

Federal Financial Report

(Follow form instructions)

OMB Control Number: 4040-0014
Expiration Date: 2/28/2022

1. Federal Agency and Organizational Element to Which Report is Submitted U.S. Election Assistance Commission		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) Title I (2018); CFDA# 90.404	
3. Recipient Organization (Name and complete address including Zip code) Recipient Organization Name: New Hampshire Secretary of State Street1: State House, Room 204 Street2: 107 North Main Street City: Concord County: State: NH: New Hampshire Province: Country: USA: UNITED STATES ZIP / Postal Code: 03301			
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	
6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	8. Project/Grant Period From: 03/23/2018 To: 01/01/9999	9. Reporting Period End Date 09/30/2019
10. Transactions			Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>			
Federal Cash (To report multiple grants, also use FFR attachment):			
a. Cash Receipts			0.00
b. Cash Disbursements			0.00
c. Cash on Hand (line a minus b)			0.00
<i>(Use lines d-o for single grant reporting)</i>			
Federal Expenditures and Unobligated Balance:			
d. Total Federal funds authorized			3,102,253.00
e. Federal share of expenditures			821,840.97
f. Federal share of unliquidated obligations			0.00
g. Total Federal share (sum of lines e and f)			821,840.97
h. Unobligated balance of Federal Funds (line d minus g)			2,280,412.03
Recipient Share:			
i. Total recipient share required			155,113.00
j. Recipient share of expenditures			155,113.00
k. Remaining recipient share to be provided (line i minus j)			0.00
Program Income:			
l. Total Federal program income earned			73,465.13
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 or line n)			73,465.13

2018 Election Reform Program Funds Title I Spending Report

Pursuant to 42 USC 15408 (HAVA Section 258)
October 1, 2018 – September 30, 2019

The following is presented in the order and the titles used in the State Plan and the Revised Input Plan, Narrative and Budget, with reference to the applicable categories in HAVA. Total spending of 2018 Election Reform Program (CFDA #90.404) Title I Federal Funds was \$692,414.83 in FFY 2019. Spending of State Matching Funds was \$83,191.00 in FFY 2019. As a result, federal and state spending of 2018 Election Reform Program Funds totaled \$775,605.83 in FFY 2019.

The following categories are referenced in the State’s September 27, 2019 submittal to the U.S. Election Assistance Commission containing the (revised) Input Plan, Narrative and Budget for the period March 23, 2018 through March 22, 2023 (hereafter the “Narrative and Budget Plan”) which indicates how the State plans to use the 2018 Election Reform Program payments authorized by the U.S. Congress in the Consolidated Appropriations Act of 2018, as well as the 5% State match.

This spending is consistent with general HAVA Title I and the State’s Narrative and Budget Plan, including the following Title I categories:

- training election officials, poll workers, and election volunteers.
- complying with the requirements under HAVA Title III (accessible voting system and statewide voter registration system), and
- improving administration of elections of federal office.

This report shows spending of the entire State match for 2018 Election Reform Program payments. The State allocated and spent \$71,922.00 of its State Match requirements in FFY 2018 and \$83,191.00 in FFY 2019, for a total of \$155,113.00, fulfilling its 5% match obligation for the five-year program.

The State reports HAVA expenditures on a cash basis effectively, consistent with State Government standards (which call for a “modified accrual” basis).

A. Voting Systems - Title I(b)(1)(A) \$40,460.42

Recipient/Purpose	Detail	Amount
Personnel		8,119.19
Equipment		25.27
LHS Associates	Tabletop privacy booths – 2 for each polling place	12,978.00
NH Association for the Blind (Future in Sight)	Video and in-person demonstrations for potential users of accessible voting system	17,500.00

Other - Miscellaneous		1,837.96
Total		\$40,460.42

By October 1, 2018, the State had begun discussions with Democracy Live to enable voters with disabilities and other one4all users to mark a pre-printed ballot at a majority of polling places in the 2018 General Election using the existing one4all hardware. The above figure reflects ongoing personnel efforts to implement the accessible voting system, two tabletop privacy booths for each polling place, and the efforts of a non-profit contractor, NH Association for the Blind (Future in Sight), to create a video and help train people with disabilities and others to use the accessible voting system.

B. Statewide Voter Registration System - Title I(b)(1)(B) \$114,946.66

Recipient/Purpose	Detail	Amount
Personnel	ElectionNet Help Desk support	\$98,115.30
American Assoc. of Motor Vehicles Administrators (AAMVA)	To accomplish required check of social security number (last 4) when it appears on voter registration forms	4,456.01
Other - Miscellaneous		12,375.35
Total		\$114,946.66

The Department of State relied on six employees, most with experience as local election officials, as well as other information technology staff, to oversee the statewide voter registration system and provide Help Desk support to 1,128 election officials who are system users.

E. Election Official Training/Voter Education – Title I(b)(1)(C) & (D) \$46,128.95

Recipient/Purpose	Detail	Amount
Personnel		\$40,914.72
Equipment		143.21
Other		5,071.02
Total		\$46,128.95

The Department of State assigned the Election Director, a Director of Training, two former clerks, a supervisor of the checklist, and other staff to train election officials.

This commitment was reflected in training associated with:

- 2018 – 2019 Election Procedure Manual: Pages 1, 2, 8, 64, 65, 67, 89, 90, 91,103, 112, & 255 – 261 (distributed to over 2,000 election officials);
- Annual Clerks’ Conference in October, 2018 (over 219 in attendance);
- 2019 Introductory Training for statewide voter registration system (SVRS) with one-hour of cybersecurity focus (86 clerks, staff, and supervisors of the checklist);
- 2019 New clerks’ training (34 clerks and staff);
- 2019 Clerks’ Regional Workshops - two-factor authentication, long passphrases/passwords, and security risks and mitigations at (358 clerks and staff);
- LEARN (Moodle open source, interactive election law training format) updated for clerks (41 clerks and staff);
- 2019 Clerks’ recertification training using LEARN - on-line interactive training and testing (15 clerks and staff);
- “Protecting You and Your Voters” course for SVRS system users delivered locally (face-to-face (30 communities visited, 100 clerks, staff and supervisors participated);
- Webex training on cybersecurity – course preparation, beta testing & initiation;
- Initiation of SANS cybersecurity training for all SVRS users (1,128 SVRS users enrolled, 625 completed, 24 in progress by 2019 calendar year-end);
- SVRS Turbo Training – advanced training for SVRS users (15 clerks, staff and supervisors in September, 2019, continuing through October, 2019)
- Ongoing Help Desk training in two-factor authentication, long passwords/passphrases, credential vetting, saving checklists locally, and implementing other SVRS security capabilities.
- Annual Clerks’ Conference in September, 2019 (over 205 in attendance)

The office focused on the following security and cybersecurity training and preparation:

- Resilience training for election officials:
 - ✓ Encouraging development of local Continuity of Operations Plans for elections;
 - ✓ Operating a polling place without dependence on the electrical grid;
 - ✓ Conducting quick and accurate hand counting;
 - ✓ Effective reconciliation;
 - ✓ Saving/printing checklist before election day.
- Cybersecurity training for election officials:
 - ✓ Two factor authentication;
 - ✓ Long passwords/passphrases;
 - ✓ Credential vetting and follow-up;
 - ✓ Terms and concepts;
 - ✓ Threat identification;
 - ✓ Hacker awareness;
 - ✓ Avoiding phishing, ransomware, and social engineering attacks;
 - ✓ Incident and threat reporting;
 - ✓ Incident response protocols;

- ✓ Misinformation and disinformation awareness;
 - ✓ Backup redundancy;
 - ✓ Election results reporting & reconciliation – incident awareness.
- State elections staff – training and experience
- ✓ Avoiding phishing, ransomware, and social engineering attacks;
 - ✓ Cybersecurity courses;
 - ✓ Threat identification and monitoring;
 - ✓ Internet and dark web monitoring;
 - ✓ Monitoring server and email use - all users;
 - ✓ Tabletop exercises (interactive simulations) in cybersecurity – training;
 - ✓ Incident response and threat reporting;
 - ✓ Albert sensor reports from NH Department of Information Technology;
 - ✓ Ongoing discussions with technology experts and commentary by technology experts on hardware and software vulnerabilities and mitigating factors;
 - ✓ Communications on known elections system vulnerabilities from the Multistate – Information Sharing and Analysis Center (MS-ISAC) and Elections Infrastructure – Information Sharing and Analysis Center (EI-ISAC);
 - ✓ Monthly classified briefings at the New Hampshire Information Analysis Center (federal, state and local agencies);
 - ✓ 2019 attendance at Elections Government Coordinating Council (which determines how the Department of Homeland Security works with the states and local jurisdictions to implement the designation of elections as part of the nation’s critical infrastructure);
 - ✓ 2019 National Association of State Election Directors (NASED) Winter and Summer Meetings, received Department of Homeland Security – CISA cybersecurity briefings, including federal-state-local incident reporting protocol, with discussions concerning technology vulnerabilities and action plans to addressing them;
 - ✓ Madison, Wisconsin and Princeton, New Jersey tabletop exercises - interactive training format aimed at developing resilience to a variety of potential threat situations and training incident reporting;
 - ✓ Debriefing on 2019 DEFCON Voting Village (one of the world’s largest hacker conventions) by DEFCON Voting Village organizer.
- Vulnerability assessment and remediation – State staff training and experience in:
- ✓ Ongoing risk assessment;
 - ✓ Insider threat analysis;
 - ✓ External threat analysis;
 - ✓ Penetration testing (internal and external).
- Hardening databases and services – State staff training in:
- ✓ Monitoring those who access elections databases;
 - ✓ USB port analysis, sourcing, and secure protocols;

- ✓ User log analysis;
- ✓ Endpoint security – scanning emails, anti-virus;
- ✓ Visibility and analysis of all data on servers;
- ✓ Device compliance;
- ✓ Software to investigate and reveal each attack step;
- ✓ User behavior analysis, searching for and reporting anomalies;
- ✓ Security scans 24/7/365;
- ✓ Additional server redundancy;
- ✓ Back-up redundancy alternatives;
- ✓ Attendance at Department of Homeland Security’s Multi-State Information Sharing and Analysis Center (MS-ISAC) & Elections Infrastructure Information Sharing and Analysis Center (EI-ISAC) events, when open to all election officials;
- ✓ Utilization of the New Hampshire Department of Information Technology’s Albert Sensor (intrusion detection system which provides network security alerts for both traditional and advanced network threats, helping organizations identify malicious activity.)

I. Enhance Election Technology

\$305,693.27

Recipient/Purpose	Detail	Amount
Personnel		\$43,050.27
ElectionNet - PCC	Two-factor authentication	80,960.00
Democracy Live	Pre-printed accessible ballot	174,950.00
Other - Miscellaneous		6,733.00
Total		\$305,693.27

The Department of State relied on six employees, most with experience as local election officials, and other information technology staff, to plan and implement enhanced election technology. The State paid a software vendor, PCC, \$80,960 to develop and implement two-factor authentication, a project that was fully implemented in FFY 2019. The State paid a software vendor, Democracy Live, \$174,950 to enable individuals with disabilities and other one4all users to mark pre-printed ballots using existing one4all hardware in the 2018 General Election. This sum included the first year of maintenance and support, which incorporated changes reflecting practices learned in the initial election experience.

J. Election Security Improvements

\$185,185.53

The following titles and categories are self-explanatory.

FFY 2019 Federal Funds Expenditures - 2018 Election Reform Program – Election Security Improvements

Recipient/Purpose	Detail	Amount
Personnel – election security improvements	2 factor authorization implementation, extensive cybersecurity implementation	\$72,804.42
ElectionNet - PCC Maintenance and Support – 30%	At least 30% of PCC software maintenance expenses address security & cybersecurity	36,000.00
NuHarbor – security products. Proofpoint	Email firewall, spam filter, graymail filter, anti-virus, URL defense, dynamic reputation, etc.	68,307.80
Software House Int'l - Fireeye	Web (including dark web) and social media monitoring	6,055.43
Travel – Technology training	Cybersecurity training-related travel	<u>2,017.88</u>
Subtotal – from Election Fund		\$185,185.53

FFY 2019 State Match Expenditures – 2018 Election Reform Program – Election Security Improvements

Recipient/Purpose	Detail	Amount
Software House Int'l - Fireeye	Web (including dark web) and social media monitoring, (FFY 2019)	39,505.47
NuHarbor – CrowdStrike Consulting Hours	Ongoing penetration testing, risk and compromise assessments using Falcon endpoint protection (FFY 2019)	<u>43,685.53</u>
Subtotal: Spending of State Match in FFY 2019 (100% on election security)		<u>\$83,191.00</u>

Summary of FFY 2019 Expenditures on Election Security –2018 Election Reform Program – Federal Funds and State Match – Election Security Improvements

Recipient/Purpose	Amount
Subtotal: Election Security Spending from Election Fund	\$185,185.53
Subtotal: Election Security Spending of State Match in FFY 2019	<u>\$83,191.00</u>
Total FFY 2019 Election Reform Program Spending on Election Security from Election Fund and State Match	\$268,376.53

Summary of FFY 2019 Expenditures – 2018 Election Reform Program - Federal Funds

HAVA Category	Amount
Voting Systems	\$40,460.42
Statewide Voter Registration System	114,946.66
Election Official Training/Voter Educ.	46,128.95
Enhance Election Technology	305,693.27
Election Security Improvements	185,185.53
Total FFY 2019 Federal Funds Expenditures	\$692,414.83

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State Match \$155,113.00

100% of State Matching funds required by Congress’s 2018 Election Security Program were set aside and expended exclusively for election security improvements in FFY 2018 and FFY 2019. The State spent \$71,922.00 of its State Match requirements in FFY 2018 and \$83,191.00 (see above) in FFY 2019, for a total of \$155,113.00 – all of it aimed at election security improvements. As background, the FFY 2018 State Match expenditures included the following:

FFY 2018 Expenditures – 2018 Election Reform Program – State Match

Recipient/Purpose	Detail	Amount
NuHarbor Security - Proofpoint	Dynamic reputation, spam, virus protection, zero-hour anti-virus, email firewall, imposter email	\$19,687.50
NuHarbor Security - Splunk	Base configuration, data onboarding, dash boarding, cyber health check activities. Additional perpetual license.	9,000.00
NuHarbor Security - CrowdStrike	Falcon endpoint protection	43,234.50
Total Spending of State Match in FFY 2018		\$71,922.00