The State of Texas

ORIGINAL

Elections Division
P.O. Box 12060
Austin, Texas 78711-2060
www.sos.state.tx.us

Phone: 512-463-5650
Fax: 512-475-2811
Dial 7-1-1 For Relay Services
(800) 252-VOTE (8683)

Roger Williams
Secretary of State

February 28, 2006

State HAVA Funding Reports
U.S. Election Assistance Commission
1225 New York Avenue, NW – Suite 1100
Washington, DC 20005

RE: Help America Vote Act ("HAVA") Title I, Sections 101 and 102 Financial Activity Report for January 1, 2005 thru December 31, 2005

The purpose of this letter is to report on the Texas HAVA Title I, Sections 101 and 102 financial activities for the time period covering January 1, 2005 thru December 31, 2005 as requested by the U.S. Election Assistance Commission. Specifically, this report will list expenditures by program, function, or task (including dollar amount) made with respect to each category of activities described for the permissible use of funds in HAVA sections 101(b) and 102(a)(2); including the following:

- the number and type of articles of voting equipment obtained with the funds; and
- an analysis and description of:
  - the activities funded to meet HAVA requirements; and
  - how such activities conform to the submitted state plan.

The federal 269 reports for Sections 101 and 102 are attached to this report.

Each of the Title I funded activities outlined in the Texas HAVA State Plan filed with the EAC corresponds to a subtitle below, which includes the budgeted amount for that purpose, the 2005 expenditures, and a description of the activities carried out in 2005.

Punch Card and Lever Replacement
Budget $6,269,521 - 2005 Expenditures $4,174,348

The SOS dispersed $4,174,348 to counties that used punch card or lever voting systems during the 2000 federal election. The funding acquired 1633 DREs – 1537 of which are accessible to individuals with the full range of disabilities while 96 are DREs without the accessible upgrades. It is anticipated that the balance will be drawn down in early 2006.

Preliminary Planning For Statewide Voter Registration System
Budget $465,836 - 2005 Expenditures $0

As reported in 2004, this category is no longer relevant because the SOS is past the preliminary planning phase of the implementation of the HAVA-compliant voter registration system (Texas

Election Administration Management "TEAM" System). The balance of $359,859 will be used to offset implementation or administrative costs.

State Plan Administration
Budget $3,726,690 - 2005 Expenditures $362,461

The SOS expended $362,461 in 2005 for administrative expenses. This included staffing costs for a grant manager, grant accountant, grant monitor, voting system security expert, and a contract employee to assist with the implementation of TEAM as well as help administer the grant funding to the counties; minimal travel costs; the ongoing development and maintenance of an online grant system through an outside vendor; and indirect costs.

Voter Education
Budget $2,795,017 - 2005 Expenditures $0

A request for proposal to develop a voter education program was posted by the SOS in 2005. The contract was awarded in late 2005; however, no funds were expended. It is anticipated that the full budgeted amount will be expended in 2006.

Election Official and Poll Worker Training
Budget $2,795,017 - 2005 Expenditures $0

The SOS began drafting a request for proposal in 2005 for an online training program; however, it was not posted until 2006. Because an award has not been made, projected expenditures for 2006 cannot be made at this time.

County Compatibility with New Statewide Voter Registration System
Budget $5,590,035 - 2005 Expenditures $0

Texas implementation of the computerized statewide voter registration list (TEAM) will occur in two steps. Full implementation of TEAM will not occur until summer 2006; however, the state was able to completely comply with the Section 303(a) of HAVA effective January 1, 2006. The county compatibility funding will be expended as part of the full implementation. Accordingly, no expenditures were incurred in 2005.

County Education Fund
Budget $1,834,000 - 2005 Expenditures $146,364

The SOS reimbursed counties $146,364 in 2005 for election officials to attend professional training events. Additional expenditures will be incurred in 2006 for county election officials to attend conferences and seminars as well as costs for county election officials to attend training on the full implementation of the new TEAM system.

If you have additional questions, please do not hesitate to contact my office.

Sincerely,

Ann McGeehan

FILE COPY

FINANCIAL STATUS REPORT
(Long Form)
(Follow instructions on the back)

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 CFDA #39.011 - Section 101 of HAVA Title I	OMB Approval No. 0348-0039	Page 1 Of 1 page

3. Recipient Organization (Name and complete address, including ZIP code)
Texas Secretary of State, Financial Management, PO Box 12887, Austin, Texas 78711-2887

4. Employer Identification Number [redacted]	5. Recipient Account Number or Identifying Number [redacted]	6. Final Report Yes (No)	7. Basis (Cash) Accrual
8. Funding/Grant Period *(See instructions)* From: (Month, Day, Year) 5/1/2003	To: (Month, Day, Year)	9. Period Covered by this Report From: (Month, Day, Year) 1/1/2005	To: (Month, Day, Year) 12/31/2005

10. Transactions:	I Previously Reported	II This Period	III Cumulative
a. Total outlays	332,425.52	508,825.81	841,251.33
b. Refunds, rebates, etc.			0.00
c. Program income used in accordance with the deduction alternative			0.00
d. Net outlays *(Line a, less the sum of lines b and c)*	332,425.52	508,825.81	841,251.33
Recipient's share of net outlays, consisting of:			
e. Third party (in-kind) contributions			0.00
f. Other Federal awards authorized to be used to match this award			0.00
g. Program income used in accordance with the matching or cost sharing alternative			0.00
h. All other recipient outlays not shown on lines e, f or g			0.00
i. Total recipient share of net outlays *(Sum of lines, e, f, g and h)*	0.00	0.00	0.00
j. Federal share of net outlays (line d less line i)	332,425.52	508,825.81	841,251.33
k. Total unliquidated obligations			3,215,528.13
l. Recipient's share of unliquidated obligations			
m. Federal share of unliquidated obligations			3,215,528.13
n. Total federal share (sum of lines j and m)			4,056,779.46
o. Total federal funds authorized for this funding period			16,829,405.29
p. Unobligated balance of federal funds *(Line o minus line n)*			12,772,625.83
Program income, consisting of:			
q. Disbursed program income shown on lines c and/or g above			
r. Disbursed program income using the addition alternative			
s. Undisbursed program income			520,832.34
t. Total program income realized *(Sum of lines q, r and s)*			520,832.34

11. Indirect Expense	a. Type of Rate *(Place "X" in appropriate box)*			
	X Provisional	Predetermined	Final	Fixed
	b. Rate 49.768%	c. Base 362,901.06	d. Total Amount 180,608.60	e. Federal Share 180,608.60

12. *Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:*

13. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.

Typed or Printed Name and Title Donald Archer, Director Financial Management	Telephone (Area code, number and extension) 512/463-5594
Signature of Authorized Certifying Official Donald L Archer	Date Report Submitted 2-14-06