U. S. ELECTION ASSISTANCE COMMISSION
OFFICE OF INSPECTOR GENERAL

U.S. ELECTION ASSISTANCE COMMISSION
MANAGEMENT AND PERFORMANCE CHALLENGES

Introduction

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

For fiscal year (FY) 2014, the OIG is reporting on two management and performance challenges facing the EAC. Each of these management challenges have been reported in prior years:

- Performance Management and Accountability

- Records Management

CHALLENGE 1: PERFORMANCE MANAGEMENT AND ACCOUNTABILITY

In fiscal year 2008, the OIG issued the following management challenge:

> Effective management and accountability are integral to any operation and must start with senior management. At the EAC, senior management consists of four full-time commissioners and an executive director. However, confusion over the roles and responsibilities of the commissioners and the executive director has resulted in a lack of leadership, a failure to hold people accountable, and a decline in staff morale. EAC has recently delineated the roles and responsibilities of the commissioners and the executive director.

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

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

EAC's Progress

EAC has made progress toward the development of a strategic direction for the agency as well as the implementing policies and procedures that flow from the strategic plan.

The EAC has developed draft policies and procedures for its clearinghouse and communications division and is in the process of developing policies and procedures to comply with the National Voter Registration Act (NVRA). However, since December 2010 the EAC has not had a quorum of Commissioners, which has resulted in a delay in adopting new policies or procedures.

The Commissioners have the exclusive authority to determine Commission policy, defined as a "high-level determination, setting an overall agency goal/objective or otherwise setting rules, guidance or guidelines at the highest level." Due to a lack of a quorum, the Commission is unable to hold formal public meetings; adopt new policy; issue formal advisory opinions; accredit EAC Voting System Test Laboratories; act on appeals of (1) audit findings and recommendations, and (2) voting system certification denials or revocations; and modify or update the Voluntary Voting System Guidelines, NVRA regulations and presently existing NVRA registration form.

CHALLENGE 2: RECORDS MANAGEMENT

In FY 2010, the OIG issued the following management challenge:

> Maintaining complete and accurate records of the operations, policy, procedure and practice of an agency are critical to the effective operation of the agency. Without these records, the agency cannot retain an institutional knowledge. The EAC, like many other federal government agencies, has seen turn over in its staff

and leaders. Since its inception, the EAC has had seven Commissioners. Likewise, program directors have come and gone. Furthermore, retention of government records is mandated by federal law.

The EAC does not have an approved records retention schedule. Similarly, there are no procedures for management and retention of records being uniformly implemented at the EAC.

The OIG first noted the EAC's lack of a records management system in 2008, when it issued the Assessment of EAC's Program and Financial Operations. Since that time, the OIG has conducted several audits and evaluations of EAC and its programs that have revealed a continuing problem with maintaining records. Most recently, in 2010, the OIG audited a grant distributed by the EAC. EAC staff was unable to locate the file related to that grant. Furthermore, even after repeated requests for records related the grant, the EAC failed to provide even a single email from the previous grants director under whose administration the grant was awarded. The EAC disbursed payment on that grant without records of whether and to what extent the grantee had performed services commensurate with the grant proposal and award.

The continued failure to adopt and implement an approved system for records retention at the very least leaves the EAC vulnerable to suit by information requesters and at worst susceptible to waste, fraud, or abuse of its resources and the intentional destruction of government records in violation of federal law. The EAC must take immediate steps to adopt a records management system, obtain approval of that system from the National Archives and Records Administration, and train its staff on the proper retention of federal government records.

EAC's Progress

The records retention schedules for the Office of Inspector General, Commissioners/Executive and the National Voter Registration Act records that were received from the Federal Election Commission have been approved by the National Archives and Records Administration (NARA).   The records retention schedules for Human Resources, the Office of General Counsel, Chief Financial Officer, Grants and Communications will be submitted to NARA for approval by the end of October 2014. The schedule for the Research Division is in the development stages. The schedule for Testing and Certification is being revised based on guidance from NARA.