

Federal Financial Report

Program Name: Election Security

Grantee Name: Nevada Secretary of State

Report Name: Federal Financial Report

Funding/Grant Period: EAC-ELSEC22NV

Report Period: 10/01/2021 to 09/30/2022

Report Status: Submission Accepted by CO

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| U.S. Election Assistance Commission | | OMB Number: 3265-0022 Expires 04/30/2025 | |
| FEDERAL FINANCIAL REPORT (EACFFR) | | | |
| 1. Federal Agency and Org. Element to Which Report is Submitted U.S. Election Assistance Commission | | 2. Federal Grant or Other Identifying Number Assigned By Fed. Agency (To report multiple grants, use FFR Attachment) EAC-ELSEC22NV | |
| 3. Recipient Organization (Name and complete address including Zip code) | | | |
| Recipient Organization Name: Nevada Secretary of State | | | |
| Street1: 101 N Carson St STE 3 | | | |
| Street2: | | | |
| City: Carson City | | County: CARSON CITY | |
| State: NV | | | Province: |
| Country: United States | | Zip 5: 89701 | Zip +4: 3714 |
| 4a. UEI YJEDE68DU2B9 | 4b. EIN 886000022 | 5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) | 6. Report Type <input type="radio"/> Quarterly <input type="radio"/> Semi-Annual <input checked="" type="radio"/> Annual <input type="radio"/> Final |
| 7. Basis of Accounting <input type="radio"/> Cash <input checked="" type="radio"/> Accrual | 8. Project/Grant Period From: 03/23/2018 To: 09/30/2099 | | 9. Reporting Period End Date (Month, Day, Year) 09/30/2022 |
| 10. TRANSACTIONS (Use lines a-c for single or multiple grant reporting) | | | Cumulative |
| Federal Cash: (To report multiple grants, also use FFR attachment) | | | |
| a. Cash Receipts | | | \$10,083,287.00 |
| b. Cash Disbursements | | | \$3,883,514.34 |
| c. Cash on hand (line a minus b) | | | \$6,199,772.66 |
| Federal Expenditures and Unobligated Balance: Do not complete this section if reporting on multiple awards. | | | |
| d. Total Federal funds authorized | | | \$10,083,287.00 |
| e. Federal share of expenditures | | | \$3,883,514.34 |
| f. Federal share of unliquidated obligations | | | \$28,971.83 |
| g. Total Federal share (sum of line e plus line f) | | | \$3,912,486.17 |
| h. Unobligated balance of Federal funds (line d minus g) | | | \$6,170,800.83 |
| Recipient Share: Do not complete this section if reporting on multiple awards. | | | |
| i. Total recipient share required | | | \$1,374,999.00 |
| j. Recipient share of expenditures | | | \$1,374,999.00 |
| k. Remaining recipient share to be provided (line i minus j) | | | \$0.00 |
| Program Income: Do not complete this section if reporting on multiple awards. | | | |
| l. Total Federal program income earned | | | \$0.00 |
| m. Program income expended in accordance with the deduction alternative | | | \$0.00 |

| | |
|--|--------------|
| n. Program Income expended in accordance with the addition alternative | \$0.00 |
| o. Unexpended program income (line l minus line m and line n) | \$0.00 |
| Federal Interest: | |
| p. Total Federal interest earned | \$241,684.89 |
| q. Federal interest expenditures | \$0.00 |
| r. Remaining Federal interest to be expended (line p minus q) | \$241,684.89 |

11. Indirect Expense

| a. Type | b. Rate | c. Period From | Period To | d. Base | e. Amount Charged | f. Federal Share |
|-----------------|---------|----------------|-----------|---------|-------------------|------------------|
| | 0.00% | | | \$0.00 | \$0.00 | \$0.00 |
| g. Total | | | | \$0.00 | \$0.00 | \$0.00 |

12. Remarks:


| | |
|--|--------|
| a. State Interest Earned: Enter the current year amount earned (not cumulative) | \$0.00 |
| b. State Interest Expended: Enter the current year amount expended (not cumulative) | \$0.00 |
| c. Program Income Earned: Enter the current year amount earned. (not cumulative) | \$0.00 |
| d. Program Income Expended: Enter the amount of Program Income expended in the current year (not cumulative) | \$0.00 |

e. Program Income Earned Breakdown: List each source of program income individually next to each amount (federal interest earned is not program income).

| Source of program income | | Amount | Delete |
|--------------------------|--|--------|--------|
| e. | | \$0.00 | |
| Total: | | \$0.00 | |

f. Comments: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

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|---|---|
| a. Typed or Printed Name and Title of Authorized Certifying Official Ashley Griffiths | c. Telephone (Area code, number and extension) |
| Certification Title Management Analyst III | d. Email address agriffitts@sos.nv.gov |
| b. Signature of Authorized Certifying Official  | e. Date Report Submitted (Month, Day, Year) 01/26/2023 |

Report Attachment (For reporting multiple grants)

14. List Information below for each grant covered by this report.

| Federal Grant Number | Recipient Account Number | Cumulative Federal Cash Disbursement |
|--|--------------------------|--------------------------------------|
| | | \$0.00 |
| TOTAL (Should correspond to the amount on Line 10b on Page 1) | | \$0.00 |

Progress Report

Program Name: Election Security

Grantee Name: Nevada Secretary of State

Report Name: Progress Report

Funding/Grant Period: EAC-ELSEC22NV

Report Period: 10/01/2021 to 09/30/2022

Report Status: Submission Accepted by CO

| | | | |
|---|--|---|--|
| U.S. ELECTION ASSISTANCE COMMISSION | | OMB CONTROL No.: 3265-0022 Expiration Date: 04/30/2025 | |
| Progress Report Section I: Cover Page | | | |
| Grant Information | | | |
| 1. State or Territory Nevada Secretary of State | | 2. Federal Grant or Other Identifying Number Assigned by Federal Agency EAC-ELSEC22NV | |
| 3. Grant Type: <input type="radio"/> 101 <input type="radio"/> 251 <input checked="" type="radio"/> Election Security <input type="radio"/> Other [e.g., CARES] | | | |
| Describe Other | | | |
| Report Information | | | |
| 4. Report Type: <input type="radio"/> Semi-Annual <input checked="" type="radio"/> Annual <input type="radio"/> Final <input type="radio"/> Other | | | |
| Describe Other | | | |
| 5. Report Period | | | |
| Start Date (Month, Day, Year) 10/01/2021 | | End Date (Month, Day, Year) 09/30/2022 | |
| Section II: Progress and Narrative | | | |
| Instructions: Reports due for the period ending March 31 should describe the activities of the previous six-month period and reports due for the period ending September 30 should cover the previous 12- month period. Final reports should cover the entire performance period from the start of the grant. Additional guidance can be found on our website: https://www.eac.gov/payments-and-grants/financial-progress-reporting | | | |
| EAC grants reports will be made publicly available. Therefore, your report narrative should: * Be written in clear, concise, and plain language * Not include sensitive confidential information | | | |
| 6. Describe in detail what happened during this reporting period and explain how you implemented the approved grant activities in accordance with your State Plan/Program Narrative. (Note: Your activities should align with your category expenditures in Section IV and you may use those categories as headings in your response as applicable.) | | | |
| <input type="checkbox"/> Check if no activity during this reporting period. | | | |
| <p>The majority of HAVA funds used during this reporting period were used to pay for activities associated with developing a new top-down voter registration system. In addition, HAVA funds were used to pay staff and contractor salaries and benefits to support all categories of the HAVA grant program. The expenditures are discussed in more detail below. Election Auditing HAVA funds were used to continue the pilot program for Risk Limiting Audits (RLA), as required by NRS 293.394. As previously reported, the State contracted with VotingWorks, a nonprofit and nonpartisan organization, to use their Arlo Risk Limiting Audit software to conduct pilots using data from the 2020 General Election. In this reporting period, additional funds were used to conduct two additional pilots for a recall election and for a school bond ballot measure election. As reported earlier, the State has also used HAVA funds to equip the counties to enable them to participate in ballot comparison risk-limiting audits. In order to conduct a ballot comparison audit on the mail ballots, jurisdictions using Dominion election equipment purchased imprinters for their tabulation equipment. The imprinters print a unique serial number on each scanned ballot, making retrieval easier. Two counties purchased imprinters in this reporting period and were reimbursed using HAVA funds via subgrants. The remaining counties imprinter purchases will be reported in subsequent reporting periods. The next step in the pilot program is to conduct a statewide audit with all of the jurisdictions participating. To date, the State has conducted RLA pilots with single jurisdictions at a time, with one target contest for each audit. The goal, however, is to have all of the counties participate in a single audit where there is (1) a statewide contest and every single ballot cast in that contest has an equal chance of being selected for the audit and (2) a specific countywide target contest for each county. In the next reporting period, the State will report the expenditure for the annual contract with Voting Works for the Arlo Risk Limiting Audit software. The State will conduct an RLA after the 2022 Primary Election with all seventeen counties and another one after the 2022 General Election. NRS 293.394 requires all elections starting on January 1, 2024 to have risk-limiting audits conducted prior to certification of the results. Voter Registration Systems During this reporting period, the State of Nevada continued the process of researching, purchasing, and implementing a new top-down voter registration</p> | | | |

and election management solution (VREMS) as detailed in the 2021 Annual Report. In March, 2021, the State published an RFP to hire an outside vendor to assist with the VREMS Discovery Project. The goals of the VREMS Discovery Project were to identify the business need, identify and document the existing business systems and processes, develop high level requirements, analyze the alternative solutions for a solution, recommend a solution direction including a recommendation on staffing strategy and timeline, and develop a roadmap for moving forward. The RFP was published in March 2021 and the procurement committee selected Gartner, Inc. to serve as the assessment vendor. Gartner began work on this project in mid-September 2021 and worked with the State and the counties to gather requirements and to perform a gap analysis and readiness assessment. This project took the majority of time for a contract project manager, two contract business analysts, and multiple full-time employees. During the 2021 Legislative Session, the Nevada Legislature passed Assembly Bill 422, which codified the requirement of implementing a top-down voter registration system by January 1, 2024. The Legislature also passed Assembly Bill 432, which requires multiple third-party agencies and

7. Provide a description of any training conducted, including security training.

Check if no training was conducted during this reporting period.

The State used the knowbe4.com website to conduct online annual cyber security training with all state and local election officials as required by Nevada Revised Statutes 293.875. The State is also developing a statewide team of IT and elections officials at the state and county level to share information about vulnerabilities, tools, and training opportunities. As discussed in response to Question 12, the high rate of turnover has made it apparent that the State needs better training manuals and a training program for state and county election officials. The State is currently in the process of developing a statewide Elections Procedure Manual and is also developing a training program. The state also funded the attendance of multiple CERA training events for state employees and an employee attending an election mail workshop. The CERA courses provided Masters-level professional development that enhanced the educational foundations of the elections division. The workshop provided an opportunity to enhance staff understanding of elections mail processes and procedures by the USPS in order to further improve our statewide processes.

8. Report on the number and type of articles of voting equipment obtained with the funds. Include the amount expended on the expenditure chart.

Check if no voting equipment purchased during this reporting period.

#1 Cont'd - organizations to become automatic voter registration agencies in much the same way that the Department of Motor Vehicle serves and to develop a system that works with the new top-down voter registration system to interface with those third-party agencies. As a result, there are added complexities to the top-down voter registration system project. During this reporting period, Gartner completed its assessment and the State made its decision to purchase a commercial off the shelf (COTS) voter registration and election management system. The State, with Gartner's assistance, is continuing to refine the requirements for this system and is working with the State Purchasing division in order to pursue a contract vehicle based on an in-place RFP. In addition to the VREMS project, one of Nevadas highest priorities is to improve the auditing of the statewide voter registration list to prevent and discover cases of potential fraud. The Electronic Registration Information Center (ERIC) is extremely helpful in this endeavor and annual state membership fees are budgeted from this grant category. The ERIC fees were previously reported under the Election Auditing category. However, since this program is used primarily for list maintenance, it fits more aptly with the Voter Registration Systems category than Election auditing, which seems to be more appropriate for auditing election results. The State of Nevada has revised this categorization and is reporting an update along with this report. Finally, the State shifted some personnel costs that had been miscategorized as relating to Cyber Security when they were more appropriate to Voter Registration Systems. Cyber Security In previous reporting periods, the State described its statewide multifactor authentication (MFA) project and Isolated/Dedicated Project. A small portion of HAVA funds were used to continue monitoring these projects. As reported above, the State shifted some personnel costs that had been miscategorized as relating to Cyber Security when they were more appropriate to Voter Registration Systems. In addition, some funding that had been used to cover contract personnel in this category was reimbursed by State general funds allocated as a result of Assembly Bill 432 in the 2021 Legislative Session. Other: Improving the Administration of Federal Elections Additional funds were used to send full time staff to national conferences, including the National Association of State Election Directors, the Election Center, and the International Association of Government Officials. These conferences and training opportunities provide vital networking and information sharing among election officials from other jurisdictions and are necessary to help the State of Nevada continue to innovate and improve election processes. These training opportunities will continue to be pursued through future reporting cycles as well in order to mitigate the significant exodus of state and county elections officials. HAVA funds were also used to cover personnel funds for work that improves the administration of federal elections but does not otherwise fit into the defined categories. Finally, the State shifted some allocations from previous reports that were attributed to Cyber Security and Election Auditing to this category because the previous characterization was incorrect.

9. Subgrants (if applicable)

Check if no subgrants were made during this reporting period.

Describe the activities carried out by your subgrantees during the reporting period.

During this reporting period, the State awarded \$6,167.10 in subawards to reimburse counties for purchasing imprinters and printer cartridges for use in the risk-limiting audits.

10. Provide a breakdown of aggregate sub-award expenditures across major categories. If you do not have expenses for a particular category please populate the field with \$0.00 Total expenses will automatically calculate. Please verify totals prior to submission.

| Category | Subaward Federal Expenditures |
|-----------------------------|-------------------------------|
| Voting Equipment | \$0.00 |
| Voting Processes | \$0.00 |
| Voter Registration Systems | \$0.00 |
| Election Auditing | \$6,167.10 |
| Cyber and Physical Security | \$0.00 |
| Voter Education | \$0.00 |
| Accessibility | \$0.00 |
| Other: | \$0.00 |
| Total | \$6,167.10 |

11. Match (if applicable)

Check if match not required.

Describe how you are meeting or have met the matching requirement.

Nevadas total required state match is \$1,374,999.00. As of this reporting period, 100% of this match has been met. A portion of this match (\$213,886.00) was previously met in 2018 with a cash contribution from the States general fund with the purchase of additional voting equipment equivalent to the required match amount (details previously reported in the 2018 Grant Report Narrative). Additionally, \$1,161,113.00 in State funds was distributed among all 17 counties to assist with paying for annual voting system license and support fees between 2020 and 2022.

Section Section III: Challenges and Changes

12. Issues Encountered

Check if no major issues encountered during this reporting period.

(Each number corresponds to a numbered Resolution) 1. The first issue was the realization of significant state budget cuts due to the pandemic. Due to these cuts, the State had to begin funding two additional election staff salaries with HAVA grant funds. 2. In addition, the COVID-19 pandemic made deployment of the MFA software and hardware quite difficult as most county and state staff were working from home. The need for VPN access required some rethinking of policy regarding the MFA project but had no impact on the financial aspect of the project. 3. The COVID-19 pandemic also made it difficult to further implement the Isolated/Dedicated project, which had to be delayed while implementing the other time-sensitive election-related processes. 4. As discussed above, the scope of the VREMS project has significantly grown as a result of recent legislation, investigation of requirements with the counties, and the advice of the assessment vendor. The State seeks to ensure that this project is approached thoughtfully and carefully since transitioning from a bottom-up to a top-down system, while also adding direct interfaces with other voter registration agencies, is a complex and significant undertaking. 5. There has been a significant turnover of elections and IT staff at the State and counties, and more is expected as several of the county clerks are not seeking reelection this year or may lose their reelection campaigns. Now that the election results have been canvassed, it is clear that only 7 of 17 county election officials will still be in place in February 2023 who went through the 2020 election cycle. This is resulting in a significant amount of time being diverted toward helping the counties accomplish daily tasks associated with voter registration and election administration.

Describe how and whether the issues were resolved. Also, briefly discuss the implications of any unresolved issues or concerns.

1. While this was not the most difficult problem to solve, it did require some rearranging of planned funds. Efforts have begun to transition most or all of those salaries back to the States general fund in the 2023 Legislative Session which will affect the 2024 fiscal year. 2. The counties have all implemented MFA software and hardware, and now the only part that is still awaiting implementation is activating MFA for the State staff. At this time, that part of the project is on hold due to shifting prioritization of projects within the IT Division of the Secretary of States Office. 3. The State plans to move forward on completion of the Isolated/Dedicated project within the next reporting period. 4. The HAVA funds will not be sufficient to meet all of the needs of this project, and the State will be seeking funding from the Legislature. 5. The solution to the significant turnover of elections officials at the state and county will be complex, expensive, and lengthy. It will include additional training and educational opportunities and many discussions about current and to-be processes based on legislative changes, all focused on the upcoming election cycles. When appropriate, HAVA grant funding will be used to enhance county budgets in order to facilitate this increased need for training and education and it will be reported in subsequent reporting periods.

13. Describe any significant changes to your program during the reporting period, including changes to your original State Plan/Program Narrative or favorable developments that improved program efficiency and/or service delivery.

Check if no significant changes were made during this reporting period.

Section IV: Expenditures

14. Fill out the table below with both the Federal and State Match expenditures for the current reporting period. Include federal and state interest expenditures and write-in any cost areas that do not fit into the predefined program categories. Subaward expense totals identified in section #10 should also be populated and rolled into the appropriate expense categories for #14. If you do not have expenses for a particular category please populate the field with \$0.00 Total expenses will automatically calculate. Please verify totals prior to submission.

Expenditures should be consistent with the activities described in your narrative and with the amounts in your financial reports. (EAC uses the difference between your current and previous period FFR to calculate current period expenditures).

| Categories | Federal | State Match |
|--|---------------------|---------------------|
| Voting Equipment | \$0.00 | \$0.00 |
| Voting Processes | \$0.00 | \$0.00 |
| Voter Registration Systems | \$623,341.64 | \$200,000.00 |
| Election Auditing | -\$4,043.79 | \$0.00 |
| Cyber and Physical Security | -\$90,985.92 | \$0.00 |
| Voter Education | \$3,552.65 | \$0.00 |
| Accessibility | \$0.00 | \$0.00 |
| Other Improve admin of fed elections, Personnel/Fringe and Operating Costs | \$297,496.38 | \$0.00 |
| TOTAL | \$829,360.96 | \$200,000.00 |

Section V: Final Assessment

The final progress report is your opportunity to share the significant successes of your project and present information about the results your project achieved. The report should cover the entire period of performance.

15. Self-Assessment - Assess whether the goals set out in your State plan/Narrative were met as intended during the grant program. Highlight any needs that were not met or ongoing/under resourced areas for future consideration.

16. Impact and Achievements - Describe how this grant program impacted elections in your state/territory. Highlight your accomplishments and successes.

17. Lessons Learned - Describe any lessons learned during the grant that may be replicated, expanded and/or help others.

Section VI: Certification

18. Name and Contact of the authorized certifying official.

| | |
|--|---|
| First and Last Name Ashley Griffitts | Title Management Analyst III |
| Phone Number | Email Address agriffitts@sos.nv.gov |

19. Signature of Certifying Official

