



**Mecklenburg County
Department of Internal Audit**

Board of Elections
Voter Registration
Report 1970

July 23, 2020

Internal Audit's Mission To support key stakeholders in cultivating an environment of accountability, transparency, and good governance.

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MECKLENBURG COUNTY
Department of Internal Audit

To: Michael Dickerson, Director
Board of Elections

From: Joanne Prakapas, Director
Department of Internal Audit

Date: July 23, 2020

Subject: Voter Registration Report 1970

The Department of Internal Audit has completed its audit of the voter registration process to determine whether internal controls effectively manage key business risks inherent to this activity. Internal Audit interviewed key personnel; reviewed and evaluated policies, procedures, and other documents; analyzed and tested voter registration activities from July 1, 2016 through June 30, 2019.

This audit was conducted in conformance with The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

OVERALL EVALUATION

Overall, key risks inherent to voter registration processes were managed to an acceptable level; however, opportunities exist to improve the design and operation of some control activities.

RISK OBSERVATION SUMMARY

The table below summarizes the risk observations identified during the audit, grouped by the associated risk factor, and defined in Appendix A. The criticality or significance of each risk factor, as well as Internal Audit’s assessment of the design and operation of key controls to effectively mitigate the risks, are indicated by the color codes described in Appendix B.

| RISK OBSERVATION SUMMARY | | | |
|---------------------------------|-------------|--------|-----------|
| Risk Factors and Observations | Criticality | Design | Operation |
| 1. Policies and Procedures Risk | ● | ● | ● |
| 1.1 Formal Documentation | | | |
| 2. Human Resources Risk | ● | ● | ● |
| 2.1 Staff Training | | | |
| 3. System Access Risk | ● | ● | ● |
| No risk observations noted | | | |
| 4. 4. Compliance Risk | ● | ● | ● |
| No risk observations noted | | | |
| 5. Process Execution Risk | ● | ● | ● |
| No risk observations noted | | | |
| 6. Documentation Risk | ● | ● | ● |
| No risk observations noted | | | |
| 7. Segregation of Duties Risk | ● | ● | ● |
| No risk observations noted | | | |

The risk observations and management’s risk mitigation strategies defined in Appendix C are discussed in detail in the attached document. Internal Audit will conduct a follow-up review to verify management’s action plans have been implemented and are working as expected.

We appreciate the cooperation you and your staff provided during this audit. Please feel free to contact me at 980-314-2889 if you have any questions or concerns.

c: County Manager
 County Attorney
 Board of County Commissioners

Assistant County Managers
 Deputy County Attorney
 Audit Review Committee

BACKGROUND

The Mecklenburg County Board of Elections (BOE) Department is responsible for conducting all elections held in Mecklenburg County and administering State election laws. The Department's principal functions include establishing election precincts and voting sites; appointing and training precinct officials; preparing and distributing ballots, voting equipment, canvassing, and certifying cast election ballots; and investigating any voting irregularities, such as potential duplicate records. The BOE is comprised of five distinct operations: Business Operations, Precinct Operations, Public Information, Systems Administration, and Voter Administration. Voter Registration falls under Voter Administration operations and is responsible for voter registration activities and voter list maintenance.

The voter registration process is governed by the State of North Carolina¹ regarding the qualifications to vote; registration and voting processes and requirements; elections officials' duties in updating and maintaining the voter list; and a list of maintenance activities.

The National Voter Registration Act of 1993 (NVRA) requires certain agencies, such as driver license offices, to offer voter registration services and requires the State to forward the completed application to the appropriate election official. Voter registration services must also be provided by every state office that offers unemployment services, accepts public assistance applications, or provides local government disability services.

Voter Registration

Voter Registration staff is responsible for registering eligible voters and maintaining voter registration lists. To register to vote in North Carolina, a person must meet the following criteria:

- Be a citizen of the United States
- Be at least 18 years old by the next general election
- Live in the county of his/her registration and have resided there for at least 30 days prior to the date of the election
- Rescind any previous registration in any other county or state
- Not be serving a sentence for a felony conviction or, if previously convicted, have had citizenship rights restored

In addition to the North Carolina State Board of Elections (SBOE) voter registration application, a qualified individual may also register to vote through the North Carolina Division of Motor Vehicles (DMV) or by using a public assistance agency voter registration form. Voter registration applications may be received by mail, in-person, or by fax. An application may also be received electronically from the DMV. Prospective voters between the ages of 16 and 17 may apply to pre-register and be automatically registered upon turning 18.

Upon receipt, BOE staff reviews all application documentation and scans electronic copies of required documents into the State Elections Information Management System (SEIMS), which is the North Carolina voter registration system of record and managed by the SBOE. If the application is complete and the

¹ North Carolina State Constitution Article VI, Sections 2 and 3; and State General Statute §163

applicant meets all qualifications to vote, the BOE approves the application and mails the applicant a voter registration card. The registration card also serves as verification of the voter's address.

If an application is incomplete or requires documentation, the BOE staff mails a letter to the applicant requesting the necessary information. If an applicant does not meet the qualifications to vote, he or she will receive a denial notice by certified mail from BOE staff, as well as information on the appeals process.

The deadline to register to vote or change voter information is twenty-five days before an election, at which point regular registration activities are suspended until after election day. The voter registration deadline for military and overseas voters is no later than 5:00 p.m. on the day prior to the election date. Persons who are not registered by the deadline may complete same-day registrations at one-stop sites during the early voting period. Same-day registrants must attest to their eligibility and provide proof of residence. Upon completion of registration, the voter can immediately vote at that same site. If later found ineligible to vote, i.e., a person with a current felony conviction, the issue will be elevated to the County Board of Elections for review and resolution.

Voter List Maintenance

The BOE staff conducts continuous and systemic activities to make updates, including removal of individuals from the voter list. If the BOE has not confirmed a registrant's address by means, such as the registrant voting in an election, the BOE must send a confirmation mailing to the registered voter after every congressional election. If the registrant fails to respond to the confirmation mailing and does not attempt to vote in an election, BOE staff will remove the registrant from the voter list. The BOE staff also removes voters based on notices received from election jurisdictions outside of North Carolina and the State Board of Elections. The BOE identifies and removes voters who have moved out of the County, are currently serving a sentence for a felony conviction, or are deceased based on reports from the Division of Motor Vehicles, North Carolina Department of Corrections, or the Department of Health and Human Services. Voter Registration will not remove a potential deceased voter unless there is an exact match on the voter's name, date of birth, and other identification information in the reports.

COUNTY MANAGER’S OVERALL RESPONSE

The County Manager concurs with all risk mitigation strategies and timeframes for implementation.

RISK OBSERVATIONS AND MITIGATION STRATEGIES

| Risk Factor | Criticality | Design | Operation |
|---------------------------------|-------------|--------|-----------|
| 1. Policies and Procedures Risk | ● | ● | ● |

Risk Observation

- 1.1 Formal Documentation—While the Voter Registration Division has documented procedures for voter registration activities, procedure manuals do not include some current activities and best practices. Yet, policies and procedures are important control activities to help management ensure its directives are carried out while mitigating risks that may prevent the organization from achieving its objectives.

Recommendation

- 1.1 Internal Audit recommends management update procedures to include all voter registration processes. All staff involved in voter registration processes should be trained accordingly. Policies and procedures should include, at a minimum:
- Staff training requirements and oversight
 - User access rights and termination
 - Supervisory oversight and monitoring
 - Independent internal quality reviews
 - Reference to any applicable State regulations, policies, and procedures
 - Frequency of policy and procedure reviews and updates

Management’s Response

- 1.1 **Risk Mitigation Strategy:** Reduce **Implementation Date:** December 2020

Action Plan: The Voter Registration Team will implement a process to more fully ensure the team’s policies and procedures are routinely reviewed to implement any necessary updates. These reviews will take place, at a minimum, anytime there is a legislative change and during an annual review of all policies and procedures. The Voter Registration Manager, in coordination with the Department Director, will provide oversight and approval of any revision made.

Revisions due to legislative changes have historically been followed by training conducted by the State Board of Elections. Regardless, all policy and procedure revisions will result in additional internal training. Training of staff will take place during the standardized meeting schedule recently adopted by the Voter Registration Manager.

| Risk Factor | Criticality | Design | Operation |
|-------------------------|-------------|--------|-----------|
| 2. Human Resources Risk | ● | ● | ● |

Risk Observation

2.1 Staff Training—Although Voter Registration management informally monitors staff training, there is no formal process in place to document that staff has completed required training. Without evidence that all staff has completed necessary training, management cannot ensure that voter registration staff is properly trained on current requirements and practices and are informed of management’s expectations.

Recommendation

2.1 Internal Audit recommends management develop a procedure to document that staff has completed all required training, including the date, topic, and name of each staff person that completed the training. This documentation should be retained for future review.

Management’s Response

2.1 **Risk Mitigation Strategy:** Reduce **Implementation Date:** December 2020

Action Plan: Recently, the NC State Board of Elections modernized their tracking system for trainings completed by local election officials. This system is in the early phases of implementation, and full details of the program have not been released. The Voter Registration Manager will inquire about managerial access to view staff training completions.

Separately, the Voter Registration Manager and Senior Quality and Training staff will create an ongoing training schedule for the full voter registration team, for use both annually and prior to each election. Implementation of the first training cycle will take place leading up to the November 2020 election and will conclude with a post-election debrief.

APPENDIX A—Risk Factor Definitions

| Risk Factor | Definition |
|------------------------------|---|
| Compliance Risk | Failure to comply with established policies, procedures, and/or statutory requirements may result in unacceptable performance that impacts financial, operational, or customer objectives. |
| Documentation Risk | Failure to adequately collect, file, and retain key documentation may result in lack of accountability and/or evidence of inspection information and support. |
| Human Resource Risk | Failure to attract, train, develop, deploy, and/or empower competent personnel may inhibit the organization's ability to execute, manage, and monitor key business activities. |
| Performance Measurement Risk | Failure to have defined metrics and the ability to gather relevant information for measurement purpose may impair management's ability to monitor individual, team, and/or overall business performance. |
| Policies and Procedures Risk | Failure to have formal, documented, clearly stated, and updated policies and procedures may result in poorly executed processes and/or increased operating costs. |
| Process Execution Risk | Failure to consistently execute established, consistent processes may result in unacceptable financial, operational, or other impacts. |
| Segregation of Duties Risk | Failure to adequately segregate duties may allow an employee or group of employees to perpetrate and conceal errors or irregularities without timely detection. |
| System Access Risk | Failure to appropriately restrict access to data or programs may result in unauthorized changes, inappropriate access to restricted or confidential information, or inefficiencies where access is too restrictive. |

APPENDIX B—Color Code Definitions

The criticality of a risk factor represents the level of potential exposure to the organization and/or to the achievement of process-level objectives before consideration of any controls in place (inherent risk).

| Criticality | Significance and Priority of Action |
|---|--|
|  | The inherent risk poses or could pose a significant level of exposure to the organization and/or to the achievement of process level objectives. Therefore, management should take immediate action to address risk observations related to this risk factor. |
|  | The inherent risk poses or could pose a moderate level of exposure to the organization and/or to the achievement of process level objectives. Therefore, management should take prompt action to address risk observations related to this risk factor. |
|  | The inherent risk poses or could pose a minimal level of exposure to the organization and/or to the achievement of process level objectives. Risk observations related to this risk factor, however, may provide opportunities to further reduce the risk to a more desirable level. |

The assessment of the design and operation of key controls indicates Internal Audit’s judgment of the process and system design to mitigate risks to an acceptable level.

| Assessment | Design of Key Controls | Operation of Key Controls |
|---|--|---|
|  | The process and system design do not appear to be adequate to manage the risk to an acceptable level. | The operation of the process’ risk management capabilities is not consistently effective to manage the risk to an acceptable level. |
|  | The process and system design appear to be adequate to manage the risk to an acceptable level. Failure to consistently perform key risk management activities may, however, result in some exposure even if other tasks are completed as designed. | The operation of the process’ risk management capabilities is only partially sufficient to manage the risk to an acceptable level. |
|  | The process and system design appear to be adequate to manage the risk to an acceptable level. | The operation of the process’ risk management capabilities appears to be sufficient to manage the risk to an acceptable level. |

APPENDIX C—Risk Mitigation Strategy Definitions

| Risk Mitigation Strategy | Definition |
|---------------------------------|---|
| Reduce | Risk response where actions are taken to reduce a risk or its consequences. |
| Accept | Risk response where no action is taken to affect the risk. |
| Transfer | Risk response where a portion of the risk is transferred to other parties. |
| Avoid | Risk response to eliminate the risk by avoiding or withdrawing from the activity giving rise to the risk. |