

Representative Jerome Zeringue
Chairman



Representative Gary Carter
Vice Chairman

Fiscal Year 2020-21 HB105 Budget Review

Department of State

House Committee on Appropriations
by the House Fiscal Division

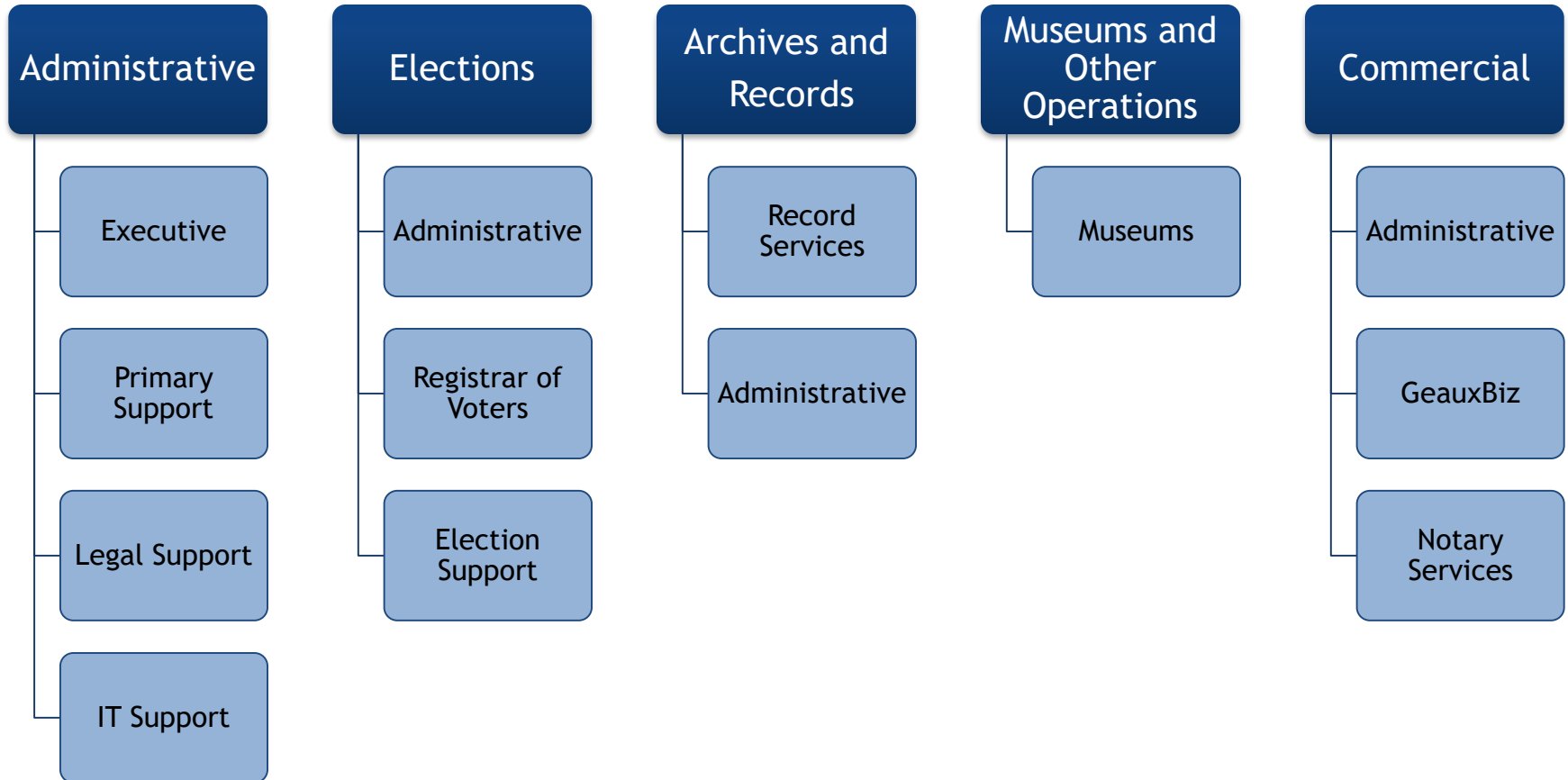
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DEPARTMENT ORGANIZATION



ADMINISTRATIVE PROGRAM



Executive Services

- ❖ The leadership and management function ensures the duties and responsibilities of the department are carried out in an effective and efficient manner.
- ❖ Includes the Secretary, his executive staff, public information, and publication staff.

Primary Support Services

- ❖ Responsible for providing support to the department, including accounting, purchasing, and human resources.

Legal Support Services

- ❖ The Legal Division reviews and approves all ballot provisions, home rule charter propositions, recall elections, and constitutional amendments. This division also drafts and reviews contracts.
- ❖ The Commission Division authenticates the signatures on various certificates, as well as provides advice and interpretation of multiple statutes.

Information Technology Support Services

- ❖ Assists with planning and implementing the information technology hardware and software that the department uses.

ELECTIONS PROGRAM

Administrative Services

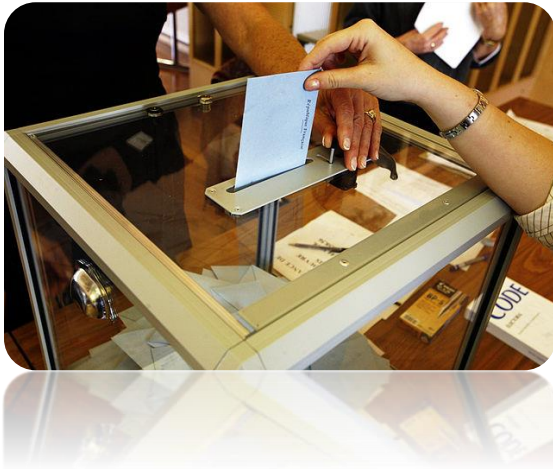
- ❖ Responsible for processing and qualifying candidates for state offices, and preparing ballots for elections.
- ❖ Directs, assists, and prescribes rules and regulations that are applied by each registrar of voter in the state.
- ❖ Encourages qualified Louisiana citizens to register to vote by providing educational programs for school-aged children and adults.
- ❖ Investigates reports of voter fraud.

Registrar of Voters

- ❖ Responsible for the payment of the state's share of salaries of the Registrar of Voters and their employees, and the prorated portion of the annual canvass costs.
- ❖ The Registrar of Voters are also responsible for registering voters in the state, as well as updating registration data.

Election Support Services

- ❖ Responsible for the day-to-day maintenance and repair of the voting machines, and emergency repair on the day of elections.



ARCHIVES AND RECORDS PROGRAM

Administrative Services

- ❖ Identifies, collects, preserves, maintains, and makes available the records and artifacts of Louisiana's history at the Louisiana State Archives Building.
 - Over 2.2 million genealogical records are available online.

Record Services

- ❖ Provides the services, information, and facilities necessary to promote and support the State's governmental records.
- ❖ Provides storage for business records and for state agencies.



*Louisiana State Archives
Baton Rouge, LA*

MUSEUMS AND OTHER OPERATIONS PROGRAM

Museum Services

- ❖ Responsible for presenting exhibits, education, and other programs to the public that emphasize the political, social, and economic influences, personalities, institutions, and events that are part of Louisiana's history and culture.
- ❖ Acquires, refurbishes, and preserves artifacts and other historical relics.



*Old State Capitol
Baton Rouge, LA*

-
- | | |
|--|-----------------------------------|
| ➤ Delta Music Museum | ➤ LA State Exhibit Museum |
| ➤ Eddie G. Robinson Museum | ➤ LA State Oil and Gas Museum |
| ➤ Germantown Colony Museum | ➤ Mansfield Female College Museum |
| ➤ LA Military Hall of Fame and Museum [°] | ➤ Old State Capitol |
| ➤ LA State Cotton Museum [°] | ➤ Tioga Heritage Park & Museum * |

* Closed

[°] 100% Reimbursed by Local entities

COMMERCIAL PROGRAM



'One-stop shop' website for
launching a new business in the
state of Louisiana

Administrative Services

- ❖ Provides services for business licensing, as well as collects fees and tracks annual reporting for businesses operating in Louisiana.
- ❖ Serves as the processing agent for the state on foreign filings and corporate filings.
- ❖ Responsible for the Uniform Commercial Code (UCC) notification system.

GeauxBiz

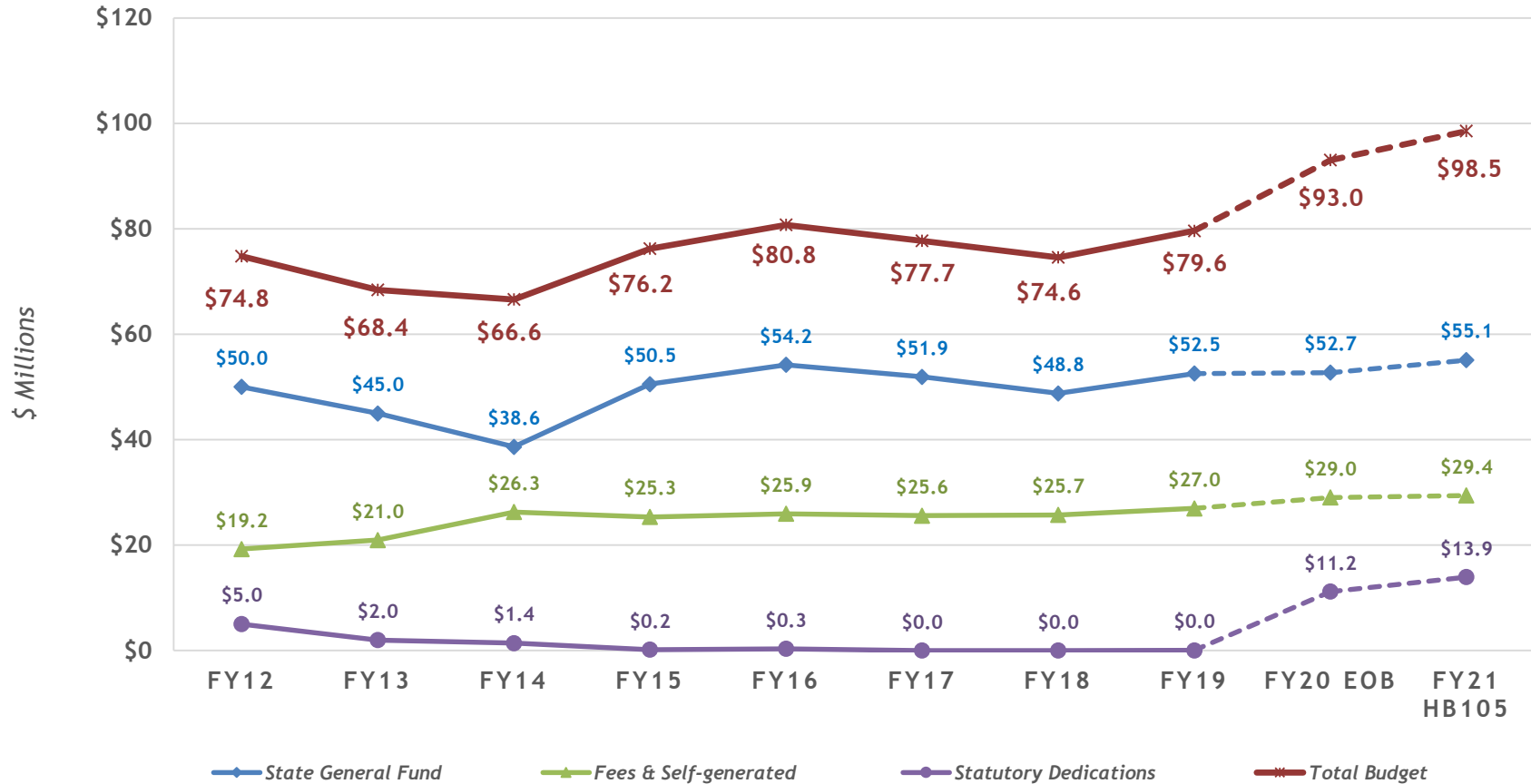
- ❖ Implemented in FY12.
- ❖ The GeauxBiz software and database package is where business can register with the required departments, including the Secretary of State, Louisiana Workforce Commission, and the Department of Revenue.
- ❖ Prepares a customized business license checklist tailored to any specific business license need.

Notary Services

- ❖ Maintains a database on the notary publics registered in the state.
- ❖ Processes applications for the state notary exam.

HISTORICAL SPENDING

NOTE: All FY20 Existing Operating Budget (EOB) amounts used in this presentation exclude carryforwards from FY19.



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

SOURCES OF FUNDING

Interagency Transfers \$147,500

- The Department's Interagency Transfers are payments from other state and local agencies for the microfilm services that the department provides. The largest amounts come from the following:
- Board of Regents
- City of Lake Charles
- Department of Children & Family Services
- Eastern LA Mental Health System
- LA State Board of Nursing
- St. Charles Parish Finance Department

Self-generated Revenue \$29.4 Million

- The Department's Fees and Self-generated Revenue comes from fees charged to corporations for various services. Fees are made up largely by the following:
 - Credit Card Transaction Fees
 - Annual Reports Filings
 - Limited Liability Corporations (LLC's)
 - Uniform Commercial Code
 - Election Expenses - Cost Recovery
- *CARRYOVER: \$391K. Authority was given through a BA-7.

Statutory Dedications \$13.9 Million

There are three Statutory Dedications budgeted within the department:

- Help Louisiana Vote Fund, Election Administration (Title I Section 101 of the Help America Vote Act)
\$12.5M
- Voting Technology Fund (Act 8 of the 2018 2nd session)
\$1.32M
- Shreveport Riverfront Convention Center & Independence Stadium Fund
\$113K

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19	FY 19-20	FY 20-21	Change from EOB		Change from Actuals	
	Actual Expenditures	Existing Operating Budget	HB105 Budget	\$	%	\$	%
SGF	\$52,540,029	\$52,719,555	\$55,092,517	\$2,372,962	4.5%	\$2,552,488	4.9%
IAT	\$87,410	\$143,000	\$147,500	\$4,500	3.1%	\$60,090	68.7%
FSGR	\$26,968,207	\$29,006,921	\$29,380,616	\$373,695	1.3%	\$2,412,409	8.9%
STAT DED	\$26,719	\$11,164,486	\$13,919,963	\$2,755,477	24.7%	\$13,893,244	51,997.6%
FEDERAL	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$79,622,365	\$93,033,962	\$98,540,596	\$5,506,634	5.9%	\$18,918,231	23.8%

Significant Change from EOB

HAVA fund had a \$6.0M balance and Voting Technology fund had a \$5.2M balance at the end of FY 19. During FY 20, those funds were utilized for the lease of the voting machines and the appropriated operating expenses.

\$2.4M SGF

Net Increase due to MOF substitution replacing the Voting Technology fund for general operating expenses with SGF.

\$4.5K IAT

Net increase due to anticipated collection of funds from increased IAT contracts with state and local agencies for imaging and preservation services.

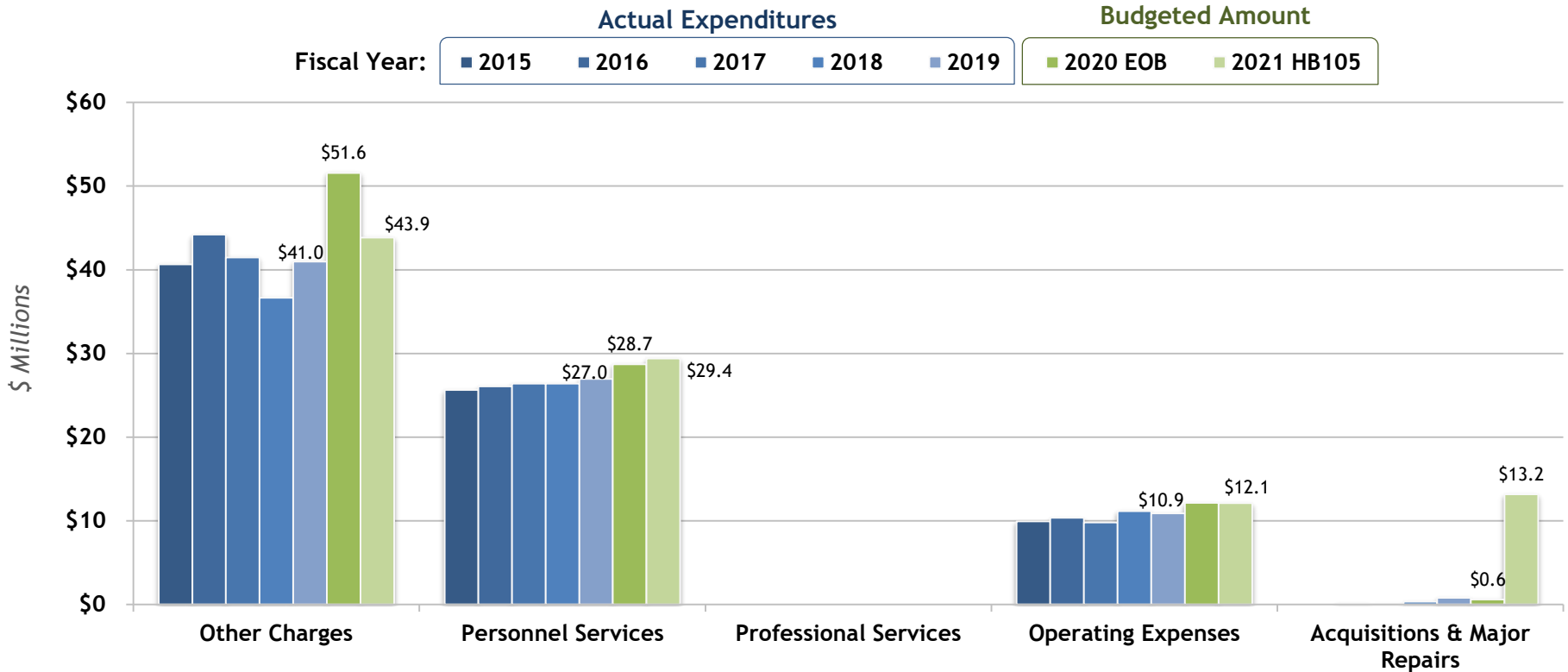
\$374K FSGR

Net increase of \$250K of budget authority for the funding of the second phase of the digital repository in the Archives Program and reduction in budget authority from a reduction in statewide adjustments.

\$2.8 M Statutory Dedication

Net increase due to HAVA funds collection up to \$6.6M. These funds are distributed to states to cover costs related to elections security and/or equipment acquisitions.

EXPENDITURE HISTORY



Source: Office of Planning and Budget - Executive and Proposed Budget Supporting Documents

EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
Salaries	\$16,876,555	\$17,871,086	\$18,213,453	\$342,367	1.9%	\$1,336,898	7.9%
Other Compensation	\$441,574	\$455,694	\$455,694	\$0	0.0%	\$14,120	3.2%
Related Benefits	\$9,651,234	\$10,388,258	\$10,727,890	\$339,632	3.3%	\$1,076,656	11.2%
Travel	\$185,448	\$155,845	\$155,845	\$0	0.0%	(\$29,603)	(16.0%)
Operating Services	\$9,975,979	\$11,124,829	\$11,129,472	\$4,643	0.0%	\$1,153,493	11.6%
Supplies	\$729,984	\$855,544	\$821,298	(\$34,246)	(4.0%)	\$91,314	12.5%
Professional Services	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Other Charges/IAT	\$40,975,512	\$51,582,206	\$43,858,265	(\$7,723,941)	(15.0%)	\$2,882,753	7.0%
Acq/Major Repairs	\$786,079	\$600,500	\$13,178,679	\$12,578,179	2,094.6%	\$12,392,600	1,576.5%
Total	\$79,622,365	\$93,033,962	\$98,540,596	\$5,506,634	5.9%	\$18,918,231	23.8%

SIGNIFICANT EXPENDITURE CHANGES

\$681,999 - Personal Services

\$342,367	Salaries increase due to net increase of statewide adjustments from salary base adjustment, attrition adjustment, and market rate increase.
\$339,632	Related Benefits increase due to related benefits base adjustments.

(\$29,603) - Operating Services/Supplies

\$4,643	Net increase in the Archives and Records operating services expenditure category for imaging and preservation services.
(\$34,246)	Reduction due to non-recurring carryforwards that funded bona fide obligations in FY 20 in the Elections Program.

\$12,578,179 - Acquisitions and Major Repairs

\$12,618,179	New Voting Election Equipment
\$176,360	Replacement of printed materials for the Research Library (\$30K), acquisition of four microfilm services (\$91K), Phase 1 of media stabilization program (40K), Radio Frequency Identification (\$15K), Video editing computer (software and camera equipment) (\$15K).
(\$40,000)	Reduction due to non-recurred major repairs to the auditorium in the Archives building in FY 20.

OTHER CHARGES/IAT DETAIL

(\$7,723,941) Other Charges/IAT

(\$8,543,728)

Reduction due to the fact that the Statutory Dedication funds are being expended in the Acquisitions and Major Repairs expenditure category rather than the Other Charges Acquisitions category.

\$8,532

Increase paid out of the Other Charges Interagency Transfers expenditure category from EOB due to increase in statewide services fees.

Other Charges

Interagency Transfers

Amount	Description
\$575,000	IT Ongoing Costs for Elections and Commercial Support
\$50,000	Contractual Services
\$20,456,779	Election Expenses
\$15,342,550	Registrar of Voters
\$626,250	Archives Building Improvements
\$113,078	Shreveport Riverfront Convention
\$2,206,530	GeauxBiz Portal
\$900,000	Commercial On-Line Filings
\$527,658	Commercial Miscellaneous Operating Expenses
\$40,797,845	Total Other Charges

Amount	Description
\$140,031	Civil Service and CPTP Fees
\$13,501	State Treasurer Fees
\$35,176	Uniform Payroll System (UPS)
\$89,331	Office of State Procurement (OPS)
\$40,482	Legislative Auditor Fees
\$950,107	Office of Telecommunications Management (OTM)
\$269,273	Office of technology Services (OTS)
\$625,000	State Mail - Postage
\$66,687	State Printing
\$830,832	Office of Risk Management (ORM)
\$3,060,420	Total OC-Interagency Transfers

Source: Office of Planning and Budget - Budget Supporting Documents

FY19 UNSPENT AUTHORITY

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent Budget %	Unspent % by MOF
SGF	\$52,543,454	\$52,540,029	\$3,425	0.0%	0.0%
IAT	\$227,500	\$87,410	\$140,090	61.6%	2.0%
FSGR	\$27,733,727	\$26,968,207	\$765,520	2.8%	11.1%
STAT DED	\$6,002,565	\$26,719	\$5,975,846	99.6%	86.8%
FEDERAL	\$0	\$0	\$0	0.0%	0.0%
FY19 TOTAL	\$86,507,246	\$79,622,365	\$6,884,881	8.0%	100.0%

Historical Total Unspent Authority for Comparison

FY18 TOTAL	\$77,876,540	\$74,574,290	\$3,302,250	4.2%
FY17 TOTAL	\$79,263,009	\$77,710,030	\$1,552,979	2.0%
3 YR AVG	\$81,215,598	\$77,302,228	\$3,913,370	4.8%

In FY 2019, the Department of State did not spend \$6.9 million or 8% of their budget authority, of which \$5.9 million is in their HAVA fund. This is the highest percentage in the last three years . The Department of State carried forward their HAVA fund [\$5.9M] into FY 20 for the new voting machines' acquisitions. \$3,245 of SGF was reverted to the SGF, \$3.2 million of FSGR was reverted to SGF, and \$391K of FSGR was carried over.

FY19 UNSPENT AUTHORITY

Did department collect all revenue budgeted?

	Final Budget (w/o carryforward)	Actual Revenue Collections	Uncollected Revenue
SGF	\$52,543,454	\$52,971,914	\$428,460
IAT	\$227,500	\$87,410	(\$140,090)
FSGR	\$27,733,727	\$30,593,100	\$2,859,373
SD	\$6,002,565	\$27,930	(\$5,974,635)
FED	\$0	\$0	\$0
TOTAL	\$86,507,246	\$83,680,354	(\$2,826,892)

The department collected \$2.8 million less than the FY19 budgeted amount in all of their means of finance. Fees and self-generated revenue and state general fund collections exceeded the budgeted amount. The majority of excess budget authority was in their HAVA fund. The money is set aside to pay for the acquisition of voting technology equipment.

Did department spend all collections?

	Actual Revenue Collections	Actual Expenditures	Unspent Revenue
SGF	\$52,971,914	\$52,540,029	(\$431,885)
IAT	\$87,410	\$87,410	\$0
FSGR	\$30,593,100	\$26,968,207	(\$3,624,893)
SD	\$27,930	\$26,719	(\$1,211)
FED	\$0	\$0	\$0
TOTAL	\$83,680,354	\$79,622,365	(\$4,057,989)

The department spent \$4.1 million less than they collected. \$3.6M of collections come from their fees and self-generated revenue. Of this amount, \$391K was carried forward and \$3.2M reverted to the SGF. These monies come from fees charged to corporations for various services. Furthermore, \$428K of SGF was carried forward into FY 20 and \$3K was reverted to the SGF.

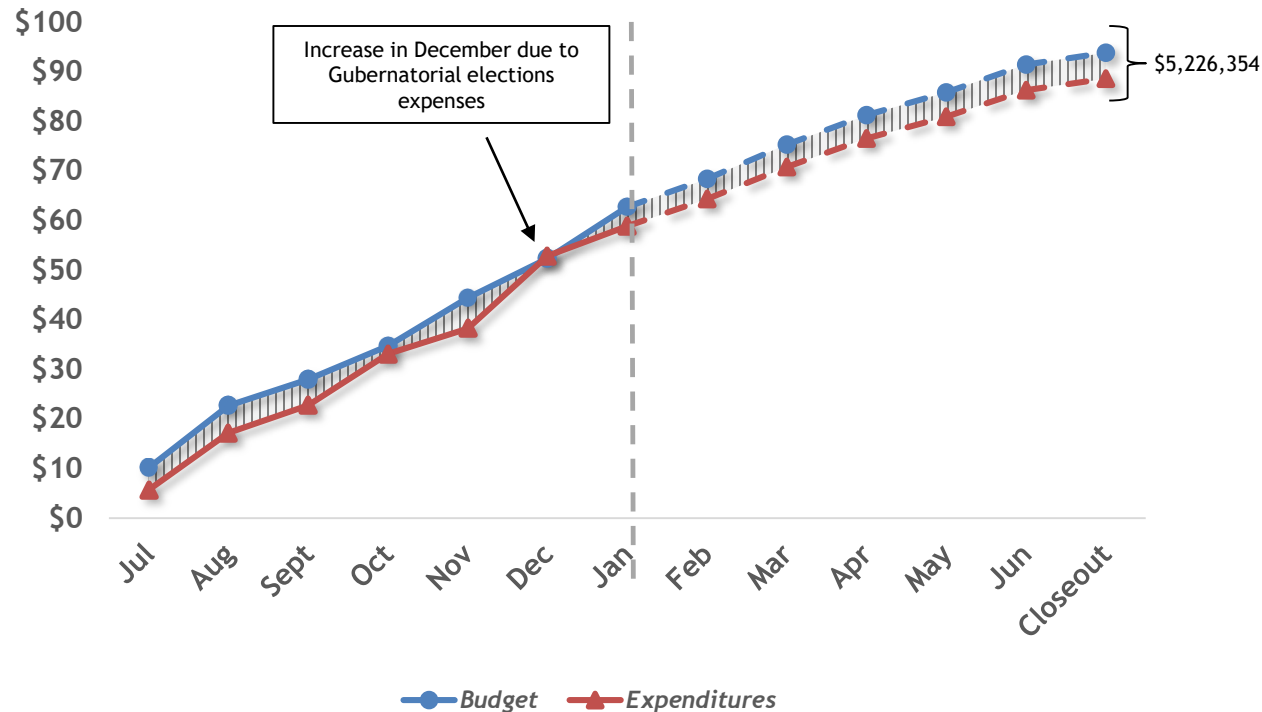
CURRENT EXPENDITURE TREND

Analysis shows approximately 6% or \$5.2M in total budget authority (\$93.8M Budgeted - \$88.6M Expended) from all means of finance could be unspent at year-end based on actual spending through January and projections to the end of the year.

As shown in the previous slide, the department typically carries excess authority in the FSGR and SD means of finance. The excess authority collected in the SD is typically carried forward to use towards the acquisitions of new voting machines.

In FY 19, the department carried forward \$428K of SGF and \$391K of FSGR into FY 20 and \$3K of SGF was reverted to the state.

For FY19, HFD projected the department would have \$9.7M in remaining budget authority, when they actually had \$6.9M authority left at year end.

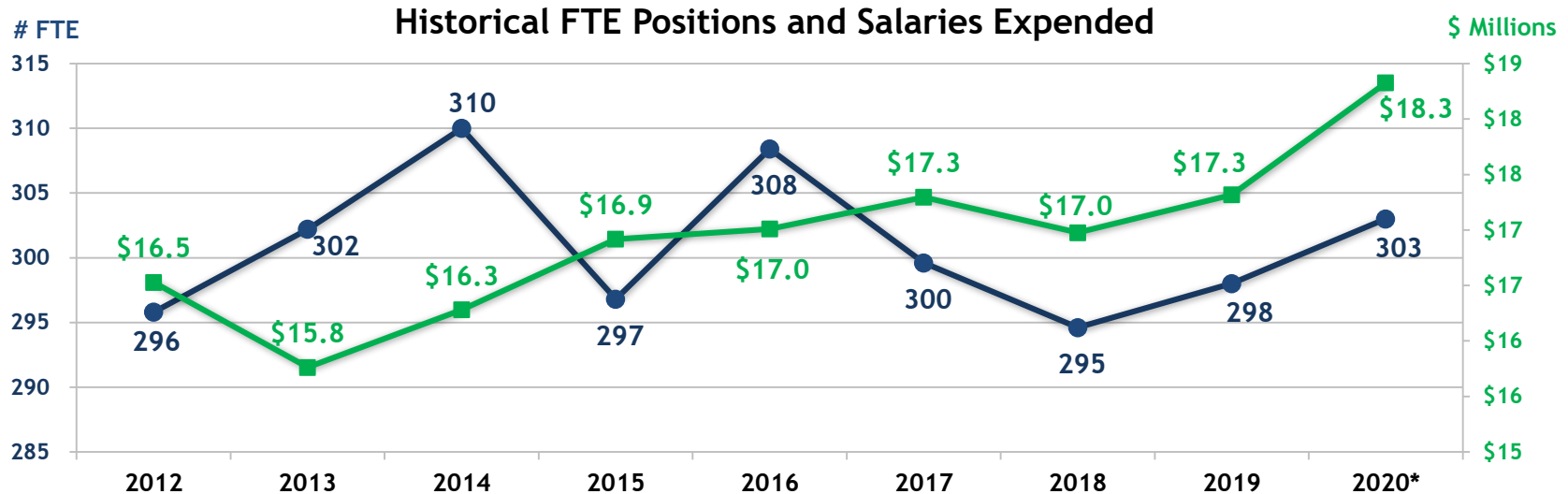
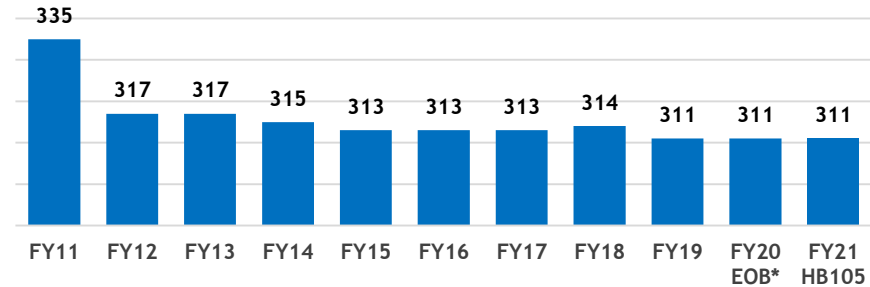


PERSONNEL INFORMATION

FY 2021 Recommended Positions

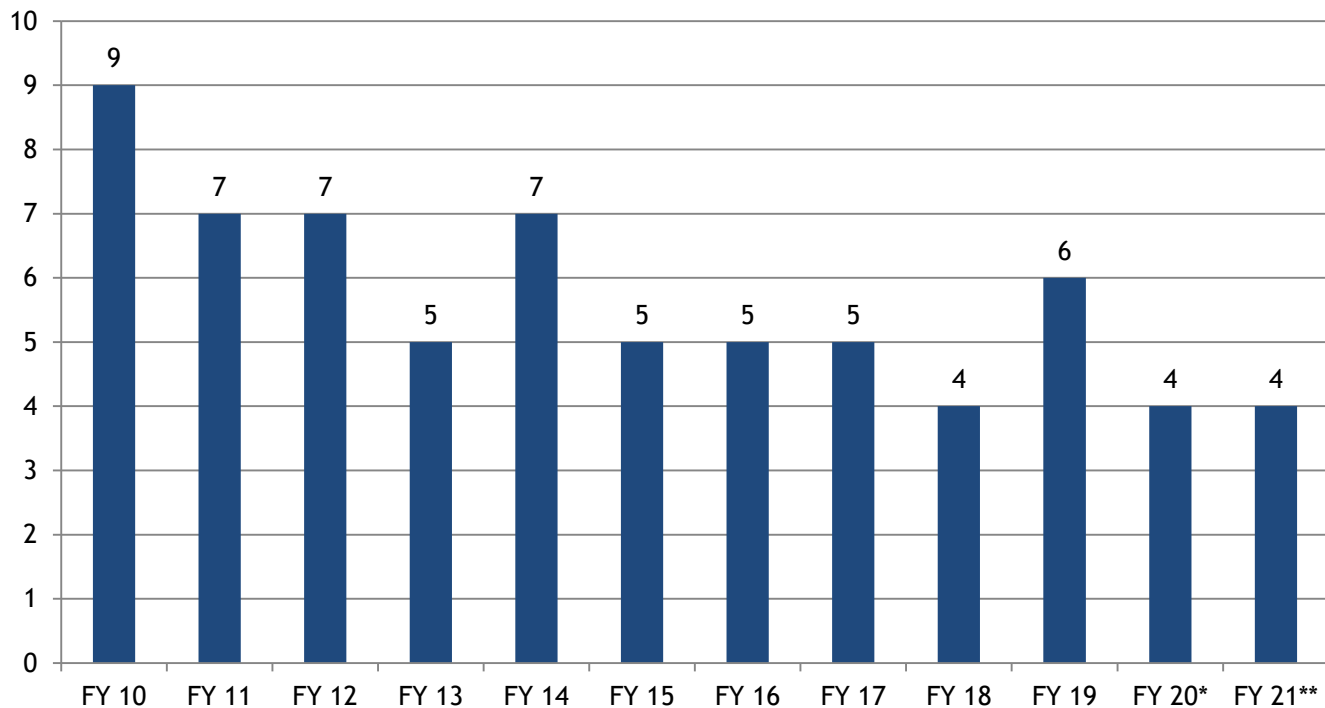
311	Total Authorized T.O. Positions (294 Classified, 17 Unclassified)
0	Authorized Other Charges Positions
0	Non-T.O. FTE Positions
9	Vacant Positions (February 3, 2020)

Historical Authorized T.O. Positions



ELECTIONS

Number of Elections



Source: Budget Supporting Documents

Source: Louisiana Secretary of State

*Includes scheduled elections.

**Includes future elections.

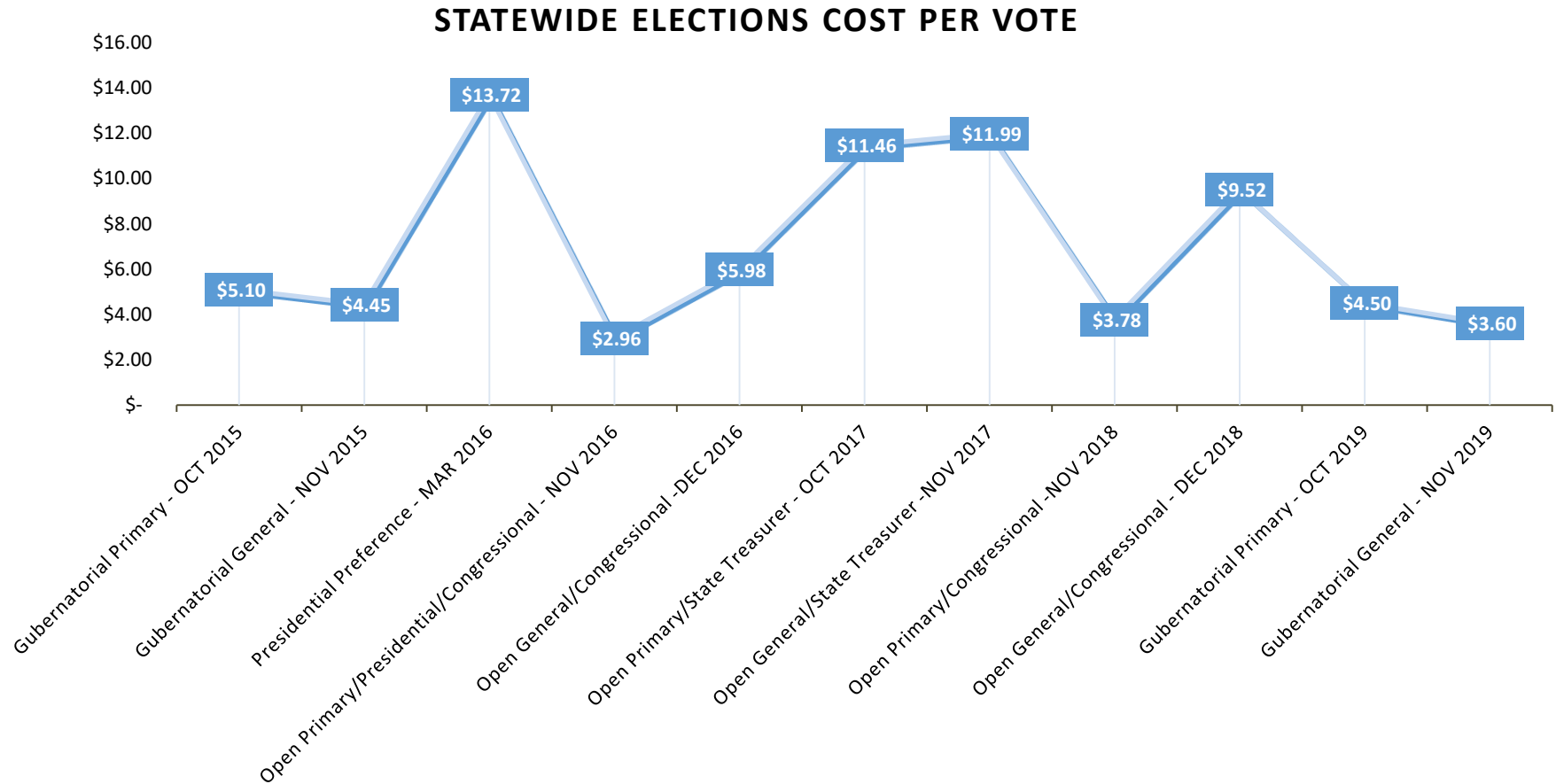
STATE-WIDE ELECTION COSTS

Election Date	Election Type	Cost	Number of Voters	Percent Voted*	Cost/Vote
FY 16					
10/24/2015	Gubernatorial Primary	\$5,789,667	1,134,729	39.2%	\$ 5.10
11/21/2015	Gubernatorial General	\$5,191,478	1,165,800	40.2%	\$ 4.45
3/5/2016	Presidential Preference	\$4,491,293	327,296	24.5%	\$ 13.72
FY 17					
11/8/2016	Open Primary/Presidential/Congressional	\$6,066,275	2,049,532	67.8%	\$ 2.96
12/10/2016	Open General/Congressional	\$5,337,471	893,262	29.5%	\$ 5.98
FY 18					
10/14/2017	Open Primary/State Treasurer	\$4,864,970	424,497	14.3%	\$ 11.46
11/18/2017	Open General/State Treasurer	\$4,631,146	386,152	13.0%	\$ 11.99
FY 19					
11/6/2018	Open Primary/Congressional	\$5,742,532	1,519,405	50.8%	\$ 3.78
12/8/2018	Open General/Congressional	\$5,050,895	530,463	17.7%	\$ 9.52
FY 20					
10/12/2019	Gubernatorial Primary	\$6,126,549	1,359,967	45.9%	\$ 4.50
11/16/2019	Gubernatorial General	\$5,461,348	1,518,718	51.1%	\$ 3.60

Source: Louisiana Secretary of State

* Percentage of registered voters that voted on election day, absentee or early voted

STATEWIDE ELECTION COST PER VOTE



Source: Louisiana Secretary of State

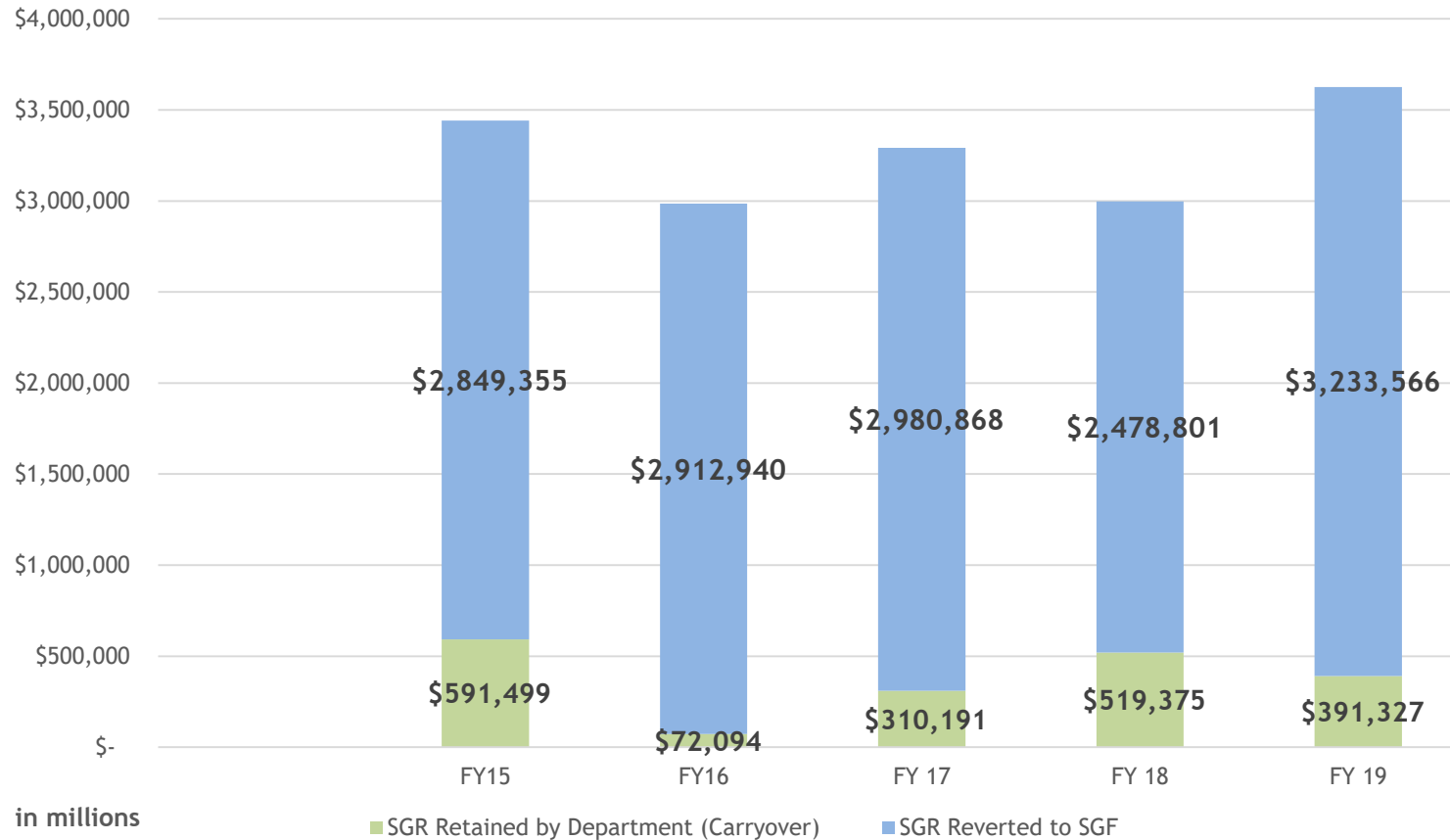
MUSEUMS

Museum	FY 16 Total Cost	FY 17 Total Cost	FY 18 Total Cost	FY 19 Cost per Visitors	FY 19 Visitation	FY 19 Total Cost
LA State Exhibit Museum	\$854,762	\$852,379	\$916,194	\$7.11	125,894	\$895,106
Old State Capitol	\$1,320,618	\$1,282,492	\$1,320,591	\$27.35	49,083	\$1,342,420
Cotton Museum **	\$65,870	\$18,088	\$20,071	\$0.05	7,221	\$361
Old Arsenal Museum	\$71,247	\$84,586	Closed	Closed	Closed	Closed
Eddie G. Robinson Museum	\$59,264	\$42,987	\$47,246	\$4.75	8,420	\$39,995
Delta Music Museum	\$28,183	\$48,521	\$48,934	\$7.10	6,048	\$42,941
Mansfield Female College	\$31,405	\$38,100	\$26,875	\$3.87	7,110	\$27,516
LA State Oil and Gas Museum	\$65,021	\$67,794	\$57,493	\$35.32	1,626	\$57,430
Germantown Colony Museum	\$41,876	\$27,107	\$32,367	\$27.70	818	\$22,659
LA Military Hall of Fame and Museum**	\$19,674	\$9,697	\$4,427	\$0	15	\$0
Tioga Heritage Park and Museum	\$32,476	\$22,949	Closed	Closed	Closed	Closed
Total	\$2,590,396	\$2,494,700	\$2,474,198	Average: \$10.30	206,235	\$1,534,217

Source: Budget Supporting Documents; Louisiana Secretary of State

** LA Military Hall of fame and Museum was closed for part of FY 19. Currently closed temporarily. Expenses reimbursed by local entity

FEES AND SELF-GENERATED REVENUES BY THE DEPARTMENT



From FY 15-FY 19,
\$14.5M has been
reverted to the SGF.

From FY 15-FY 19,
\$1.8M has been
carried over by the
Department.

DEPARTMENT CONTACTS



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