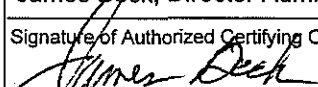


ORIGINAL

## FINANCIAL STATUS REPORT

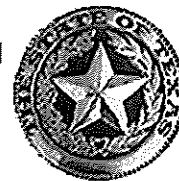
(Long Form)

(Follow instructions on the back)

1. Federal Agency and Organizational Element to Which Report is Submitted General Services Administration		2. Federal Grant or Other Identifying Number Assigned By Federal Agency CFDA #39.011 - Sect 101, Title 1, Public Law 107-252 HAVA		OMB Approval No. 0348-0039	Page of 1 2 pages
3. Recipient Organization (Name and complete address, including ZIP code) Texas Secretary of State, Administrative Services Division, PO Box 12887, Austin, TX 78711-2887					
4. Employer Identification Number 74-6000143		5. Recipient Account Number or Identifying Number Program Code 5704		6. Final Report <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
7. Basis <input checked="" type="checkbox"/> Cash <input type="checkbox"/> 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) 5/1/2003	
		To: (Month, Day, Year) 12/31/2003			
10. Transactions:		I Previously Reported	I This Period	III Cumulative	
(a) Total outlays		0.00	24,526.07	24,526.07	
b. Refunds, rebates, etc.		0.00	0.00	0.00	
c. Program income used in accordance with the deduction alternative		0.00	133,794.50	133,794.50	
d. Net outlays (Line a, less the sum of lines b and c)		0.00	-109,268.43	-109,268.43	
Recipient's share of net outlays, consisting of:					
e. Third party (in-kind) contributions		0.00	0.00	0.00	
f. Other Federal awards authorized to be used to match this award		0.00	0.00	0.00	
g. Program income used in accordance with the matching or cost sharing alternative		0.00	0.00	0.00	
h. All other recipient outlays not shown on lines e, f or g		0.00	0.00	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)		0.00	-109,268.43	-109,268.43	
(k) Total unliquidated obligations				4,550.00	
(l) Recipient's share of unliquidated obligations				0.00	
(m) Federal share of unliquidated obligations				4,550.00	
(n) Total Federal share (sum of lines j and m)				-104,718.43	
(o) Total Federal funds authorized for this funding period				17,206,595.00	
(p) Unobligated balance of Federal funds (Line o minus line n)				17,311,313.43	
Program income, consisting of:					
q. Disbursed program income shown on lines c and/or g above				0.00	
r. Disbursed program income using the deduction alternative				0.00	
s. Undisbursed program income				133,794.50	
t. Total program income realized (Sum of lines q, r and s)				133,794.50	
11. Indirect Expense		a. Type of Rate (Place in appropriate box) <input type="checkbox"/> Proportional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed			
		b. Rate	c. Base	d. Total Amount	e. Federal Share
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 purposes set forth in the award documents.					
Typed or Printed Name and Title James Beck, Director Administrative Services Division			Telephone (Area code, number and extension) (512) 463-5593		
Signature of Authorized Certifying Official 			Date Report Submitted January 20, 2004		

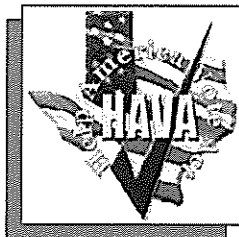
# HELP AMERICA VOTE ACT

*Texas Secretary of State*



## IMPLEMENTATION BRIEFING

LAST UPDATED - APRIL 20, 2004



### TEXAS HAVA STATE PLAN

In October of 2002, the Help America Vote Act (HAVA) was signed into law, which created many new election-related mandates for state and local governments as well as funding opportunities. One of the requirements includes the development of a plan outlining the state's HAVA implementation strategy. The Secretary of State's Office (SOS) established a HAVA Advisory Committee comprised of a diverse group of state and local government officials, advocacy groups, and party representatives to assist the SOS in developing the state plan. Specifically, the committee identified areas where Texas is not currently compliant with HAVA and to pinpoint funding priorities within the eligible purpose areas defined in HAVA.

### GRANT SYSTEM DEVELOPMENT STATUS

The SOS is currently developing an online grant application and management system. This system is essential for the SOS to establish an infrastructure and the necessary controls to effectively manage the HAVA funds and to accurately report the necessary programmatic and financial information to the federal government.

The grant system will be online and will serve as a one-stop resource whereby organizations can find information about the grant programs, apply for grants, access the terms of the grant, request

funds, and report expenditures and program progress.

### FUNDING STREAMS

The HAVA funding administered by the Secretary of State's Office is divided into four funding streams as outlined below:

- Title I, Section 101 - Election Administration Improvement (CFDA No. 39.011)
- Title I, Section 102 - Punch Card and Lever Voting System Replacement (CFDA No. 39.011)
- Title II, Section 251 - Requirements Payments (CFDA No. TBA)
- Title II, Section 261 - Election Assistance for Individuals with Disabilities (EAID) Improvement (CFDA No. 93.617)

### PURPOSE AREAS & BUDGET BY FUNDING STREAM

Per the state plan, approximately 30% of the HAVA funds will be retained at the state level with the remainder being sub-awarded. The Help America Vote Act (HAVA) Funding Breakdown table on the following page outlines the purpose areas by funding stream and includes the totals to be sub-awarded along with the amounts to remain at the state level.

### TIMELINE FOR GRANT FUND AVAILABILITY

#### April

- Title I - Punch Card and Lever Voting System Replacement for the 17 Eligible Counties

#### May-June

- Title I - Election Administration Improvement
- Title II - Requirements Payments (contingent on THE SOS

receiving the award from the newly-formed Election Assistance Commission)

- Title II - Election Assistance for Individuals with Disabilities (EAID) Improvement

### STATEWIDE VOTER

#### REGISTRATION SYSTEM

HAVA requires the state to implement, in a uniform and nondiscriminatory manner, a single, official, centralized, interactive, and computerized statewide voter registration list. The list is to be defined, maintained, and administered at the state level and will contain the name and registration information for every legally registered voter in the state.

The state is on schedule for securing a HAVA compliant statewide voter registration system prior to the January 1, 2006 deadline. In the fall of 2003 a business analyst was hired to assist the state in developing the business rules for the new system. The HAVA consultant obtained information on available technological advances by reviewing vendors and voter registration systems throughout the country. The Secretary of State's Office hosted a mandatory bidders conference for any vendor wishing to bid on the project in November 2003. A request for offer (RFO) was published in late November detailing the requirements for the system. The state addressed and published all questions received pertaining to the RFO by the first week in December of 2003. The state received a total of ten written proposals that passed all requirements.

## Help America Vote Act (HAVA) Funding Breakdown

	<u>State</u>	<u>Sub-award</u>
<b>Title I, Section 101 - Election Administration Improvement</b>		
Preliminary Planning for Statewide Voter Registration System	\$465,043	\$0
State Plan Administration	\$3,720,345	\$0
Voter Education	\$2,790,259	\$0
Election Official and Poll Worker Training	\$2,790,259	\$0
Statewide Voter Registration System	\$5,580,517	\$0
County Education Fund	\$0	\$1,860,172
<b>Total:</b>	<b>\$15,346,423</b>	<b>\$1,860,172</b>
<b>Title I, Section 102 - Punch Card and Lever Voting System Replacement *</b>		
Punch Card and Lever Replacement	\$0	\$6,269,521
<b>Total:</b>	<b>\$0</b>	<b>\$6,269,521</b>
<b>Title II, Section 257 - Requirements Payments</b>		
Free Access System for Provisional Voters	\$1,000,000	\$0
Statewide Voter Registration System	\$8,607,904	\$0
County Voter Registration Election Management Systems	\$0	\$5,580,517
Accessible Voting System in All Polling Places	\$0	\$25,500,000
Grant Funding to Counties for HAVA Compliance	\$0	\$20,000,000
<b>95% Federal</b>	<b>\$9,127,509</b>	<b>\$48,526,491</b>
<b>5% State</b>	<b>\$480,395</b>	<b>\$2,554,026</b>
<b>Total:</b>	<b>\$9,607,904</b>	<b>\$51,080,517</b>
<b>Title II, Section 264 - Election Assistance for Individuals with Disabilities</b>		
Training/Information Regarding Accessibility	\$833,749	\$0
<b>Total:</b>	<b>\$833,749</b>	<b>\$0</b>
<b>Total Federal</b>	<b>\$25,307,680</b>	<b>\$56,656,185</b>
<b>Total State</b>	<b>\$480,395</b>	<b>\$2,554,026</b>
<b>TOTAL HAVA FUNDING:</b>	<b>\$25,788,075</b>	<b>\$59,210,211</b>
	<b>\$84,998,286</b>	

\* The 17 eligible counties include the following: Bell (43 Precincts), Brazoria (68 Precincts), Brazos (109 Precincts), Chambers (14 Precincts), Collin (127 Precincts), Ector (42 Precincts), El Paso (156 Precincts), Harris (935 Precincts), Hays (35 Precincts), Hidalgo (95 Precincts), Howard (21 Precincts), Jefferson (106 Precincts), Reeves (13 Precincts), Smith (72 Precincts), Taylor (39 Precincts), Victoria (36 Precincts), Wichita (53 Precincts)

The state created an eight-member Voter Registration Steering Committee, including five state employees from the Secretary of State's Office and three county officials, to review the written proposals. The HAVA business analyst drafted a list of questions and a scoring matrix in which each vendor would be graded. The State Auditor's Office reviewed all scoring material to ensure a nondiscriminatory and unbiased

process. Each Steering Committee member then graded all vendors in a confidential and independent manner. The review of the bids was a two-tier process. Each committee member reviewed two written documents - a proposal, void of any company logos, and a pricing document. Five vendors were selected for further review and were asked to provide a demonstration detailing their proposal. The Steering Committee then narrowed the field to two vendors. The vendors were asked to return for a second demonstration. The Secretary of State, Assistant Secretary of States, General Counsel, and SOS staff members critiqued the second demonstrations.

The SOS is currently in negotiations with the selected vendor. The project is on track to start in April.

### DRE VOTING SYSTEMS

Beginning January 1, 2006, each political subdivision will be required to place a minimum of one accessible DRE in every polling place used in Texas for use by voters with disabilities. HAVA funds will be used to assist all 254 counties in the acquisition of these systems. In House Bill 1549, the Texas Legislature extended these requirements to all political subdivisions within the state. Therefore, starting January 1, 2006, each entity holding an election in Texas will have to provide at least one DRE for each polling place used in their respective election.

The Secretary of State will be convening a DRE Workgroup later this year to assist with developing standards for use of the DREs in order to make the transaction of statewide DRE system use as uniform as possible.

The SOS is currently working with the Texas Building and Procurement Commission to establish standard costs for each of the DRE machines certified in Texas to ensure each political subdivision is afforded the lowest possible cost.

The SOS is currently planning a **DRE Vendor Showcase** to take place in the summer of 2004. More information will follow, but the purpose of the showcase is to allow the DRE vendors an opportunity to demo their products to interested parties.