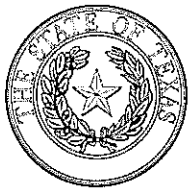
The State of Texas

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



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Roger Williams
Secretary of State

March 29, 2007

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 II, Section 251 Financial Activity Report for October 1, 2005 thru September 30, 2006

To Whom It May Concern:

The purpose of this letter is to report on the Texas HAVA Title II, Section 251 financial activity for the time period covering October 1, 2005 through September 30, 2006 as required by the U.S. Election Assistance Commission. Specifically, this report will include a list of expenditures made with respect to each category of activities described for the use of funds in HAVA Section 251; 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 Report for Section 251 for the same report period is attached as well.

Secretary of State (SOS) HAVA State Plan Administration

All of the State Plan Administration costs have been expended out of Title I, Section 101 funds. As those funds are depleted, Title II, Section 251 funds will be utilized.

Voter Education, Election Official and Poll Worker Training

The SOS contracted with a company to conduct voter education and outreach. The SOS utilized Title I, Section 101 and Title II, Section 251 funds - $1,055,949 was expended out of Title II. The services included the creation of a website (http://www.votexas.org/). The website includes information on how to register; polling locations; FAQs; and interactive features on how to use the electronics voting equipment. The services also included a leased tour bus to travel the state and demonstrate the electronic voting equipment, which complimented numerous events planned around the state.

Statewide Voter Registration System

In October 2004, the Secretary of State signed a contract with IBM to implement a HAVA-compliant voter registration database that centers on a product by Hart InterCivic called eRegistry. The SOS formed a project steering committee and named the system Texas Elections Administration Management (TEAM).

In November 2004, the project was formally kicked off with IBM after the November elections were completed. During FY 2006, the following milestones were achieved:

- Developed **TEAM** release roadmap based on Hart's eRegistry COTS product roadmap versions.
- Restructured joint project schedule around Hart's COTS Product Roadmap to mid-2006 initial **TEAM** release.
- Continued external communications campaign to counties with mass mailouts of file formats and specs for data conversion, and to the public with an enhanced **TEAM** public website (http://www.sos.state.tx.us/elections/team).
- Completed Texas customizations of Roles and Responsibilities as part of Configuration of Hart's COTS for Texas specific features.
- Finalized Memorandum of Understanding with Texas Dept of Public Safety on Driver License and Social Security Number verification.
- Received, installed, and completed functional validation testing on Hart's product releases installed at SOS (v2.2.3, v2.4, v2.4.2, v2.4.3, v2.4.4, v2.4.5, v2.4.6, v2.4.8, v2.5.
- Completed TVRS (SOS legacy system) Bridge sub-project using DPS/SSA 2-way interface to permit SOS HAVA compliance until **TEAM** Release 1 is deployed.
- Operated TVRS Bridge using DPS/SSA 2-way interface to achieve SOS HAVA compliance until **TEAM** Release 1 is deployed.
- Constructed internal website for improved intra-team project communications.
- Celebrated Texas' compliance to HAVA 2002 basic requirements with team celebration at the January Project All-Hands Meeting, recognizing this important milestone for the project and the state.
- Prepared IT environments for testing and production deployments.
- Authorized movement into integration and system testing for statewide deployment.
- Identified county pilots and schedule and facilities for mass training prior to deployment.
- Converted 51 more counties to TVRS online in anticipation of **TEAM** conversion. Cleansed and converted existing county data for each conversion.
- Prepared and performed Interface and application Integration Testing prior to System Testing.
- Performed Data Migration First Load using some county-supplied test data from 10 of 34 expected offline counties, and 212 online counties (from TVRS).
- Completed Texas Online interface changes for **TEAM**.
- Completed testing of Texas Online interface changes for **TEAM**.
- Performed Phase 1 of full System Testing.
- Performed Data Migration Test Loads using 9M records of county-supplied data.
- Created user registration web page for counties to sign up for user training sessions in May and June.
- Completed user training sessions for 417 county personnel at New Horizons training facilities in Austin, TX.

- Received and installed Hart's eRegistry maintenance application release.
- Performed 2nd Data Migration Test Loads using ~12M county-supplied records.
- Completed development and testing of public portal website pages implementation to support November 2006 election.
- Conducted Pilot and VR staff training in Austin at Hart's facilities.
- Performed special Data Migration Test Loads for Pilot use using county-supplied records.
- Performed full Data Migration Test Loads using county-supplied records.
- Cleansed the state-level migration database, and tuned the conversion process.
- Completed offline-county Pilot on production system at SOS.
- Completed Preliminary User Acceptance Testing on production system at SOS facilities using some converted county data.
- Presented **TEAM** Election Management user training for County Clerks and Elections Administrators at July's 24th Annual Election Law Seminar for County Clerks/Elections Administrators in Austin for ~175 county users from ~100 counties.
- Presented **TEAM** system to ~100 users at a special Offline County Workshop in Austin, TX on Sept 13, 2006.
- Performed Steady State Alpha Test, User Acceptance Test, offline county Pilot, and Public Voter Website test prior to Nov 2006 Elections.
- Delayed planned June 2006 deployment because the database resulting from aggregated data migration was unacceptable (>100,000 records needing county attention to correct).
- Postponed Steady State User Acceptance Testing on Production system environment at SOS, pending better data migration results, another maintenance release of eRegistry correcting more defects, an SOS hardware & software platform upgrade for performance improvements, and PCR063 for a new deployment target (after Nov 2006 Election, per Sec. Williams).
- Performed Performance Tests and Performance Tuning on the production system, which indicated that some functions should be separated on the production system to achieve acceptable performance.
- Ordered and installed an additional CPU and SCSI card upgrade for the existing servers, and added 3 new servers (about $174K) for installation before the Nov 2006 election.
- Completed software evaluation and installation of SharePlex replacement for Oracle Streams to support Advanced reports from Data Warehouse.
- Published **TEAM** ***Times*** newsletters for county-wide distribution and cultural change management.
- Completed PCR063 to Realign Workplan with new Deployment target after November 2006 Election, avoiding contract breach.
- Conducted Steady State Alpha Test and open county Beta period for counties, to test performance characteristics and effectiveness of performance improvement plan.
- Performed Data Migration load trial prior to November Elections to support the Public Voter Website.

The state expended a total of $4,762,480 on the TEAM project in FY 2006 for the following:

IBM	$2,916,855
eRegistry	$975,000

Hardware/Software and Maintenance	$471,026
Administrative Expenses (Includes project manager, project assistant, telephone charges for vendor project staff, etc.)	$399,600

Accessible Voting System in Every Polling Place / Grant Funding to Counties for HAVA (Title III) Compliance

In the original 2003 State Plan, Texas created two budget items for the counties to acquire a HAVA-compliant voting system: Voting System Accessibility and General HAVA Compliance. Using statistics from the 2000 federal election, one was based on the number of precincts and one was based on voting age population. Because the FY 2003 allotment of funding would not cover all of the county's costs to purchase an accessible voting system in each polling location, including the additional equipment, software, and other services needed to implement a HAVA-compliant voting system, Texas amended the State Plan in 2005 and allocated a large portion of the FY 2004 appropriation for the acquisition of the voting systems. The state added the two amounts already awarded to the counties and increased the total by 200 percent. The net amount was added to the original General HAVA Compliance allotment awarded to each county.

During FY 2006, the state expended $90,697,477 for the acquisition of HAVA-compliant voting systems through grant award agreements with the counties. Roughly 28,200 electronics voting devices were purchased and approximately 8,400 of those devices are accessible to individuals with the full range of disabilities. The funding also paid for additional equipment, supplies, software, and contractual services, such as election worker training, needed to help implement HAVA-compliant voting systems.

County Compatibility with New Statewide Voter Registration System

As with the "SOS HAVA State Plan Administration" purpose areas, the "County Compatibility with New Statewide Voter Registration System" purpose area was already budgeted under Title I, Section 101 funds in the original 2003 State Plan but was augmented in the amended 2005 State Plan using the FY 2004 appropriated funds. Again, the Title I money will be expended first.

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

Sincerely,

Ann McGeehan
Director of Elections

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

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Federal Grant or Other Identifying Number Assigned by Federal Agency	OMB Approval No. 0348-0039	Page 1 Of 1 page
U.S. Election Assistance Commission	CFDA # 90.401 - Section 251 of HAVA Title II		

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	5. Recipient Account Number or Identifying Number	6. Final Report	7. Basis
[redacted]	[redacted]	Yes (No)	Cash (Accrual)

8. Funding/Grant Period *(See instructions)* From: (Month, Day, Year)	To: (Month, Day, Year)	9. Period Covered by this Report From: (Month, Day, Year)	To: (Month, Day, Year)
6/14/2004	Until Disbursed	10/1/2005	9/30/2006

10. Transactions:	I Previously Reported	II This Period	III Cumulative
a. Total outlays	25,305,870.42	96,517,068.89	121,822,939.31
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)*	25,305,870.42	96,517,068.89	121,822,939.31
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	1,265,251.78	4,826,958.55	6,092,210.33
i. Total recipient share of net outlays *(Sum of lines, e, f, g and h)*	1,265,251.78	4,826,958.55	6,092,210.33
j. Federal share of net outlays (line d less line i)	24,040,618.64	91,690,110.34	115,730,728.98
k. Total unliquidated obligations			331,867.15
l. Recipient's share of unliquidated obligations			16,593.36
m. Federal share of unliquidated obligations			315,273.79
n. Total federal share (sum of lines j and m)			116,046,002.77
o. Total federal funds authorized for this funding period			167,459,009.44
p. Unobligated balance of federal funds *(Line o minus line n)*			51,413,006.67
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			
t. Total program income realized *(Sum of lines q, r and s)*			0.00

11. Indirect Expense	a. Type of Rate *(Place "X" in appropriate box)* Provisional	Predetermined	Final	Fixed
	b. Rate	c. Base	d. Total Amount 0.00	e. Federal Share

12. *Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:* $4,383,408.17 interest earned in FY 2006, earned interest on State Match was $220,185.36 in FY 2006

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	Telephone (Area code, number and extension)
Donald Archer, Director Financial Management	512/463-5594
Signature of Authorized Certifying Official	Date Report Submitted
Donald L Archer	3-14-07