



U.S. ELECTION ASSISTANCE COMMISSION
 1225 New York Ave. NW – Suite 1100
 Washington, DC 20005

U.S. Election Assistance Commission (EAC)
Funding Advisory Opinion
FAO-09-009

Date Issued: October 09, 2009

Requestor: Washington Office of the Secretary of State on behalf of Whitman County, Washington (AOR-09-015)

Question: May Whitman County, Washington (County) use \$360,000 of Help America Vote Act (HAVA) funds to finance a portion of the costs to remodel office space to be used as an elections and voter registration processing center?

Answer: EAC finds that HAVA section 251(b)(2)(B) funds may be used to improve the office space used by the County to secure, process and store ballots.

Discussion: The Office of Management and Budget (OMB) Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, requires EAC to consider three factors when determining whether or not to approve a request by a grantee to use Federal funds. The cost must be (1) allowable; (2) allocable; and (3) reasonable. Here, the County is requesting a grant to remodel an existing office space owned by the County for use by the Elections/Voter Registration Section. The remodeled space will be used to "...prepare and receive ballots, secure both ballots and envelopes during processing, to tabulate ballots, and provide long-term storage for them, while allowing political party observation as required by State Law..." The space will also be used as an Americans with Disabilities Act (ADA) accessible voter registration center, a ballot drop off point and accessible voting center, complete with HAVA required Accessible Voting Units . . ." Currently, the County has four separate election processing centers which are not completely secure. The total estimated cost of the renovation is \$1,067,007. The County is providing over \$700,000 of the total cost of the project and is seeking the approval of the use of HAVA funds in the amount of \$360,000 to complete the project. Total estimated costs include costs for remodeling approximately 2,000 square feet of interior space; rehabilitating an exterior wall; building a new roof; and purchasing furniture, equipment, and fixtures.

A cost is allowable if it meets the criteria for authorized expenditures specified in the applicable statute. The renovation of an existing office space to create a facility that will be used to secure, count and store election ballots as well as serve as an accessible voter registration center is an allowable expense under section 251(b)(2)(B) of HAVA.¹

A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. OMB Circular A-87, attachment C, subsection 3(a). The benefits received from the

¹ The State has filed the appropriate certification with the EAC, pursuant to Section 251(b)(2) of HAVA.



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renovation of the office space must be directly related to the purpose of the expenditure to be fully allocated to HAVA funding. Here, the County plans to use the renovated office space for the benefit of local, state and federal elections. Thus, the County is paying for approximately 70% of the total cost to complete the project and is requesting to use section 251(b)(2)(B) funds for the remaining 30% of the total cost.

A cost is reasonable if “...in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost”. OMB Circular A-87, section C, subsection 2. The County stated that there were no reasonable or cost effective alternatives available because commercial space to lease or rent was either not available or located too far away to improve the elections process. However, the County did consider other spaces owned by the County but none were comparable to the chosen space in terms of ground level accessibility, parking, proximity to other county services, or renovation costs.

Therefore, EAC concludes that the County has provided sufficient information to show the use of section 251(b)(2)(B) funds to finance a portion of the costs to remodel the office space to be used as an elections and voter registration processing center is an allowable, allocable, and reasonable expense under section 251(b)(2)(B) to improve the administration of Federal elections.² EAC also notes that it is within the State’s discretion to make a determination that limits the amount of funds local jurisdictions spend on items allowable under HAVA funds and that it is at the State’s discretion to allow or not allow the purchase of items pre-approved through EAC’s Advisory Opinion process.

² This determination is aligned with the policy established by the EAC in its *Frequently Asked Questions (FAQs) Regarding Appropriate Use of Help America Vote Act Funds* in questions 18 and 21 (Rev. Oct. ‘06), which discuss improvements to buildings to store voting equipment. The FAQs can be found at: www.eac.gov/election/hava-reporting. EAC also notes that it is within the State’s discretion to limit how subgrant funds to counties or other local units of government are used.