

2016-18 Executive Progress Report

Commonwealth of Virginia
Secretary of Administration

Department of Elections

At A Glance

The Department of Elections promotes and supports accurate, fair, open and secure elections for the citizens of the Commonwealth.

Staffing 34 Salaried Employees, 8 Contracted Employees, 43 Authorized, and 3 Wage Employees.

Financials Budget FY 2017, \$16.75 million, 55.53% from the General Fund.

Trends
Legend

↑ Increase, ↓ Decrease, → Steady

Key Perf Areas

↑ VERIS maintenance costs
↑ Online transactions options
↑ Increase data available online

Productivity
Legend

↑ Improving, ↓ Worsening, → Maintaining

For more information on administrative key, and productivity measures, go to www.vaperforms.virginia.gov

Agency Background Statement

Section 24.2-103 of the Code of Virginia lays out the statutory responsibilities of the Department of Elections (ELECT). The Department is to supervise and coordinate the work of the county and city electoral boards and of the registrars to promote and support accurate, fair, open and secure elections for the citizens of the Commonwealth. In addition, the Department is charged with ensuring "that the members of the electoral boards and general registrars are properly trained to carry out their duties" and for setting "the training standards for the officers of election to be fulfilled by the local electoral boards and general registrars." The Department of Elections is either partly or fully responsible for many additional functions, including compliance with federal mandates on elections including the operation and maintenance of an electronic statewide voter registration system, voter registration list maintenance activities, implementation of state legislation involving elections, administering the reimbursement process for general registrar and electoral board salaries, and many other tasks.

Voting is a fundamental freedom of Virginia citizens; it is the backbone of a free and democratic society. We envision ELECT as the public's guardian of freedom within a democratic society. As good guardians, we protect and maintain the integrity of elections in the Commonwealth. ELECT sets and upholds the standards and practices that provide voters with the highest level of confidence that elections in Virginia are administered in an accurate, fair, open and secure manner. Integrity of the vote, voter confidence and easy access to the electoral processes are key elements to ensuring that every eligible citizen has an opportunity to vote and to have that vote counted.

The Department of Elections is supported primarily by two major funding sources: state general funds and a federal grant to implement and administer requirements of the federal Help America Vote Act of 2002 (HAVA). The HAVA funds are anticipated to be exhausted during Fiscal Year 2018.

Major Products and Services

- Maintenance and improvements to the Virginia Election and Registration Information System (VERIS), Virginia's electronic statewide voter registration and election system used by ELECT and all localities to administer the voter registration and election processes
- Development and maintenance of Virginia's online absentee ballot application system
- Maintain the security of the personal identifying information of the 5.4 million voters stored in VERIS
- Training, policy guidance, technical support and other assistance to county and city election officials to ensure compliance with applicable laws and regulations
- Assistance and information to federal, state and local candidates on ballot access, filing and campaign finance requirements
- Process voter list requests, payments and distribution to candidates, courts, nonprofit organizations and other authorized recipients
- Collection, aggregation and publication of election results
- Establishment and supervision of voting system technology and security standards
- Testing, certification, and approval of new voting equipment systems
- Collection, review and maintenance of candidate ballot access forms and candidate ballot access certification services
- Ballot proofing services
- Certification of results of elections for federal and state offices
- Ballot referendum services
- Assistance to political action committees, referendum committees, political parties and contributors with campaign finance electronic filing requirements
- Administration of limited campaign finance and disclaimer fine and penalty assessment, notification, collection and disbursement of fines to the Treasury of Virginia
- Maintenance and improvements to COMET, the campaign finance reporting software
- Proposal, assistance and drafting of legislation, including providing analysis of proposed bills and drafting fiscal impact statements for proposed bills
- Review all charter amendments and draft recommended amendments for uniformity and compliance with election laws
- Voter registration form development and distribution
- Voter registration procedure training services to other state agencies and to private citizens and groups involved in voter registration activities
- Electronic pollbook training and creation services

- Administration of grants to local election offices for hardware including new electronic pollbooks, new voting equipment, and other items
- Administration of salary reimbursements for salaries owed by the Commonwealth to general registrars and local electoral boards
- Administration of reimbursements for presidential primary expenses incurred by localities
- Administration of voter registration list maintenance programs, including multistate agreements to share voter registration data
- Administration and collection of primary fees from primary candidates for statewide office; processing and redistribution of amounts collected to Treasury
- Voter education and outreach public relations programs
- Respond in a timely fashion to hundreds of FOIA requests for thousands of records, documents and other information
- Coordinate with and provide information, documents and records to the Attorney General's Office and the courts before and during litigation

Customers

Customer Summary

ELECT serves a variety of customer groups and each customer group expects fast, convenient, courteous and quality service delivery. The customer groups range from the 5.45 million registered voters, to all individuals eligible to vote, to the 133 county and city general registrars who partner with ELECT to provide voter registration and election services to local county and city voters and candidates. Every customer group rightfully expects easy and convenient access to personalized voter registration services and information as well as personalized election related information and documents. This expectation has been fostered and promoted through the gradual and continually increasing use of technology as the vehicle to convenient access to ELECT's service offerings. Increasingly, communications and exchanges of information between ELECT and its customers are occurring instantaneously online from their homes or offices. Our customers expect that the services provided by ELECT to be available to them 24-7 by way of technology and the Internet. ELECT staff is dedicated to quickly, efficiently and accurately responding to customers.

ELECT partners with other state agencies including the Department of Motor Vehicles, Department of Social Services, Department of Health (Vital Statistics), Virginia State Police and other agencies involved in the voter registration or list maintenance process to enhance the voter registration experience for Virginia voters. ELECT also works with the Veterans Affairs and Homeland Security Secretariat in educating and promoting awareness of military voting issues. ELECT increasingly works with other states, counties and cities to share voter registration and voter history information to aid in keeping Virginia's voter registration rolls up to date through various programs, including the Electronic Registration Information Center ("ERIC") and the Interstate Cross Check program.

Customer Table

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Voter	Registered Voters	5,450,000	8,400,000	Increase
Candidates	Candidates	2,500	10,000	Stable
Federal Agency	Department of Defense, Department of Justice, Election Assistance Commission, Federal Election Commission, Social Security Administration, United States Postal Service, Health and Human Services, Department of Homeland Security	8	15	Increase
Organization	Political Parties, Third-Party Voter Registration & Advocacy Groups	100	500	Stable
General Assembly	Members of the General Assembly and Staff	100	350	Stable
Governor	Governor's Secretaries and Deputy Secretaries	10	30	Stable
Organization	PACs, Political Parties, Referendum Committees	1,000	10,000	Stable
State Agency(s),	VSP, DMV, VDH, VITA, DSS, DPB, DOA, DHRM, OAG, Supreme Court, Circuit Courts	50	136	Stable
Local or Regional Government Authorities	All 133 Local General Registrar Offices and Electoral Boards	133	133	Stable

Finance

Financial Summary

The Department of Elections is currently supported by two major funding sources: 1) State general funds are and 2) A federal grant administered by the U.S. Election Assistance Commission (EAC) to be used to implement the federal Help America Vote Act of 2002 (HAVA) requirements. As detailed below, currently approximately 60% of ELECT's operating expenses are paid for with HAVA funds. As the Department estimates that these HAVA funds will be exhausted in FY 2018, additional state general funds will be required to continue basic operations.

The agency's general fund budget provides financial assistance to local governments for general registrars' salaries and local electoral boards' compensation resulting in a utilization of 66% of these general funds. The remaining 34% supports a portion of agency salaries and minimal agency operating expenses.

The agency's HAVA funds, appropriated by Congress in 2002 to assist the agency with the implementation of the Help America Vote Act, account for approximately 60% of ELECT's annual operating budget. After an initial appropriation of HAVA funding in 2003 to purchase new voting equipment and other upgrades to the electoral system as required by federal legislation, Congress then appropriated "requirement payments" to aid states in ongoing compliance with legislation. While requirements payments ended in FY2011, ELECT has worked to conserve these funds. ELECT has requested and received all available HAVA funds from the federal government and ELECT is not aware that Congress has any plans in the foreseeable future to appropriate additional funding for this purpose. While the HAVA funds are used to support absentee voting, compliance with voter registration list maintenance and voter education, the majority of the federally funded portion of the agency budget supported by the HAVA grant is associated with maintaining a computerized statewide voter registration system.

The HAVA funding has helped the agency meet significant shortfalls in funding needed to support mandated work due to unrestored funding reductions over the past decade and the lack of growth in state revenues to support growing office needs. With the limited resources available to the agency and the impending exhaustion of HAVA funds, it is an ever increasing challenge to meet the existing workload to maintain client services.

Fund Sources

Fund Code	Fund Name	FY 2017	FY 2018
01000	General Fund	\$9,303,177	\$12,927,364
02023	State Primary Fee Fund	\$116,250	\$116,250
07011	State Election Fund - Federal	\$7,244,150	\$7,116,514
10000	Federal Trust	\$88,580	\$0

Revenue Summary

The agency collects revenue through the following sources:

- Interest collected through the Treasury of Virginia on the principal amount of the federal grant funds distributed through the Help America Vote Act (HAVA) funds;
- State primary fees paid by candidates participating in primaries for U.S. Congress or statewide offices;
- The sale of voter registration and voter history data;
- Revenue for reasonable expenses for complying with public requests for voter registration data and costs associated with the numerous Freedom of Information Act (FOIA) requests the agency receives on an annual basis; and
- Fees collected from voter equipment vendors to recoup costs associated with the certification process.

Performance

Performance Highlights

In spite of the fact that the Department has a smaller Maximum Employment Level ("MEL") than the Virginia Museum of Natural History, the Department of Elections (ELECT) continues to make substantial progress in making it easier for eligible Virginians to participate in elections.

Through modernizing and streamlining services, enhancing in-house technology staff, and creating new tools for voters, administrators and third party organizations, ELECT has made monumental improvements to election administration in Virginia. The effects of these changes can

not only be experienced by eligible voters today, but the effects of these tools and partnerships will continue to have substantial positive impacts on voter file accuracy, election administrator efficiency and data security. As election integrity and cybersecurity are increasingly recognized as a top priority in election administration, ELECT is a proven national leader in both these areas, and has made voting easier for eligible Virginians through tools and processes that also improve list maintenance procedures, transparency and cybersecurity. Several innovative tools have been rolled out which accomplish both, including the online absentee ballot application tool which complements Virginia's online voter registration, electronic and paperless voter registration at the DMV ("e-Motor Voter"), and an API which was developed in-house that encourages third-party groups to use ELECT's online voter registration tool.

The agency has been recognized several times recently for its work to modernize elections in Virginia, specifically to improve the voter registration process, absentee ballot application process, increase voter education and improve efficiencies in the elections process. Some of the honors, accolades and distinctions over the past several years include:

- Recipient, Bright Idea Award, Harvard Ash Center for Democratic Governance and Innovation - Online Absentee Ballot Application Tool (2016)
- Winner, Governor's Technology Award, IT as Efficiency Driver - Government to Citizen - Online Absentee Ballot Application (2016)
- Virginia continues to serve as a national leader in list maintenance activities. Currently, Virginia is one of a very small number of states which participate in both the Electronic Registration Information Center ("ERIC") and the Interstate Crosscheck Program.
- Microsoft Dynamics 2013 Customer Excellence Award Winner in Government Administration: ELECT was part of the Commonwealth's team that was recognized by Microsoft for its implementation of the Microsoft Dynamics shared service platform in March of 2013. Specifically, ELECT had implemented the new campaign finance reporting solution and a locality contact management solution based on the Microsoft Dynamics platform.
- ELECT received an award from Google in July 2013 acknowledging our contribution to the Voting Information Project and for improving the efficiency and effectiveness of elections through open data.

Another important item to note is Virginia's compliance with federal and state laws for mailing absentee ballots for overseas and military voters. Virginia had been under a consent decree with the Department of Justice (DOJ) to comply with the federal MOVE Act that mandates ballots be mailed to overseas and military voters 45 or more days before a federal election. Due to Virginia's compliance with the laws over the course of several elections, Virginia is no longer under that consent decree.

Selected Measures

Measure ID	Measure	Alternative Name	Estimated Trend
132.0005	Average annual cost of maintaining the Virginia Election and Registration Information System (VERIS)	VERIS maintenance costs	Improving
132.0004	Increase number of processes that can be completed online	Online transactions options	Improving
132.0003	Number of automated data sets available to the public	Increase data available online	Improving

Key Risk Factors

The Department of Elections' (ELECT) main impediment to achieving its goals relates to the impact of continued budget cuts and the uncertainty surrounding the future funding of election administration from the federal, state, and local levels. ELECT's general fund budget has been reduced by more than 27% since Fiscal Year 2007, including a 5% budget cut in FY2017. Concurrently, the costs of complying with state and federal mandates for elections have risen, labor expenses for items including fringe benefits have increased, and fees from other state agencies for services such as VITA have risen significantly. While spending has been cut, Virginia continues to rely on and spend its remaining federal HAVA grant funds which are scheduled to be extinguished in FY2018. Through FY 2016, these funds accounted for approximately 69% of the agency's operating budget. These long term cuts that happened at the federal, state, and local levels resulted in certain stress fractures and cracks in the infrastructure of the electoral system, such as the issues caused by using voting equipment passed its expected life. The uncertainty and unpredictability regarding future funding levels at all levels of government make long-term strategic planning difficult and speculative.

Due to the continued budget cuts and the impending exhaustion of the HAVA funds, ELECT has been especially aggressive in educating elected officials in addition to election officials about the impact of a failure to fully fund the Department. For example, in 2016, the Commissioner informed the members of the Joint Senate and House Privileges and Elections Committee that currently "the Frontier Culture Museum of Virginia has a larger [number of full-time staff members] than the Department of Elections."

After this presentation, additional funds were appropriated to cover what ELECT projected would be the short-fall for FY 2018 as a result of the depletion of HAVA funds, and, additional funds were appropriated to make essential improvements to VERIS. Three additional MEL were provided in FY 2017, and two additional MEL were provided in FY 2018. Today, ELECT has a higher MEL than the Virginia Frontier Culture Museum, but a smaller MEL than the Virginia Museum of Natural History. Not surprisingly, additional funding is needed to ensure ELECT can perform its statutorily mandated objectives and keep voters' information secure. Any future reductions or failure to fully replace the exhausted HAVA funds

will put ELECT in serious danger of not being able to comply with state and federal mandates to administer elections.

Agency Statistics

Statistics Summary

Any discussion of statistics and voting in Virginia needs to begin with mentioning that the Commonwealth is growing. Recent estimates from July 2016 calculate Virginia's population near 8.4 million people, an increase of approximately 5% since the 2010 Census. Most experts project Virginia will continue to grow and the Commonwealth is expected to add one million residents per decade over the next few decades. As Virginia grows, its voter rolls will also continue to swell. While this is exciting for the Commonwealth, it poses some obstacles to state and local election officials, especially in a climate of continuing budget cuts. As Virginia adds voters, this will require the establishment of additional (and/or larger) precincts and polling places which requires additional pieces of voting equipment, more staff and generally more resources. It is important that policymakers take into account the growth of the Commonwealth when making decisions regarding the funding of elections.

It is also worth noting that this growth is not happening in a geographically uniform manner. Certain parts of Virginia are losing or have stagnant populations and other parts, particularly in Northern Virginia, have high growth in certain areas that poses considerable difficulties for local election officials in ensuring enough available voting equipment and adequate polling place facilities for voters. In areas with population loss, certain adjustments in election administration practices need to be made to maximize a shrinking or stagnant population and tax base that ultimately impacts their level of funding.

In addition, the voter rolls will not grow at uniform pace throughout the year or over a four-year election cycle. Voter registration submissions increase significantly as the November general election nears, and spike during presidential election years.

Other important statistics to note are voter turnout numbers and percentages and the number of types of voting equipment in use in the Commonwealth:

- Voter turnout is relatively consistent in the Commonwealth based on a four-year election cycle. The presidential election every four years sees turnouts generally around 71% to 72% with no greater deviation of 6% in turnout from the highest to the lowest turnout presidential elections. Generally, the gubernatorial election has a turnout of approximately 44% with, historically a consistent turnout from one election to the next. Non-presidential federal election years have a similar turnout of approximately 45% from year to year, varying somewhat depending on whether a U.S. Senate seat is up for reelection.
- Virginia currently uses approximately 25 different models of voting equipment. The wide variety of equipment makes it difficult for ELECT to monitor and provide effective guidance to localities. While this number will be decreased to 4 in 2020, due to a legislative mandate requiring the retirement of touch-screen voting machines, consistently being able to provide timely and potentially technical guidance related to 4 different voting systems requires at minimum, extensive training, and taxes the limited resources of the Department.

Finally, it is imperative to note that due to increased public focus on election integrity and election administration processes, the number of bills which affect election administration and the Department is increasing. While the percentage of proposed bills reviewed by ELECT is increasing, due to budget cuts, the Department's policy staff is either stagnant or shrinking. With ELECT's exceptionally small MEL, ELECT must continually weigh the dire need of additional technology staff against the needs of the policy division. In recent years, ELECT has prioritized additional technology staff MEL over policy staff MEL. The public, members of the General Assembly and other interested parties rely on ELECT to provide thorough analyses of not only the potential impact on election administration and related processes, but also the financial impact of proposed legislation in a very small time window.

- In 2015, the Department reviewed over 130 bills proposed by members of the General Assembly. This represents approximately 7% of the total number of bills introduced in 2015. For comparison, although ELECT has 3 policy staff members who are primarily responsible for reviewing, researching, analyzing and summarizing each bill that may impact the right to vote in the Commonwealth, other agencies with responsibility for reviewing a far smaller number of bills have more than a dozen policy analysts.
- In 2015, the Department reviewed 72 constitutional amendments and 21 charters.

Statistics Table

Description	Value
Localities with a Voting Systems Security Plan reviewed and approved by the State Board of Elections	133
Compliance with federal and state laws regarding the timeline to send absentee ballots	133
Online voter registration applications processed in 2014	110,897
Special elections supported by ELECT in 2014	16

General Information About Ongoing Status of Agency

After finalizing the reorganization of the Department effective July 1, 2014, many challenges remain. The two main ongoing concerns for the Department are: 1) the use of aging and varying voting equipment across the Commonwealth, and 2) the impending exhaustion of the federal grant that funds approximately fifty-three percent (53%) of the Department's operating budget.

Considering these factors, the Department's two main areas of focus going forward are securing permanent funding and modernizing electoral processes to achieve greater efficiency and effectiveness which will result in cost-savings and increased customer service experiences.

Specifically, the Department's goals include the following:

- Improving access to election information by increasing the data available online
- Reducing ongoing operating costs for major systems, including VERIS
- Promoting increased uniformity of security policies, standards and practices in the election community
- Increasing the number of processes that citizens and registered voters can complete online to engage in the franchise

Information Technology

Budget cuts, scarce resources and increasing public demand have required ELECT to produce new and more efficient service delivery mechanisms. Increasing security issues and the cost of technical services provided by VITA and other external technology resources have impacted the agency's Information Technology (IT) environment. In order to preserve resources, ELECT has recently brought the maintenance and development of VERIS in-house. This change has reduced ELECT's dependence on IT consultants and external vendors, which has reduced costs and increased ELECT's responsiveness.

This new arrangement has enabled ELECT to implement many system enhancements and improvements in a much shorter timeframe than previously possible. In addition, ELECT rolled out a new online absentee ballot application tool in 2015. This tool enables registered voters to apply for an absentee ballot completely paperlessly. This tool has been a resounding success and with minimal to no promotion of this new service, the adoption rate is approaching 40+%.

Continuous changes in federal and state laws relating to absentee voting, voter registration, election administration and campaign finance require the development of an agile IT environment that is poised to respond to the wide variety of business problems faced by the agency. A cornerstone of this effort has been the complete re-architecture of the ELECT server infrastructure. The new infrastructure has reduced the risk through redundancy and the proper separation of development and production environments. In addition, the new infrastructure has increased the capacity and efficiency of the servers to handle the increased application processing that is currently needed.

Workforce Development

ELECT promotes innovative thinking and the use of technology in bringing efficiency to the workplace. ELECT has used technology to automate certain functions, including the pollbook production process, voter credit importing, FOIA tracking, certain mail processing functions, and other areas are scheduled to be automated as a result of recent budget cuts.

In many cases, ELECT has had no choice but to increase efficiencies through technology. Continued budget cuts have resulted in multiple layoffs over the past several years and have required ELECT to do more with less. Accordingly, existing staff are asked to be more versatile and perform additional duties and functions. While ELECT has a dedicated and hardworking staff, to recruit and retain a highly competent workforce, ELECT needs the resources to offer competitive salaries to have its best employees remain with the agency. Resources are needed to align current staff salaries to make them comparable with other state agencies' salary levels. In addition to the regular change of leadership at the top of the agency based on four year appointees by the sitting governor, ELECT sees a high turnover rate with staff. This can be largely attributed to the lower salaries. In spite of the difficult job market, ELECT still finds it difficult to retain its best staff.

As stated above, technology is taking an increasingly important role in administering elections. Investing resources to upgrade the "tech" skills of existing staff without this technological know-how is extremely important. The regular updating of the skills of staff members with the technological know-how is also important.

One of ELECT's main goals is to provide high quality policy advice and guidance to the local election community. In addition, ELECT's policy guidance is critical to the General Assembly during the legislative session and to the State Board in advising on the passage of Board policies and regulations. In order to provide high-quality guidance, ELECT needs highly-educated and talented individuals.

Physical Plant

The Department of Elections office occupies the 1st floor of the Washington Building located in Capitol Square, Richmond, Virginia. Agency training space and the board room are located in the basement level of the Washington Building. All space is leased from the Department of General Services. The agency anticipates no change in the leased space requirements.

