

Office of Secretary of State - Finding 06-III-EAC-635-1

For the year ended June 30, 2006, the Office of Secretary of State spent approximately \$20 million on the Help America Vote Act (HAVA) program. This federal program was audited as a major program for the State of Iowa's Single Audit.

According to information posted on the Iowa State University website, the Secretary of State was leading an Iowa celebration of voting heritage and rights. The function was an initiative to celebrate the 40th anniversary of the Voting Rights Act, the 85th Anniversary of the 19th Amendment for women's rights and the current implementation of the Help America Vote Act (HAVA).

As defined by the EAC HAVA program regulations, HAVA funds are allowed to be used for voter education. Activities and allowable expenditures must provide information on voting procedures, rights and technology. HAVA funds may not be used to "get out the vote" or to encourage voting. Based on review of invoices and various items found on the internet, Celebrate Voting appears to include elements of both types of activities, and many activities that do not appear related to education.

We contacted the Office of Inspector General (OIG) of the U.S. Election Assistance Commission (EAC) hotline and were advised the stated funds could potentially be allowable depending on what was said, what was done, what the celebration was for and what the message was about.

Edgardo Cortes (202-566-3126) from the EAC was then contacted. He also stated HAVA section 101 funds can be spent for education purposes. He noted some activities in other states have been allowable and some activities have not. Allowability would need to be determined on a case by case basis.

The announcement for Celebrate Voting was reviewed and this page describes the various activities. It describes celebrating voting heritage and voting rights. The kick off day was to celebrate the 40th anniversary of the US Voting Rights Act and included entertainment and local celebrities, which does not appear to be only educational. The Gala was planned to honor Iowans who made contributions to the struggle for voting rights, which also does not appear to be educational. Another day was related to the history and evolution of voting rights. This included family activities with many activities specifically for children. A FAQ from the EAC's website states that items geared toward children are not allowable because they are not eligible to vote.

Another description/ad of the activity was reviewed which stated "Celebrate Voting is a series of events across Iowa to honor the legacy of voting rights and to educate and engage Iowans about their right to vote. This would indicate that some activities may be educational and allowable, but not all.

Expenditures related to the function were paid through the State Public Policy Group (SPPG). The invoices to SPPG were reviewed and revealed the Office of Secretary of State paid for performers and speakers who did not provide education. There were also expenditures for activities related to children. The majority of these expenditures were considered unallowable.

Based on the various websites, the FAQ's noted and discussions with Edgardo Cortes from the EAC, we questioned the majority of the expenditures paid to SPPG related to the Celebrate Voting events. The detail and amount of questioned cost was:

Speakers	\$ 28,050
Performers	25,383
Supplies	2,182
Children's activities	2,095
Travel costs related to the Speakers and performers	<u>3,528</u>
Total	<u><u>\$ 61,238</u></u>