

AUDIT REPORT

Clark County Election Department
Mail-in Balloting Audit - Part 1
July 27, 2022



CLARK COUNTY *Nevada*
Audit Department

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Audit Executive Summary

Mail-in Balloting Audit Part 1

July 2022

Background | Mail balloting is a process where an active registered voter is delivered a paper ballot that can be returned through the mail or designated drop off location. If returned, the ballot is then processed to cast the voter's contest selections.

In 2021, Nevada Legislators passed Assembly Bill 321 (AB 321). The bill requires all county and city clerks to mail each active registered voter a mail ballot before a primary or general election.

The Election Department is preparing for similar volume as the 2020 General Election where 457,186 mailed ballots were returned.

The Election Department needs sufficient policies, procedures, and processes to ensure that AB 321 is implemented in a manner that ensures the integrity of mail ballot voting.

Purpose of Audit | The objectives of this audit were to determine whether:

- Mail-in ballot processes ensure election integrity from beginning to end;
- The Election Department implemented all Assembly Bill 321 requirements; and
- The Election Department established best practices for mail ballot safeguarding and accountability during the ballot lifecycle.

AB 321 became effective 01/01/2022. This will be the first full election cycle handled this way. Because of this, the audit will be performed in two parts. The first part consisted of ensuring established processes align with AB 321 and general best practices. The second part will be performed after at least one election cycle is complete to allow for more detailed testing.

Summary and Key Findings | The Department took swift action to implement all Assembly Bill 321 provisions. This was done despite having to perform various election related tasks, such as administering the 2021 Boulder City municipal election, implementing new voter look-up equipment, recruiting and training poll workers, preparing for Countywide in-person voting, administering candidate filings, and performing equipment maintenance.

Overall, we found that the Election Department has developed mail ballot processes that are in compliance with Assembly Bill 321 provisions. Further, the Department has developed mail ballot safeguarding and accountability processes that are best practice.

If followed, these processes will ensure the integrity of the County's mail-in ballot voting option.

See audit report for full details.

Recommendations | There are no audit findings, therefore there are no recommendations.

For more information about this or other audit reports go to clarkcountynv.gov/audit or call (702) 455-3269.



Clark County Audit Department

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About the Audit Department

The Audit Department is an independent department of Clark County reporting directly to the County Manager. The Audit Department promotes economical, efficient, and effective operations and combats fraud, waste, and abuse by providing management with independent and objective evaluations of operations. The Department also helps keep the public informed about the quality of Clark County Management through audit reports.

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Cover photo by Jeff Scheid



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Background

Mail Balloting is a process where an active registered voter is delivered a paper ballot that can be returned through the mail or designated drop off location. If returned, the ballot is then processed to cast the voter's contest selections. Mail balloting is sometimes referred to as absentee voting. In Nevada, mail voting is governed by Nevada Revised Statutes Chapter 293. Elections are carried out by county clerks or voter registrars with the support of the Secretary of State. Nevada first authorized the use absentee ballots in 1921.

In 2020, in response to the COVID-19 pandemic, every active registered voter in Nevada was mailed a ballot for the primary election. Voters were encouraged to mail the ballots back but did have the option to drop off in-person at limited sites. However, no in-person voting machines were available. For the 2020 general election, a hybrid election was conducted, where every active registered voter was mailed a ballot, but voting centers were available for early in-person voting or in-person voting on Election Day.

Clark County 2020 General Election Turnout

978,183 Total
Ballots Cast

457,186 Mail
Ballots
Returned by
Voters

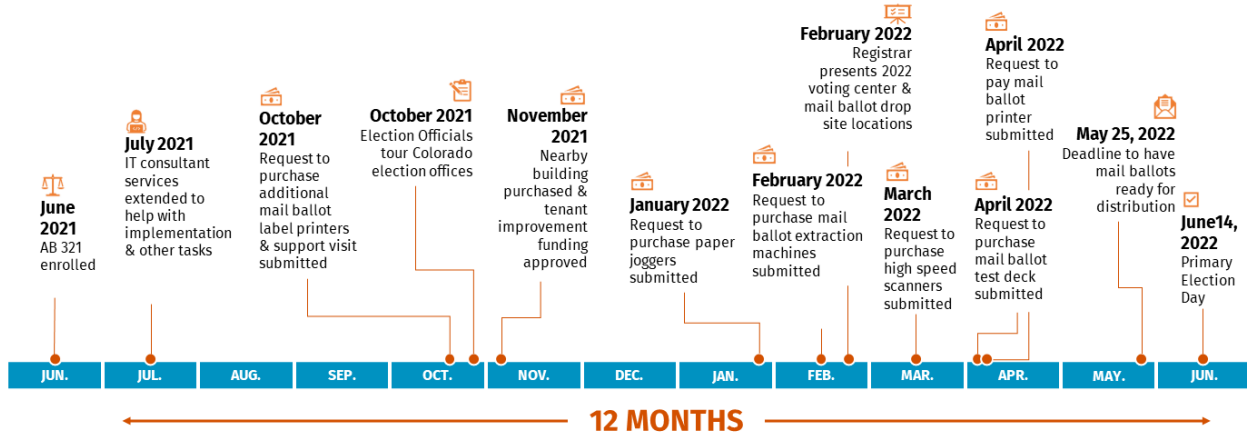
Source: Nevada
Secretary of State

In 2021, Nevada Legislators passed Assembly Bill 321 (AB 321). The bill repealed existing provisions for absentee ballots and now requires all county and city clerks to mail each active registered voter a mail ballot before a primary or general election. The bill established various general mail ballot requirements, including the option for voters to opt-out from receiving a ballot through the mail. The bill also established various mail balloting deadlines - including deadlines to fix signature issues and deadlines for counting ballots after Election Day. AB 321 does not prohibit voters from voting in-person. The Department is anticipating and preparing for a much higher volume of returned mail-in ballots compared to previous election cycles. The passage of AB 321 results in the Department administering two simultaneous elections - one for returned mail ballots and one for in-person voting.

The Department took swift action to implement AB 321 provisions. This was done despite having to perform routine election related services, including: administering the 2021 Boulder City Municipal election, implementing a new voter look-up poll pad, coordinating all Clark County election sites, recruiting and training poll workers, performing equipment maintenance, administering candidate filings and various other responsibilities to prepare for the 2022 election cycle.

Figure 1 below highlights some of the steps taken to implement AB 321.

FIGURE 1. Timeline of Key Steps Taken to Implement AB321



Source: Created by Audit Department staff

Mail Ballot Printing, Delivery and Counting

As of May 16, 2022, there are nearly 1.3 million active registered voters in Clark County. The Department will use a third-party vendor to prepare and deliver mail ballots to these voters. Specifically, the vendor will:

- Print the paper ballots
- Fold the paper ballots
- Print voters’ information on the return envelopes
- Compile election materials (*e.g., voting instructions, poll locations, secrecy sleeve, voter sticker*) and a prepaid return envelope
- Insert all materials into a carrier envelope
- Validate the content
- Seal and tender the ballot package to the post office for delivery

The County’s estimated costs for these services (*for the primary election*) are \$1,745,800 not including postage.

The Election Department works with the vendor to create a voter database file with specific fields in each record. The file identifies the corresponding precinct/district/ballot style for each voter. The Department transmits the file through a secured portal prior to printing. The vendor uses high output printers to print the ballots and ultimately coordinates pick up through the United States Postal Service.

The vendor works closely with the Election Department to provide quality control documentation, proofing of ballots, barcoding and adherence to statutory deadlines. Some of the vendor's equipment is pictured below.

Large Scale High Output Printers are Used by the Mail Ballot Print Vendor | The vendor uses several high output printers to meet the demands of the County. Photo by Runbeck Services



Mail Ballot Print Vendor Validates Ballot Package Prior to Delivery | The vendor uses barcodes to validate whether information printed corresponds to the voter. Photo by Runbeck Services



Once a mail ballot envelope is returned, the Election Department verifies that the signature affixed to the outside of the return envelope matches the voter's record. Signatures are verified electronically and/or manually. Some of the Department's intake equipment is pictured below.

If a voter's signature is not able to be verified, they are notified and allowed to 'cure' the causing issue.

Once the voter's signature is verified, their returned mail ballot envelope is opened, their ballot is extracted, unfolded/flattened, and counted/tabulated.

2020 General Election Signature Cure Data

7,228 Returned Ballots Needing Signature Cure

5,727 Successful Cures (79%)

Source: Nevada Secretary of State

Along each step of the ballot lifecycle the Department performs several counts to confirm all ballots are accounted for and totals agree.

The Department follows specific procedures for duplicating ballots when it is necessary to do so (*i.e., soiled, ripped*) and adjudicates ballots when an error prevents the ballot from being read by the optical scanners (*i.e., erroneous markings, overvoting*).

Sorting Machine is Critical to Processing Large Volume of Returned Ballots in Timely Manner | The Election Department uses special equipment to sort and record when returned mail ballot envelopes are received. Photo by Audit Department Staff



Intake Sorter's Built-in Camera Captures Envelope Signatures & Reads Barcodes | The sorting machine has a built-in camera that captures the signature on the voter's returned mail ballot envelope and reads the barcode to record when ballots are returned. Photo by Audit Department Staff



Ballots Are Now Processed at One Central Location

In 2020, the mail ballot Counting Board duties were performed in an ancillary location due to space constraints. A Counting Board consists of several bi-partisan teams that prepare ballots for tabulation. They also verify ballot counts prior to tabulation.

Having the Counting Board in an outside location required transporting the ballots between the ancillary location and the warehouse. Additional staff time was used to maintain accountability of the ballots during the change of custody. This was an extensive undertaking given the returned mail ballot volume during the 2020 General Election (*457,186 returned ballots*)

Moving forward, the Department has placed the Counting Board in the main election warehouse. This results in one central location for processing all returned mail ballots, including:

- Receipting the returned mail ballot envelopes,
- Verifying the signature on the returned mail ballot envelopes,
- Storing returned mail ballot envelopes,
- Opening returned mail ballot envelopes,
- Prepping the returned mail ballots for scanning; and
- Tabulating returned mail ballots.

Centralized processing was made possible by the County's acquisition of a nearby commercial property, and the Board of County Commissioner's approval to fund \$700,000 in tenant improvements. This allowed the Department to free up space at the warehouse by moving their training and recruitment services divisions to the newly acquired space (*which was rehabilitated to accommodate staff/visitors*). The additional space was also remodeled/reconfigured to better accommodate mail ballot processing.

New Equipment Increases Efficiency

The Department has purchased new equipment to improve and enhance mail ballot operations. Details are as follows:

Rapid Envelope Extraction Desks

The Department purchased 15 envelope opening stations for a total cost \$574,575. An envelope opening station is a machine that cuts and opens envelopes to allow for easier content removal.

This equipment will jog and shift the envelope contents away from the cutting mechanism while only using a small cut depth. These two features reduce the risk of accidental damage to ballots. The equipment also features a thickness detector to ensure no ballots are left inside envelopes.

Automatic Envelope Opener and Contents Extractor Desk

| This machine assists operators in removing ballots from envelopes in an efficient manner. Photo by Opex



After extraction, ballots and envelopes remain separated to preserve voter anonymity. These extractors provide value when processing a large volume of returned mail ballots.

High Speed Optical Paper Ballot Scanners

The Department purchased four free standing high capacity mail ballot scanners along with the corresponding workstations and software for a total cost of \$822,000 (*additional \$128,000 in annual fees*).

These scanners perform high-speed centralized scanning and counting of returned mail ballots during tabulation. The machine has dual input trays for continuous scanning up to 300 images per minute according to manufacturer's specifications. The Department was previously using slower, consumer grade mid-level scanners.

The new scanners will result in faster processing while integrating with the existing election management system.

The previous scanners will now be used for counting and imprinting ballots as one part of post election risk-limiting auditing procedures that are required prior to the certification of election results.

High Speed Optical Ballot Scanners | These free standing high-capacity, high-speed scanners process a large volume of paper ballots. They integrate with the election management system. Photo by Interscan



High Speed Scanners Shorten Processing Time

High-Capacity Paper Joggers

The Department used \$26,500 in grant funding to purchase 12 free standing high capacity paper joggers.

Paper joggers apply air and vibrations to large paper stacks to improve processing. The air and vibration align the ballots, reduce static and reduce the risk of ballots sticking to one another. The model purchased by the department has a 940 sheet capacity.

Ballots are fed through the jogger prior to imprinting and counting at the Counting Board phase. Aligning the ballots prevents jams that can slow down processing.

Paper Joggers Are Used to Reduce Paper Jams During Processing | This machine blasts a small amount of air applies vibration to paper stacks. This reduces risk of ballots sticking together and helps with scanning/counting

Photo by Formax



Ballots are Fed in Bulk to For Alignment and Static Reduction

Mail Ballot Tray Tag Printers

The Department's mail ballot intake sorting machine prints labels that are affixed to paper trays as part of the ballot intake procedures. These labels are important to identify ballot batches and maintain accountability over the ballots.

Scope and Objectives

The Department purchased two additional tray tag printers for \$6,586 to maintain the recommended number of printers per envelope drop pocket. This ensures optimal workflow during mail ballot intake/sorting by expanding the number of available printers and reducing the workload per printer.

The objectives of this audit were to:

- Determine whether the Department's mail-in ballot processes ensure election integrity from beginning to end;
- Determine whether the Election Department has implemented all the Assembly Bill 321 requirements; and
- Whether the Department has established best practices for mail ballot safeguarding, and accountability during the ballot lifecycle.

AB 321 became effective January 1, 2022. A full election cycle has not yet occurred under the statutory requirements. Because of this, the audit will be performed in two parts.

The first part will consist of ensuring established processes align with AB 321 and general best practices. The second part will be performed after at least one election cycle has occurred to allow for more detailed testing.

Our procedures considered operational processes in place as of March 29, 2022. The last day of fieldwork was May 19, 2022. This audit was performed at the request of the Audit Committee.

Methodology

To accomplish our objectives, we conducted a preliminary survey that included reviewing statutory requirements and generally accepted best practices published by United States Election Assistance Commission. We also interviewed staff and performed walkthrough observations of operational areas.

Based on the risks identified during our preliminary survey, we developed an audit program and then performed following procedures

- Confirmed that the Department established written policies and procedures covering the main functions of main ballot processing.
- Confirmed through inquiry, observation, review of financial records, and/or review of written procedures, policies, and

- forms that the Department has established processes that are in accordance with AB 321, including:
- A process wherein every active registered voter in Clark County is delivered a paper ballot through the mail within the required timeframe. Also, that the packet contains all the required supplemental documents.
 - A process to record the date the mail ballot is issued, the number of the ballot and specific voter information prior to sending the ballot packet for delivery.
 - A process wherein a mail ballot drop box of adequate strength is placed at every polling place location and made available during voting hours.
 - A process in which returned mail ballots are only accepted up to the statutorily required time frame.
 - A process to check the signature on a returned ballot envelope against all the Department's available signatures for the voter.
 - A process to contact and notify voters of signature issues and provide opportunities to remediate those issues no later than the statutory deadline.
 - A process to establish a bi-partisan mail ballot counting board that performs the statutorily required procedures.
 - A process to ensure each mail ballot is kept secret and results are reported in accordance with statutory requirements.
 - A process to provide staff, whose duties include administering an election, a training class on forensic signature verification.
 - A process to test the accuracy of the electronic signature verifying equipment prior to an election.
 - A process wherein a bi-partisan team performs and records daily audits of the electronic signature verifying equipment.
- Confirmed through inquiry, observation, review of financial records, and/or review of written procedures, policies, and forms that the Department has established the following mail ballot physical security standards:
 - Drop boxes are secured, attended, and always locked.
 - Access to drop box keys is reserved for appropriate personnel.
 - Drop boxes are emptied daily.
 - Drop boxes are sealed with tamper evident seals.
 - Dropped off ballots are not left inside the boxes overnight.
 - Confirmed through inquiry, observation, review of financial records and/or review of written procedures, policies, and

- forms that the Department has established the following security standards for the ballot processing center:
- Security and/or law enforcement presence on Election Day and when ballots are being processed.
 - Procedures for handling security threats.
 - Restricted access to areas where ballots are processed.
 - Logging of visitor information.
 - Parameter monitoring system and motion detection alarm system.
- Confirmed through inquiry, observation, review of financial records, review of public records and/or review of written procedures, policies, and forms that the Department has established the following standards for safeguarding ballots:
 - Use of at least two officials when picking up returned mail ballot envelopes.
 - Use of mail ballot count and custody forms that evidence counts and involved individuals at each change of custody and/or movement in the ballot lifecycle.
 - Inspection of ballot drop boxes to ensure contents are emptied.
 - Date and time stamping of returned mail ballot envelopes.
 - Updating/referencing voter records upon intake of returned mail ballot envelope.
 - Grouping ballots into reasonable batch sizes during processing and usage of ballot tracking forms.
 - Removing ballots from secrecy sleeve and/or carrier envelopes in a way that guards voter's identity.
 - Ballot adjudication performed under supervision.
 - Ballots kept in secured storage after tabulation.
 - Use of a color-coding system to identify returned mail ballot envelopes that are ready for processing.
 - General supervision of staff that are processing ballots at each stage of the ballot lifecycle.
 - A tiered mail ballot signature review system.
 - Confirmed through inquiry, observation review of financial records, and/or review of written procedures, policies, and forms that the Department has:
 - Prepared and made available adequate materials to educate voters on mail ballot procedures and critical deadlines.
 - Developed a satisfactory chain of custody of process designed to account for all returned mail ballots.

- Selected a vendor that has demonstrated the capability to print and deliver large quantities of ballots in an effective manner.
 - Developed a contingency plan should the selected vendor not be able to perform contracted duties.
- Developed a process to verify that printed mail ballots are satisfactory and able to be processed by the election management system.
- Analyzed staffing needs to ensure adequate coverage for mail ballot processing.
- Developed process to track returned mail ballot envelopes that need signature curing.
- Developed a periodic voter list maintenance process.
- Developed business continuity plans in the event of a power outage or interruption to operations.
- Performed maintenance on their mail ballot sorting and electronic signature verification machine.
- Developed a process to manage ballots that are returned as undeliverable.
- Selected a ballot sorting machine that does not connect to the internet.

Transaction sampling was not used for this audit.

Our review included an assessment of internal controls in the audited areas. Any significant findings related to internal control are included in the detailed results.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those 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. Our department is independent per the GAGAS requirements for internal auditors.

Conclusions

We found that the Election Department developed mail ballot processes that are in compliance with Assembly Bill 321. Further the Department has developed ballot safeguarding and accountability processes that reflect industry best practices. If followed, these processes should ensure the integrity of the County's mail-in ballot voting option.