

Legislative Appropriations Request

Fiscal Year 2024 – 2025

The Office of the Secretary of State



August 24, 2022 (Revised)

Legislative Appropriation Request

For Fiscal Years 2024 and 2025

**Submitted to the
Governor's Office of Budget, Planning and Policy and
The Legislative Budget Board**

By

The Office of the Texas Secretary of State

August 24, 2022

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The Office of the Texas Secretary of State (Agency) is organized in five functional divisions. The Executive Office provides oversight over all Agency programs and activities. The Administrative Services Division is responsible for fiscal operations, human resources, and procurement. The Elections Division administers all election-related activities, including voter registration, primary election funding, and the publication of constitutional amendments. The Information Technology Division provides data processing services and technical support for all Agency programs. The Business & Public Filings Division, which includes the Business Entities, Uniform Commercial Code and Government Filings Sections, performs the public filing and public information functions of the Agency and also commissions all notaries public for Texas. The Protocol and Border Division receives and assists international officials and monitors Texas-Mexico border issues.

Goal A – Information Management.

Provide and Process Information Efficiently; Enforce Laws/Rules.

Business Entities

The Agency is the filing office and repository for business and commercial documents required or permitted by various state laws to be filed with the Agency. The Business and Commercial Filings section reviews and processes documents relating to the formation and registration of business organizations that include Texas corporations, professional associations, limited liability companies, limited partnerships, and limited liability partnerships, and responds to requests for information relating to such documents and entities.

The Agency receives filings in paper and electronically via its XML Web Services and SOSDirect. Electronic filing by customers enables the Agency to maximize its resources when processing documents and enhances customer service by improving turnaround time and accuracy. In fiscal year 2021, approximately 84.3% of all Uniform Commercial Code (UCC) filings and 95.9% of UCC orders were submitted and processed via SOSDirect and XML Web Services. That same fiscal year, approximately 96.1% of business copy and certificate orders were processed through SOSDirect, and approximately 86.3% of domestic formation filings were processed electronically.

In fiscal year 2020, the Agency introduced and released SOSUpload, a new online service that offers an alternative means of submitting business entity documents to the Agency. SOSUpload permits a customer to electronically upload and transmit a filing that is not currently available through SOSDirect. The Agency will continue to investigate means and incentives to promote and encourage e-filing.

The efficiency with which filings and information requests are processed by the Agency is dependent upon the employment of technology consistent with the Agency's business needs. The core business and public filings system was developed in the 1990s and deployed in 2001, and has reached its end of life. While incremental technology upgrades have been incorporated into the core system to ensure the system remains somewhat reliable and supported, a next generation system is needed to enhance efficiencies, streamline work processes, and reduce costs.

The Agency was allocated \$18.1 million by the 87th Legislature for purposes of replacing legacy systems. This initial funding is focused on phase one of the project; namely, modernizing the Business Entity and Secured Transaction (BEST) system, which is the 20-year-old legacy system used for the receipt and processing of business entity transactions and securitized financial transactions indexed under the Uniform Commercial Code. However, additional funding is needed to continue modernizing legacy applications used by the Agency that deliver certain citizen facing services, including, but not limited to, government filings and transactions delivered by the Texas Register, Notary, Service of Process and Authentications units of the Agency. The legacy applications used to deliver the services described are across several platforms; some of these applications are no longer supported and others are dependent on paper-based processes. The project for which funding is requested will continue to support the overall agency modernization efforts as the BEST infrastructure supports many aspects of the Agency.

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Uniform Commercial Code

The Agency is also the central filing office for the receipt, filing, indexing and recordation of financing statements and other documents including the maintenance, certification, and indexing of records and registration filings submitted by athlete agents, health spas, credit service organizations, automobile clubs, business opportunities, debt collectors, dental service organizations, telephone solicitors, and solicitors on behalf of veterans and public safety organizations. All documents are processed in a timely manner, recorded, filed, and made available to the public through SOSDirect.

Government Filings

The Government Filings section receives and processes all documents submitted by and on behalf of Texas governmental units and public officials. The section publishes the Texas Register—a print and electronic weekly issue that includes all state agency rulemaking, open meeting notices, and other miscellaneous items including governor's appointments and attorney general opinions. Once approved, the Texas Register codifies and maintains all rulemaking actions into The Texas Administrative Code.

The section commissions traditional and online Texas Notaries Public and investigates public complaints filed against notaries public. Additional online services now enable a notary to review educational/training materials, request a replacement commission, and submit a change of address. The program enables the public to search and verify Texas Notaries Public. The e-Notary Public Application program attracts an increasing number of Texas Notaries Public applications. E-filing improves turn-around time by eliminating paper applications and incorporating electronic payment. The program allows a notary the option to receive their commission and educational materials by email or by traditional postage-paid mail. Currently, approximately 91% of all commissions are sent to notaries by email saving both postage and printing costs. The Agency also provides online services to Texas notaries. A notary may view an online educational video, request a replacement commission for a lost or misplaced commission, or submit a change of address.

This section issues certificates (apostilles) to authenticate a Texas public official's signature on various documents—birth certificates, death certificates, etc.—for use abroad. The Agency is one of thirteen within the United States that maintains an e-register to allow certificate verification for the apostilles that the Agency issues. Various state statutes designate the SOS as a process agent, authorizing the SOS to accept service (summons, writs, etc.) on behalf of another person (i.e., substituted services of process). The Agency also accepts service on its own behalf and for Texas businesses.

Goal B – Administer Election Laws

Maintain Uniformity and Integrity of Elections; Oversee Election Process

Elections

The Agency assists local election authorities in carrying out their duties and ensures the uniform application, operation, and interpretation of state election laws. The Agency dedicates a toll-free telephone hotline to advise election authorities. In addition to day-to-day assistance, the Agency conducts regular training opportunities through seminars, regional workshops, Election Day handbooks, online poll worker training, and volunteer deputy registrar training materials. The Agency conducts numerous voter education programs, such as a voter education program to explain the voter registration process, educate voters on their voting rights and responsibilities, and a voter centric website at votetexas.gov devoted to educating and informing voters regarding all aspects of the voting process. The Agency certifies the general election ballot and the constitutional amendment ballot and prescribes official election forms.

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Elections Improvement

In 2002, Congress passed the Help America Vote Act (“HAVA”). HAVA was adopted following the 2000 presidential election and it moved several key election functions previously administered at the local level to the state. In compliance with HAVA, the official database of Texas’ registered voter information is administered by the Office of the Secretary of State. Since January 1, 2006, the Agency has verified the Texas driver’s license number or last four digits of the social security number of all new voter registration applicants. The majority of Texas counties use the Agency’s online voter registration system to administer voter registration. The remaining counties exchange data with the Agency on a daily basis to ensure that the Agency’s database is the official list of registered voters.

Going as far back as 2003, the states have been awarded a series of federal grants to comply with the federal mandates as well as improve federal elections generally. This includes activities such as voting equipment upgrades; a centralized, electronic voter registration database; poll worker training; and voter education.

Federal funding ceased being appropriated circa 2012. Prudently, the state was able to retain funding for a number of years following; however, as funds dwindled, the state began absorbing costs to maintain activities initiated under HAVA, such as the costs to maintain and operate the HAVA-mandated centralized electronic voter registration database, online poll worker tools, and voter education. Similarly, counties were left to fund ongoing maintenance, operation, and replacement of voting equipment.

In 2018, Congress appropriated additional funds under Title I of HAVA, which requires that the funds be used to improve elections. Congress specified that states should use the funds to improve the security of elections along with other uses under Title I. Further, Congress stipulated that any voting equipment replacements or conversions must include a paper-verifiable ballot. The first round of funding required a five percent match, which the Legislature appropriated. The second round of funding, received in FY2020, required a 20% match. The state sub-granted the bulk of the funds to the counties along with the 20% matching requirement.

Prior to sub-granting the funds to the counties, SOS contracted with the Texas Department of Information Resources (“DIR”) to provide election security assessments of all 254 counties prior to the 2020 federal election through DIR’s Managed Security Services (MSS) program. The assessments were very successful and well received. Counties were permitted to use their sub-grants to implement remediation recommendations as well.

The state received additional HAVA election security funds in 2022, which requires a 20% match. The state intends to use money appropriated by the 87th Legislature for reimbursement for auditable voting machines to satisfy the matching requirement because auditable voting equipment is an eligible activity under the HAVA election security grant. The federal portion will be used exclusively for the acquisition and maintenance of the next version of its statewide, electronic voter registration system that was originally mandated by HAVA.

Election Security and Oversight

Election security and integrity is an increasingly important subject. The Agency believes it is important to provide additional oversight to individual counties, to review their process and security measures and provide training regarding state law and rule requirements as well as best practices in all areas of election administration, including the security of election systems and their voter registration obligations. To implement this program, we have hired five new full time staff at a total cost of approximately \$1.4 million each biennium. These trainers have interacted with new county administrators giving them a head start on their new job. They have also attended elections across the state along with ballot boards and recounts. They have given large group trainings at our election seminar for county election officials and assisted in the preparation of new forms and revisions to existing forms to comply with new law.

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Election/Voter Registration Funds

The Agency has budgeted approximately \$15,000,000 for political party costs required to conduct the 2024 primary elections and runoffs. This amount includes approximately \$12,000,000 in state general revenue and \$3,000,000 in candidate filing fees. The Agency has budgeted \$185,000 for costs incurred in administering the primary funds. \$427,885 has been budgeted for the official voter registration application business reply postcard postage and the related postal permits.

During the 86th Legislature, the agency received funding to increase the rate of pay for poll workers which resulted in retaining qualified poll workers and increased the number of poll workers.

Voter Registration

Voter Registration Funds, also referred to as Chapter 19 Funds, are state appropriated funds issued to voter registrars in Texas to help defray county voter registration expenses. Historic legislation, which passed in 1966 during a special session of the 59th Texas Legislature, established these funds after the poll tax was declared unconstitutional and abolished. Voter registrars obtain these funds by filing, before May 15th of each year, an activity statement for the previous year setting forth the total number of registrations, the total number of registrations canceled, and the total number of registrations updated. The administrative rules adopted by the Secretary of State provide that Chapter 19 Funds may be used to defray the cost of any item or service designed to increase the number of registered voters, maintain and report an accurate list of the number of registered voters, and/or increase the efficiency of the voter registration office. The current appropriations act estimates expenditures of \$4,777,500 for AY 2022 and \$1,000,000 for AY 2023 for this purpose.

The State of Texas has been a member of the Electronic Registration Information Center (ERIC) since early 2020. Section 18.062 was added to the Election Code in 2015. ERIC has two main components. One is to invite eligible but unregistered persons to register to vote. The other is to maintain current voter lists. In doing so, ERIC provides information regarding deceased voters, duplicate voter registrations, voters who have moved within the state, and voters who have moved out of state. Thus far, the Agency has reached out to over four million eligible but unregistered voters. We have also been provided information for over 500,000 possible deceased, duplicates, in-state movers, and cross-state movers that we have sent to county voter registrars for further action.

Goal C – International Protocol

Provide Protocol Services and Representation on Border Issues.

Protocol and Border Division

The Secretary serves as the Chief International Protocol Officer for Texas. The Agency receives and assists international officials. In addition, we are the central point of contact for public officials both domestic and international, as well as business leaders, to meet and conduct business with Texas governmental officials as well as Mexican federal, state and local officials, on issues affecting Texas, Mexico and the border region.

Goal D - Indirect Administration

Central Administration

The Executive Division provides centralized management services and oversight to all other divisions. The Secretary of State and the Deputy Secretary provide executive administration. Additional functions within central administration are general counsel, internal audit, information technology security and public information, including oversight of information published via the World Wide Web.

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Administrative Services

The Administrative Services Division (ASD) provides financial, human resources, and procurement services to the Agency. The Financial Management section includes financial, budgetary, and property accounting and reporting, as well as payroll. The Human Resources section assists all divisions with personnel management, recruiting and selection, and employee benefits, as well as recordkeeping and reporting. The Operating Support section includes contract management. This section also procures needed supplies, equipment, and services and coordinates space planning and allocation. In addition, the ASD manages the Agency's centralized mail services and building operations.

Information Technology

Managing information processing capabilities remains a high priority for the Agency. Agency databases maintain the official list of registered voters. The Agency merges driver's license data and voter registration data to create the official jury list. In addition, Agency databases preserve and circulate corporate, limited liability, limited partnership, and assumed name filings. The Agency also maintains UCC filings, notaries public certifications, and other important public records. The Agency provides direct access to electronic data for thousands of governmental and commercial entities as well as individual Texas citizens with an average of over 500,000 searches conducted via the World Wide Web each month.

Unexpended Balances

The Agency requests continuation of the authorization to carry forward the unexpended balances from FY 2023 into FY 2024 because it is necessary to spread these expenditures over two years for the following strategies: B.1.2. Election/Voter Registration, B.1.3. Constitutional Amendments, and A.2.1. Document Publishing. Additionally, authority to carry forward unexpended balances is requested in the A.1.1.Document Filing strategy and B.1.4. Election Improvement.

New Rider Request

The Agency requests one new rider that provides for the restoration and appropriation of receipts of online fees for purpose of paying the costs associated with implementing and maintaining electronic payment services for agency customers including maintaining systems that that provide protection of personal credit card information.

Exceptional Items:

The Agency requests ten exceptional items funding requests that are summarized as follows:

1.\$24,148,847. The SOS Legacy Modernization Project- Phase 2 is a continuation of the Major Information Resources project that was partially funded by the 87th The funding requested will focus on modernizing legacy applications used to deliver certain citizen facing services including, but not limited to, government filings and transactions delivered by the Texas Register, Notary, Service of Process and Authentications units of the agency.

2. \$8,376,568.80. Forensic Election Audits. The Forensic Audit Division will begin statutory audits pursuant to SB1 (87th Legislature, Second Called Session) in November 2022. The current audit of the November 2020 general election is presently being conducted with 10 FTEs and involves an audit of a single election. The present audit has required direct interaction with counties, extensive research, travel, and detailed data analysis. SB1's language indicates the statutory audits are to be of "the elections held in four counties during the previous two years." The recent randomized drawing pursuant to SB1's enabling legislation led to the drawing of four Texas counties with at least 30 elections administered by the counties during the applicable audit time period.

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3. \$6,809,000. The Election Funds Management section of the Elections Division manages the distribution of three funding strategies: Primary Funding/VR Postage, Elections Improvement, and Financing Voter Registration. These three strategies represent approximately 70% of the agency's direct funding strategies (Indirect Administration is excluded from the calculation). Four FTEs are devoted to managing the funds. The number of funding recipients and transactions are in the thousands. Over the last 20 years, the Agency has transitioned from paper-based systems to electronic applications. The applications have been developed and supported in-house. The IT resources devoted to this transition and support has been the equivalent of one FTE, who also shares other duties. With the increased funding responsibilities (SOS has received four federal grant awards since 2018 as well as increased reporting requirements and corresponding transactions for primary funding), the applications that have been patched together over the years are not sustainable. Accordingly, the Agency is seeking the acquisition of a comprehensive, scalable, and sustainable solution.

4. \$5,399,262.20. Voter Registration List Maintenance/Monitoring Oversight. Oversight and monitoring of county voter registration responsibilities and the implementation of legislative requirements are essential functions of the Elections Division. SB1 and SB 1113, passed by the 87th Legislature, tremendously increased the division's monitoring responsibilities and expanded our oversight into the maintenance and accuracy of county voter registration rolls. Though the division was provided two additional FTEs and associated funding for this implementation, performing this responsibility has proven to require more direct interaction and training of county voter registrars as well as critical data analysis and oversight into daily list maintenance procedures.

5. \$2,585,659.62. Document Filing Full-Time Equivalent Increases. The Agency request an increase to the Business & Public Filings Division's FTE cap by 19. FTEs who are needed, in various roles, to assist with the significant and sustained increase in business activities and the customer inquiries within the division

6. \$1,968,104.00. Election Security Trainers. Since 2021, the Elections Division has added three election security trainers and one federally funded risk limiting audit specialist/security trainer to the Election Security Training department. The primary responsibility of this team is traveling to counties and regions to gather information regarding current county election practices related to election equipment management, voter registration, cybersecurity, physical security measures, access to equipment and facilities, and general election administration responsibilities during early voting and on election day. Additionally, these employees identify issues and train counties individually and in regional meetings regarding best practices in each of these areas. This program has proven highly successful in providing more in-depth training and support to county election officials as well as identifying training needs to promote election security and integrity across the state. However, with a current total of six trainers, the Elections Division is limited in reach and unable to fulfill all the training and oversight requested by county election officials. To meet these requests and the demands of increased election security, four additional FTEs are needed to expand this critical program throughout all regions of the state.

7. \$875,290. Document Filing Recruitment & Retention. The number of transactions submitted to the Business & Public Filings Division is impacted by national and state economic factors, business growth, and private sector financing, which are outside the division's control. Although transactions have significantly increased, budgetary constraints have impacted the division's ability to retain highly skilled and experienced FTEs and recruit qualified applicants to fill vacant positions.

8. \$1,032,565. Document Filing Staff Augmentation. Temporary full-time staff is necessary to fill in the workforce gap created as the modernization project progresses over the biennium; particularly to cover the loss in productivity that will result when Program Supervisors and Subject Matter Experts within each section/team are needed to consult on modernization issues and test enhancements and changes to processes and workflow.

9. \$845,144. IT Staff Augmentation and Enhancements. The Information Security Section is requesting two full time employees to assist with the continuous monitoring and defense of the agency's information systems.

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10. \$30,000. Fleet Vehicle Replacement. The Agency request funds to replace 25-year-old fleet vehicle (Ford Ranger). The vehicle is used by the agency to transport mail, packages, and deliver items to the Capitol in bulk. The present vehicle is over twenty-five years old and past its performance and reliability.

Request for Statutory Change

Section 406.007(a)(2) of the Texas Government Code requires notary public applicants to pay a fee of \$1 to the Agency to pay for “hiring an investigator and for preparing and distributing the materials required to be distributed under Section 406.008.” This \$1 fee is in addition to the \$20 application fee, with the total of those fees being \$21. The Agency uses the \$1 fee for investigation of notary complaints, a notary training video on the Agency’s website, and the preparation of notary educational materials provided to notaries pursuant to Section 406.007(a)(2).

The \$1 fee has not been increased since 1989. Over the last thirty years, the number of Texas notaries has increased from approximately 200,000 to approximately 495,000. The Agency has also seen a dramatic increase in the number of complaints against Texas notaries during this timeframe. Increasing the \$1 fee to \$2—so that the total notary application fee is increased from \$21 to \$22—would allow the Agency to devote additional resources to processing notary complaints and updating its notary training materials. This increase would be borne by the notary applicant and not by all taxpayers.

Exempt Positions

The Agency has only one exempt position, the Secretary of State. No change in title or salary is sought for this position this biennium. There were no significant policy changes, accounting changes nor changes in provisions of service for the Agency.

Full Time Equivalent Positions

As of August 18, 2022, the agency has filled 202 positions and has 14 in various stages of the hiring process.

Criminal Background Checks

Job applicants with criminal records may be eligible for employment if they are otherwise qualified for a position. However, the Agency’s priority is a crime-free work environment and a law-abiding workforce. The eligibility of an applicant who has a criminal record may be determined by the following factors:

1. the position;
2. the nature of the crime;
3. the time elapsed since the crime was committed and completion of a sentence or other punishment;
4. the applicant’s record of behavior while serving a sentence; and (5) any other factors deemed relevant. Statutory authority for the above Agency policy: Government Code §411.1405.

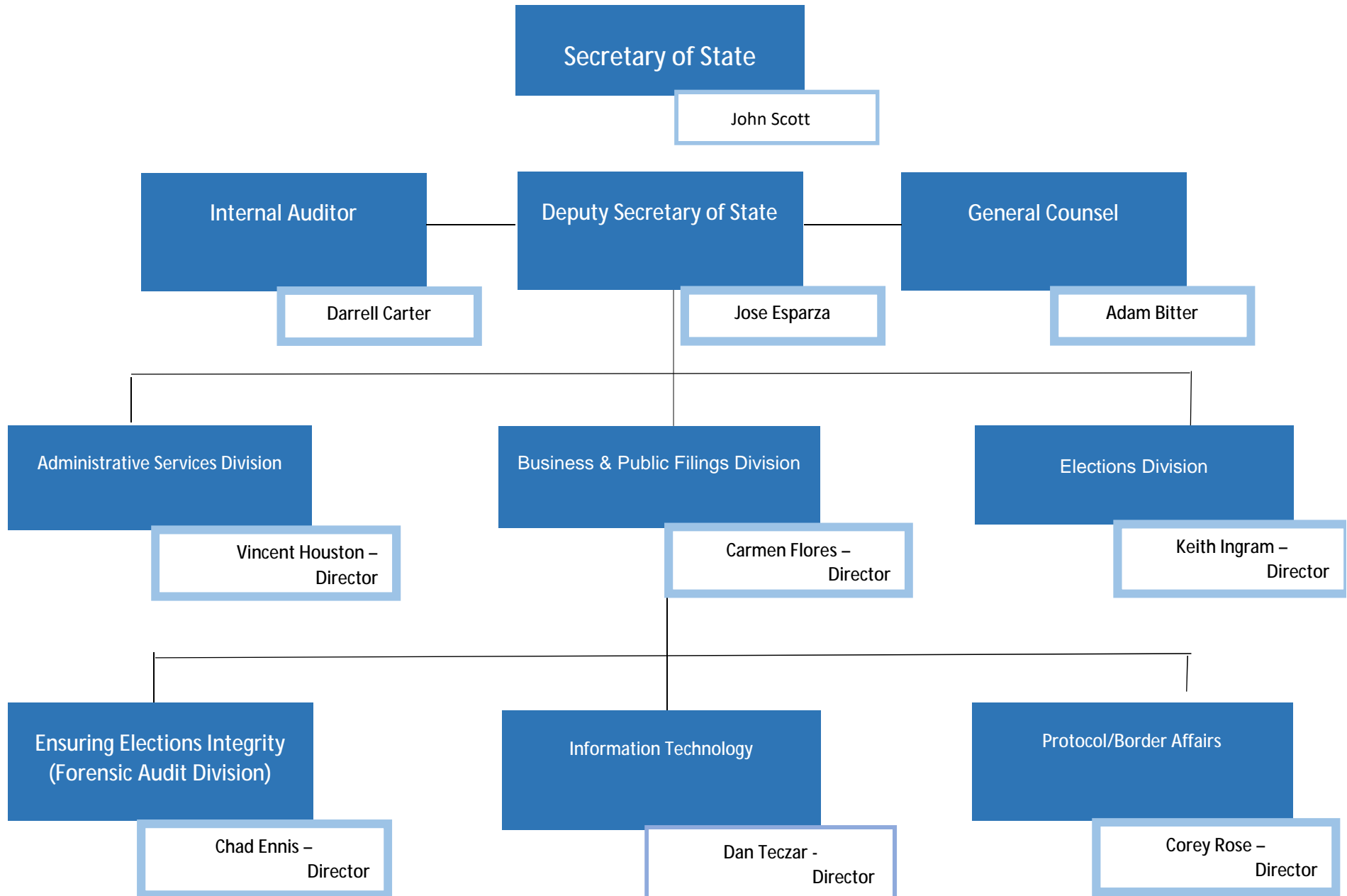
The Agency randomly conducts background checks on notary public applications to determine eligibility for appointment. A criminal background check also is made if a notary application indicates that the applicant has a criminal record or there is any other indication of possible misconduct regarding the moral character of a notary applicant.

Statutory authority for the above Agency policy: Government Code §406.004 and §411.122.

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The Agency followed guidelines per the State Leadership policy letter and worked with staff of the Legislative Budget Board and Office of the Governor to meet GR/GR-D limit to prepare and meet the requirements of beginning with base funding amounts equal to adjusted biennium 2022-23 base appropriations.

Office of the Secretary of State Organizational Chart





CERTIFICATE

Agency Name

SECRETARY OF STATE

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office Budget Division (Governor's Office) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's Office will be notified in writing in accordance with Article IX, Section 7.01 (2018-19 GAA).

Chief Executive Officer or Presiding Judge


Signature

JOSE ESPARZA

Printed Name

DEPUTY SECRETARY OF STATE

Title

AUGUST 24, 2022

Date

Chief Financial Officer


Signature

VINCENT HOUSTON

Printed Name

DIRECTOR OF ADMINISTRATIVE SERVICES/CFO

Title

AUGUST 24, 2022

Date

Budget Overview - Biennial Amounts
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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Appropriation Years: 2024-25

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2024-25
Goal: 1. Provide and Process Information Efficiently; Enforce Laws/Rules											
1.1.1. Document Filing	2,107,073	2,028,464					11,326,444	9,359,816	13,433,517	11,388,280	4,238,169
1.2.1. Document Publishing	772,412	876,648					100,000	70,000	872,412	946,648	
Total, Goal	2,879,485	2,905,112					11,426,444	9,429,816	14,305,929	12,334,928	4,238,169
Goal: 2. Maintain Uniformity & Integrity of Elections; Oversee Election Process											
2.1.1. Elections Administration	15,828,766	15,828,766					1,170,846	1,170,846	16,999,612	16,999,612	14,273,872
2.1.2. Primary Funding/Vr Postage	16,778,590	16,778,590							16,778,590	16,778,590	6,809,600
2.1.3. Constitutional Amendments	3,195,126	1,593,299							3,195,126	1,593,299	
2.1.4. Elections Improvement	44,328,526	6,144,706	60,000		17,721,272				62,109,798	6,144,706	
2.1.5. Financing Voter Registration	5,777,500	5,777,500							5,777,500	5,777,500	
Total, Goal	85,908,508	46,122,861	60,000		17,721,272		1,170,846	1,170,846	104,860,626	47,293,707	21,083,472
Goal: 3. International Protocol											
3.1.1. Protocol/Border Affairs	500,828	500,828							500,828	500,828	
Total, Goal	500,828	500,828							500,828	500,828	
Goal: 4. Indirect Administration											
4.1.1. Indirect Administration	27,903,053	11,910,429					2,600,000	2,312,200	30,503,053	14,222,629	26,732,933
Total, Goal	27,903,053	11,910,429					2,600,000	2,312,200	30,503,053	14,222,629	26,732,933
Total, Agency	117,191,874	61,439,230	60,000		17,721,272		15,197,290	12,912,862	150,170,436	74,352,092	52,054,574
Total FTEs									207.0	223.5	74.0

2.A. Summary of Base Request by Strategy

8/24/2022 2:07:26PM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
1 Provide and Process Information Efficiently; Enforce Laws/Rules					
1 <i>Process Documents & Provide Accurate & Reliable Info on a Timely Basis</i>					
1 DOCUMENT FILING	8,974,484	6,708,540	6,724,977	5,694,140	5,694,140
2 <i>File & Publish Admin Rules and Agency Public Notices</i>					
1 DOCUMENT PUBLISHING	436,381	419,032	453,380	473,324	473,324
TOTAL, GOAL 1	\$9,410,865	\$7,127,572	\$7,178,357	\$6,167,464	\$6,167,464
2 Maintain Uniformity & Integrity of Elections; Oversee Election Process					
1 <i>Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs</i>					
1 ELECTIONS ADMINISTRATION	5,654,718	10,386,525	6,613,087	9,748,185	7,251,427
2 PRIMARY FUNDING/VR POSTAGE	553,518	16,229,590	549,000	16,229,590	549,000
3 CONSTITUTIONAL AMENDMENTS	2,151	3,190,126	5,000	1,588,299	5,000
4 ELECTIONS IMPROVEMENT	4,827,482	50,673,526	11,436,272	3,130,443	3,014,263
5 FINANCING VOTER REGISTRATION	25,482	4,777,500	1,000,000	4,777,500	1,000,000

2.A. Summary of Base Request by Strategy

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88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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Goal / Objective / STRATEGY		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
TOTAL, GOAL	2	\$11,063,351	\$85,257,267	\$19,603,359	\$35,474,017	\$11,819,690
3	International Protocol					
1	Provide Protocol Services and Representation on Border Issues					
1	PROTOCOL/BORDER AFFAIRS	256,744	225,307	275,521	250,414	250,414
TOTAL, GOAL	3	\$256,744	\$225,307	\$275,521	\$250,414	\$250,414
4	Indirect Administration					
1	Indirect Administration					
1	INDIRECT ADMINISTRATION	19,470,767	24,761,467	5,741,586	7,083,315	7,139,314
TOTAL, GOAL	4	\$19,470,767	\$24,761,467	\$5,741,586	\$7,083,315	\$7,139,314
TOTAL, AGENCY STRATEGY REQUEST		\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*					\$0	\$0
GRAND TOTAL, AGENCY REQUEST		\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882

2.A. Summary of Base Request by Strategy

8/24/2022 2:07:26PM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	12,859,849	97,686,390	19,505,484	42,518,779	18,920,451
SUBTOTAL	\$12,859,849	\$97,686,390	\$19,505,484	\$42,518,779	\$18,920,451
General Revenue Dedicated Funds:					
5095 Election Improvement Fund	121,156	45,000	15,000	0	0
SUBTOTAL	\$121,156	\$45,000	\$15,000	\$0	\$0
Federal Funds:					
325 Coronavirus Relief Fund	14,008,228	0	0	0	0
555 Federal Funds	4,162,857	11,300,000	6,421,272	0	0
SUBTOTAL	\$18,171,085	\$11,300,000	\$6,421,272	\$0	\$0
Other Funds:					
666 Appropriated Receipts	9,049,637	8,340,223	6,857,067	6,456,431	6,456,431
SUBTOTAL	\$9,049,637	\$8,340,223	\$6,857,067	\$6,456,431	\$6,456,431
TOTAL, METHOD OF FINANCING	\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)

\$0	\$35,472,085	\$19,505,484	\$0	\$0
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Regular Appropriations from MOF Table (2020-21 GAA)

\$12,988,680	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2024-25 GAA)

\$0	\$0	\$0	\$42,518,779	\$18,920,451
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RIDER APPROPRIATION

Rider 19, Reimbursement for Auditable Voting Machines (2022-23 GAA)

\$0	\$34,000,000	\$0	\$0	\$0
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Comments: Federal funds not received by the agency for this purpose.

Rider 15, 2018 Help America Vote Act State Matching Funds (2020-21 GAA)

\$1,034,316	\$0	\$0	\$0	\$0
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Comments: UB of funds from FY 2020

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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GENERAL REVENUE

Rider 11, Unexpended Balances Between and Within Biennia for Election and Voter Registration Funds (2020-21 GAA)

\$444,433	\$0	\$0	\$0	\$0
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Comments: UB of funds from FY 2020 due to timing differences in reimbursement requests from counties.

Rider 11, Unexpended Balances Between and Within Biennia for Election and Voter Registration Funds (2022-23 GAA)

\$(2,461,661)	\$2,461,661	\$0	\$0	\$0
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Comments: UB of funds from FY 2021 to FY 2022 due to timing differences in reimbursement requests from counties.

Rider 9, Voter Identification Education (2020-21 GAA)

\$1,823,853	\$0	\$0	\$0	\$0
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Comments: UB of funds from FY 2020 to maximize voter education efforts closer toward general election

Art IX, Sec 14.03, Capital Budget UB (2020-21 GAA)

\$3,774	\$0	\$0	\$0	\$0
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Comments: UB of Data Center Funds

Art IX, Sec 14.03, Capital Budget UB (2020-21 GAA)

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>	\$23,061	\$0	\$0	\$0	\$0
Comments: UB of CAPPS Financial Funds					
<i>TRANSFERS</i>					
Government Code Chapter 317.	\$0	\$4,000,000	\$0	\$0	\$0
Comments: Ensuring Election Integrity/FAD. Governor directed transfer of funds from the Texas Department of Criminal Justice in relation to SB 1 to fund election audits.					
<i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i>					
HB 2, 87th Leg, Regular Session	\$18,171,924	\$0	\$0	\$0	\$0
Comments: Funding for BEST Replacement					
HB 5, 87th Leg, Second Called Session	\$0	\$4,300,000	\$0	\$0	\$0
Comments: Supp HB5 Sec 15 Rem Audit Vote Machines					
HB 2, 87th Leg, Regular Session	\$(493,248)	\$0	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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GENERAL REVENUE

Comments: Required 5 percent budget reduction

HB 2, 87th Leg, Regular Session

	\$(17,452,644)	\$17,452,644	\$0	\$0	\$0
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Comments: UB of BEST Funds

LAPSED APPROPRIATIONS

Regular Appropriations from MOF Table (2020-21 GAA)

	\$(285,355)	\$0	\$0	\$0	\$0
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Comments: Capital Budget - Data Center costs lower than DIR estimate

Art IX, Sec 14.03, Capital Budget UB (2020-21 GAA)

	\$(1,403)	\$0	\$0	\$0	\$0
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Comments: Unspent UB of CAPPS Financial Funds

Regular Appropriations from MOF Table (2020-21 GAA)

	\$(2,849)	\$0	\$0	\$0	\$0
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Comments: Unspent CONSTITUTIONAL AMENDMENTS

Regular Appropriations from MOF Table (2020-21 GAA)

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>					
	\$(35,922)	\$0	\$0	\$0	\$0
Comments: Lapse Document Publishing					
Regular Appropriations from MOF Table (2020-21 GAA)	\$(897,110)	\$0	\$0	\$0	\$0
Comments: Lapse of 2018 Help America Vote Act State Matching Funds. Amount included in regular appropriations in 2022-23 GAA					
TOTAL, General Revenue Fund	\$12,859,849	\$97,686,390	\$19,505,484	\$42,518,779	\$18,920,451
TOTAL, ALL GENERAL REVENUE	\$12,859,849	\$97,686,390	\$19,505,484	\$42,518,779	\$18,920,451

GENERAL REVENUE FUND - DEDICATED

5095 GR Dedicated - Election Improvement Fund No. 5095

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$124,109	\$100,000	\$0	\$0
Regular Appropriations from MOF Table (2020-21 GAA)	\$100,000	\$0	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE FUND - DEDICATED</u>					
<i>BASE ADJUSTMENT</i>					
General Revenue Dedicated - Additional Collections (Earned Interest on Federal Funds)	\$15,610	\$0	\$0	\$0	\$0
Comments: These funds are spent in the year they are earned and spent on HAVA Security related expenses.					
General Revenue Dedicated - Additional Collections (Earned Interest on Federal Funds)	\$5,546	\$0	\$0	\$0	\$0
Comments: These funds are spent in the year they are earned and spent on HAVA Cares Act related expenses.					
General Revenue Dedicated - Additional Collections (Earned Interest on Federal Funds)	\$0	\$(79,109)	\$(85,000)	\$0	\$0
Comments: Adjust is due to the regular appropriation amount is an estimated amount based upon interest earned on federal funds. The amount in AY 2022 and AY 2023 is anticipated to be significantly less than what is shown as regular appropriations due to the decrease in federal funds received.					
TOTAL, GR Dedicated - Election Improvement Fund No. 5095	\$121,156	\$45,000	\$15,000	\$0	\$0
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$121,156	\$45,000	\$15,000	\$0	\$0

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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TOTAL, GR & GR-DEDICATED FUNDS	\$12,981,005	\$97,731,390	\$19,520,484	\$42,518,779	\$18,920,451
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FEDERAL FUNDS

325 Coronavirus Relief Fund

RIDER APPROPRIATION

Art IX, Sec 13.01, Federal Funds/Block Grants (2020-21 GAA)

\$15,000,000	\$0	\$0	\$0	\$0
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Comments: Coronavirus Relief Fund - Census Outreach

LAPSED APPROPRIATIONS

Art IX, Sec 13.01, Federal Funds/Block Grants (2020-21 GAA)

\$(991,772)	\$0	\$0	\$0	\$0
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Comments: Return of unused Coronavirus Relief Fund - Census Outreach

TOTAL, Coronavirus Relief Fund	\$14,008,228	\$0	\$0	\$0	\$0
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555 Federal Funds

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)

\$0	\$40,300,000	\$6,421,272	\$0	\$0
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2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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FEDERAL FUNDS

Regular Appropriations from MOF Table (2020-21 GAA)

\$4,900,000	\$0	\$0	\$0	\$0
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RIDER APPROPRIATION

Art IX, Sec 13.09, Unexpended Balances.(2020-21 GAA)

\$15,162,857	\$0	\$0	\$0	\$0
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Comments: 2020 HAVA Election Security Grant (90.404-TX20101001)

Art IX, Sec 13.09, Unexpended Balances.(2020-21 GAA)

\$(11,000,000)	\$11,000,000	\$0	\$0	\$0
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LAPSED APPROPRIATIONS

Regular Appropriations from MOF Table (2020-21 GAA)

\$(4,900,000)	\$0	\$0	\$0	\$0
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Comments: To reduce regular appropriation in the method of finance table that is just an estimate.

Regular Appropriations from MOF Table (2022-23 GAA)

\$0	\$(6,000,000)	\$0	\$0	\$0
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Comments: To reduce regular appropriation in the method of finance table that is just an estimate.

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>FEDERAL FUNDS</u>					
<i>BASE ADJUSTMENT</i>					
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$(34,000,000)	\$0	\$0	\$0
Comments: Federal funds not received. Per rider 19 (2022-23 GAA) the amount was subsequently provided in General Revenue Funds for auditable voting machines.					
TOTAL, Federal Funds	\$4,162,857	\$11,300,000	\$6,421,272	\$0	\$0
TOTAL, ALL FEDERAL FUNDS	\$18,171,085	\$11,300,000	\$6,421,272	\$0	\$0

OTHER FUNDS

666 Appropriated Receipts

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$8,340,223	\$6,857,067	\$0	\$0
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Comments: The decrease from AY 22 to AY 23 is related to a reduction in credit card fees that are no longer paid directly to the agency by users. The new fee is collected by the processing vendor.

Regular Appropriations from MOF Table (2020-21 GAA)	\$7,723,000	\$0	\$0	\$0	\$0
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2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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OTHER FUNDS

Regular Appropriations from MOF Table (2024-25 GAA)

\$0	\$0	\$0	\$6,456,431	\$6,456,431
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RIDER APPROPRIATION

Art IX, Sec 8.10, Credit, Charge, or Debit Card Service (2020-21 GAA)

\$1,782,923	\$0	\$0	\$0	\$0
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Comments: UB from AY 20

Art IX, Sec 8.02, Reimbursements and Payments (2020-21 GAA)

\$2,022,471	\$0	\$0	\$0	\$0
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Comments: Additional revenue - fees from copies and filings of records.

LAPSED APPROPRIATIONS

Regular Appropriations from MOF Table (2020-21 GAA)

\$(10,952)	\$0	\$0	\$0	\$0
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Comments: Lapse in budget authority only. Actual collect revenue (appropriated receipts) was less than the estimated amount in the GAA (Document Publishing)

Regular Appropriations from MOF Table (2020-21 GAA)

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>OTHER FUNDS</u>					
	\$(432,850)	\$0	\$0	\$0	\$0
Comments: Lapse in budget authority only. Actual collect revenue (appropriated receipts) was less than the estimated amount in the GAA (Election Administration - Election Seminars)					
Regular Appropriations from MOF Table (2020-21 GAA)					
	\$(100,000)	\$0	\$0	\$0	\$0
Comments: Lapse in budget authority only. Actual collect revenue (appropriated receipts) was less than the estimated amount in the GAA (Acquisition Infor. Res. Technolog)					
<i>BASE ADJUSTMENT</i>					
Art IX, Sec 6.08, Benefits paid proportional by method of finance (2020-21 GAA)					
	\$(1,934,955)	\$0	\$0	\$0	\$0
TOTAL, Appropriated Receipts	\$9,049,637	\$8,340,223	\$6,857,067	\$6,456,431	\$6,456,431
TOTAL, ALL OTHER FUNDS	\$9,049,637	\$8,340,223	\$6,857,067	\$6,456,431	\$6,456,431
GRAND TOTAL	\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2020-21 GAA)	203.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2022-23 GAA)	0.0	207.0	207.0	0.0	0.0
RIDER APPROPRIATION					
Art IX, Sec 6.10(a)(1), Board or Administrator FTE Adjustment (2022-23 GAA)	0.0	0.0	0.0	223.5	223.5
Comments: FTEs increase due to ensuring election integrity/audit division (added 16.5 FTEs)					
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2020-21 GAA)	(28.0)	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2022-23 GAA)	0.0	(26.5)	0.0	0.0	0.0
Comments: As of 5/3 193 FTEs filled and the remaining open positions are posted. Lapse conforms with CPA 2nd quarter report.					
TOTAL, ADJUSTED FTES	175.0	180.5	207.0	223.5	223.5

2.B. Summary of Base Request by Method of Finance
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:08:44PM

Agency code: **307** Agency name: **Secretary of State**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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**NUMBER OF 100% FEDERALLY FUNDED
FTEs**

2.C. Summary of Base Request by Object of Expense

8/24/2022 2:10:08PM

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

307 Secretary of State

OBJECT OF EXPENSE	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1001 SALARIES AND WAGES	\$9,666,255	\$11,838,149	\$12,429,804	\$12,499,256	\$12,499,256
1002 OTHER PERSONNEL COSTS	\$878,655	\$540,455	\$610,939	\$639,250	\$639,250
2001 PROFESSIONAL FEES AND SERVICES	\$1,050,137	\$13,340,417	\$1,444,806	\$1,603,354	\$1,603,354
2002 FUELS AND LUBRICANTS	\$500	\$500	\$600	\$600	\$600
2003 CONSUMABLE SUPPLIES	\$92,572	\$123,719	\$123,197	\$123,197	\$123,197
2004 UTILITIES	\$51,860	\$69,117	\$56,920	\$56,920	\$56,920
2005 TRAVEL	\$71,083	\$165,634	\$208,856	\$213,556	\$213,556
2006 RENT - BUILDING	\$24,787	\$36,305	\$34,030	\$34,030	\$34,030
2007 RENT - MACHINE AND OTHER	\$75,025	\$90,467	\$71,814	\$71,814	\$71,814
2009 OTHER OPERATING EXPENSE	\$24,065,774	\$34,659,747	\$10,396,585	\$13,323,407	\$9,134,905
4000 GRANTS	\$4,188,339	\$56,507,103	\$7,421,272	\$20,409,826	\$1,000,000
5000 CAPITAL EXPENDITURES	\$36,740	\$0	\$0	\$0	\$0
OOE Total (Excluding Riders)	\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882
OOE Total (Riders)					
Grand Total	\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882

2.D. Summary of Base Request Objective Outcomes
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

8/24/2022 2:11:03PM

307 Secretary of State						
Goal/ Objective / Outcome		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1	Provide and Process Information Efficiently; Enforce Laws/Rules					
	<i>1 Process Documents & Provide Accurate & Reliable Info on a Timely Basis</i>					
KEY	1 % of Bus, Comm, and Public Filings & Info Requests Completed in 3 Days					
		97.04%	97.04%	97.00%	97.00%	97.00%
KEY	2 Avg Cost Per Bus, Comm, and Public Filings Trans + Pub Info Request					
		0.51	0.65	0.65	0.65	0.65
	3 Average Cost Per Register and Administrative Code Published					
		0.00	0.00	0.00	0.00	0.00
2	Maintain Uniformity & Integrity of Elections; Oversee Election Process					
	<i>1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs</i>					
	1 Percent of Election Authorities Assisted or Advised					
		100.00%	100.00%	100.00%	100.00%	100.00%
	2 Percent of Polling Places Having at Least One Accessible Voting Device					
		100.00%	100.00%	100.00%	100.00%	100.00%
KEY	3 Average Cost Per Election Authority Assisted or Advised					
		5.20	2.78	7.50	7.50	7.50

2.E. Summary of Exceptional Items Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
TIME : 2:12:09PM

Agency code: 307

Agency name: Secretary of State

Priority	Item	2024			2025			Biennium		
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	
1	SOS Legacy Modernization - Phase 2	\$24,148,847	\$24,148,847		\$0	\$0		\$24,148,847	\$24,148,847	
2	Forensic Election Audits	\$4,287,285	\$4,287,285	38.0	\$4,089,285	\$4,089,285	38.0	\$8,376,570	\$8,376,570	
3	Elections Funds Mgmt	\$5,000,000	\$5,000,000		\$1,809,600	\$1,809,600		\$6,809,600	\$6,809,600	
4	Voter Registration	\$2,743,895	\$2,743,895	22.0	\$2,743,895	\$2,743,895	22.0	\$5,487,790	\$5,487,790	
5	Doc Filing FTE Increases	\$1,336,134	\$1,336,134	2.0	\$1,262,634	\$1,262,634	2.0	\$2,598,768	\$2,598,768	
6	Election Security Trainers	\$925,000	\$925,000	4.0	\$925,000	\$925,000	4.0	\$1,850,000	\$1,850,000	
7	Doc Filing Recruitment & Retention	\$437,645	\$437,645	3.0	\$437,645	\$437,645	3.0	\$875,290	\$875,290	
8	Doc Filing Staff Augmentation	\$467,776	\$467,776	2.0	\$564,789	\$564,789	3.0	\$1,032,565	\$1,032,565	
9	IT Staff Augmentation Enhancements	\$422,572	\$422,572	2.0	\$422,572	\$422,572	2.0	\$845,144	\$845,144	
10	Fleet Vehicle Replacement	\$30,000	\$30,000		\$0	\$0		\$30,000	\$30,000	
Total, Exceptional Items Request		\$39,799,154	\$39,799,154	73.0	\$12,255,420	\$12,255,420	74.0	\$52,054,574	\$52,054,574	
Method of Financing										
	General Revenue	\$39,799,154	\$39,799,154		\$12,255,420	\$12,255,420		\$52,054,574	\$52,054,574	
	General Revenue - Dedicated									
	Federal Funds									
	Other Funds									
		\$39,799,154	\$39,799,154		\$12,255,420	\$12,255,420		\$52,054,574	\$52,054,574	
Full Time Equivalent Positions				73.0				74.0		

2.E. Summary of Exceptional Items Request

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022

TIME : 2:12:09PM

Agency code: 307

Agency name: Secretary of State

Priority	Item	2024			2025			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/24/2022
 TIME : 2:12:57PM

Agency code: 307	Agency name: Secretary of State					
<i>Goal/Objective/STRATEGY</i>	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
1 Provide and Process Information Efficiently; Enforce Laws/Rules						
<i>1 Process Documents & Provide Accurate & Reliable Info on a Timely</i>						
1 DOCUMENT FILING	\$5,694,140	\$5,694,140	\$2,107,328	\$2,130,841	\$7,801,468	\$7,824,981
<i>2 File & Publish Admin Rules and Agency Public Notices</i>						
1 DOCUMENT PUBLISHING	473,324	473,324	0	0	473,324	473,324
TOTAL, GOAL 1	\$6,167,464	\$6,167,464	\$2,107,328	\$2,130,841	\$8,274,792	\$8,298,305
2 Maintain Uniformity & Integrity of Elections; Oversee Election Proces						
<i>1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect</i>						
1 ELECTIONS ADMINISTRATION	9,748,185	7,251,427	7,235,936	7,037,936	16,984,121	14,289,363
2 PRIMARY FUNDING/VR POSTAGE	16,229,590	549,000	5,000,000	1,809,600	21,229,590	2,358,600
3 CONSTITUTIONAL AMENDMENTS	1,588,299	5,000	0	0	1,588,299	5,000
4 ELECTIONS IMPROVEMENT	3,130,443	3,014,263	0	0	3,130,443	3,014,263
5 FINANCING VOTER REGISTRATION	4,777,500	1,000,000	0	0	4,777,500	1,000,000
TOTAL, GOAL 2	\$35,474,017	\$11,819,690	\$12,235,936	\$8,847,536	\$47,709,953	\$20,667,226
3 International Protocol						
<i>1 Provide Protocol Services and Representation on Border Issues</i>						
1 PROTOCOL/BORDER AFFAIRS	250,414	250,414	0	0	250,414	250,414
TOTAL, GOAL 3	\$250,414	\$250,414	\$0	\$0	\$250,414	\$250,414
4 Indirect Administration						
<i>1 Indirect Administration</i>						
1 INDIRECT ADMINISTRATION	7,083,315	7,139,314	25,455,890	1,277,043	32,539,205	8,416,357
TOTAL, GOAL 4	\$7,083,315	\$7,139,314	\$25,455,890	\$1,277,043	\$32,539,205	\$8,416,357

2.F. Summary of Total Request by Strategy
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/24/2022
 TIME : 2:12:57PM

Agency code: 307	Agency name: Secretary of State					
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<i>Goal/Objective/STRATEGY</i>	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
TOTAL, AGENCY STRATEGY REQUEST	\$48,975,210	\$25,376,882	\$39,799,154	\$12,255,420	\$88,774,364	\$37,632,302
<hr/> <hr/>						
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
<hr/> <hr/>						
GRAND TOTAL, AGENCY REQUEST	\$48,975,210	\$25,376,882	\$39,799,154	\$12,255,420	\$88,774,364	\$37,632,302

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/24/2022
TIME : 2:12:57PM

Agency code: 307		Agency name: Secretary of State				
<i>Goal/Objective/STRATEGY</i>	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
General Revenue Funds:						
1 General Revenue Fund	\$42,518,779	\$18,920,451	\$39,799,154	\$12,255,420	\$82,317,933	\$31,175,871
	\$42,518,779	\$18,920,451	\$39,799,154	\$12,255,420	\$82,317,933	\$31,175,871
General Revenue Dedicated Funds:						
5095 Election Improvement Fund	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds:						
325 Coronavirus Relief Fund	0	0	0	0	0	0
555 Federal Funds	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds:						
666 Appropriated Receipts	6,456,431	6,456,431	0	0	6,456,431	6,456,431
	\$6,456,431	\$6,456,431	\$0	\$0	\$6,456,431	\$6,456,431
TOTAL, METHOD OF FINANCING	\$48,975,210	\$25,376,882	\$39,799,154	\$12,255,420	\$88,774,364	\$37,632,302
FULL TIME EQUIVALENT POSITIONS	223.5	223.5	73.0	74.0	296.5	297.5

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:16:01PM

307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules

OBJECTIVE: 1 Process Documents & Provide Accurate & Reliable Info on a Timely Basis

Service Categories:

STRATEGY: 1 File/Reject Statutory Filings

Service: 17

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
KEY 1	Number of Business, Comm, and Public Filings Transactions Processed	2,568,753.00	2,730,000.00	2,730,000.00	2,730,000.00	2,730,000.00
KEY 2	Number of Requests for Information and Filings Processed	7,392,603.00	6,250,000.00	6,250,000.00	6,250,000.00	6,250,000.00
Explanatory/Input Measures:						
1	Number of Registrants	4,492.00	12,000.00	6,000.00	12,000.00	6,000.00
2	Number of Notary Commissions Issued	137,120.00	111,000.00	111,000.00	111,000.00	111,000.00
3	Business, Commercial, and Public Filings Revenue	163,448,503.00	103,000.00	103,000.00	103,000.00	103,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,973,285	\$4,208,593	\$4,504,985	\$4,504,985	\$4,504,985
1002	OTHER PERSONNEL COSTS	\$393,775	\$196,649	\$196,649	\$224,300	\$224,300
2001	PROFESSIONAL FEES AND SERVICES	\$22,503	\$38,895	\$43,635	\$43,635	\$43,635
2003	CONSUMABLE SUPPLIES	\$69,391	\$77,266	\$71,850	\$71,850	\$71,850
2004	UTILITIES	\$3,906	\$4,060	\$2,400	\$2,400	\$2,400
2005	TRAVEL	\$1,374	\$4,500	\$1,100	\$1,100	\$1,100
2006	RENT - BUILDING	\$0	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$48,288	\$61,680	\$36,600	\$36,600	\$36,600
2009	OTHER OPERATING EXPENSE	\$4,461,962	\$2,116,897	\$1,867,758	\$809,270	\$809,270

3.A. Strategy Request
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 Automated Budget and Evaluation System of Texas (ABEST)

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307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules
 OBJECTIVE: 1 Process Documents & Provide Accurate & Reliable Info on a Timely Basis
 STRATEGY: 1 File/Reject Statutory Filings

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$8,974,484	\$6,708,540	\$6,724,977	\$5,694,140	\$5,694,140
Method of Financing:						
1	General Revenue Fund	\$1,829,723	\$303,740	\$1,803,333	\$1,014,232	\$1,014,232
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,829,723	\$303,740	\$1,803,333	\$1,014,232	\$1,014,232
Method of Financing:						
666	Appropriated Receipts	\$7,144,761	\$6,404,800	\$4,921,644	\$4,679,908	\$4,679,908
SUBTOTAL, MOF (OTHER FUNDS)		\$7,144,761	\$6,404,800	\$4,921,644	\$4,679,908	\$4,679,908
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,694,140	\$5,694,140
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$5,694,140	\$5,694,140
FULL TIME EQUIVALENT POSITIONS:		90.0	90.0	101.0	101.0	101.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules
 OBJECTIVE: 1 Process Documents & Provide Accurate & Reliable Info on a Timely Basis Service Categories:
 STRATEGY: 1 File/Reject Statutory Filings Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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To file documents creating and updating business entities. To record assumed names and register trademarks under the Business & Commerce Code. To provide a central filing location for lien notices pursuant to the Uniform Commercial Code; the Uniform Federal Lien Registration Act; and lien notices under other statutes. To appoint statewide notaries public upon application, ensure that notary public applications secure a \$10,000 surety bond, and issue commissions for four-year terms; to issue official notary public certifications; to enforce the Notary Public Act through rules; and act on notary public complaints. To forward process to defendants when Secretary of State is statutory agent for service of process. To register entities (e.g. health spas, credit service organizations, automobile clubs, athlete agents) and take administrative action when authorized. To commission appointed and elected officials and file the constitutional statements of officer. To file all legislative bills passed by the legislature. To file proclamations and miscellaneous filings (various statutes).

To respond to requests for information, copies, and certificates from the resulting records.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The strategy workload is significantly impacted by national and state economic factors, business growth, and private sector borrowing. As the economy expands, the filings increase and requests for information regarding these filings increase. In addition, workload may be impacted by changes in state business law and state or federal taxation issues.

The efficiency with which filings and information requests are processed is dependent upon the employment of current technology and the ability to attract and retain a competent workforce.

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:16:01PM

307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules

OBJECTIVE: 1 Process Documents & Provide Accurate & Reliable Info on a Timely Basis

Service Categories:

STRATEGY: 1 File/Reject Statutory Filings

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$13,433,517	\$11,388,280	\$(2,045,237)	\$(3,500,000)	The difference is related to a reduction in online credit card fees/revenue that is no longer collected and paid by the agency.
			\$1,454,763	The increase in salary increases for targeted staff along with improved hiring practices in FY 22 along with funds for training and operational costs increases
			\$(2,045,237)	Total of Explanation of Biennial Change

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:16:01PM

307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules
 OBJECTIVE: 2 File & Publish Admin Rules and Agency Public Notices
 STRATEGY: 1 Publish the Texas Register and the Texas Administrative Code

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Explanatory/Input Measures:						
1	Number of Rules and Notices Filed in the Texas Register	21,110.00	23,600.00	23,600.00	23,600.00	23,600.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$341,079	\$332,145	\$388,800	\$388,800	\$388,800
1002	OTHER PERSONNEL COSTS	\$31,126	\$14,890	\$14,890	\$14,890	\$14,890
2003	CONSUMABLE SUPPLIES	\$0	\$3,973	\$2,500	\$2,500	\$2,500
2005	TRAVEL	\$1,063	\$700	\$0	\$700	\$700
2007	RENT - MACHINE AND OTHER	\$639	\$1,690	\$800	\$800	\$800
2009	OTHER OPERATING EXPENSE	\$62,474	\$65,634	\$46,390	\$65,634	\$65,634
TOTAL, OBJECT OF EXPENSE		\$436,381	\$419,032	\$453,380	\$473,324	\$473,324
Method of Financing:						
1	General Revenue Fund	\$387,332	\$369,032	\$403,380	\$438,324	\$438,324
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$387,332	\$369,032	\$403,380	\$438,324	\$438,324
Method of Financing:						
666	Appropriated Receipts	\$49,049	\$50,000	\$50,000	\$35,000	\$35,000
SUBTOTAL, MOF (OTHER FUNDS)		\$49,049	\$50,000	\$50,000	\$35,000	\$35,000

307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules
 OBJECTIVE: 2 File & Publish Admin Rules and Agency Public Notices Service Categories:
 STRATEGY: 1 Publish the Texas Register and the Texas Administrative Code Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$473,324	\$473,324
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$436,381	\$419,032	\$453,380	\$473,324	\$473,324
FULL TIME EQUIVALENT POSITIONS:		6.0	8.0	8.0	8.0	8.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Following each session of the legislature, the Secretary of State publishes and maintains electronically the bills and resolutions enacted at that session. The electronic publication is indexed by bill number. Chapter numbers are assigned to each bill. The electronic publication is accessible on the Internet. The signed paper original bills and resolutions are bound and delivered to the State Archives.

The Secretary of State publishes all state agency rule notices in the weekly issues of the Texas Register. Rules also are posted daily on a searchable Internet database. The compilation of adopted rules is published in the Texas Administrative Code, which is updated each day on the searchable Internet database.

The Texas Register contains the text of pending rule changes and other state agency notices required to be published by the following statutes: Texas Govt. Code, Chapters 2001, 2002, 551, 2254, and other applicable laws.

The Texas Administrative Code contains the compiled text of all state agency rules that are in effect, as well as superseded versions of rules from 1999 forward. The Texas Register and the Texas Administrative Code are available on the Secretary of State Internet site and in print from commercial legal publishers.

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:16:01PM

307 Secretary of State

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules
 OBJECTIVE: 2 File & Publish Admin Rules and Agency Public Notices Service Categories:
 STRATEGY: 1 Publish the Texas Register and the Texas Administrative Code Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Secretary of State is required to publish the Texas Register and compile adopted rules in the Texas Administrative Code. This office has no control over the number of rules and other documents filed by state agencies for publication in the Texas Register and Texas Administrative Code. Both the Texas Register and the Texas Administrative Code are made available to the public at no charge on the internet. Commercial legal publishers offer print subscription services for the Texas Register and Texas Administrative Code.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$872,412	\$946,648	\$74,236	\$74,236	The increased amount represents true estimated operational costs for this strategy and full FTE funding
			\$74,236	Total of Explanation of Biennial Change

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:16:01PM

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 1 Provide Statewide Elections Administration

Service Categories:

Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
KEY 1	Number of Election Officials Assisted or Advised	262,077.00	235,000.00	155,000.00	235,000.00	155,000.00
2	Number of Public Customers Advised, Trained or Assisted	292,879.00	160,000.00	160,000.00	160,000.00	160,000.00
Explanatory/Input Measures:						
1	Number of Registered Voters	16,676,353.00	15,700,000.00	15,700,000.00	15,700,000.00	15,700,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,392,128	\$2,767,340	\$2,767,340	\$2,767,340	\$2,767,340
1002	OTHER PERSONNEL COSTS	\$68,346	\$225,154	\$225,154	\$225,154	\$225,154
2001	PROFESSIONAL FEES AND SERVICES	\$222,755	\$218,219	\$218,219	\$218,219	\$218,219
2003	CONSUMABLE SUPPLIES	\$7,304	\$21,847	\$22,847	\$22,847	\$22,847
2004	UTILITIES	\$34	\$11,800	\$2,800	\$2,800	\$2,800
2005	TRAVEL	\$63,556	\$94,012	\$138,556	\$138,556	\$138,556
2006	RENT - BUILDING	\$0	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$5,727	\$6,664	\$11,664	\$11,664	\$11,664
2009	OTHER OPERATING EXPENSE	\$3,894,868	\$7,041,489	\$3,226,507	\$6,361,605	\$3,864,847
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$5,654,718	\$10,386,525	\$6,613,087	\$9,748,185	\$7,251,427

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/24/2022 2:16:01PM

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 1 Provide Statewide Elections Administration

Service Categories:

Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Method of Financing:						
1	General Revenue Fund	\$5,198,891	\$9,801,102	\$6,027,664	\$9,162,762	\$6,666,004
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,198,891	\$9,801,102	\$6,027,664	\$9,162,762	\$6,666,004
Method of Financing:						
666	Appropriated Receipts	\$455,827	\$585,423	\$585,423	\$585,423	\$585,423
SUBTOTAL, MOF (OTHER FUNDS)		\$455,827	\$585,423	\$585,423	\$585,423	\$585,423
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$9,748,185	\$7,251,427
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,654,718	\$10,386,525	\$6,613,087	\$9,748,185	\$7,251,427
FULL TIME EQUIVALENT POSITIONS:		23.0	25.0	34.0	44.0	44.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 1 Provide Statewide Elections Administration Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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As chief election officer for the state, the Secretary of State is required to assist and advise election authorities to ensure the fair and uniform application, operation and interpretation of election laws. (Texas Election Code, Sections 31.001- 31.008) The Secretary of State’s Elections Division answers day to day inquiries of election officials received on several toll-free numbers, and also prepares detailed directives and advisory memoranda concerning proper election procedures. In addition, other central election duties include: training programs for election officials; prescription of official election forms, including postage paid voter registration applications that are provided to the public free of charge; certification of special and general election ballots; collection of election night returns, administration of the state election inspector program; administration of the constitutional amendment elections, certification of voting systems; and submission of election-related legislation to the U.S. Department of Justice for pre-clearance.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The key external factor affecting this strategy is the statutory election cycle. The primary elections and general election for state and county officers are held in even-numbered years. Consequently, more assistance and advice is provided to election officials in even-numbered years. Another significant external factor is the number of registered voters. Registration rates appear to be consistently between 70 and 80% of the voting age population. Another factor impacting this strategy is a standard now being enforced by the US Postal Service (USPS) that requires pre-addressed voter registration cards, which the state is to provide in “reasonable” quantities. Since 1987, the USPS had granted the Agency a special exception in which it has been allowed to use a business reply permit without pre-addressing the application. The new standard being enforced that requires the cards to have the county address with the zip code plus four and the USPS approved bar code has affected the Secretary of State twofold. First, the cost of printing the cards has increased because the Agency must order 254 different versions of pre-addressed cards plus a version with the Agency address in both English and Spanish. Secondly, because supplies of pre-addressed cards to the counties are distributed in precise quantities, many of the voter registration cards that get distributed are the version with the Secretary of State’s address, which has resulted in significant hours of staff time spent sorting and distributing the cards to the appropriate county.

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 1 Provide Statewide Elections Administration Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$16,999,612	\$16,999,612	\$0	\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 2 Primary Election Financing; VR Postal Payment to Postal Services

Service Categories:

Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Efficiency Measures:						
1	Program Mgmt Cost Per Dollar of Primary Election Funds Distributed	0.00	0.01	0.01	0.01	0.01
2	Program Mgmt Cost Per Dollar of Voter Registration Postage Reimbursed	0.00	0.20	0.20	0.20	0.20
Explanatory/Input Measures:						
1	Amount of Primary Election Funds Distributed to Political Parties	13,200,000.00	15,000,000.00	0.00	15,000,000.00	0.00
2	Amount of Voter Registration Postage Reimbursed to Counties	364,862.00	375,000.00	225,000.00	375,000.00	225,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$182,277	\$230,843	\$230,843	\$230,843	\$230,843
1002	OTHER PERSONNEL COSTS	\$4,380	\$4,080	\$4,080	\$4,080	\$4,080
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$366,861	\$362,341	\$314,077	\$362,341	\$314,077
4000	GRANTS	\$0	\$15,632,326	\$0	\$15,632,326	\$0
TOTAL, OBJECT OF EXPENSE		\$553,518	\$16,229,590	\$549,000	\$16,229,590	\$549,000

Method of Financing:

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 2 Primary Election Financing; VR Postal Payment to Postal Services Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1	General Revenue Fund	\$553,518	\$16,229,590	\$549,000	\$16,229,590	\$549,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$553,518	\$16,229,590	\$549,000	\$16,229,590	\$549,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$16,229,590	\$549,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$553,518	\$16,229,590	\$549,000	\$16,229,590	\$549,000
FULL TIME EQUIVALENT POSITIONS:		3.0	4.0	4.0	4.0	4.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Secretary of State is required to administer and disburse two state-funded election cost reimbursement funds. Section 173.001 of the Texas Election Code requires the Secretary of State to administer the Primary Election Financing Program, in which the state and county political chairs are reimbursed for the reasonable and necessary costs of conducting the primary elections. In addition, Section 13.121 of the Texas Election Code requires that the official voter registration application prescribed by the Secretary of State be printed with pre-paid postage. The voter registration postage is administered through separate postage accounts for each county.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
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 Automated Budget and Evaluation System of Texas (ABEST)

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 2 Primary Election Financing; VR Postal Payment to Postal Services Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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One of the key external variables affecting this strategy is the statutory election cycle. The majority of primary election funds are reimbursed in even-numbered years, and the number of voter registration applications mailed is also higher in even-numbered election years due to the primary and general election cycle. Other external factors include whether there will be two statewide primary runoffs, voter turnout and interest in a particular election, as well as legislation and (or) litigation that may affect the conduct of the election. Another external requirement is Federal Legislation, specifically, the Help America Vote Act of 2002. HAVA along with state law requires Texas Counties to use voting systems that are fully accessible to disabled persons such that they can vote independently. These accessible voting systems necessitate programming and maintenance costs that continue to escalate thereby increasing the costs of elections including primary and primary runoff elections.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$16,778,590	\$16,778,590	\$0	\$0	Total of Explanation of Biennial Change

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 3 Publish and Interpret Constitutional Amendments

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
KEY 1	Number of Constitutional Amendment Translations Mailed	0.00	4,406,334.00	0.00	2,632,301.00	0.00
Efficiency Measures:						
1	Average Cost Per Amendment Published	0.00	249,929.00	0.00	194,369.00	0.00
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$2,151	\$3,190,126	\$5,000	\$1,588,299	\$5,000
TOTAL, OBJECT OF EXPENSE		\$2,151	\$3,190,126	\$5,000	\$1,588,299	\$5,000
Method of Financing:						
1	General Revenue Fund	\$2,151	\$3,190,126	\$5,000	\$1,588,299	\$5,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,151	\$3,190,126	\$5,000	\$1,588,299	\$5,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,588,299	\$5,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,151	\$3,190,126	\$5,000	\$1,588,299	\$5,000
FULL TIME EQUIVALENT POSITIONS:						

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 3 Publish and Interpret Constitutional Amendments Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Article 17 of the Texas Constitution and Chapter 274 of the Texas Election Code require the Secretary of State to prepare and publish a brief explanatory statement of each proposed constitutional amendment. Currently, each statement is published in English in approximately 504 newspapers of general circulation and in Spanish in approximately 42 Hispanic newspapers. In addition, each Spanish surnamed registered voter household receives a direct mailing of the translated explanatory statements.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The appropriation request is based upon an estimated number of 10 amendments on the November ballot and the key variable in this strategy is the cost of newspaper advertising. Total newspaper advertising cost is driven by the number of columnar inches required to print the explanatory statement of each amendment. Complex amendments may require more explanatory text and more space in the newspaper. Newspaper advertising rates typically increase by 3-5% every biennium. The increased advertising rate is partially offset by the gradual decline in the number of newspapers statewide.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$3,195,126	\$1,593,299	\$(1,601,827)	\$(1,601,827)	The request reduction in 2024 is an estimate of the number of amendments that will be on the November ballot. The amount expended in 2022 was high.
			<u>\$(1,601,827)</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 4 Administer the Federal Help America Vote Act (HAVA) Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Explanatory/Input Measures:						
1	Number of Counties Using Voter Registration Online	216.00	215.00	215.00	215.00	215.00
2	Number of Federal HAVA Dollars Spent Per Voting Age Population	0.00	0.90	0.90	0.90	0.90
Objects of Expense:						
1001	SALARIES AND WAGES	\$124,109	\$401,280	\$401,280	\$401,280	\$401,280
1002	OTHER PERSONNEL COSTS	\$0	\$1,500	\$1,500	\$1,500	\$1,500
2001	PROFESSIONAL FEES AND SERVICES	\$406,263	\$91,500	\$91,500	\$91,500	\$91,500
2005	TRAVEL	\$0	\$31,400	\$31,400	\$31,400	\$31,400
2009	OTHER OPERATING EXPENSE	\$134,253	\$14,050,569	\$4,489,320	\$2,604,763	\$2,488,583
4000	GRANTS	\$4,162,857	\$36,097,277	\$6,421,272	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$4,827,482	\$50,673,526	\$11,436,272	\$3,130,443	\$3,014,263
Method of Financing:						
1	General Revenue Fund	\$543,469	\$39,328,526	\$5,000,000	\$3,130,443	\$3,014,263
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$543,469	\$39,328,526	\$5,000,000	\$3,130,443	\$3,014,263

Method of Financing:

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 4 Administer the Federal Help America Vote Act (HAVA)

Service Categories:

Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
5095	Election Improvement Fund	\$121,156	\$45,000	\$15,000	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$121,156	\$45,000	\$15,000	\$0	\$0
Method of Financing:						
555	Federal Funds					
	90.404.000 2018 HAVA Election Security Grants	\$4,162,857	\$11,300,000	\$6,421,272	\$0	\$0
CFDA Subtotal, Fund	555	\$4,162,857	\$11,300,000	\$6,421,272	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$4,162,857	\$11,300,000	\$6,421,272	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$3,130,443	\$3,014,263
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$4,827,482	\$50,673,526
FULL TIME EQUIVALENT POSITIONS:		2.0	2.0	6.0	6.0	6.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 4 Administer the Federal Help America Vote Act (HAVA) Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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Pursuant to sections 31.003 and 31.0101 of the Texas Election Code, the Secretary of State is required to maintain and obtain uniformity in the application, operation, and interpretation of all election laws, including the federal Help America Vote Act of 2002 (“HAVA”). Federal funding is available under HAVA, and the Secretary of State is authorized to draw down federal funding to:

- (1) improve the administration of federal elections;
- (2) make grants to counties to comply with HAVA mandates, including improving or replacing voting systems;
- (3) create a uniform, official, centralized, interactive, computerized statewide voter registration list;
- (4) educate voters, election officials, and election workers regarding HAVA, including its impact on state and federal laws.
- (5) comply with other HAVA mandates.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

An external factor affecting this strategy is the degree to which counties obtain and maintain compliant voting systems. Counties’ ability to purchase and maintain compliant voting systems depends on the availability of funds and the counties’ commitment to complying with HAVA mandates. The funding designated in the Texas HAVA State Plan for counties to acquire HAVA-compliant voting systems has been fully utilized and expended. Counties will need to look to other funding sources to absorb future costs related to maintaining a HAVA-compliant voting system, such as annual license and maintenance costs, equipment upgrades, equipment replacement, and other operating costs needed for HAVA-compliance. Moreover, the Secretary of State has used HAVA funds to pay for the statewide voter registration list database expense since 2007. However, the HAVA funding dedicated for maintenance of that system is depleted which results in the need for state funding as a revenue source. The federal law requiring the state to maintain the database will remain in place.

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 4 Administer the Federal Help America Vote Act (HAVA) Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$62,109,798	\$6,144,706	\$(55,965,092)	\$(56,081,272)	The reduction in the requested amount is related to one-time funding sources and a reduction in revenue from interest on previously fully funded federal funds.
			\$116,180	Provides funding for the continued state GR match for the 2018 HAVA award.
			\$(55,965,092)	Total of Explanation of Biennial Change

307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 5 Payments to Counties for Voter Registration Activity. Estimated.

Service Categories:

Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
4000	GRANTS	\$25,482	\$4,777,500	\$1,000,000	\$4,777,500	\$1,000,000
TOTAL, OBJECT OF EXPENSE		\$25,482	\$4,777,500	\$1,000,000	\$4,777,500	\$1,000,000
Method of Financing:						
1	General Revenue Fund	\$25,482	\$4,777,500	\$1,000,000	\$4,777,500	\$1,000,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$25,482	\$4,777,500	\$1,000,000	\$4,777,500	\$1,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,777,500	\$1,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$25,482	\$4,777,500	\$1,000,000	\$4,777,500	\$1,000,000

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy provided funding to counties to defray the cost of voter registration. Funding is allocated to each county based on the number of initial registrations, canceled registrations and updated registrations of voters in the county as established by a certified statement submitted by the Voter Registrar to the Secretary of State, as required by Election Code, Section 19.002. This is an estimated appropriation.

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307 Secretary of State

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs Service Categories:
 STRATEGY: 5 Payments to Counties for Voter Registration Activity. Estimated. Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Payments to counties by this strategy are formula-driven by statute.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$5,777,500	\$5,777,500	\$0	<u>\$0</u>	Total of Explanation of Biennial Change

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307 Secretary of State

GOAL: 3 International Protocol
 OBJECTIVE: 1 Provide Protocol Services and Representation on Border Issues Service Categories:
 STRATEGY: 1 Provide Protocol Services and Representation on Border Issues Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
1	# Meetings w/Intern'l Diplomatic Off/Foreign Gov Off/Bus Leaders	181.00	80.00	80.00	80.00	80.00
2	Number of Border Events Attended	48.00	55.00	55.00	55.00	55.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$224,950	\$185,575	\$245,548	\$215,000	\$215,000
1002	OTHER PERSONNEL COSTS	\$26,343	\$19,617	\$8,991	\$9,651	\$9,651
2005	TRAVEL	\$2,077	\$7,133	\$6,000	\$10,000	\$10,000
2009	OTHER OPERATING EXPENSE	\$3,374	\$12,982	\$14,982	\$15,763	\$15,763
TOTAL, OBJECT OF EXPENSE		\$256,744	\$225,307	\$275,521	\$250,414	\$250,414
Method of Financing:						
1	General Revenue Fund	\$256,744	\$225,307	\$275,521	\$250,414	\$250,414
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$256,744	\$225,307	\$275,521	\$250,414	\$250,414

307 Secretary of State

GOAL: 3 International Protocol
 OBJECTIVE: 1 Provide Protocol Services and Representation on Border Issues Service Categories:
 STRATEGY: 1 Provide Protocol Services and Representation on Border Issues Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$250,414	\$250,414
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$256,744	\$225,307	\$275,521	\$250,414	\$250,414
FULL TIME EQUIVALENT POSITIONS:		3.0	3.0	3.0	3.0	3.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Secretary of State represents the Governor and the State of Texas at meetings and events with members of the international diplomatic corps. In addition, the Secretary is charged with coordinating and facilitating meetings between the Governor and international leaders. The Secretary also acts as a liaison to foreign government officials and business leaders by addressing concerns that have not been resolved through alternate channels.

The Secretary represents the Governor and the State of Texas at meetings and other events with Mexican officials, border leaders, appropriate federal, state, local, and other officials; facilitates and organizes meetings and other engagements between the Governor and Mexican and/or border leaders; and attends events related to Mexico and the border as appropriate or as requested. The Secretary of State also serves as the Border Commerce Coordinator.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
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307 Secretary of State

GOAL: 3 International Protocol
 OBJECTIVE: 1 Provide Protocol Services and Representation on Border Issues Service Categories:
 STRATEGY: 1 Provide Protocol Services and Representation on Border Issues Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$500,828	\$500,828	\$0	\$0	Total of Explanation of Biennial Change

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307 Secretary of State

GOAL: 4 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Indirect Administration

Service Categories:

Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,428,427	\$3,712,373	\$3,891,008	\$3,991,008	\$3,991,008
1002	OTHER PERSONNEL COSTS	\$354,685	\$78,565	\$159,675	\$159,675	\$159,675
2001	PROFESSIONAL FEES AND SERVICES	\$398,616	\$12,991,803	\$1,091,452	\$1,250,000	\$1,250,000
2002	FUELS AND LUBRICANTS	\$500	\$500	\$600	\$600	\$600
2003	CONSUMABLE SUPPLIES	\$15,877	\$20,633	\$26,000	\$26,000	\$26,000
2004	UTILITIES	\$47,920	\$53,257	\$51,720	\$51,720	\$51,720
2005	TRAVEL	\$3,013	\$27,889	\$31,800	\$31,800	\$31,800
2006	RENT - BUILDING	\$24,787	\$36,305	\$34,030	\$34,030	\$34,030
2007	RENT - MACHINE AND OTHER	\$20,371	\$20,433	\$22,750	\$22,750	\$22,750
2009	OTHER OPERATING EXPENSE	\$15,139,831	\$7,819,709	\$432,551	\$1,515,732	\$1,571,731
5000	CAPITAL EXPENDITURES	\$36,740	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$19,470,767	\$24,761,467	\$5,741,586	\$7,083,315	\$7,139,314
Method of Financing:						
1	General Revenue Fund	\$4,062,539	\$23,461,467	\$4,441,586	\$5,927,215	\$5,983,214
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,062,539	\$23,461,467	\$4,441,586	\$5,927,215	\$5,983,214

307 Secretary of State

GOAL: 4 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Indirect Administration

Service Categories:

Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Method of Financing:						
325	Coronavirus Relief Fund					
	21.019.119 COV19 Coronavirus Relief Fund	\$14,008,228	\$0	\$0	\$0	\$0
CFDA Subtotal, Fund	325	\$14,008,228	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$14,008,228	\$0	\$0	\$0	\$0
Method of Financing:						
666	Appropriated Receipts	\$1,400,000	\$1,300,000	\$1,300,000	\$1,156,100	\$1,156,100
SUBTOTAL, MOF (OTHER FUNDS)		\$1,400,000	\$1,300,000	\$1,300,000	\$1,156,100	\$1,156,100
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$7,083,315	\$7,139,314
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$7,083,315	\$7,139,314
FULL TIME EQUIVALENT POSITIONS:		48.0	48.5	51.0	57.5	57.5
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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307 Secretary of State

GOAL: 4 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Indirect Administration

Service Categories:

Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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The Administrative Services Division includes executive administration and oversight of the entire agency. It also provides for financial, human resource, information technology management, and procurement services to the Agency. The Financial Management section includes financial, budgetary, and property accounting and reporting, as well as payroll. The Human Resources section assists all divisions with personnel management, recruiting and selection, and employee benefits, as well as recordkeeping and reporting. The Operating Support section procures needed supplies, equipment, and services and coordinates space planning and allocation. In addition, Operating Support manages the Agency's centralized mail services.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Statewide management initiatives often require additional administrative reports and other exchanges of information with oversight agencies. When funding is stable or decreasing compliance becomes more challenging.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$30,503,053	\$14,222,629	\$(16,280,424)	\$(17,452,644)	Reduction primarily related to one time costs for BEST Legacy Modernization project
			\$1,172,220	Increase related to replacement of 5yr IT networking equipment and operational support
			\$(16,280,424)	Total of Explanation of Biennial Change

3.A. Strategy Request
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SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882
METHODS OF FINANCE (INCLUDING RIDERS):				\$48,975,210	\$25,376,882
METHODS OF FINANCE (EXCLUDING RIDERS):	\$40,201,727	\$117,371,613	\$32,798,823	\$48,975,210	\$25,376,882
FULL TIME EQUIVALENT POSITIONS:	175.0	180.5	207.0	223.5	223.5

03. B Rider Revisions and Additions Request

Agency Code: 307		Agency Name: Office of the Secretary of State		Prepared By: Alfonso Royal		Date: 8/19/2022		Request Level:																																																																																																					
Current Rider Number	Page Number in 2022-23 GAA	Proposed Rider Language																																																																																																											
2	I-93	<p>Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.</p> <table border="0" style="width:100%"> <tr> <td></td> <td align="right">2022</td> <td align="right">2024</td> <td align="right">2023</td> <td align="right">2025</td> <td colspan="5"></td> </tr> <tr> <td>a. Acquisition of Information Resource Technologies</td> <td></td> <td></td> <td></td> <td></td> <td colspan="5"></td> </tr> <tr> <td> (1) Acquisition of Information Resource Technologies</td> <td align="right">\$ 200,000</td> <td></td> <td align="right">\$ 400,000</td> <td></td> <td colspan="5"></td> </tr> <tr> <td>b. Data Center Consolidation</td> <td></td> <td></td> <td></td> <td></td> <td colspan="5"></td> </tr> <tr> <td> (1) Data Center Consolidation</td> <td align="right">\$ 1,097,0385</td> <td></td> <td align="right">\$ 1,080,468</td> <td></td> <td colspan="5"></td> </tr> <tr> <td> Total, Capital Budget</td> <td align="right"> <u>\$ 1,297,385</u></td> <td></td> <td align="right"> <u>\$ 1,408,468</u></td> <td></td> <td colspan="5"></td> </tr> <tr> <td colspan="10"> Method of Financing (Capital Budget):</td> </tr> <tr> <td>General Revenue Fund</td> <td align="right">\$ 1,097,385</td> <td></td> <td align="right">\$ 1,080,468</td> <td></td> <td colspan="5"></td> </tr> <tr> <td>Appropriated Receipts</td> <td align="right">\$ 200,000</td> <td></td> <td align="right">\$ 400,000</td> <td align="right">0</td> <td colspan="5"></td> </tr> <tr> <td> Total, Method of Financing</td> <td align="right"> <u>\$ 1,297,385</u></td> <td></td> <td align="right"> <u>\$ 1,408,468</u></td> <td></td> <td colspan="5"></td> </tr> </table>									2022	2024	2023	2025						a. Acquisition of Information Resource Technologies										(1) Acquisition of Information Resource Technologies	\$ 200,000		\$ 400,000							b. Data Center Consolidation										(1) Data Center Consolidation	\$ 1,097,0385		\$ 1,080,468							 Total, Capital Budget	 <u>\$ 1,297,385</u>		 <u>\$ 1,408,468</u>							 Method of Financing (Capital Budget):										General Revenue Fund	\$ 1,097,385		\$ 1,080,468							Appropriated Receipts	\$ 200,000		\$ 400,000	0						 Total, Method of Financing	 <u>\$ 1,297,385</u>		 <u>\$ 1,408,468</u>						
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3	I-93	Contingency Appropriation for Constitutional Amendments. The amounts appropriated above in Strategy B.1.3, Constitutional Amendments, are intended to cover the costs of fulfilling the requirements of Election Code, Chapter 274, Subchapter B, and Article 17 §1 of the Texas Constitution for 11 proposed constitutional amendments or referendum items. In the event that the number of proposed constitutional amendments or referendum items exceeds 11, or if the actual costs exceed the amounts appropriated herein, the Secretary of State is hereby appropriated from General Revenue the additional funds necessary to fulfill the aforementioned requirements.
4	I-93	Travel Expenditures. The Secretary of State is hereby authorized to expend funds from the above appropriations to reimburse state inspectors for travel expenses pursuant to Election Code, §34.003.
5	I-93	Limitation, Primary Finance. Of the funds appropriated in Strategy B.1.2, Primary Funding/Voter Registration Postage, not more than \$250,000 may be distributed to the executive committees of the state parties for the operation of the primary and runoff elections. Funds distributed to the executive committees shall be distributed to the respective parties in the ratio of the total number of primary and runoff voters in the 2022 <u>2024</u> elections.
6	I-93	Use of Excess Registration Fees Authorization. Any registration fee collected by the Office of the Secretary of State to pay the expenses of a conference, seminar, or meeting in excess of the actual costs of such conference, seminar, or meeting may be used to pay the expenses of any other conference, seminar, or meeting for which no registration fees were collected or for which registration fees collected were insufficient to cover the total expenses.
7	I-93	General Revenue-Dedicated Election Improvement Fund No. 5095. Included in amounts appropriated above are all balances remaining in the General Revenue-Dedicated Election Improvement Account No. 5095 as of August 31, 2022 <u>2023</u> , for the biennium beginning September 1, 2022 <u>2023</u> , to carry out provisions of the Help America Vote Act (HAVA) as codified in Election Code, §31.011.
8	I-93	Limitation of Reimbursement for Non-Joint Primary Elections. Funds appropriated above in Strategy B.1.2, Primary Funding/Voter Registration Postage may not be used to reimburse counties for amounts that exceed the costs to conduct a joint primary election.

9	I-94	<p>Voter Identification Education. Included in the amounts appropriated above is \$3,500,000 in General Revenue in fiscal year 2022 <u>2024</u> in Strategy B.1.1, Elections Administration for educating the public, including students, regarding the required documents for voting and the general voting process pursuant to Section 31.012, Elections Code.</p> <p>Any unexpected balances remaining as of August 31, 2022 <u>2024</u>, out of the appropriating made herein are appropriated to the Secretary of State for the fiscal year beginning September 1, 2022 <u>2024</u>, for the same purpose.</p>
10	I-94	<p>Unexpended Balances Within the Biennium for Document Filing. Any unexpended and unobligated balances remaining as of August 31, 2022 <u>2024</u> in Strategy A.1.1, Document Filing, are appropriated to the Secretary of State for the fiscal year beginning September 1, 2022 <u>2024</u> for the same purposes.</p>
11	1-94	<p>Unexpended Balances Between and Within Biennia for Election and Voter Registration Funds. In addition to amounts appropriated above in Strategy B.1.2, Primary Funding/Voter Registration Postage, any unexpended and unobligated balances as of August 31, 2024 <u>2023</u> (estimated to be \$0 in General Revenue) are appropriated for reimbursements to counties for costs related to primary elections during the 2022-23 <u>2024-25</u> biennium.</p>
12	1-94	<p>Voter Registration Transfer Limits. Notwithstanding Article IX, Section 14.01, Appropriation Transfers or similar provisions of the Act, the estimated amount appropriated above in Strategy B.1.5, Financing Voter Registration, is for the sole purpose of providing funding to counties to defray the cost of voter registration as provided in accordance with Election Code, §19.002.</p>
13	1-94	<p>Notary Fees. Included in the amounts appropriated above in Strategy A.1.1, Document Filing is \$120,000 in Appropriated Receipts in each fiscal year of the 2022-23 <u>2024-25</u> biennium from revenue received pursuant to Government Code, §406.007(a)(2) for costs associated with notary education and enforcement.</p>
14	1-94	<p>Voting Systems Examination. Included in the amounts appropriated above in Strategy B.1.1, Election Administration is an amount estimated to be \$20,000 in Appropriated Receipts from revenue received pursuant to Election Code, Chapter 122 in each fiscal year of the 2020-21 <u>2024-25</u> biennium for the examination of voting systems.</p>

15	I-94	<p>2018 Help America Vote Act State Matching Funds. Included in the amounts appropriated above in Strategy B.1.4, Elections Improvement <u>are unexpended and unobligated balances as of August 31, 2023 (estimated to be \$116,180 in General Revenue) appropriated for the</u> is \$905,630 in General Revenue to be used during the 2022-23 <u>2024-25</u> biennium as a <u>continued</u> five percent state match toward the federal Help America Vote Act (HAVA) election security grant received by the Secretary of State in 2018.</p>
16	I-94	<p>Electronic Registration Information Center (ERIC). Included in the amounts appropriated above in Strategy B.1.1 Elections Administration, is \$1,500,000 from the General Revenue Fund in fiscal year 2020 <u>2024</u> to provide for Texas' enrollment in the Electronic Registration Information Center (ERIC) pursuant to Election Code, Section 18.062.</p> <p>Any unexpended balances of these funds remaining as of August 31, 2022 <u>2024</u> are appropriated to the Secretary of State for the fiscal year beginning September 1, 2022 <u>2024</u> for the same purpose.</p>
17	I-94	<p>Funding Increases for the 2022-23 Biennium. Included in amounts appropriated above in Strategy B.1.1, Elections Administration, is \$1,070,529 from General Revenue in fiscal year 2022 and \$2,170,529 from General Revenue in fiscal year 2023 for the maintenance of the Texas Elections Administration Management (TEAM) system. These funds are also to be used as a five percent match toward the federal Help America Vote Act (HAVA) election security grant received by the Secretary of State in 2020.</p>
18	I-94	<p>Unexpended Balances Carried Forward Between Biennia. Included in amounts appropriated above are unexpended and unobligated balances out of Appropriated Receipts as of August 31, 2021 <u>2023</u>, (not to exceed \$600,000) in Strategy A.1.1, Document Filing , appropriated to the Secretary of State for the biennium beginning September 1, 2021 <u>2023</u>, to be used for operating expenses related to business and legislative filings, entity and trademark registration, notary services, public official commissions, providing copies of public information, and other document filing activities.</p>
19	I-95	<p>Reimbursement for Auditable Voting Machines.1, 2</p> <p>a. To the extent the agency receives federal funds for the purposes described in this rider, included in amounts appropriated above to the Secretary of State is</p>

		<p>\$34,000,000 in federal funds in Strategy B.1.4, Elections Improvement, in fiscal year 2022 for the purpose of reimbursements for the retrofitting of certain auditable voting systems, the replacement of certain systems that cannot be so upgraded, and the development of secure tracking systems for mail ballots in accordance with the provisions of Senate Bill 7 or similar legislation by the Eighty-seventh Legislature, Regular Session. Unexpended balances remaining for this purpose as of August 31, 2022, are appropriated for the same purposes for the fiscal year beginning September 1, 2022.</p> <p>If by November 1, 2021 the Secretary of State is not able to certify to the Legislative Budget Board that sufficient federal funds exist for these purposes, \$34,000,000 in general revenue funds is appropriated to the Secretary of State in fiscal year 2022 to fulfill the provisions of the legislation and appropriated federal funds are reduced by \$34,000,000 in fiscal year 2022.</p> <p>b. Included in amounts appropriated above is \$4,300,000 in general revenue in Strategy B.1.4, Elections Improvement, in fiscal year 2022 for the purpose of reimbursements for the retrofitting of certain auditable voting systems, the replacement of certain systems that cannot be so upgraded, and the development of secure tracking system for mail ballots in accordance with the provisions of House Bill 3 or similar legislation by the Eighty-seventh Legislature, Second Called Session. Unexpended balances remaining for this purpose as of August 31, 2022 are appropriated for the same purposes for the fiscal year beginning September 1, 2022.</p>

		<p><u>Appropriation of Receipts Online Fees:</u></p> <p><u>In addition to the amounts above are unobligated balances totaling \$1,456,095 that have been previously re-appropriated to the agency from prior fiscal years related to electronic cost recovery service fees for the purpose of paying the costs associated with implementing and maintaining electronic payment services for agency customers including maintaining systems that that provide protection of personal credit card information of the citizens of Texas, entities, and individuals requesting information. These balances were required to be transferred to unappropriated by the Comptroller during fiscal year 2022.</u></p> <p><u>Including the total identified in this rider and any unexpended balances from credit, charge, or debit card service or cost recovery fees remaining at the end of the fiscal year ending August 31, 2023 associated with the amounts identified in this rider, are appropriated to the agency for the same purpose for the fiscal year beginning September 1, 2023 and are available for use during the 2024-25 biennium.</u></p>
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4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
 TIME: 2:19:37PM

Agency code: 307 Agency name: Secretary of State

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: SOS Legacy Modernization - Phase 2 Item Priority: 1 IT Component: Yes Anticipated Out-year Costs: No Involve Contracts > \$50,000: Yes Includes Funding for the Following Strategy or Strategies: 04-01-01 Indirect Administration		

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	24,148,847	0
TOTAL, OBJECT OF EXPENSE		\$24,148,847	\$0

METHOD OF FINANCING:

1	General Revenue Fund	24,148,847	0
TOTAL, METHOD OF FINANCING		\$24,148,847	\$0

DESCRIPTION / JUSTIFICATION:

The SOS Legacy Modernization Project is a continuation of the Major Information Resources project that was partially funded by the 87th Legislature in the amount of \$18 million. The initial funding provided has been focused on the first phase of modernizing the Business Entity and Secured Transaction system, which is the 20-year-old legacy system used in the receipt and processing of business entity transactions and securitized financial transactions indexed under the Uniform Commercial Code. The funding requested will focus on modernizing legacy applications used to deliver certain Citizen facing services including, but not limited to Government filings and transactions delivered by the Texas Register, Notary, Service of Process and Authentications units of the agency. These legacy applications are across several platforms, some of which are no longer supported and others are paper-based processes. The project for which funding is requested will continue to support the overall agency modernization efforts as the BEST infrastructure supports many aspects of the agency including Government Filing.

EXTERNAL/INTERNAL FACTORS:

Improvement of legacy infrastructure will greatly reduce risk of continued downtime for key agency processes directly affecting the general public for business and public filing and other agency functions.

PCLS TRACKING KEY:

PCLS_87R_307_594538

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

IT modernization is requested exceptional item.

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

CURRENT

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
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DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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STATUS:

The following activities have been accomplished to date:

Internal application updates to include adoption of Artificial Intelligence in SOSupload for automation of manual processes for SOS staff who were hand typing in various documents

Rollout of AWS Chat Bot with artificial intelligence to communicate directly with the public.

Implementation of PCI compliant credit card service with end to end encryption.

Upgrade of backend Oracle database

Hired vendor support staff of Program Manager, Agile Coach, Enterprise Architect, System Analyst, System Engineer to support stand up of program and requirements gathering

Procurement and population of requirements gathering system

Internal SOS Agile transformation started

Request for Information completed to perform market research

Release of Request for Offer for System Integrator, currently in evaluation/negotiation phase.

All QAT documents required to this point are submitted and up to date

OUTCOMES:

Upgraded infrastructure, improved more efficient agency processes, staff training resulting in more productive agency employees, more reliable and secure improved public services on modern infrastructure. Reduction of risk included with processing paper documents

OUTPUTS:

Decreased paper processes and increased digital processes for more efficient agency operations and a better experience for the public.

TYPE OF PROJECT

Legacy Application

ALTERNATIVE ANALYSIS

Alternate options include attempting to maintain legacy applications including some that were developed more than twenty years ago. Some of these platforms are no longer supported by their existing vendor and pose a security risk. Cost, risk, downtime and lack of personnel needed to support legacy infrastructure pose significant hurdles to maintaining this alternate path.

ESTIMATED IT COST

2022	2023	2024	2025	2026	2027	2028	Total Over Life of Project
\$0	\$0	\$31,000,000	\$0	\$0	\$0	\$0	\$31,000,000

4.A. Exceptional Item Request Schedule
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 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION							Excp 2024	Excp 2025
FTE									
		2022	2023	2024	2025	2026	2027	2028	
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 50.00%

CONTRACT DESCRIPTION :

The conversion from legacy systems to modern systems will require significant investment of current personnel as well as contract IT professionals to ensure timely implementation and coordination with other supported systems.

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Forensic Election Audits Item Priority: 2 IT Component: No Anticipated Out-year Costs: No Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-01 Provide Statewide Elections Administration 04-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,698,992	2,698,992
1002	OTHER PERSONNEL COSTS	539,799	539,799
2001	PROFESSIONAL FEES AND SERVICES	150,000	150,000
2003	CONSUMABLE SUPPLIES	7,500	7,500
2004	UTILITIES	15,000	15,000
2005	TRAVEL	100,000	100,000
2006	RENT - BUILDING	342,000	342,000
2007	RENT - MACHINE AND OTHER	17,000	17,000
2009	OTHER OPERATING EXPENSE	283,994	218,994
5000	CAPITAL EXPENDITURES	133,000	0
TOTAL, OBJECT OF EXPENSE		\$4,287,285	\$4,089,285
METHOD OF FINANCING:			
1	General Revenue Fund	4,287,285	4,089,285
TOTAL, METHOD OF FINANCING		\$4,287,285	\$4,089,285
FULL-TIME EQUIVALENT POSITIONS (FTE):		38.00	38.00

DESCRIPTION / JUSTIFICATION:

The Forensic Audit Division will begin statutory audits pursuant to SB1 in November 2022. The current audit of the November 2020 general election is presently being conducted with 10 FTEs and involves an audit of a single election. The present audit has required direct interaction with counties, extensive research, travel, and detailed data analysis. SB1's language indicates the statutory audits are to be of "the elections held in four counties during the previous two years." The recent randomized drawing pursuant to SB1's enabling legislation led to the drawing of four Texas counties with at least 30 elections administered by the counties during the applicable audit time period. This number does not include additional anticipated audits of local entities that did not contract with the counties to administer elections during the applicable time period. Due to the significant increase in the number of elections subject to review, and the responsibility entrusted to the division by virtue of SB1, additional staff and associated operational costs are necessary to successfully complete the statutory required audits.

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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EXTERNAL/INTERNAL FACTORS:

The recent randomized drawing pursuant to SB1’s enabling legislation led to the drawing of four Texas counties with at least 30 elections administered by the counties during the applicable audit time period. This number does not include additional anticipated audits of local entities that did not contract with the counties to administer elections during the applicable time period.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Elections Funds Management Item Priority: 3 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-02 Primary Election Financing; VR Postal Payment to Postal Services		

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	5,000,000	1,809,600
TOTAL, OBJECT OF EXPENSE		\$5,000,000	\$1,809,600

METHOD OF FINANCING:

1	General Revenue Fund	5,000,000	1,809,600
TOTAL, METHOD OF FINANCING		\$5,000,000	\$1,809,600

DESCRIPTION / JUSTIFICATION:

The Election Funds Management section of the Elections Division manages the distribution of three funding strategies: Primary Funding/VR Postage, Elections Improvement, and Financing Voter Registration. These three strategies represent approximately 70% of the agency's direct funding strategies (Indirect Administration is excluded from the calculation). Four FTE's are devoted to managing the funds. The number of funding recipients and transactions are in the thousands. Over the last 20 years, the Agency has transitioned from paper-based systems to electronic applications. The applications have been developed and supported in-house. The IT resources devoted to this transition and support has been the equivalent of one FTE, who also shares other duties. With the pending loss of institutional knowledge, e.g., retirements, and increased funding responsibilities (SOS has received four federal grant awards since 2018 as well as increased reporting requirements and corresponding transactions for primary funding), the applications that have been patched together over the years are not sustainable. Accordingly, the Agency is seeking the acquisition of a comprehensive, scalable, and sustainable solution. The methodology used is based on a projected average cost per user per month of \$100, plus implementation costs of \$5,000,000.

EXTERNAL/INTERNAL FACTORS:

Over the last 20 years, the Agency has transitioned from paper-based systems to electronic applications. The applications have been developed and supported in-house. The IT resources devoted to this transition and support has been the equivalent of one FTE, who also shares other duties. With the pending loss of institutional knowledge, e.g., retirements, and increased funding responsibilities (SOS has received four federal grant awards since 2018 as well as increased reporting requirements and corresponding transactions for primary funding), the applications that have been patched together over the years are not sustainable.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
 TIME: 2:19:37PM

Agency code: 307 Agency name: Secretary of State

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Voter Registration List Maintenance/Monitoring Oversight		
	Item Priority: 4		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies:		
	02-01-01 Provide Statewide Elections Administration		
	04-01-01 Indirect Administration		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,599,801	1,599,801
1002	OTHER PERSONNEL COSTS	736,545	736,545
2006	RENT - BUILDING	198,000	198,000
2009	OTHER OPERATING EXPENSE	132,549	132,549
5000	CAPITAL EXPENDITURES	77,000	77,000
	TOTAL, OBJECT OF EXPENSE	\$2,743,895	\$2,743,895
 METHOD OF FINANCING:			
1	General Revenue Fund	2,743,895	2,743,895
	TOTAL, METHOD OF FINANCING	\$2,743,895	\$2,743,895
 FULL-TIME EQUIVALENT POSITIONS (FTE):		22.00	22.00

DESCRIPTION / JUSTIFICATION:

Oversight and monitoring of county voter registration responsibilities and the implementation of legislative requirements are essential functions of the Elections Division. SB1 and SB 1113, passed by the 87th Legislature, tremendously increased the division’s monitoring responsibilities and expanded our oversight into the maintenance and accuracy of county voter registration rolls. Though the division was provided two additional FTEs and associated funding for this implementation, performing this responsibility has proven to require more direct interaction and training of county voter registrars as well as critical data analysis and oversight into daily list maintenance procedures. To perform this function successfully, we must reduce the staff to county ratio to adequately train, oversee, and support county voter registrars. Further, as part of the monitoring process, additional legal support is needed to advise counties in the legal requirements as well as oversee the determination and notification of counties failing to comply with their statutory obligations. Complying with these legislative mandates requires the additional FTEs and associated operational costs.

EXTERNAL/INTERNAL FACTORS:

Oversight and monitoring of county voter registration responsibilities and the implementation of legislative requirements are essential functions of the Elections Division.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
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 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
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Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Ongoing operational costs

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2026	2027	2028
\$2,303,463	\$2,303,463	\$2,303,463

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Exp 2024	Exp 2025
	Item Name: Doc Filing Full-Time Equivalent Increases		
	Item Priority: 5		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies:		
	01-01-01 File/Reject Statutory Filings		
	04-01-01 Indirect Administration		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	828,461	828,461
1002	OTHER PERSONNEL COSTS	124,150	124,150
2006	RENT - BUILDING	189,000	189,000
2009	OTHER OPERATING EXPENSE	121,023	121,023
5000	CAPITAL EXPENDITURES	73,500	0
	TOTAL, OBJECT OF EXPENSE	\$1,336,134	\$1,262,634
 METHOD OF FINANCING:			
1	General Revenue Fund	1,336,134	1,262,634
	TOTAL, METHOD OF FINANCING	\$1,336,134	\$1,262,634
	FULL-TIME EQUIVALENT POSITIONS (FTE):	2.00	2.00

DESCRIPTION / JUSTIFICATION:

Increase division FTE cap by 19. Nineteen additional regular full-time employees (15 Administrative Assistant III, Salary Group A13 at \$3,118.50/month; 1 License and Permit Specialist III, Salary Group B16 at \$3,150/month, 1 Legal Asst II, Salary Group B17 at \$3,973.95/month and 2 Customer Service Representatives III, Salary Group A13 at \$3,118.50/month) are needed. Two FTEs are needed to assist with management of the agency ChatBot, which was rolled out summer of FY 2022. Two FTEs are needed to assist with division's investigative and enforcement roles. A legal assistant is needed to assist and support the division's legal staff of 5 attorneys. Two FTEs are needed to address the significant increase in workload in Government Filings and to assist with the voluminous miscellaneous statutory filings the agency is responsible for maintaining. Twelve FTEs are needed, in various roles, to assist with the significant and sustained increase in business filing activity and the customer inquiries related to this surge in activity. Additional FTEs indirect staff are required to support this function.

EXTERNAL/INTERNAL FACTORS:

N/A

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Ongoing operational costs

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2026	2027	2028
\$1,261,843	\$1,261,843	\$1,261,843

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
 TIME: 2:19:37PM

Agency code: 307 Agency name: Secretary of State

CODE	DESCRIPTION	Excp 2024	Excp 2025
	<p align="center">Item Name: Election Security Trainers Item Priority: 6 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No</p> <p>Includes Funding for the Following Strategy or Strategies: 02-01-01 Provide Statewide Elections Administration</p>		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	330,000	330,000
1002	OTHER PERSONNEL COSTS	49,500	49,500
2005	TRAVEL	175,000	175,000
2009	OTHER OPERATING EXPENSE	370,500	370,500
TOTAL, OBJECT OF EXPENSE		\$925,000	\$925,000
METHOD OF FINANCING:			
1	General Revenue Fund	925,000	925,000
TOTAL, METHOD OF FINANCING		\$925,000	\$925,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.00	4.00

DESCRIPTION / JUSTIFICATION:

Since 2021, the Elections Division has added three election security trainers and one federally funded risk limiting audit specialist/security trainer to the Election Security Training department. The primary responsibility of this team is traveling to counties and regions to gather information regarding current county election practices related to election equipment management, voter registration, cybersecurity, physical security measures, access to equipment and facilities, and general election administration responsibilities during early voting and on election day. Additionally, these employees identify issues and train counties individually and in regional meetings regarding best practices in each of these areas. This program has proven highly successful in providing more in-depth training and support to county election officials as well as identifying training needs to promote election security and integrity across the state. However, with a current total of six trainers, the Elections Division is limited in reach and unable to fulfill all of the training and oversight requested by county election officials. To meet these request and the demands of increased election security, four additional FTEs are needed to expand this critical program throughout all regions of the state. Additionally, the SOS is requesting state funding for one FTE currently funded through federal grant funds for a total of 5 FTEs. Costs are estimated at \$150,000 per employee (total cost) per year and \$350,000 travel expenses over the biennium for a total cost of \$1.85M.

EXTERNAL/INTERNAL FACTORS:

The Elections Division is limited in reach and unable to fulfill all of the training and oversight requested by county election officials.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Document Filing Recruitment & Retention		
	Item Priority: 7		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 File/Reject Statutory Filings		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	365,527	365,527
1002	OTHER PERSONNEL COSTS	54,829	54,829
2009	OTHER OPERATING EXPENSE	17,289	17,289
	TOTAL, OBJECT OF EXPENSE	\$437,645	\$437,645
 METHOD OF FINANCING:			
1	General Revenue Fund	437,645	437,645
	TOTAL, METHOD OF FINANCING	\$437,645	\$437,645
	FULL-TIME EQUIVALENT POSITIONS (FTE):	3.00	3.00

DESCRIPTION / JUSTIFICATION:

The number of transactions submitted to the division is impacted by national and state economic factors, business growth, and private sector financing, which are outside the division's control. Although transactions have significantly increased, budgetary constraints have impacted the division's ability to retain highly skilled and experienced FTEs and recruit qualified applicants to fill vacant positions. The division's inability to retain skilled staff results in a higher than average turnover rate. The division's inability to attract a sufficient pool of qualified applicants for vacant position results in extended periods of reduced staffing, especially in the administrative assistant job classification, which is the classification of FTEs engaged in reviewing and processing business, commercial, and public filing transactions.

EXTERNAL/INTERNAL FACTORS:

The number of transactions submitted to the division is impacted by national and state economic factors, business growth, and private sector financing, which are outside the division's control. Although transactions have significantly increased, budgetary constraints have impacted the division's ability to retain highly skilled and experienced FTEs and recruit qualified applicants to fill vacant positions. The division's inability to retain skilled staff results in a higher than average turnover rate. The division's inability to attract a sufficient pool of qualified applicants for vacant position results in extended periods of reduced staffing, especially in the administrative assistant job classification, which is the classification of FTEs engaged in reviewing and processing business, commercial, and public filing transactions.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2024</u>	<u>Excp 2025</u>
	Item Name: Doc Filing Staff Augmentation		
	Item Priority: 8		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 File/Reject Statutory Filings		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	375,000	450,000
1002	OTHER PERSONNEL COSTS	56,250	67,500
2009	OTHER OPERATING EXPENSE	36,526	47,289
	TOTAL, OBJECT OF EXPENSE	\$467,776	\$564,789
 METHOD OF FINANCING:			
1	General Revenue Fund	467,776	564,789
	TOTAL, METHOD OF FINANCING	\$467,776	\$564,789
	FULL-TIME EQUIVALENT POSITIONS (FTE):	2.00	3.00

DESCRIPTION / JUSTIFICATION:

Temporary full-time staff will be necessary to fill in the workforce gap created as the modernization project progresses over the biennium; particularly to cover the loss in productivity that will result when Program Supervisors and Subject Matter Experts within each section/team are needed to consult on modernization issues and test enhancements and changes to processes and workflow. These FTEs will provide assistance to the division.

EXTERNAL/INTERNAL FACTORS:

N/A

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipate the completion of modernization, so costs should decrease.

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: IT Staff Augmentation and Enhancements Item Priority: 9 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 04-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	312,788	312,788
1002	OTHER PERSONNEL COSTS	46,918	46,918
2005	TRAVEL	4,000	4,000
2009	OTHER OPERATING EXPENSE	58,866	58,866
	TOTAL, OBJECT OF EXPENSE	\$422,572	\$422,572
METHOD OF FINANCING:			
1	General Revenue Fund	422,572	422,572
	TOTAL, METHOD OF FINANCING	\$422,572	\$422,572
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.00	2.00

DESCRIPTION / JUSTIFICATION:

The Information Security Section is requesting two full time employees to assist with the continuous monitoring and defense of the agency’s information systems . Demand on existing information security resources has increased due to growth in the scope of the agency’s mission and modernization of the agency’s information systems . This request includes continuous training of the agency's information security resources as a vital component of the information security program allowing staff to receive practical instruction of industry best practices and filling educational gaps that might exist. The additional information security staff positions requested will provide expertise and resources to enhance the agency’s ability to research, identify, and remediate threats to mission critical agency functions including election administration and business filings.

Additionally, the agency requests funds to increase IT staff. An analysis was performed in two parts:

- 1) A comparison to public information for all state employees for each individual classification/title. Each employee’s salary was compared to the average state salary. If that employee’s salary was below the average salary for the classification/title that amount was added to the total amount needed for this exceptional item request.
- 2) Each individual’s classification was analyzed and compared to the SAO job description for years of experience, type of work and the needs of the agency to retain staff. Through this analysis it is recommended employees be reclassified to align to their job duties and the average pay in the state for their proposed role.

The total amount to reclassify the SOS IT team (14 employees) and bring them to the state average annual salary for their classification/title is \$186,580.

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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EXTERNAL/INTERNAL FACTORS:

This increase would help SOS to be more competitive with other state agencies and retain talented staff.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

N/A

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2026</u>	<u>2027</u>	<u>2028</u>
\$0	\$0	\$0

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:19:37PM**

Agency code: **307** Agency name: **Secretary of State**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Fleet Vehicle Replacement Item Priority: 10 IT Component: No Anticipated Out-year Costs: No Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 04-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	30,000	0
	TOTAL, OBJECT OF EXPENSE	\$30,000	\$0
METHOD OF FINANCING:			
1	General Revenue Fund	30,000	0
	TOTAL, METHOD OF FINANCING	\$30,000	\$0

DESCRIPTION / JUSTIFICATION:

Request funds to replace 25 year old fleet vehicle (Ford Ranger). The vehicle is used by the agency to transport mail, packages, and deliver items to the Capitol in bulk. The present vehicle is over twenty five years old and past its performance and reliability. Over the years the agency has performed all required and routine maintenance to keep the vehicle in service.

EXTERNAL/INTERNAL FACTORS:

The present vehicle is over twenty five years old and past its performance and reliability. Over the years the agency has performed all required and routine maintenance to keep the vehicle in service.

PCLS TRACKING KEY:

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: SOS Legacy Modernization - Phase 2			
Allocation to Strategy: 4-1-1 Indirect Administration			
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	24,148,847	0
TOTAL, OBJECT OF EXPENSE		\$24,148,847	\$0
METHOD OF FINANCING:			
1	General Revenue Fund	24,148,847	0
TOTAL, METHOD OF FINANCING		\$24,148,847	\$0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
 TIME: 2:22:31PM

Agency code: 307 Agency name: Secretary of State

Code	Description	Excp 2024	Excp 2025
Item Name: Forensic Election Audits			
Allocation to Strategy: 2-1-1 Provide Statewide Elections Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,353,200	2,353,200
1002	OTHER PERSONNEL COSTS	470,640	470,640
2001	PROFESSIONAL FEES AND SERVICES	150,000	150,000
2003	CONSUMABLE SUPPLIES	7,500	7,500
2004	UTILITIES	15,000	15,000
2005	TRAVEL	100,000	100,000
2006	RENT - BUILDING	342,000	342,000
2007	RENT - MACHINE AND OTHER	17,000	17,000
2009	OTHER OPERATING EXPENSE	255,179	190,179
5000	CAPITAL EXPENDITURES	133,000	0
TOTAL, OBJECT OF EXPENSE		\$3,843,519	\$3,645,519
METHOD OF FINANCING:			
1	General Revenue Fund	3,843,519	3,645,519
TOTAL, METHOD OF FINANCING		\$3,843,519	\$3,645,519
FULL-TIME EQUIVALENT POSITIONS (FTE):		33.0	33.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Forensic Election Audits			
Allocation to Strategy: 4-1-1 Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	345,792	345,792
1002	OTHER PERSONNEL COSTS	69,159	69,159
2009	OTHER OPERATING EXPENSE	28,815	28,815
TOTAL, OBJECT OF EXPENSE		\$443,766	\$443,766
METHOD OF FINANCING:			
1	General Revenue Fund	443,766	443,766
TOTAL, METHOD OF FINANCING		\$443,766	\$443,766
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.0	5.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Elections Funds Management			
Allocation to Strategy: 2-1-2 Primary Election Financing; VR Postal Payment to Postal Services			
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	5,000,000	1,809,600
TOTAL, OBJECT OF EXPENSE		\$5,000,000	\$1,809,600
METHOD OF FINANCING:			
1	General Revenue Fund	5,000,000	1,809,600
TOTAL, METHOD OF FINANCING		\$5,000,000	\$1,809,600

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Voter Registration List Maintenance/Monitoring Oversight			
Allocation to Strategy: 2-1-1 Provide Statewide Elections Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,388,613	1,388,613
1002	OTHER PERSONNEL COSTS	694,307	694,307
2006	RENT - BUILDING	198,000	198,000
2009	OTHER OPERATING EXPENSE	109,497	109,497
5000	CAPITAL EXPENDITURES	77,000	77,000
TOTAL, OBJECT OF EXPENSE		\$2,467,417	\$2,467,417
METHOD OF FINANCING:			
1	General Revenue Fund	2,467,417	2,467,417
TOTAL, METHOD OF FINANCING		\$2,467,417	\$2,467,417
FULL-TIME EQUIVALENT POSITIONS (FTE):		19.0	19.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Voter Registration List Maintenance/Monitoring Oversight			
Allocation to Strategy: 4-1-1 Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	211,188	211,188
1002	OTHER PERSONNEL COSTS	42,238	42,238
2009	OTHER OPERATING EXPENSE	23,052	23,052
TOTAL, OBJECT OF EXPENSE		\$276,478	\$276,478
METHOD OF FINANCING:			
1	General Revenue Fund	276,478	276,478
TOTAL, METHOD OF FINANCING		\$276,478	\$276,478
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.0	3.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Doc Filing Full-Time Equivalent Increases			
Allocation to Strategy: 1-1-1 File/Reject Statutory Filings			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	721,661	721,661
1002	OTHER PERSONNEL COSTS	108,249	108,249
2006	RENT - BUILDING	189,000	189,000
2009	OTHER OPERATING EXPENSE	109,497	109,497
5000	CAPITAL EXPENDITURES	73,500	0
TOTAL, OBJECT OF EXPENSE		\$1,201,907	\$1,128,407
METHOD OF FINANCING:			
1	General Revenue Fund	1,201,907	1,128,407
TOTAL, METHOD OF FINANCING		\$1,201,907	\$1,128,407

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Doc Filing Full-Time Equivalent Increases			
Allocation to Strategy: 4-1-1 Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	106,800	106,800
1002	OTHER PERSONNEL COSTS	15,901	15,901
2009	OTHER OPERATING EXPENSE	11,526	11,526
TOTAL, OBJECT OF EXPENSE		\$134,227	\$134,227
METHOD OF FINANCING:			
1	General Revenue Fund	134,227	134,227
TOTAL, METHOD OF FINANCING		\$134,227	\$134,227
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Election Security Trainers			
Allocation to Strategy: 2-1-1 Provide Statewide Elections Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	330,000	330,000
1002	OTHER PERSONNEL COSTS	49,500	49,500
2005	TRAVEL	175,000	175,000
2009	OTHER OPERATING EXPENSE	370,500	370,500
TOTAL, OBJECT OF EXPENSE		\$925,000	\$925,000
METHOD OF FINANCING:			
1	General Revenue Fund	925,000	925,000
TOTAL, METHOD OF FINANCING		\$925,000	\$925,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.0	4.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
 TIME: 2:22:31PM

Agency code: 307 Agency name: Secretary of State

Code	Description	Excp 2024	Excp 2025
Item Name: Document Filing Recruitment & Retention			
Allocation to Strategy: 1-1-1 File/Reject Statutory Filings			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	365,527	365,527
1002	OTHER PERSONNEL COSTS	54,829	54,829
2009	OTHER OPERATING EXPENSE	17,289	17,289
TOTAL, OBJECT OF EXPENSE		\$437,645	\$437,645
METHOD OF FINANCING:			
1	General Revenue Fund	437,645	437,645
TOTAL, METHOD OF FINANCING		\$437,645	\$437,645
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.0	3.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: Doc Filing Staff Augmentation			
Allocation to Strategy: 1-1-1 File/Reject Statutory Filings			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	375,000	450,000
1002	OTHER PERSONNEL COSTS	56,250	67,500
2009	OTHER OPERATING EXPENSE	36,526	47,289
TOTAL, OBJECT OF EXPENSE		\$467,776	\$564,789
METHOD OF FINANCING:			
1	General Revenue Fund	467,776	564,789
TOTAL, METHOD OF FINANCING		\$467,776	\$564,789
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	3.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name: IT Staff Augmentation and Enhancements			
Allocation to Strategy: 4-1-1 Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	312,788	312,788
1002	OTHER PERSONNEL COSTS	46,918	46,918
2005	TRAVEL	4,000	4,000
2009	OTHER OPERATING EXPENSE	58,866	58,866
TOTAL, OBJECT OF EXPENSE		\$422,572	\$422,572
METHOD OF FINANCING:			
1 General Revenue Fund		422,572	422,572
TOTAL, METHOD OF FINANCING		\$422,572	\$422,572
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:22:31PM**

Agency code: **307** Agency name: **Secretary of State**

Code	Description	Excp 2024	Excp 2025
Item Name:	Fleet Vehicle Replacement		
Allocation to Strategy:	4-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	30,000	0
TOTAL, OBJECT OF EXPENSE		\$30,000	\$0
METHOD OF FINANCING:			
1	General Revenue Fund	30,000	0
TOTAL, METHOD OF FINANCING		\$30,000	\$0

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
TIME: 2:23:58PM

Agency Code: **307** Agency name: **Secretary of State**

GOAL: 1 Provide and Process Information Efficiently; Enforce Laws/Rules

OBJECTIVE: 1 Process Documents & Provide Accurate & Reliable Info on a Timely Basis

STRATEGY: 1 File/Reject Statutory Filings

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2024	Excp 2025
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	1,462,188	1,537,188
1002 OTHER PERSONNEL COSTS	219,328	230,578
2006 RENT - BUILDING	189,000	189,000
2009 OTHER OPERATING EXPENSE	163,312	174,075
5000 CAPITAL EXPENDITURES	73,500	0
Total, Objects of Expense	\$2,107,328	\$2,130,841

METHOD OF FINANCING:

1 General Revenue Fund	2,107,328	2,130,841
Total, Method of Finance	\$2,107,328	\$2,130,841

FULL-TIME EQUIVALENT POSITIONS (FTE):

5.0	6.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Doc Filing Full-Time Equivalent Increases

Document Filing Recruitment & Retention

Doc Filing Staff Augmentation

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
TIME: 2:23:58PM

Agency Code: **307** Agency name: **Secretary of State**

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process
 OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs
 STRATEGY: 1 Provide Statewide Elections Administration

Service Categories:
 Service: 07 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2024	Excp 2025
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	4,071,813	4,071,813
1002 OTHER PERSONNEL COSTS	1,214,447	1,214,447
2001 PROFESSIONAL FEES AND SERVICES	150,000	150,000
2003 CONSUMABLE SUPPLIES	7,500	7,500
2004 UTILITIES	15,000	15,000
2005 TRAVEL	275,000	275,000
2006 RENT - BUILDING	540,000	540,000
2007 RENT - MACHINE AND OTHER	17,000	17,000
2009 OTHER OPERATING EXPENSE	735,176	670,176
5000 CAPITAL EXPENDITURES	210,000	77,000
Total, Objects of Expense	\$7,235,936	\$7,037,936

METHOD OF FINANCING:

1 General Revenue Fund	7,235,936	7,037,936
Total, Method of Finance	\$7,235,936	\$7,037,936

FULL-TIME EQUIVALENT POSITIONS (FTE):

56.0	56.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Forensic Election Audits
 Voter Registration List Maintenance/Monitoring Oversight
 Election Security Trainers

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
TIME: 2:23:58PM

Agency Code: **307** Agency name: **Secretary of State**

GOAL: 2 Maintain Uniformity & Integrity of Elections; Oversee Election Process

OBJECTIVE: 1 Interpret Elect Laws/HAVA; Publish Const Amends; Reimburse Elect Costs

Service Categories:

STRATEGY: 2 Primary Election Financing; VR Postal Payment to Postal Services

Service: 07 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2024	Excp 2025
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OBJECTS OF EXPENSE:

2001 PROFESSIONAL FEES AND SERVICES	5,000,000	1,809,600
Total, Objects of Expense	\$5,000,000	\$1,809,600

METHOD OF FINANCING:

1 General Revenue Fund	5,000,000	1,809,600
Total, Method of Finance	\$5,000,000	\$1,809,600

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Elections Funds Management

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
TIME: 2:23:58PM

Agency Code: **307** Agency name: **Secretary of State**

GOAL: 4 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Indirect Administration

Service Categories:

Service: 09 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2024	Excp 2025
-------------------------	------------------	------------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	976,568	976,568
1002 OTHER PERSONNEL COSTS	174,216	174,216
2001 PROFESSIONAL FEES AND SERVICES	24,148,847	0
2005 TRAVEL	4,000	4,000
2009 OTHER OPERATING EXPENSE	122,259	122,259
5000 CAPITAL EXPENDITURES	30,000	0
Total, Objects of Expense	\$25,455,890	\$1,277,043

METHOD OF FINANCING:

1 General Revenue Fund	25,455,890	1,277,043
Total, Method of Finance	\$25,455,890	\$1,277,043

FULL-TIME EQUIVALENT POSITIONS (FTE):

12.0	12.0
------	------

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

SOS Legacy Modernization - Phase 2
 Forensic Election Audits
 Voter Registration List Maintenance/Monitoring Oversight
 Doc Filing Full-Time Equivalent Increases
 IT Staff Augmentation and Enhancements
 Fleet Vehicle Replacement

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:25:42PM**

Agency code: **307**

Agency name: **Secretary of State**

Category Code / Category Name

Project Sequence/Project Id/ Name

		Est 2022	Bud 2023	BL 2024	BL 2025
OOE / TOF / MOF CODE					
5005 Acquisition of Information Resource Technologies					
<i>1/1 Acquisition of Information Resource Technologies</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2009 OTHER OPERATING EXPENSE	\$200,000	\$0	\$200,000	\$400,000
	Capital Subtotal OOE, Project 1	\$200,000	\$0	\$200,000	\$400,000
	Subtotal OOE, Project 1	\$200,000	\$0	\$200,000	\$400,000
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 666 Appropriated Receipts	\$200,000	\$0	\$200,000	\$400,000
	Capital Subtotal TOF, Project 1	\$200,000	\$0	\$200,000	\$400,000
	Subtotal TOF, Project 1	\$200,000	\$0	\$200,000	\$400,000
	Capital Subtotal, Category 5005	\$200,000	\$0	\$200,000	\$400,000
	Informational Subtotal, Category 5005				
	Total, Category 5005	\$200,000	\$0	\$200,000	\$400,000
7000 Data Center/Shared Technology Services					
<i>2/2 Data Center Consolidation</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
	Capital Subtotal OOE, Project 2	\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:25:42PM**

Agency code: **307**

Agency name: **Secretary of State**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2022	Bud 2023	BL 2024	BL 2025
Subtotal OOE, Project 2		\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
Capital Subtotal TOF, Project 2		\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
Subtotal TOF, Project 2		\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
Capital Subtotal, Category 7000		\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
Informational Subtotal, Category 7000					
Total, Category 7000		\$1,097,385	\$1,080,468	\$1,097,385	\$1,080,468
9500 Legacy Modernization					
<i>3/3 Legacy Replacement – BEST System</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$11,280,720	\$0	\$0	\$0
General	2009 OTHER OPERATING EXPENSE	\$6,171,924	\$0	\$0	\$0
Capital Subtotal OOE, Project 3		\$17,452,644	\$0	\$0	\$0
Subtotal OOE, Project 3		\$17,452,644	\$0	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$17,452,644	\$0	\$0	\$0
Capital Subtotal TOF, Project 3		\$17,452,644	\$0	\$0	\$0

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME : **2:25:42PM**

Agency code: **307**

Agency name: **Secretary of State**

Category Code / Category Name

<i>Project Sequence/Project Id/ Name</i>		Est 2022	Bud 2023	BL 2024	BL 2025
OOE / TOF / MOF CODE					
Subtotal TOF, Project	3	\$17,452,644	\$0	\$0	\$0
Capital Subtotal, Category	9500	\$17,452,644	\$0	\$0	\$0
Informational Subtotal, Category	9500				
Total, Category	9500	\$17,452,644	\$0	\$0	\$0
AGENCY TOTAL -CAPITAL		\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
AGENCY TOTAL -INFORMATIONAL					
AGENCY TOTAL		\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
METHOD OF FINANCING:					
<u>Capital</u>					
General	1 General Revenue Fund	\$18,550,029	\$1,080,468	\$1,097,385	\$1,080,468
General	666 Appropriated Receipts	\$200,000	\$0	\$200,000	\$400,000
Total, Method of Financing-Capital		\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
Total, Method of Financing		\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
TYPE OF FINANCING:					
<u>Capital</u>					
General	CA CURRENT APPROPRIATIONS	\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
Total, Type of Financing-Capital		\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
Total, Type of Financing		\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468

5.C. Capital Budget Allocation to Strategies (Baseline)
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
 TIME: **2:27:40PM**

Agency code: **307** Agency name: **Secretary of State**

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2022	Bud 2023	BL 2024	BL 2025
5005 Acquisition of Information Resource Technologies					
<i>1/1</i>	<i>Acquisition of Info. Resource Tech.</i>				
<u>GENERAL BUDGET</u>					
Capital	4-1-1 INDIRECT ADMINISTRATION	200,000	0	\$200,000	\$400,000
	TOTAL, PROJECT	<u>\$200,000</u>	<u>\$0</u>	<u>\$200,000</u>	<u>\$400,000</u>
7000 Data Center/Shared Technology Services					
<i>2/2</i>	<i>Data Center Consolidation</i>				
<u>GENERAL BUDGET</u>					
Capital	4-1-1 INDIRECT ADMINISTRATION	1,097,385	1,080,468	1,097,385	1,080,468
	TOTAL, PROJECT	<u>\$1,097,385</u>	<u>\$1,080,468</u>	<u>\$1,097,385</u>	<u>\$1,080,468</u>
9500 Legacy Modernization					
<i>3/3</i>	<i>Legacy Replacement – BEST System</i>				
<u>GENERAL BUDGET</u>					
Capital	4-1-1 INDIRECT ADMINISTRATION	17,452,644	0	0	0
	TOTAL, PROJECT	<u>\$17,452,644</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	TOTAL CAPITAL, ALL PROJECTS	\$18,750,029	\$1,080,468	\$1,297,385	\$1,480,468
	TOTAL INFORMATIONAL, ALL PROJECTS				
	TOTAL, ALL PROJECTS	<u>\$18,750,029</u>	<u>\$1,080,468</u>	<u>\$1,297,385</u>	<u>\$1,480,468</u>

307 Secretary of State

Category Code/Name

Project Sequence/Name

Goal/Obj/Str Strategy Name Est 2022 Bud 2023 BL 2024 BL 2025

5005 Acquisition of Information Resource Technologies

1 Acquisition of Info. Resource Tech.

OOE

Capital

4-1-1 INDIRECT ADMINISTRATION

General Budget

2009	OTHER OPERATING EXPENSE	200,000	0	200,000	400,000
	TOTAL, OOE's	\$200,000	\$0	200,000	400,000

MOF

OTHER FUNDS

Capital

4-1-1 INDIRECT ADMINISTRATION

General Budget

666	Appropriated Receipts	200,000	0	200,000	400,000
	TOTAL, OTHER FUNDS	\$200,000	\$0	200,000	400,000
	TOTAL, MOF's	\$200,000	\$0	200,000	400,000

7000 Data Center/Shared Technology Services

307 Secretary of State

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2022	Bud 2023	BL 2024	BL 2025
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2 Data Center Consolidation

OOE

Capital

4-1-1 INDIRECT ADMINISTRATION

General Budget

2001	PROFESSIONAL FEES AND SERVICES	1,097,385	1,080,468	1,097,385	1,080,468
TOTAL, OOE's		\$1,097,385	\$1,080,468	1,097,385	1,080,468

MOF

GENERAL REVENUE FUNDS

Capital

4-1-1 INDIRECT ADMINISTRATION

General Budget

1	General Revenue Fund	1,097,385	1,080,468	1,097,385	1,080,468
TOTAL, GENERAL REVENUE FUNDS		\$1,097,385	\$1,080,468	1,097,385	1,080,468
TOTAL, MOF's		\$1,097,385	\$1,080,468	1,097,385	1,080,468

9500 Legacy Modernization

307 Secretary of State

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2022	Bud 2023	BL 2024	BL 2025
3 Legacy Replacement – BEST System					
OOE					
Capital					
4-1-1 INDIRECT ADMINISTRATION					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	11,280,720	0	0	0
2009	OTHER OPERATING EXPENSE	6,171,924	0	0	0
TOTAL, OOE's		\$17,452,644	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-1 INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	17,452,644	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$17,452,644	\$0	0	0
TOTAL, MOF's		\$17,452,644	\$0	0	0

307 Secretary of State

	Est 2022	Bud 2023	BL 2024	BL 2025
CAPITAL				
<u>General Budget</u>				
GENERAL REVENUE FUNDS	\$18,550,029	\$1,080,468	1,097,385	1,080,468
OTHER FUNDS	\$200,000	\$0	200,000	400,000
TOTAL, GENERAL BUDGET	18,750,029	1,080,468	1,297,385	1,480,468
TOTAL, ALL PROJECTS	\$18,750,029	\$1,080,468	1,297,385	1,480,468

6.A. Historically Underutilized Business Supporting Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **8/24/2022**
 Time: **2:30:50PM**

Agency Code: **307** Agency: **Secretary of State**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	<u>HUB Expenditures FY 2020</u>			<u>Total Expenditures</u>		<u>HUB Expenditures FY 2021</u>			<u>Total Expenditures</u>	
			% Actual	Diff	Actual \$	FY 2020	% Goal	% Actual	Diff	Actual \$	FY 2021	
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
21.1%	Building Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
32.9%	Special Trade	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
23.7%	Professional Services	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
26.0%	Other Services	0.0 %	38.2%	38.2%	\$2,117,841	\$5,550,674	0.0 %	11.6%	11.6%	\$2,164,721	\$18,614,637	
21.1%	Commodities	0.0 %	73.5%	73.5%	\$600,382	\$817,166	0.0 %	18.8%	18.8%	\$37,681	\$200,571	
	Total Expenditures		42.7%		\$2,718,223	\$6,367,840		11.7%		\$2,202,402	\$18,815,208	

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

Applicability:

Factors Affecting Attainment:

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

HUB Program Staffing:

Current and Future Good-Faith Efforts:

**6.B. Current Biennium Onetime Expenditure Schedule
Summary of Onetime Expenditures**

Agency Code: 307	Agency Name: Office of the Secretary of State	Prepared By: Alfonso Royal	Date: 8/19/2022
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Projects	Estimated 2022	Budgeted 2023	Requested 2024	Requested 2025
Legacy Modernization	\$17,452,644	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0
Total, All Projects	\$17,452,644	\$0	\$0	\$0

6.E. Estimated Revenue Collections Supporting Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **307** Agency name: **Secretary of State**

FUND/ACCOUNT	Act 2021	Exp 2022	Est 2023	Est 2024	Est 2025
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	\$1,677,639	\$1,369,121	\$1,019,405	\$1,016,155	\$1,416,155
Estimated Revenue:					
3175 Professional Fees	134,908	122,627	100,000	103,000	103,000
3719 Fees/Copies or Filing of Records	6,258,857	8,977,663	6,538,567	6,538,181	6,538,181
3722 Conf, Semin, & Train Regis Fees	197,446	324,859	200,000	200,000	200,000
3727 Fees - Administrative Services	25,000	18,000	15,000	15,000	15,000
3802 Reimbursements-Third Party	1,086	3,453	250	250	250
3879 Credit Card and Related Fees	2,123,822	(1,456,095)	0	0	0
Subtotal: Actual/Estimated Revenue	8,741,119	7,990,507	6,853,817	6,856,431	6,856,431
Total Available	\$10,418,758	\$9,359,628	\$7,873,222	\$7,872,586	\$8,272,586
DEDUCTIONS:					
Revenue expended as MOF in strategies	(9,049,637)	(8,340,223)	(6,857,067)	(6,456,431)	(6,456,431)
Total, Deductions	\$(9,049,637)	\$(8,340,223)	\$(6,857,067)	\$(6,456,431)	\$(6,456,431)
Ending Fund/Account Balance	\$1,369,121	\$1,019,405	\$1,016,155	\$1,416,155	\$1,816,155

REVENUE ASSUMPTIONS:

Appropriated receipts include fees received from copies of records, examination of voting systems, online credit card fees, conferences and seminars.

CONTACT PERSON:

Alfonso Royal

6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern
Office of the Secretary of State

ESTIMATED GRAND TOTAL OF AGENCY FUNDS OUTSIDE THE 2024-25 GAA BILL PATTERN	\$	83,582
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Fund Name INAUGURAL FUND		
Estimated Beginning Balance in FY 2022	\$	100,000
Estimated Revenues FY 2022	\$	-
Estimated Revenues FY 2023	\$	-
FY 2022-23 Total	\$	100,000
Estimated Beginning Balance in FY 2024	\$	100,000
Estimated Revenues FY 2024	\$	-
Estimated Revenues FY 2025	\$	-
FY 2024-25 Total	\$	100,000
Constitutional or Statutory Creation and Use of Funds: Texas Government Code Chapter 401		
<p>Sec. 401.003. INAUGURAL FUND. (a) The inaugural fund is a special fund in the state treasury. Money in the inaugural fund may be appropriated only for expenditures authorized by this chapter.</p> <p>Sec. 401.005. EXPENDITURES. (a) Subject to any conditions attached to a particular appropriation, money appropriated from the inaugural fund may be expended for:</p> <ol style="list-style-type: none"> (1) printing; (2) the employment of staff; (3) the lease of office space and payment of utility expenses; (4) professional and consultant fees; (5) postage, telephone, and telegraph expenses; (6) payment of expenses incurred by committee members; and (7) any other public purpose reasonably related to conducting inaugural ceremonies and related events, including expenses of raising funds. 		
Method of Calculation and Revenue Assumptions:		
It is assumed that future depository be at approximately the same rate as in the current year.		

6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern
Office of the Secretary of State

ESTIMATED GRAND TOTAL OF AGENCY FUNDS OUTSIDE THE 2024-25 GAA BILL PATTERN	\$ 83,582
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Fund Name INAUGURAL ENDOWMENT FUND		
Estimated Beginning Balance in FY 2022	\$	83,582
Estimated Revenues FY 2022	\$	-
Estimated Revenues FY 2023	\$	-
FY 2022-23 Total	\$	<u>83,582</u>
Estimated Beginning Balance in FY 2024	\$	83,582
Estimated Revenues FY 2024	\$	-
Estimated Revenues FY 2025	\$	-
FY 2024-25 Total	\$	<u>83,582</u>
Constitutional or Statutory Creation and Use of Funds: Texas Government Code Chapter 401		
<p>Sec. 401.011. INAUGURAL ENDOWMENT FUND. (a) To the extent that the balance of the inaugural fund exceeds \$100,000 plus the amount necessary to cover fund obligations, on the date the inaugural committee appointed for an inauguration is dissolved that balance shall be transferred to an account in the general revenue fund to be known as the inaugural endowment fund. The fund shall be administered and expended in accordance with this section.</p> <p>(b) The fund may be expended for decorating, furnishing, preserving, or improving the Capitol, the Governor's Mansion, or other state property of historical significance or for grants in support of public schools, public libraries, or other charitable causes at the discretion of the inaugural endowment fund committee.</p>		
Method of Calculation and Revenue Assumptions:		
It is assumed that future depository will be at approximately the same rate as in the current year.		

6.K. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/24/2022
 TIME: 2:32:35PM

Agency code: 307

Agency name: Secretary of State

	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
Expanded or New Initiative: 1.Help America Vote Act State Matching Funds - 2018 Award					
Legal Authority for Item: SB1 Conference Committee Report (Eighty-Seventh Legislature, Regular Session)					
Description/Key Assumptions (including start up/implementation costs and ongoing costs): Five percent required match to ensure States share of the federal funds. Funds must be used to improve elections in Texas. Specifically, the funds will be used to improve security of state and local elections.					
State Budget by Program: Elections Improvement					
IT Component: No					
Involve Contracts > \$50,000: No					
Objects of Expense					
Strategy: 2-1-4 ELECTIONS IMPROVEMENT					
1001 SALARIES AND WAGES	\$132,000	\$343,090	\$343,090	\$116,180	\$0
1002 OTHER PERSONNEL COSTS	\$0	\$1,500	\$1,500	\$0	\$0
2005 TRAVEL	\$3,131	\$38,175	\$38,175	\$0	\$0
2009 OTHER OPERATING EXPENSE	\$2,075	\$7,700	\$7,700	\$0	\$0
SUBTOTAL, Strategy 2-1-4	\$137,206	\$390,465	\$390,465	\$116,180	\$0
TOTAL, Objects of Expense	\$137,206	\$390,465	\$390,465	\$116,180	\$0
Method of Financing					
GENERAL REVENUE FUNDS					
Strategy: 2-1-4 ELECTIONS IMPROVEMENT					
1 General Revenue Fund	\$137,206	\$390,465	\$390,465	\$116,180	\$0
SUBTOTAL, Strategy 2-1-4	\$137,206	\$390,465	\$390,465	\$116,180	\$0
SUBTOTAL, GENERAL REVENUE FUNDS	\$137,206	\$390,465	\$390,465	\$116,180	\$0
TOTAL, Method of Financing	\$137,206	\$390,465	\$390,465	\$116,180	\$0
FULL-TIME-EQUIVALENT POSITIONS (FTE)					
Strategy: 2-1-4 ELECTIONS IMPROVEMENT	2.0	5.0	5.0	5.0	0.0
TOTAL FTES	2.0	5.0	5.0	5.0	0.0

6.K. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
TIME: **2:32:35PM**

Agency code: **307** Agency name: **Secretary of State**

Exp 2021 Bud 2022 Est 2023 Est 2024 Est 2025

Expanded or New Initiative: 4. Auditable Voting Systems

Legal Authority for Item:
SB 598 (Eighty-Seventh Legislature, Regular Session)

Description/Key Assumptions (including start up/implementation costs and ongoing costs):
Requires all voting systems used in Texas to have a paper audit trail by September 2026. Creates a risk-limiting (RLA) program administered by the SOS, with a pilot program for the November 2022 election and a statewide RLA program beginning in September 2026.

State Budget by Program: Elections Improvement
IT Component: No
Involve Contracts > \$50,000: No

6.K. Part B Summary of Costs Related to Recently Enacted State Legislation Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/24/2022**
TIME: **2:35:31PM**

Agency code: **307**

Agency name: **Secretary of State**

ITEM EXPANDED OR NEW INITIATIVE	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
1 Help America Vote Act State Matching Funds - 2018 Award	\$137,206	\$390,465	\$390,465	\$116,180	\$0
3 Reimbursement for Auditable Voting Machines	\$0	\$15,183,021	\$18,816,979	\$0	\$0
4 Auditable Voting Systems					
5 Help America Vote Act State Matching Funds - 2020 Award					
Total, Cost Related to Expanded or New Initiatives	\$137,206	\$15,573,486	\$19,207,444	\$116,180	\$0
METHOD OF FINANCING					
GENERAL REVENUE FUNDS	\$137,206	\$15,573,486	\$19,207,444	\$116,180	\$0
Total, Method of Financing	\$137,206	\$15,573,486	\$19,207,444	\$116,180	\$0
FULL-TIME-EQUIVALENTS (FTES):	2.0	5.0	5.0	5.0	0.0