

North Carolina State Board of Elections

2023-24 Budget Presentation

February 9, 2023



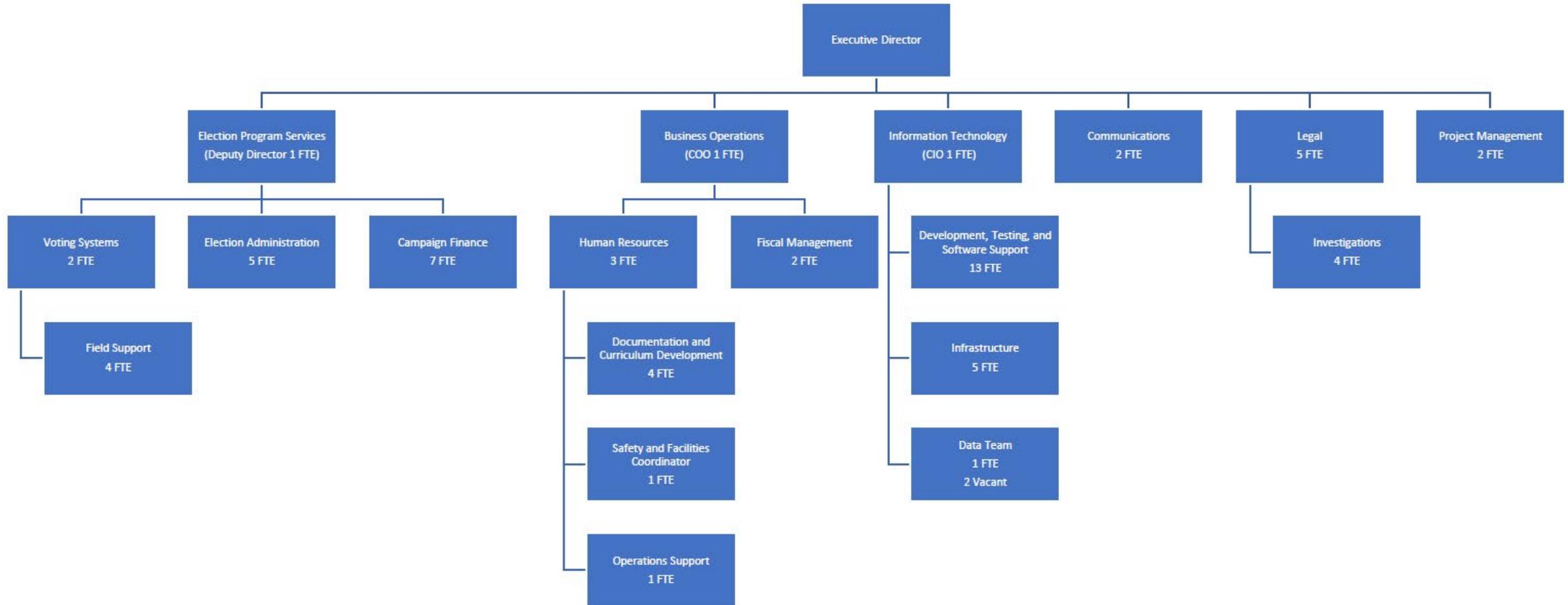
NORTH CAROLINA
STATE BOARD OF ELECTIONS

Key Roles of State Board of Elections

- Supervision of the conduct of all elections
- Training and oversight of county boards of election and staff
- Maintenance and security of statewide voter registration system and supervision of list maintenance by county boards
- Maintenance and security of the statewide IT platforms for checking in voters, processing absentee ballots, candidate filing, ballot preparation, petition processing, assigning voters to districts/mapping, election results reporting
- Maintenance of campaign finance reporting system, auditing of committee reports, administration of penalties for violations
- Appointing county board members, hearing appeals of county board protests and challenge decisions, canvassing elections in State's jurisdiction
- Certifying voting systems for use in NC elections
- Investigating election fraud and irregularities as well as campaign finance violations

State Board's Service Focus

Our customers are the counties and the voting public



Election Program Support to Counties/Public

Voting Systems and Field Support

(5 FTE + 1 time-limited expiring June 2023)

Responsibilities: immediate response for elections operations emergencies in the counties, regular on-the ground support for county operations, coding and proofing of thousands of ballot styles, voting equipment certification, testing, and training.

Election Administration

(4 FTE + 1 time-limited expiring Feb. 2023)

Responsibilities: leading counties through implementation of election processes and new laws, ensuring uniformity. Staff are subject matter experts in candidate filing, canvass/reconciliation, and absentee voting.

Campaign Finance

(7 FTE)

Responsibilities: providing guidance to counties board staff and the regulated community, auditing reports for all committees that file with the State Board, managing penalty assessments and other noncompliance issues.

Document and Curriculum Development

(4 FTE)

Responsibilities: managing legally required training for State and county elections officials and standardize forms and documents used to administer elections.



Election Technology Support to Counties/Public

Development, Testing, and Software Support

(9 FTE + 4 time-limited positions expiring in June 2023)

Responsibilities: Create, maintain and improve the computer applications used to run elections in all 100 counties. Elections, voter registration, list maintenance, and campaign finance all require these systems to be operational.

Infrastructure and Cybersecurity

(3 FTE + 2 time-limited expiring in June 2023, 1 contract)

Responsibilities: maintain and secure the networks and systems that support elections throughout the State. NC elections are run on centralized networks, requiring constant maintenance and security vigilance.

Database Administration and Management

(1 FTE + 1 time-limited position expiring in June 2023)

Responsibilities: ensuring that elections data is regularly updated, accurate, and transparent to the public. Auditing and developing other safeguards to ensure election integrity.

Communications

(1 FTE + 1 time-limited position expiring in June 2023)

Responsibility: educating the public on NC's voting process and data. Ensuring transparency and responsiveness to the public and election stakeholders.



General Fund Appropriations

	Budget	Actual
FY 2022-2023	\$8,255,060	TBD
FY 2021-2022	\$7,861,380	\$7,861,380
FY 2020-2021	\$7,604,808	\$7,604,806
FY 2019-2020	\$8,503,849	\$6,237,738



Federal Election Grants

HAVA Election Security Funds, authorized under Title I Section 101 of the Help America Vote Act (HAVA) of 2002, were appropriated in 2018, 2020, 2022 and 2023. This funding provides states with additional resources to improve the administration of elections for Federal office, including to enhance technology and make certain election security improvements.¹ HAVA grants require a 20% state match. CARES Act funds were also awarded.

	Grant Award
HAVA 2023	\$2 M
HAVA 2022	\$2 M
Cares 2020	\$13 M • \$12.7 M designated to CBEs
HAVA 2020	\$14 M • \$9.6 M designated to CBEs

¹ U.S. Election Assistance Commission, [Election Security Funds | U.S. Election Assistance Commission \(eac.gov\)](https://www.eac.gov/election-security-funds) (last visited 2/8/2023).

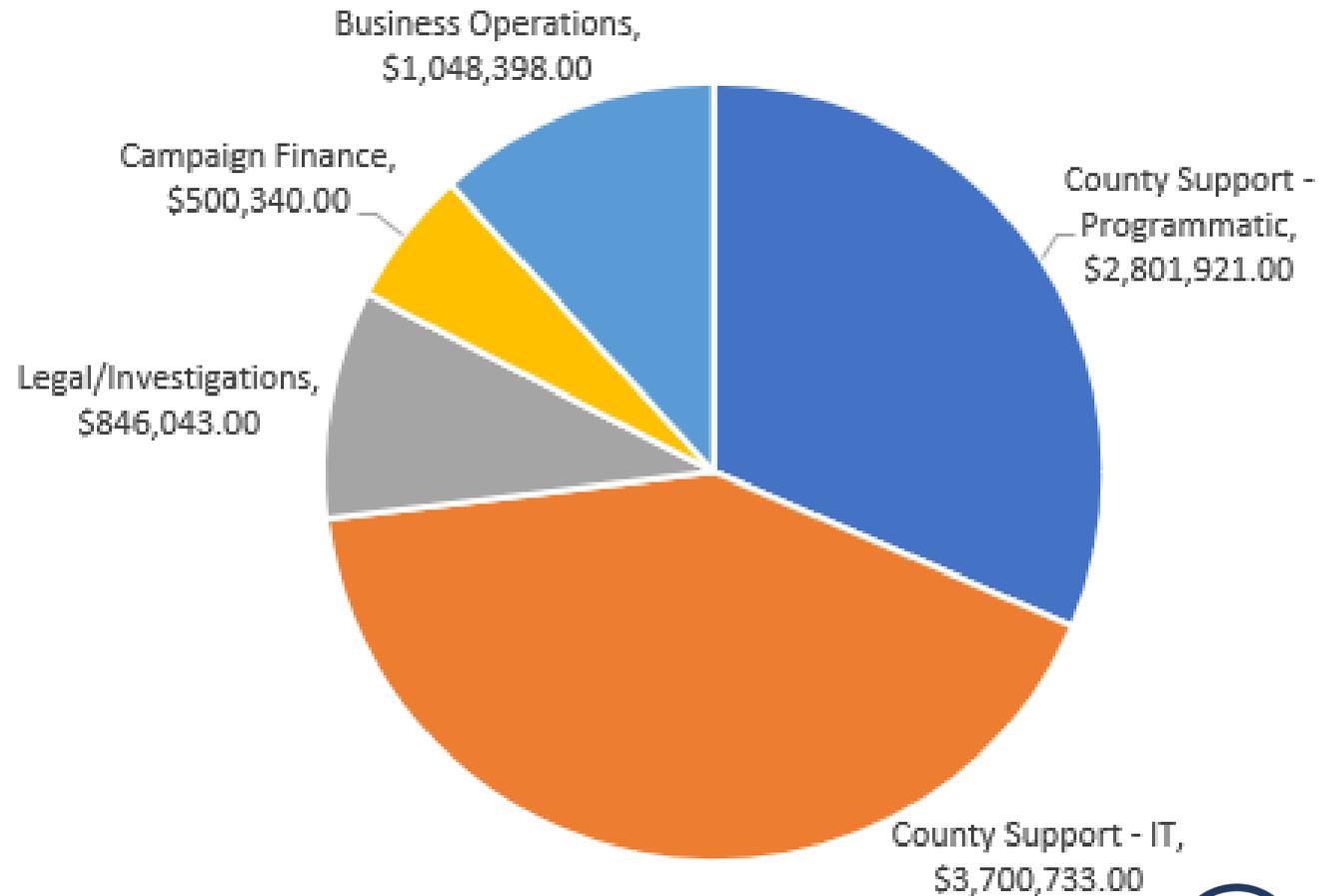
Continuity of Operations Funds

To help meet critical agency needs in advance of the 2022 General Election, the State Board requested Continuity of Operations funds from the Office of State Budget and Management for FY 2022 - 2023. The State Board was awarded \$1.5 million to avoid negative impacts to the operations of elections.

	Budget	Actual
FY 2022 - 2023	\$1,500,000	\$514,905

Budget by Area – FY 2022-2023

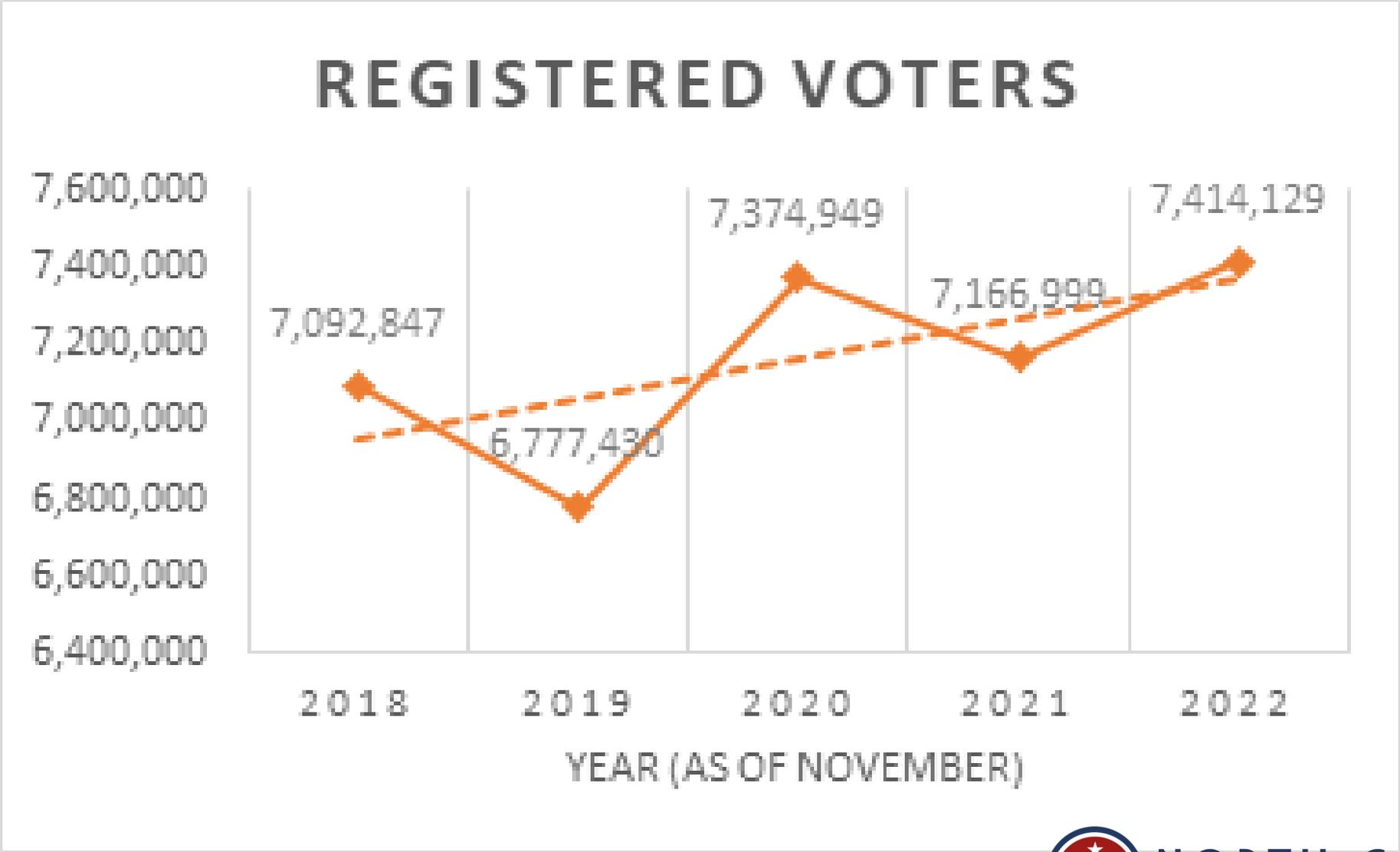
State Board of Elections General Fund Budget by Category



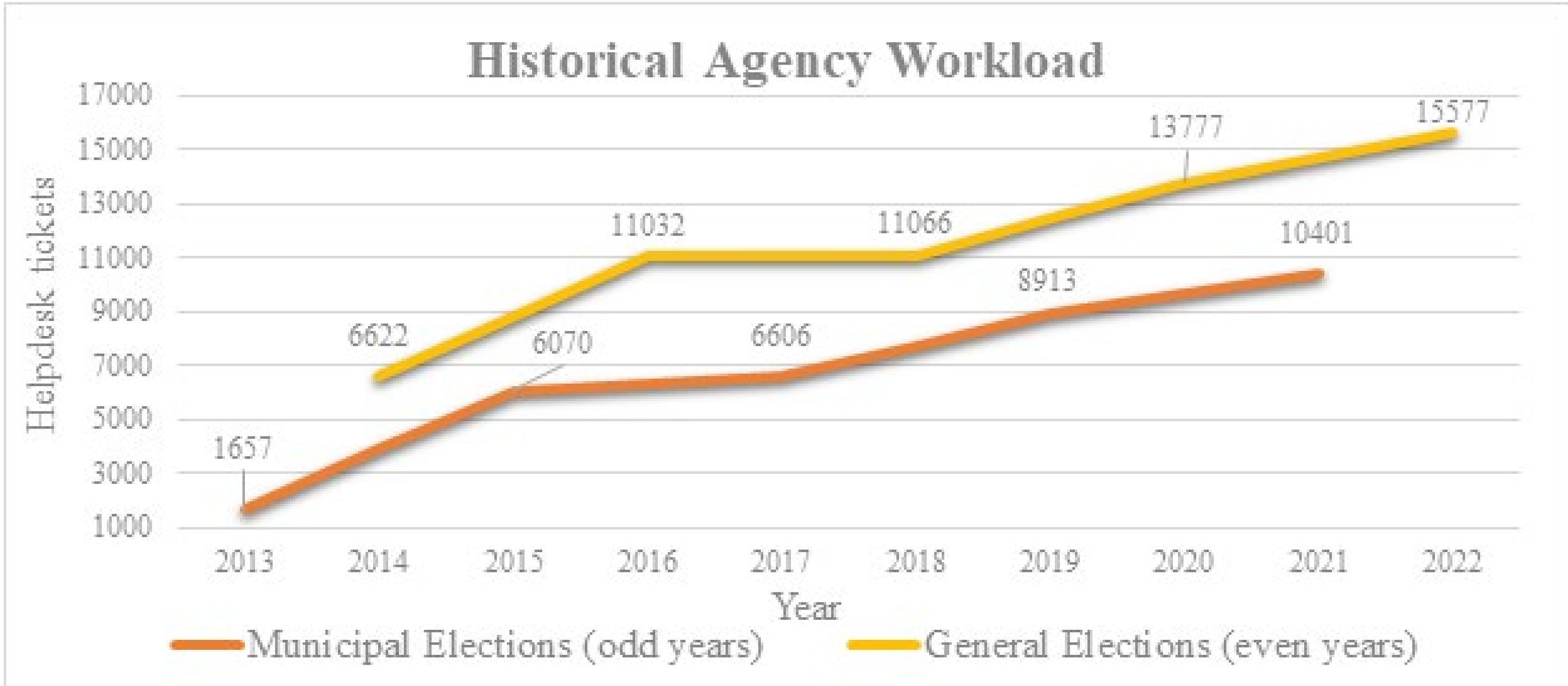
How Can the State Serve Its Elections Customers?

- Recurring funding is needed to ensure key services are in place for the 2024 elections and beyond.
- Investment in system modernization is fundamental to ensuring counties have the technology resources they need for the future.

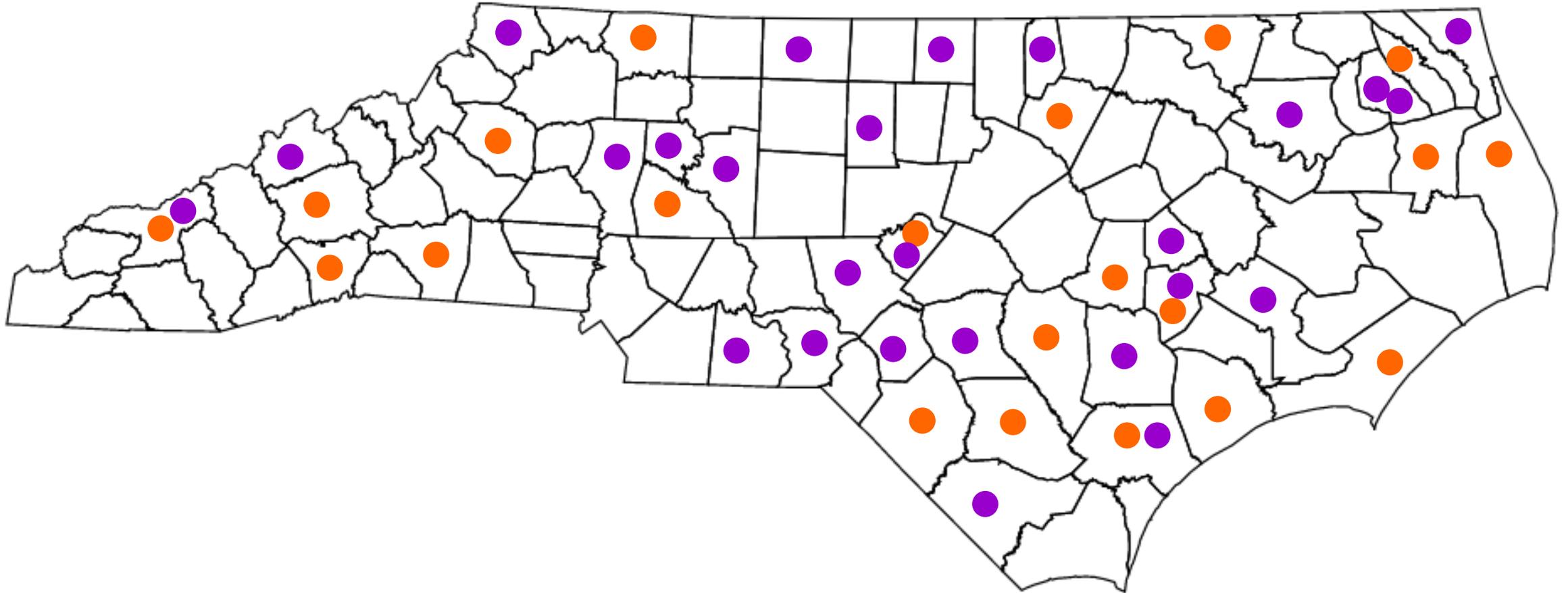
Increase in registered voters from 7.1 M to 7.4 M



Over 40% increase in Support Requests from 2018 to 2022



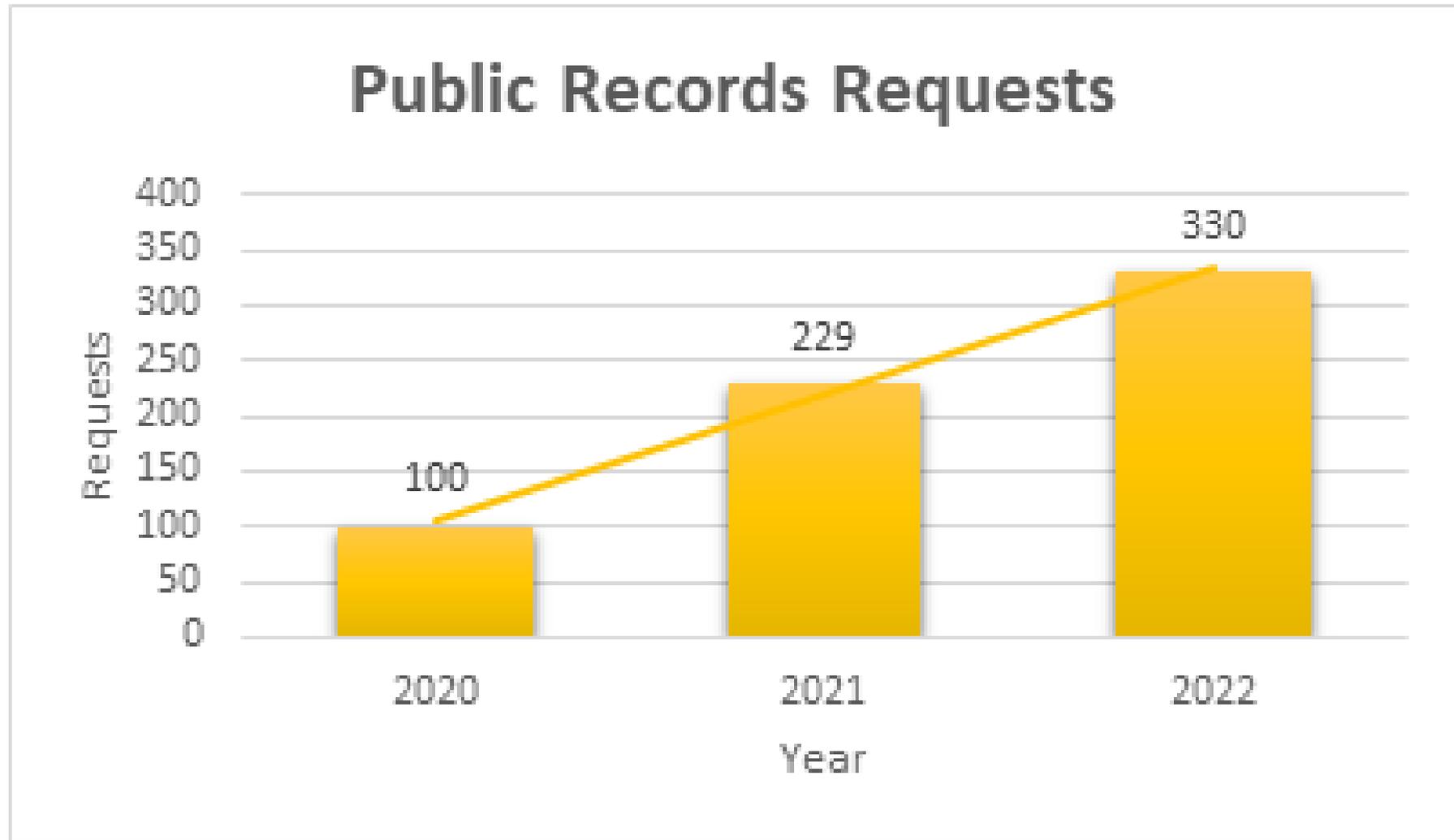
Nearly 50% Change in County Elections Directors Since 2019



- Director hired between January 2019 – December 2020
- Director hired between January 2021 – February 7, 2023

Post-2020, increase in public records and data requests

In addition, nearly 400 data requests and questions yearly on average in the last three years.



2023-24 Budget Request



Funding Obligations Required by Law

Absentee Ballot Portal \$350,000

Online ballot request portal originally authorized in N.C. Sess. Law 2020-17, sec. 7.(a). Over 30% of absentee voters use the portal to securely request ballots, including 14,000 military and overseas voters. A federal court has ordered the system be made available to visually impaired voters.

2022 HAVA Funds Match (NR) \$364,346

In 2022, the General Assembly appropriated \$1,817,084 in federal HAVA election security funds for the 2022-2023 fiscal year. The State has until March 2024 to provide the required 20% match.

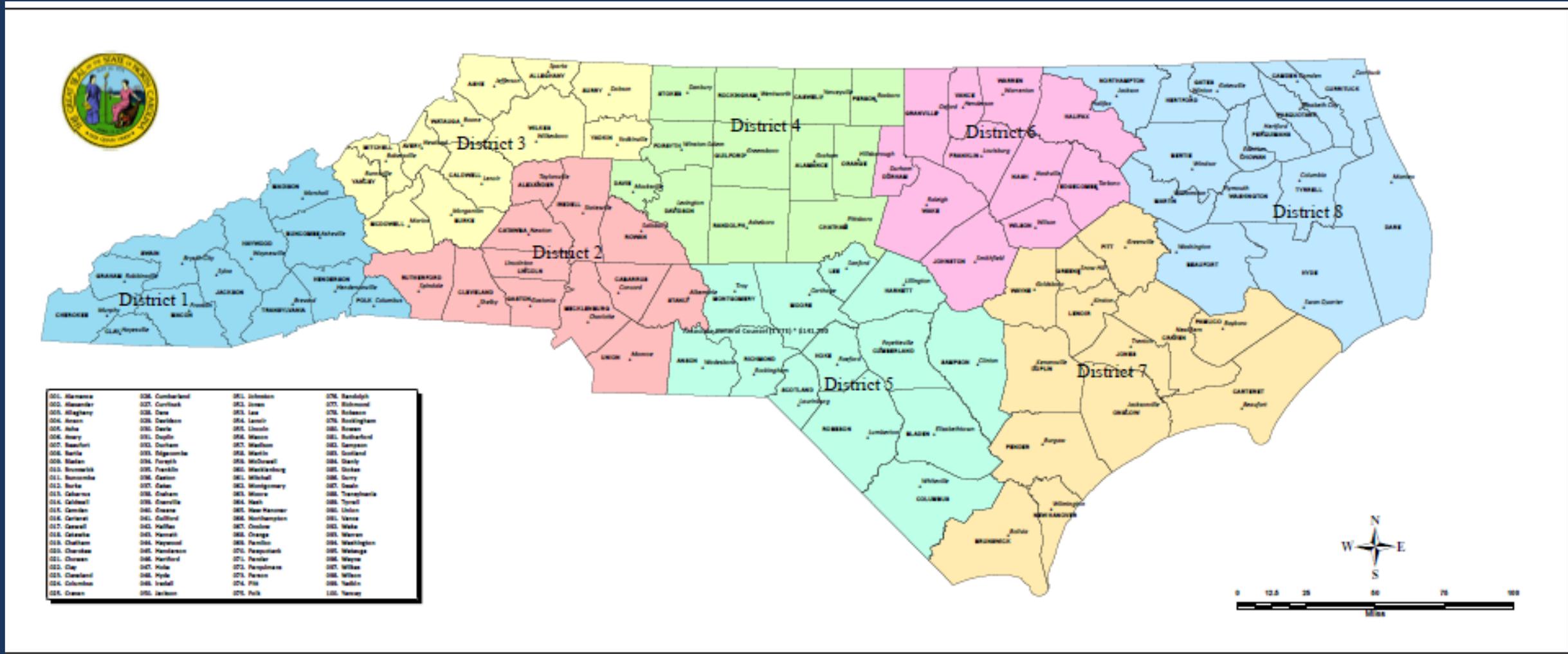
Elections Operations Support: Regional Technicians

Regional Security & Support Technicians (5 FTE) \$422,064

Provide reliable, on-the-ground support to all 100 county boards of elections. These technicians ensure uniform and lawful implementation of election procedures across all counties by providing hands-on support, and often step in when emergencies reduce the county's ability to operate.

- Currently there are 3 appropriated Regional Security and Support Technicians and 1 time-limited position. At this level, each technician is working to provide service to at least 30 counties.

Proposed Regions with 8 FTEs



Elections Operations Support for NC Counties

In-Person Voting Specialist (2 FTE) \$84,412

With the increasing popularity of early voting, in-person voting programs remain in high demand. Counties look to the State for expertise on running early voting, election day voting site administration, and curbside voting. This position would lead the counties through the uniform implementation of election laws and processes.

- Between 9/1/2022 and 11/8/2022, the State Board received 155 help-tickets related to in-person voting.

Associate General Counsel / Legislative Liaison (1 FTE) \$141,750

Additional legal support is needed to handle increased demands from county boards for guidance on complex election laws and procedures, and to provide timely response to legislative inquiries. This position would also help ensure successful statewide implementation of any new legal processes—e.g., list maintenance and photo ID—and would support the State and county boards with their increased public records demands.

Elections Operations Support: Software Support

Development, Testing, and Software Support (2 FTE) \$268,345

State Board staff develop, patch, test, and support the software products that county elections officials use to operate nearly every aspect of elections. Appropriating expiring time-limited positions would ensure the counties can continue to rely on these crucial elections systems.

- Support 800+ users (mostly in counties) of these applications with support and training.
- Responsible for coding legislative or legal changes into SEIMS system.

Elections Operations Support: Software Modernization

NR, multiyear \$13,606,411

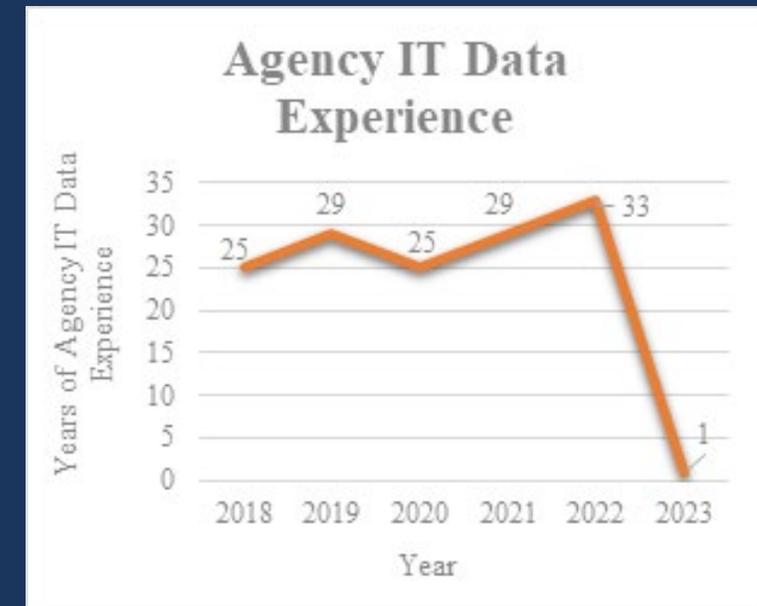
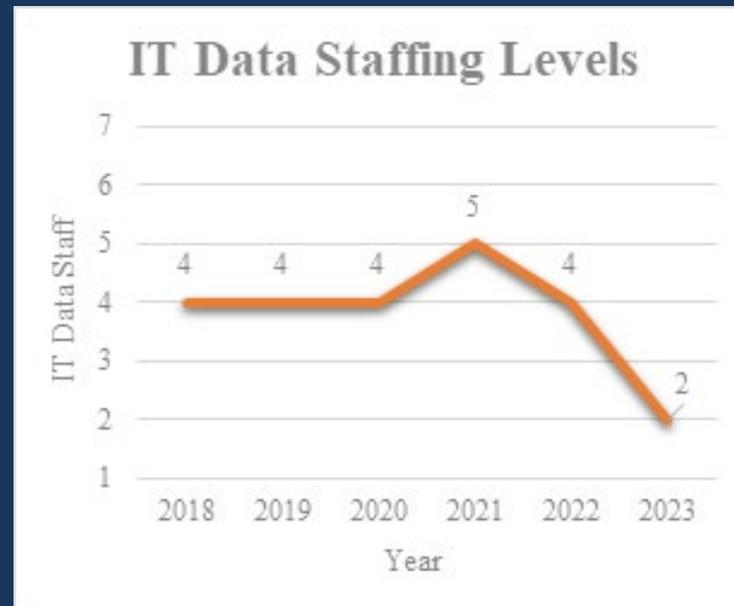
The State's collection of software applications is the backbone of every election process and campaign finance reporting. These programs were developed starting in 1998. They are antiquated, inefficient, and vulnerable to defects. Funding for this multiyear capital improvement project would employ project-specific teams to modernize these products, improving the experience for the primary users of the system: county staff, poll workers, and treasurers.

- In-house software products manage voter registration and list maintenance, candidate filing, ballot preparation, voter geographical assignment, petition processing, voter check-in, absentee processing, provisional ballot processing, election results reporting, campaign finance reporting.

Election Integrity: Elections Data and Infrastructure

Data Team (2 FTE) \$317,085

The State's data professionals ensure millions of data fields are regularly updated, accurate, and transparent to the public. They conduct audits and developing other safeguards to ensure election integrity. Recurring State funding is necessary to recruit and retain an experienced team to maintain and improve existing databases.



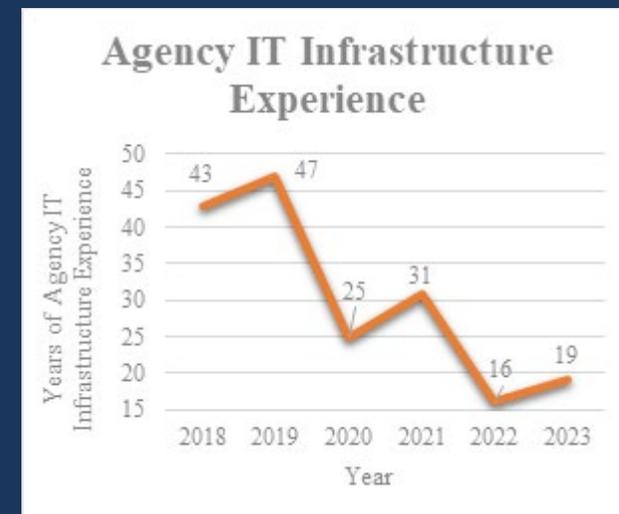
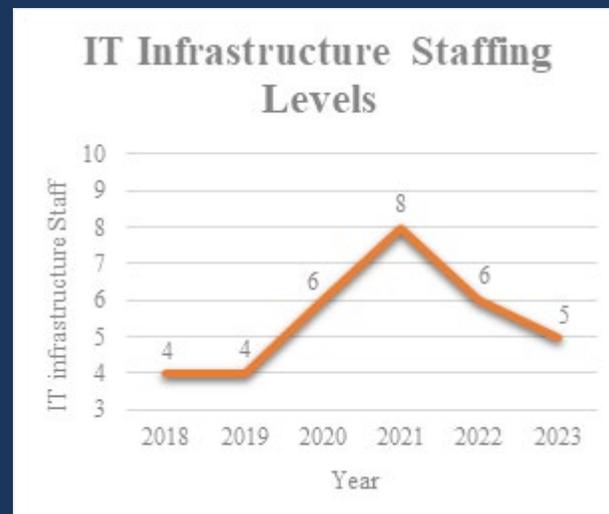
Election Integrity: Elections Data and Infrastructure

Infrastructure Team (2 FTE) \$234,137

Ensure the agency can meet increased demand for support from the 800 county users who operate through virtual desktops on State applications and networks.

Secure Cloud-Based Access Controls \$300,000

Continue providing a secure infrastructure for hosting county access to elections applications through virtual desktops, which replaced prior siloed servers in every county which were more vulnerable to infiltration and malfunction.



Election Integrity: State and County Cybersecurity

Chief Information Security Officer (1 FTE) \$225,000

General Assembly required the State Board to maintain the position of Chief Information Security Officer in N.C. Sess. Law 2021-180, sec. 26.1.(b). The agency has been unable to hire for the position with existing funding. This is a critical position to safeguard elections networks that are being targeted by sophisticated, malicious actors.

Network Traffic Logging & Analysis \$140,000

Service to maintain and analyze logs of all network traffic to identify and respond to malicious activity.

Election Integrity Resources: 2023 HAVA Funds

2023 HAVA Election Security Funds **\$1,817,084**

Federal allocation of grant funds to the State to improve the security of elections for federal offices. Can be used to upgrade voting equipment, implement post-election audits, and update computer systems to address cyber vulnerabilities.

The State will be required to provide a 20% match of \$364,346 within two years of the grant disbursement.

Improving Voter Services

Absentee Ballot Tracking \$50,000

This secure software application tracks mail ballots through the postal stream, from election office to voter and back. It was used by over 400,000 voters in both 2020 and 2022, enhancing voter confidence in the absentee process.

Web Manager (1 FTE) \$100,472

The State's elections website is a critical and highly used public resource. In October and November 2022 alone, the website was viewed more than 3.8 million times, including over 700,000 on Election Day.

Campaign Finance Auditors (2 FTE) \$168,814

Provide more timely auditing of the 7,500+ political and referendum committee reports received each election cycle. Additional staff is also necessary to support county boards in all aspects of administering compliance and enforcement in county and municipal campaigns.

Facility Improvement

Preparatory Work for New Facility Procurement (NR) \$150,000

The agency is seeking a new facility, based on security requirements under DIT policy and as identified by an assessment from the U.S. Department of Homeland Security, limited electrical capacity, limitations on badge-reader access, limited accessibility for the public, and insufficient space for candidate filing and other large gatherings. This is an estimate for project startup.

Thank You!



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