. ELECTION ASSISTANCE COMMISSION

FISCAL YEAR 2013
INTERIM CONGRESSIONAL BUDGET JUSTIFICATION

February 13, 2012

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VISION AND MISSION

Vision
Lead election reform that reaffirms the right to vote and to have all eligible votes counted accurately.

Mission
Assist the effective administration of Federal elections.

Salaries and Expenses Resources Available for Obligation					
FY 2011 Enacted		**FY 2012 President's Budget**		**FY 2013 President's Budget**	
FTE	Dollars	FTE	Dollars	FTE	Dollars
48	$16,267,400	38	$11,500,000	29	$11,500,000

FY 2013 Priority Goals

- Ensure that voting systems and modifications of already certified systems submitted to EAC's Voting System Testing and Certification program are successfully and efficiently tested to Federal standards.

- Serve as a Clearinghouse and provide election officials and voters with necessary information regarding the elections process.

- Provide election officials with guidance and information to support poll worker training, educate the public, and provide information to voters about the voting process generally.

- Disseminate voluntary best practices for computerized Statewide voter registration list requirements and registration by mail guidance to the States, and review and update the National Voter Registration Form.

- Distribute voter guides and glossaries designed to assist citizens who are not proficient in the English language to participate fully in Federal elections in jurisdictions covered by the Voting Rights Act Section 5 languages.

Appropriations Language

For necessary expenses to carry out the Help America Vote Act of 2002, [$16,300,000] $11,500,000, of which [$3,250,000] $2,750,000 shall be transferred to the National Institute of Standards and Technology for election [reform] administration activities authorized under the Help America Vote Act of 2002. (Financial Services and General Government Appropriations Act, 2012.)

Legislative proposals

None at this time due to lack of a quorum of Commissioners.

EAC Background and Mission

In October 2002, Congress passed the Help America Vote Act (HAVA). The law recognized the need for States to invest in their election infrastructure and required EAC to establish a voluntary federal testing and certification program for voting systems; a clearinghouse replete with election administration studies, voluntary guidance and materials; and a program to distribute and oversee federal funds.

EAC is an independent, bipartisan agency. Four full-time Commissioners, appointed by the President and confirmed by the U.S. Senate, and three Federal advisory committees (the Standards Board, Board of Advisors, and the Technical Guidelines Development Committee) guide the EAC.

The agency's mission is to assist in the effective administration of Federal elections. EAC is statutorily required to:

- Create a clearinghouse of information for election officials and the public.
- Distribute HAVA funds to states for election administration improvements.
- Issue, and periodically review and modify, as necessary, Voluntary Voting System Guidelines (VVSG) that set the standards against which voting systems are tested.
- Accredit voting system test laboratories and certify voting equipment.
- Conduct mandated research and periodic studies of election administration issues as determined by the Commission.
- Establish best practices and guidance on election administration for State and local election officials.
- Maintain the national voter registration form developed in accordance with the National Voter Registration Act (NVRA) of 1993.
- Provide Congress with a biennial report to assess the impact of the NVRA.

The Standards Board and the Board of Advisors provide advice and input to EAC on Voluntary Voting System Guidelines (VVSG) and other election administration issues. In addition, the Technical Guidelines Development Committee (TGDC) assists EAC in the preparation of the VVSG. The Director of the U.S. Department of Commerce's National Institute of Standards and

Technology (NIST) serves as the Chair of the TGDC. In addition, NIST and EAC jointly choose four members of the TGDC. EAC uses the work products of the TGDC as the basis for all voluntary voting systems guidelines promulgated by the Commission as prescribed by the Help America Vote Act. HAVA specifies that NIST provide recommendations to EAC regarding voting system test laboratories. Since Fiscal Year (FY) 2004, EAC's annual appropriations have included funds for NIST support.

Since 2002, Congress has appropriated nearly $3.3 billion and EAC has disbursed $3.2 billion for replacement of punch card and lever voting machines and other election administration improvements pursuant to Titles I and II of HAVA. The General Services Administration (GSA) initially distributed HAVA funds to the fifty States, American Samoa, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands on EAC's behalf in FY 2003.

Of the $3,237,464,148 disbursed to date, $349,718,384 was disbursed for Section 101 *Payments to States for activities to improve administration of elections*; $300,317,737 in Section 102 *Replacement of Punch card or lever voting machines* funds; and $2,587,428,027 in Section 251 *Requirements payments*. Requirements payments are distributed to the States by formula based on voting age population for activities related to compliance with Title III *Uniform and Nondiscriminatory Election Terminology and Administration Requirements.*

States use(d) these funds to carry out activities such as:

> 1) ensuring voting systems met the minimum standards under HAVA,
> 2) establishing a computerized statewide voter registration database,
> 3) improving polling place accessibility, and
> 4) training election officials, pollworkers and election volunteers.

EAC's focus in subsequent years has been on establishing and subsequently updating the Voluntary Voting System Guidelines, completing mandated research to promote effective Federal elections and to present key data on election practices and voting; instituting a voting system testing and certification program; providing technical assistance to the States on use of HAVA funds; and providing information on effective election practices to its stakeholders.

Among EAC's key stakeholders are election officials. Leading up to an election year, State and local election officials are faced with the enormous responsibility of informing voters about where, when and how to vote; training Election Day poll workers; and conducting fair, accessible, accurate and secure elections. Federal elections are locally administered with a wide variety of practices and policies from jurisdiction to jurisdiction. Election practices and laws vary from State to State and an estimated 11,000 jurisdictions nationwide.

EAC assists States and local election officials by providing tools and best practices to improve election administration practices. Under EAC's Election Management Guidelines Program, EAC provides a wealth of information about pre-election activities, including ballot preparation and design; voting system security; contingency planning; voting system certification; voting system acceptance testing; and parallel testing. The materials promote a proactive approach to election management.

States are looking at new technology and practices in voting such as remote access voting for Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) voters, vote by phone, internet voting, and accessible technology for disabled voters. To assist the States, EAC has produced reports on *A Survey of Internet Voting,* the *Uniformed and Overseas Citizens Absentee Voting Act Registration and Voting Process* and *UOCAVA Pilot Program Testable Requirements*; awarded two grants totaling $7 million for the Accessible Voting Technology initiative to support research and development activities to increase the accessibility of new, existing, and emerging technological solutions; and discusses the new technologies and practices with its advisory boards.
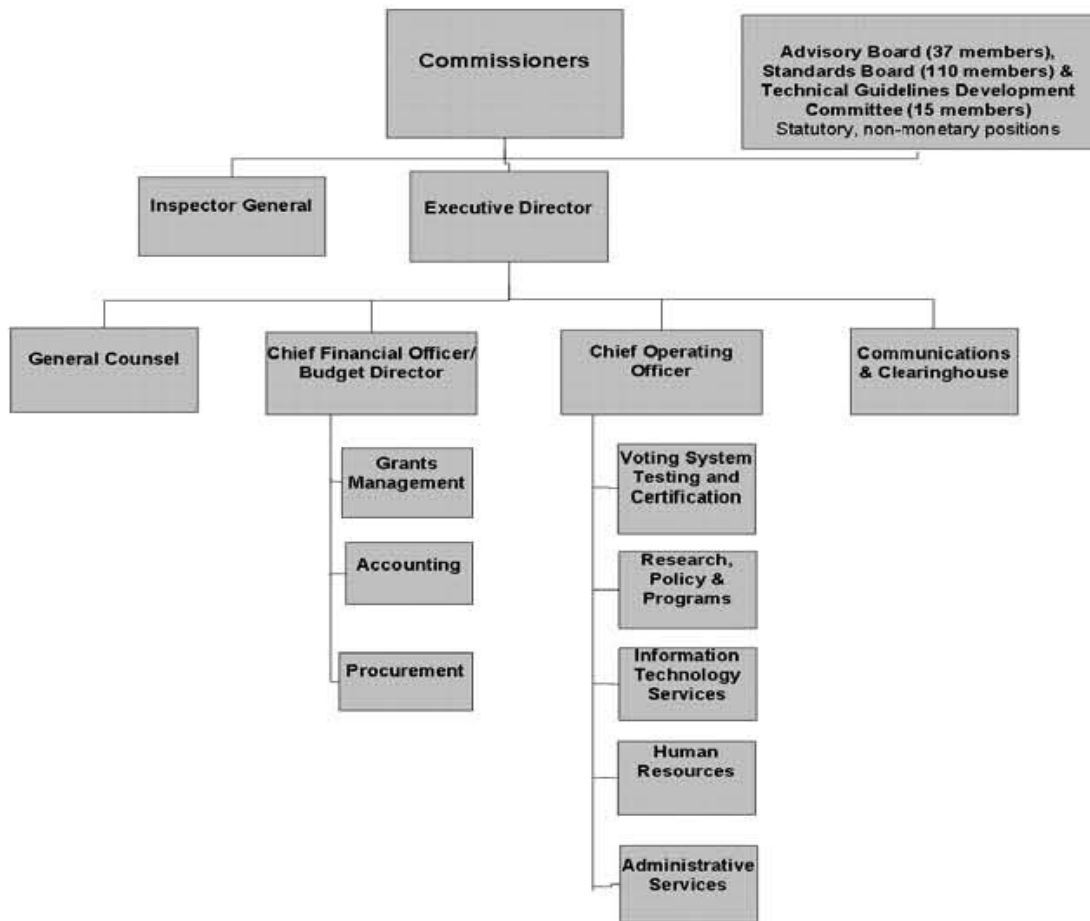
EAC's Goals and Structure

EAC's offices are aligned to address the goals in the Strategic Plan:

- Goal 1, *Communicate* is administered by the Office of Communications and Clearinghouse.

- Goal 2, *Fund and Oversee* is administered by the Grants Management and Inspector General Offices.

- Goal 3, *Study, Guide, and Assist*, is administered by the Research, Program and Policy unit.

- Goal 4, *Test and Certify* is administered by the Voting System Testing and Certification unit.

- Goal 5, *Manage* is administered by the Boards, Commissioners, Executive Director, Chief Operating Officer, Chief Financial Officer and General Counsel.

 A cost allocation model distributing administrative costs to the four program goals is part of the annual Agency Financial Report. The model is reviewed by EAC's financial statement auditors and is used to present the FY 2013 budget request.

**ELECTION ASSISTANCE COMMISSION
ORGANIZATION CHART**

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                    ┌──────────────────┐          ┌─────────────────────────────────┐
                    │  Commissioners   │          │  Advisory Board (37 members),   │
                    │                  │          │  Standards Board (110 members) &│
                    │                  │          │  Technical Guidelines Development│
                    │                  │          │     Committee (15 members)      │
                    │                  │          │  Statutory, non-monetary positions│
                    └──────────────────┘          └─────────────────────────────────┘

        ┌────────────────────┐      ┌────────────────────┐
        │  Inspector General │      │ Executive Director │
        └────────────────────┘      └────────────────────┘

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 │ General Counsel │  │ Chief Financial     │  │ Chief Operating │  │ Communications  │
 │                 │  │ Officer/Budget      │  │ Officer         │  │ & Clearinghouse │
 │                 │  │ Director            │  │                 │  │                 │
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                       ┌──────────────┐         ┌──────────────────┐
                       │    Grants    │         │  Voting System   │
                       │  Management  │         │   Testing and    │
                       └──────────────┘         │  Certification   │
                                                └──────────────────┘
                       ┌──────────────┐         ┌──────────────────┐
                       │  Accounting  │         │    Research,     │
                       └──────────────┘         │    Policy &      │
                                                │    Programs      │
                                                └──────────────────┘
                       ┌──────────────┐         ┌──────────────────┐
                       │  Procurement │         │   Information    │
                       └──────────────┘         │   Technology     │
                                                │    Services      │
                                                └──────────────────┘
                                                ┌──────────────────┐
                                                │      Human       │
                                                │    Resources     │
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                                                │  Administrative  │
                                                │    Services      │
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Operating Plan Summary

Salaries and Expenses	FY 11 Enacted	FY 12 Enacted	FY 13 President's Budget
Full-Time Equivalent Staff (FTE)	**47.6**	**38**	**29**
Full-Time Staff	**46**	**35**	**28**
Other than Full-Time Staff	**9**	**6**	**2**

Note: Distribution of staff is expected to change after restructuring in FY 2012 or 2013. Figures above represent goals for FY 2013.

Category	FY 11 Enacted	FY 12 Enacted	FY 13 President's Budget
Payroll Full-time Personnel	5,037,209	3,575,956	3,230,644
Payroll Other than Full-time Personnel	420,105	367,139	187,030
Subtotal Personnel Compensation	*5,457,314*	*3,943,095*	*3,417,674*
Personnel Benefits	1,355,323	964,165	815,886
Transit and Parking Benefits	67,611	58,742	54,779
Subtotal PC&B	*6,880,248*	*4,966,002*	*4,288,339*
Travel	622,946	327,460	369,798
Rent	1,034,000	972,495	907,665
Communications, Equipment Rentals	124,259	129,208	133,008
Printing, Reproduction	440,957	57,650	81,176
Other Services	2,562,175	2,198,749	2,861,810
NIST	3,243,500	2,750,000	2,750,000
Supplies and Subscriptions	120,035	89,001	87,839
Equipment	106,320	9,435	20,365
Subtotal, Non-personnel	*8,254,192*	*6,533,999*	*7,211,660*
Planned carryover	*1,132,960*		
Total	**16,267,400**	**11,500,000**	**11,500,000**

Note: FY 2013 assumes a .5% Cost of Living Adjustment.

Budgetary Changes FY 2012 to FY 2013

(in whole dollars)

Personnel Compensation and Benefits   **-$(677,663), - 9 FTE**

        Decrease of 7 full-time and 4 part-time positions

Other Services   **+663,062**

        Increases for Public Meeting Videostreaming ($152,648), Financial
        Services ($202,967), Clearinghouse Enhancements ($241,760), Research
        ($132,970); miscellaneous administrative decreases (-$67,283)

Miscellaneous   **+$14,601**

        Travel ($42,338), Rent (-$64,831), Printing ($23,526), Communications
        and Equipment Rentals ($3,800), Supplies and Subscriptions (-$1,162),
        Equipment ($10,930)

Budget Requests and Performance Measures by Strategic Plan Goal

<u>COMMUNICATE</u>

EAC's mission is to assist the effective administration of Federal elections. The Elections
Clearinghouse is required under the Help America Vote Act (HAVA) of 2002 and provides a
public portal for information about elections. Currently, EAC's website serves as a national
Clearinghouse of election administration information. Among its thousands of pages of content
are test plans and reports of voting system manufacturers seeking Federal certification, datasets
containing detailed information by State on voter registration and turnout statistics in recent
Federal elections, and information for voters on registering to vote and how to contact their State
elections offices.

The primary purposes of the Clearinghouse are to:

- Disseminate election information to the Public.
- Supplement States' efforts to provide information to assist voters.
- Provide a central location for best practices, shared practices, innovations and creative
  solutions in election administration.
- Share research findings and data about elections.
- Provide information about EAC's voluntary voting system certification and testing
  program.
- Report on the expenditure of HAVA funds.
- Notify the public about EAC's funding for grants opportunities.

Strategic Plan Goal 1: **Communicate timely and accurate information on the effective
administration of elections for Federal office and on the operations and services offered by
EAC.** The anticipated outcome of the goal is to help ensure that Congress, Federal agencies,

State and local election officials, and the Public receive reliable, accurate, and non-partisan information about administering, conducting and participating in Federal elections and how, where, and when Americans vote.

	EAC Strategic Outcome -- Communicate		
	FY 2011 Enacted	FY 2012 Enacted	FY 2013 President's Budget
Direct Costs	$730,103	$405,996	$740,697
Indirect Costs	1,280,960	523,559	729,881
Total	**$2,011,063**	**$929,555**	**$1,470,578**

Goal 1's aim of communication of timely and accurate information is the responsibility of the Office of Communications and Clearinghouse. The goal will be achieved via three strategic objectives:

    1) operate EAC's Elections Clearinghouse effectively;
    2) respond to outside requests about EAC timely and accurately; and
    3) convey the results of EAC operations and accomplishments.

The first of the strategic goals is aimed at providing resources on the Federal election voting process, and providing a central resource about election administration for election officials and other stakeholders.

In order to implement the goal, EAC employs such strategies as:

- Using the latest technology and communication tools for EAC's website, www.eac.gov.
- Complying with Open Government requirements and continuing to operate transparently. EAC's Open Government activities are available at www.eac.gov/open. General comments can be submitted to www.eac.gov/contact. Throughout EAC's website, the agency has applied the concept of open government as well as implemented tools to facilitate a conversation with the Public and election officials about voting and election administration.
- Providing more tools for the Public and election officials to communicate with EAC and each other. Users can customize their online experience by signing up for automatic e-mail alerts on a variety of election topics and events, including Public Meetings, advisory board meetings, reports, policies and agency news. Other features include a multimedia center that provides training and educational videos on polling place management, election contingency planning, voting accessibility, and voting system testing and certification. The videos are also available on YouTube.
- Integrating various EAC operations, information and resources into the Clearinghouse.

The Communications and Clearinghouse office is responsible for communicating with the media and stakeholders, including election officials, academics, policy-makers, advocacy groups and the public. The Communications division is responsible for administration of www.eac.gov, which contains thousands of documents with information about voting system test plans, agency

correspondence, and testimony from EAC monthly Public Meetings and hearings; and external and internal communications such as press releases, news articles and speeches, informational videotapes on the programs, Twitter account "@EACgov", the Election Official Exchange of information, a blog, a monthly newsletter about EAC activities and events that goes to approximately 1,200 subscribers, and a weekly email on internal operations. The unit coordinates with EAC staff to communicate policies, guidance, research, and other agency initiatives to the public.

EAC will continue to achieve its goal of serving as the trusted source for information about elections and election administration. By 2013, EAC's stakeholders will access a new, separately identifiable Clearinghouse on EAC's website. The fixed price for the website contract in FY 2013 is $185,160. The request also includes $233,650 for optional time and materials task orders, and production of videos and other media; funds for staff; $7,000 for staff travel; $17,000 for printing of the EAC Annual Report; and $31,000 for supplies and subscriptions.

FUND AND OVERSEE

Strategic Plan Goal 2: **Deliver and manage Federal funds effectively.** The anticipated outcome of the goal is for States and other recipients to promptly and accurately receive Federal funds administered by EAC and use the funds appropriately to improve the administration of elections for Federal office.

		FY 2011 Enacted	FY 2012 Enacted	FY 2013 President's Budget
Grants Management	Direct Costs	$799,405	$415,776	$236,475
OIG	Direct Costs	1,873,979	1,250,000	1,250,000
	Indirect Costs	2,113,202	1,308,898	1,094,822
	Total	**$4,786,586**	**$2,974,674**	**$2,581,297**

Goal 2 consists of three strategic objectives:

    1) accurately and timely disburse Federal financial assistance administered by EAC;
    2) effectively monitor Federal financial assistance administered by EAC; and
    3) provide technical assistance and guidance on the management of Federal financial
        assistance administered by EAC to reduce the risk of inappropriate use of funds and
        accounting errors.

Goal 2 is administered by the Grants Management division and the Office of the Inspector General (OIG).

The Grants Management Division
EAC's Grants Management unit is responsible for distributing grants funds, monitoring, and providing technical assistance to States and grantees on the use of funds, and reporting on requirements payments and discretionary grants (College Poll Worker, Mock Elections,

Disability Technology, and Pre-Election Logic & Accuracy Testing and Post-Election Audit) to improve administration of elections for Federal office. The office recommends audit resolution on the use of HAVA funds, and via a Memorandum of Understanding with the U.S. Department of Health and Human Services, negotiates indirect cost rates with grantees. An effective system for tracking audits and completion of corrective actions has been established by the office.

EAC's Grants Management division provides technical assistance to the States and grantees by offering workshops and training sessions using webinars tools. For example, in FY 2011, a webinar was held for State grantees on HAVA-related audit issues and follow up. EAC will continue to work with the States and grantees to clarify the responsibilities they have in managing the funds they receive.

For FY 2013, the request for the unit consists of funds staff; an estimated $800 for grant site visit travel; $9,504 for webinar services, $2,334 will be needed to print references to State Plans and grants notices in the *Federal Register* after passage of the FY 2012 legislative proposal eliminating the need to print full State plans and amendments, $25,000 for a Memorandum of Understanding with the U.S. Department of Health and Human Services for indirect cost rate negotiation, $25,000 for assistance with audit resolution, $2,000 for peer reviewers for Logic & Accuracy grants if EAC cannot make the awards in FY 2012 due to lack of a quorum, and $50 for supplies.

Office goals are to achieve the performance targets for timeliness in EAC's Strategic Plan (see chart in the attached Annual Performance Report), such as resolving 100 percent of audit findings within established timeframes, awarding grants in established timeframes, and submitting State Plans to the *Federal Register* within 30 days of receipt.

The Office of the Inspector General (OIG)

The Office of Inspector General (OIG) was established by HAVA and the Inspector General Act (IG Act) of 1978, as amended, to provide independent and objective reporting to EAC and Congress through its audit and investigative activities. Charged with the identification and prevention of waste, fraud, and abuse of Federal resources, OIG strives to promote economy, efficiency and effectiveness in EAC programs and operations. To accomplish this goal, OIG conducts regular audits of recipients of grant funds distributed by EAC, annual audits of EAC's operations, and periodic reviews, investigations and audits of EAC program operations and transactions. In addition, OIG conducts investigations in response to allegations against EAC, its grant recipients, or other third parties involved in EAC programs.

Section 902 of HAVA gives EAC and other agencies making a grant or payment the authority to conduct audits of any recipients of funds. EAC is further authorized to conduct regular audits of funds distributed under HAVA. OIG conducts those audits on behalf of EAC.

Over the past several years, OIG has focused on auditing the large grants distributed to States under Title II of HAVA. These grants represent the vast majority of grant funds distributed by EAC. The objectives of the State audits are to determine whether the State: (1) expended HAVA payments in accordance with HAVA and related administrative requirements; and (2)

complied with HAVA requirements for replacing punch card or lever voting machines, establishing an election fund, appropriating five percent matching funds, and maintaining State expenditures for elections at a level not less than expended in the State's base fiscal year. Since the inception of the audit program, OIG has completed audits of 36 States. The Federal government has made a sizable investment in the American electoral system. Congress has appropriated $3.256 billion and EAC has disbursed approximately $3.236 billion in grant funds to the States for improvement of election infrastructure and processes, leaving $18.2 million to be distributed as of January 31, 2012. To date, OIG has audited $2.1 billion of the $3.256 billion in grants. OIG will continue to focus its efforts on the $3.256 billion in grants disbursed to the States to date.

OIG's program to ensure economy, efficiency and integrity in the use of funds is not limited to audits. OIG has also worked with EAC to help educate States on the requirements that are associated with Federal funding. When allegations are made concerning the misappropriation of HAVA funds, OIG is responsible for investigating those allegations. OIG has instituted a number of new activities to improve and increase information available to EAC employees and the general public about how and when to make complaints of fraud, waste, abuse and mismanagement. OIG retooled its website to provide more information about waste, fraud and abuse and how to report it. OIG's website provides information concerning its operations, issued reports, rights and protections for whistleblowers, as well as an on-line form for making complaints.

OIG does not currently employ an investigator. When issues arise that require investigation, OIG contracts with other government agencies for investigative services. OIG is also responsible for conducting reviews, audits, and investigations of EAC's internal policies, procedures, and actions. Over the past several fiscal years, the OIG has conducted a number of internal reviews. The OIG has issued a total of 14 reports regarding EAC's operations. These reports assess the efficiency of EAC's operation and its compliance with governing statutes and regulations, including compliance with the Federal Information Security Management Act (FISMA) and compliance with the Federal Travel Regulations. Each year, OIG oversees the financial statement audit. The final reports of the audits are available every year by November 15. When OIG identifies potential wrongdoing, it can institute an investigation. OIG will continue to rely upon interagency agreements with other Offices of Inspector General to conduct investigations of fraud, waste, abuse and mismanagement.

In fiscal year (FY) 2013, OIG will continue its programs of auditing EAC grant recipients, conducting external investigations, and auditing and investigating EAC programs and operations. Due to budgetary constraints, OIG's FY 2013 request reduces the total number of audits, reviews and investigations that it will conduct in comparison to the FY 2010 and FY 2011 levels. OIG is currently staffed by two full-time employees: the Inspector General and the Assistant Inspector General for Audits. The attorney position is currently vacant. A decision will be made in FY 2012 as to whether to fill this position.

OIG will continue to use contract auditors in FY 2013 to conduct audits due to budgetary restrictions. Over the past several years, OIG has relied primarily on contract auditors to conduct audits of grants to States. If resources allow, OIG will begin auditing other EAC grant programs,

including the Mock Election, College Poll Worker, Election Data Collection, Military Heroes Initiative, and other grant programs administered by the EAC.

OIG uses various tools to communicate with EAC, Congress, and the general public concerning the status of EAC's programs and operations as well as IG's activities in conducting audits, evaluations, inspections, and investigations. OIG issues reports following each formal engagement, regardless of type. Reports are disbursed to the entity that is subject to the audit or evaluation, as well as to EAC and oversight and appropriations committees of Congress.

OIG produces two semi-annual reports to Congress in each fiscal year. The reports summarize the audit, evaluation, inspection and investigation reports issued by OIG during the relevant six months. The document also reports on OIG activities by including statistics such as the number of findings that are outstanding, the amount of costs that were questioned, as well as how much in Federal funding could be put to better use.

In FY 2013, OIG will continue its outreach efforts to keep EAC, Congress and the public informed of OIG's activities as well as its reviews of EAC programs and operations. As OIG evaluates the effectiveness and efficiency of EAC programs and operations, it is important for OIG to ensure that its operations are effective and efficient, including having the needed policies, procedures and practices to underpin its operations. In FY 2013, OIG will evaluate its operations, including its policies, helping ensure that OIG has a firm foundation for its operations. In addition, OIG will focus on providing a supportive working environment including providing professional education and training for its employees.

OIG's FY 2013 request is the same as the FY 2012 appropriation in keeping with the agency's funding level for FY 2012 and in consultation with the IG. The lower amount reflects foregoing hire of three full-time and one part-time staff previously requested. The decrease in funding will reduce the number of audits, reviews and investigations that OIG will conduct in comparison to the FYs 2010 and 2011 levels. OIG's request includes $3,600 as a transfer to the Council of Inspectors General on Integrity and Efficiency (CIGIE) in keeping with the provisions of the Inspector General Reform Act of 2008. Of the total requested, $5,000 is for training and professional development for staff: all OIG staff will be required to meet the continuing education requirements applicable under the Generally Accepted Government Auditing Standards.

The request includes payroll and benefits for staff, $10,000 for travel related to grant audits, $3,000 for printing, $882,300 for contracted audits, investigations and legal opinions; $4,000 for supplies and subscriptions, and $5,000 for equipment.

STUDY, GUIDE, AND ASSIST

Strategic Plan Goal 3: **Identify and develop information on areas of pressing concern regarding the administration of elections for Federal office and issue guidance, translations, best practices and recommended improvements as required by HAVA, and carry out responsibilities under the National Voter Registration Act (NVRA).** The anticipated outcome of this goal is: 1) the election community and other key stakeholders are

provided pertinent, impartial, timely, and high-quality information, recommendations, guides and other tools on election and voting issues to help improve the administration of elections for Federal office, and 2) eligible citizens use the mail voter registration application to register to vote, register with a political party, or report a change of name, address, or other information.

	FY 2011 Enacted	FY 2012 Enacted	FY 2013 President's Budget
Direct Costs	$1,069,728	$1,029,925	$1,021,688
Indirect Costs	1,901,362	1,047,119	1,094,821
Total	**$2,971,090**	**$2,077,044**	**$2,116,509**

Goal 3 consists of four strategic objectives:

1) complete research on issues deemed relevant by the Commission that improves the administration of elections for Federal office and expeditiously report on critical administration subjects and election data;
2) identify and collect required and useful data on election administration practices, voting methods, and demographics pursuant to HAVA and, if deemed necessary by the Commission, provide recommendations for improving the quality of practices, methods and data;
3) issue voter's guides, translations and other tools that are timely and useful; and
4) update and maintain a national mail voter registration application and report to the Congress as required by NVRA.

The Research, Policy and Programs Division
The Research, Policy and Programs division administers:

1) The Election Management Guidelines and Quick Start guides which provide information to State and local election officials and voters on various topics, such as technology in elections, voter accessibility and election office administration;

2) Election research on mandated topics including administering the biennial Election Administration and Voting Survey, which includes mandatory reports to Congress on the NVRA and Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA);

3) The Language Accessibility Program which provides informational materials on the Federal election process and election terminology in languages other than English;

4) Responsibilities of the National Voter Registration Act regarding the national mail voter registration form; and

5) Provisions of HAVA requiring voluntary guidance to the State regarding provisional voting and statewide voter registration databases.

In 2013, EAC plans on updating its educational materials designed to improve the administration of Federal elections such as certain Quick Start guides, key election management guideline materials, poll worker training manuals, and other products.

After the November 2012 presidential election, EAC will release a survey to the States for data that will be used to produce two mandatory reports to Congress due June 30 of odd-numbered years based on data collected during the general election: the Impact of the National Voter Registration Act (NVRA) on the Administration of Elections for Federal office and the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA). The comprehensive Election Administration & Voting Survey report, which includes additional election administration-related topics, is scheduled for release in Fall 2013. The Statutory Overview, which is a review of State election laws, will be released in Spring 2013.

Based on the findings from the 2010 Census, EAC plans on creating voter educational products in newly-identified U.S. Department of Justice Voting Rights Act Section 203 minority languages.

In 2013, EAC anticipates completion of its work, started in 2009 when the NVRA regulations were transferred from the Federal Election Commission, related to reviewing and updating the National Voter Registration form and coordinating regulations. EAC staff plan on presenting information and proposing regulation changes to Commissioners, once a quorum is established, collected from consultations with election officials, public rulemaking hearings, a public comment period, and a review of current regulations. EAC anticipates that final regulations will be adopted by a vote of the Commission following the Public rulemaking process and printed in the *Federal Register* before taking effect. Further, EAC will update the Federal Election Commission's existing NVRA implementation manual to reflect any changes in the regulations and the additional requirements added by the passage of HAVA.

The division requests funding in FY 2013 for staff; $5,000 for printing the results of the 2012 Election Administration & Voting Survey; $632,020 for publication design and layout services for election management guidelines, quick starts, voter's guides, provisional voting, and studies on subjects identified by the Commissioners; $7,500 for conferences and staff training; and $1,000 for supplies.

TEST AND CERTIFY

Strategic Plan Goal 4: Build public confidence in elections by testing and certifying voting systems to improve system security, operation and accessibility. The anticipated outcome of the goal is that voting equipment operates more reliably and securely and is more accessible to the disabled. States participate in EAC's testing and certification program to ensure that their voting systems meet the voluntary voting system guideline standards (VVSG).

	FY 2011 Enacted	FY 2012 Enacted	FY 2013 President's Budget
Direct Costs	$1,302,781	$936,270	$756,914
Indirect Costs	1,952,380	1,832,457	1,824,703
Total, Test & Certify	**$3,255,161**	**$2,768,727**	**$2,581,617**

Goal 4 consists of three strategic objectives:

1) develop and update the voluntary voting system guidelines (VVSG);
2) provide for the accreditation of independent laboratories qualified to test voting systems to Federal standards, and for the revocation of accreditation as appropriate; and
3) administer the testing, certification, decertification, and recertification of voting system hardware and software by accredited laboratories.

Under HAVA, EAC is responsible for assisting States with improvements to voting systems through the distribution of Federal funds and by providing a voluntary Federal certification program. The Federal government's first voluntary Voting System Testing and Certification Program for the States also provides the public with the opportunity to review every aspect of certifying voting equipment, such as voting equipment system information, test plans and reports, and reports on anomalies in the field.

Comprehensive procedures for the program are detailed in EAC's Voting System Testing and Certification Program Manual. The program also:

- supports local election officials in the areas of acceptance testing and pre-election system verification for EAC-certified systems,
- increases quality control in voting system manufacturing by means of periodic manufacturing facility audits of EAC-registered manufacturers, and
- provides procedures to manufacturers for the testing and certification of voting systems to specified Federal standards consistent with the requirements of HAVA Section 231(a)(1).

In addition to its certification duties, the unit works in a cooperative and coordinated manner with the National Institute of Standards and Technology (NIST) to evaluate and accredit voting system test laboratories (VSTLs). As a condition of accreditation, all VSTLs must hold a valid accreditation from NIST's National Voluntary Laboratory Accreditation Program (NVLAP). NVLAP accreditation is the primary means by which EAC helps ensure that each VSTL meets and continues to meet the technical requirements of EAC's program. It sets the standards for each VSTL's technical, physical and personnel resources, as well as its testing, management, and quality assurance policies and protocols. EAC monitors VSTLs through a comprehensive compliance management program. Further, EAC performs on-site reviews to ensure that VSTLs meet all program requirements.

In addition to voting system certification and laboratory accreditation, EAC along with its Standards Board, Board of Advisors, and Technical Guidelines Development Committee (TGDC) (chaired by the director of NIST and comprised of 14 other members) work together to update and implement voluntary testing guidelines for voting systems. Efforts continue into research and development of alternative guidelines for the areas of the next iteration VVSG document. These areas include:

- Software Independence
- Common Data Format
- Accessibility
- Vote-by-Phone systems
- EPollBook
- Open Ended Vulnerability Testing

The FY 2013 request is for staff and part-time technical reviewers; $77,500 for travel; $9,504 for webinar services; printing at $30,000; other services at $5,000; and $300 for supplies.

Transfer to NIST

EAC staff expects that the updates for the next iteration VVSG document will be revised and published for public comment in FY 2013. In 2013, EAC plans on transferring $2,750,000 to NIST via interagency agreement for activities required under HAVA Sections 221 *Technical Guidelines Development Committee* (TGDC), 231 *Certification and Testing of Voting Systems*, and 245 *Study and Report on Electronic Voting and the Electoral Process*. EAC and NIST continue to work on the development of testable guidelines for remote electronic voting systems to assist Uniformed and Overseas Citizens Absentee Voting Act and absentee voters as required by the National Defense Authorization Act for Fiscal Year 2010.

MANAGE

Strategic Plan Goal 5 consists of one clear-cut objective: Implement a high performance organization. The anticipated outcome of the goal is that EAC Commissioners and staff proficiently carry out EAC's strategic objectives.

Staffing Reductions

It would not be feasible for EAC to eliminate any of its Strategic Plan programs, which are based on Help America Vote Act mandates. Consequently, EAC plans on achieving required reductions through decreasing staff and reducing the annual transfer to NIST proportionate to EAC reductions. EAC began a hiring freeze on October 1, 2010. As of this writing, EAC has reduced by nineteen full-time staff (fifteen full-time permanent and four full-time temporary) of the 50 on-board at the start of the freeze, resulting in a reduction of personnel compensation and benefits of approximately $2.6 million. As staff departs, functions are absorbed, eliminated, or are addressed via memoranda of understanding with other agencies or with contracts. Limited positions requiring certain expertise may be backfilled.

Reduction to the annual transfer to NIST
The annual transfer to NIST supports EAC's Voting System Testing and Certification program. Cuts to the transfer have the effect of delaying efforts to develop a final set of testable guidelines for remote electronic voting systems to assist Uniformed and Overseas Citizens Absentee Voting Act voters. Cuts will also delay ongoing work with updates of the Voluntary Voting System Guidelines.

Acquisition Improvements
EAC has transitioned over 90 percent of its procurements to the utilization of GSA Schedule contracts and Memoranda of Understanding with other Federal agencies. This provides substantial cost savings in terms of lower prices, strategic sourcing, and internal operational efficiencies. EAC has eliminated the vast majority of contracts awarded noncompetitively, procurements where only one bid is received, and cost-reimbursement and time-and-materials contracts.

Performance Improvement
EAC's first Goal 5 performance measure, "Obtain a clean audit opinion on agency financial Statements within two years of the initial Statement preparation" was achieved in FY 2009, about eight months after the new CFO department was established. Clean opinions were also obtained in FYs 2010 and 2011.

The second measure is on implementing 90 percent of OIG audit recommendations within agreed upon timeframes. Recommendations made in FY 2010 were 100 percent implemented within agreed upon timeframes. Financial Statement Audit recommendations made in FY 2011 are under resolution now. Audit recommendations made in FY 2009, where the Strategic Plan was adopted mid-way through the year, and prior are tracked in EAC's monthly reports to Congress on the status of 82 OIG audit recommendations made as of March 2008. To date, two recommendations remain open, on National Voter Registration Act regulations and communications and clearinghouse policy, which require a quorum of the Commission to be implemented. A recommendation on records management should be resolved in FY 2012.

On the third measure, meeting annual performance measures, management works to foster a culture of accountability among staff. The agency is seeking to improve staff satisfaction ratings and achieve management excellence through improved internal controls and human resource initiatives. Agency directors responsible for implementation of the EAC Strategic Plan goals report on their division metrics for the Agency Financial Report each November, the Annual Performance Report along with the Congressional Budget Justification around February every year, and on planned metrics in the OMB Budget Justification each September.

EAC will continue to focus on working with managers on the relationship between budget and performance, maximizing efficient use of staff and financial resources, and training EAC staff on financial management processes and their responsibilities.

Improper Payments

EAC continues to focus on the elimination of improper payments by updating and testing existing policies and procedures that govern the processes required for all payments. In FY 2011, in compliance with OMB Circular A-123, EAC reviewed its programs to determine if they were susceptible to significant improper payments and if it was cost-effective to perform a payment recapture audit on the programs. During this review, management determined it would not be cost-effective to conduct annual payment recapture audits and that the internal control procedures within the agency are sufficient to preclude the incident of recurring improper payments. Any recovery gained by a payment recapture audit would be less than the resources needed for performance of the audit. The processes in place incorporate sound internal controls and segregation of duties to ensure that all payments are made to the correct recipient, for the correct amount, and within the correct time frame. EAC incorporates further payment oversight by way of reconciliations and reviews performed each reporting cycle.

Information Technology Infrastructure and Security

Information Technology Infrastructure

The Commission's information security program encompasses those measures necessary to protect EAC's information resources. These measures include providing for each project appropriate technical, personnel, physical, administrative, environmental and telecommunications safeguards; and continuity of operations through contingency and disaster recovery plans. The Commission's protective measures cover the following information resources: data, applications, software, hardware, physical facilities and telecommunications. The Commission's information security program assures that each automated information system has a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, unauthorized disclosure or improper modification of the information contained in the system.

EAC is now responsible for operating its own infrastructure, rather than depending solely on the General Services Administration (GSA) for email, internet and Information Technology (IT) security services. A contractor and Communications staff member maintain the website, www.eac.gov. For security purposes, EAC uses GSA's network backbone for its infrastructure, and GSA manages a firewall, external intrusion detection, T1 lines and routers and switches for Federal Information Security Management Act compliance on EAC's behalf. Beginning at the end of FY 2010, EAC has upgraded personal computers, software, and the telephone system using Interactive Voice Response and Voice Over IP. Current IT staff maintains personal computers and smartphones, provides software requested by EAC staff, and performs vulnerability scans in addition to GSA's scans. EAC is in the process of establishing an intranet where policies and procedures can be posted in place of use of a shared drive.

Summary of Information Technology Resources Table

IT Resource Category	Budget Activity	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request
Salaries and Expenses (Dollars in thousands)				
Major IT Investments	Not applicable			
Non-Major IT Investments				
Telecommunications	Telephone, smartphones, wireless service for PCs	$94.0	$80.3	$80.3
Financial management system and reports	Memorandum of Understanding with GSA/Pegasys and FMIS; Bureau of Public Debt (beginning July 2012)	17.3	17.6	17.6
Payroll processing and reports	Memorandum of Understanding with GSA/Comprehensive HR Integrated System (CHRIS)	15.0	15.3	15.3
Subtotal, Non-Major IT Investments		126.3	113.2	113.2
IT Security	Memorandum of Understanding with GSA	36.3	37.0	37.0
Infrastructure Investments	EAC website & Clearinghouse maintenance	275.0	177.0	418.8
	Staff salaries and benefits	404.6	279.4	272.8
	Memorandum of Understanding with GSA (one-time cost)	37.0	0	0
	Personal computers	9.5	10.0	10.0
Subtotal, Infrastructure Investments		762.4	503.4	738.6
Total, IT Investments		**$888.7**	**$616.6**	**$851.8**

Note: IT costs presented above are for information purposes and are a non-add to the budget.

Cyber Security

EAC's cyber security management needs are covered by GSA through our annual Memorandum of Understanding for IT services at approximately $37,000 for FY 2013. The agreement funds the tools that enable GSA to continuously monitor EAC's IT systems security as described in OMB M-10-15, *FY 2010 Reporting Instructions for the FISMA and Agency Privacy Management* dated April 21, 2010.