IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2019-2021 Biennium   Version: AF - AGENCY FINAL REQUEST

IT Project : Election Equipment Replacement

General Section

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City :	Lincoln			**NITC Score :**	
State :	Nebraska	**Zip :**	68508		

Expenditures

IT Project Costs	Total	Prior Exp	FY18 Appr/Reappr	FY20 Request	FY21 Request	Future Add
Contractual Services						
Design	0	0	0	0	0	0
Programming	0	0	0	0	0	0
Project Management	163,000	0	0	163,000	0	0
Data Conversion	0	0	0	0	0	0
Other	1,209,000	0	0	1,209,000	0	0
Subtotal Contractual Services	1,372,000	0	0	1,372,000	0	0
Telecommunications						
Data	0	0	0	0	0	0
Video	0	0	0	0	0	0
Voice	0	0	0	0	0	0
Wireless	0	0	0	0	0	0
Subtotal Telecommunications	0	0	0	0	0	0
Training						
Technical Staff	0	0	0	0	0	0
End-user Staff	0	0	0	0	0	0
Subtotal Training	0	0	0	0	0	0

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Expenditures

IT Project Costs	Total	Prior Exp	FY18 Appr/Reappr	FY20 Request	FY21 Request	Future Add
Other Project Costs						
Personnnel Cost	0	0	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	46,500	0	0	46,500	0	0
Other	0	0	0	0	0	0
Subtotal Other Project Costs	46,500	0	0	46,500	0	0
Capital Expenditures						
Hardware	10,775,160	0	0	10,775,160	0	0
Software	376,000	0	0	376,000	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	11,151,160	0	0	11,151,160	0	0
TOTAL PROJECT COST	12,569,660	0	0	12,569,660	0	0

Funding

Fund Type	Total	Prior Exp	FY18 Appr/Reappr	FY20 Request	FY21 Request	Future Add
General Fund	12,569,660	0	0	12,569,660	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	**12,569,660**	**0**	**0**	**12,569,660**	**0**	**0**
VARIANCE	**0**	**0**	**0**	**0**	**0**	**0**

IT Project: Election Equipment Replacement

EXECUTIVE SUMMARY:

The purpose of this project is to replace the existing election equipment consisting of voting tabulation equipment, ADA-accessible ballot marking equipment and election results reporting software statewide; this will not include our current voter registration database software. The existing equipment, while accurate and secure, has been used in Nebraska for more than 12 years; it is showing wear and tear consistent with its age. Support & replacement equipment is becoming scarcer. Our vendor is no longer manufacturing the equipment Nebraska uses. Replacement equipment & software is needed at this time in order to maintain the integrity, security, and ADA standards of elections in Nebraska.

The Secretary of State supervises the conduct of primary and general elections in Nebraska (Neb. Rev. Stat. §32-202). The project will be a full replacement and update of outdated and obsolete election equipment that the state purchased in 2005. The project will require an RFP selection process to identify a vendor, funding for new equipment, delivery of new equipment to all 93 counties, and training for all 93 county election officials prior to the May 12, 2020 statewide primary election.

The purpose of this project is to replace the existing election equipment consisting of voting tabulation equipment, ADA-accessible ballot marking equipment and election results reporting software statewide; this will not include our current voter registration database software.

Replacing equipment ensures continued secure, reliable, convenient and accurate voting experiences. There is proprietary software that accompanies the current equipment, which means any equipment change requires a replacement of the reporting software. This replacement is necessary to stay up-to-date and vital in the ever-changing election landscape when security is under intense scrutiny.

The existing equipment, while accurate and secure, has been used in Nebraska for more than 12 years; it is showing wear and tear consistent with its age. Regular maintenance contributes to it working; however, in more and more instances, the machines are performing less optimally than even five years ago. Our current vendor is no longer manufacturing the equipment Nebraska uses, so having access to support and replacement equipment when needed is becoming more scarce. Replacement equipment and software is needed at this time in order to maintain the integrity, security, and ADA standards of elections in Nebraska.

A statewide solution to the current elections infrastructure is crucial in maintaining uniformity across Nebraska. In addition, any equipment replacement should adhere to Nebraska's standard of voting by use of a paper ballot.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

This project will replace obsolete equipment as we implement a statewide election management system in all 93 counties in time for the 2020 election cycle. The project will ensure the continuance of secure, transparent, modern and reliable elections in Nebraska. The success of this implementation will be measured through feedback from voters, County officials, and focus groups. Additionally, there will be surveys done through various federal entities such as the Election Assistance Commission. The implementation will ensure our previously determined need for statewide uniformity in election administration, while maintaining the Nebraska tradition of voting via paper ballots. All of these factors will be done the voting public's best interests in mind.

1. *Describe the project, including:*

- *Specific goals and objectives:*

The specific goal of this project is to replace all outdated and obsolete election equipment statewide with new tabulation equipment, reporting software and ADA-accessible ballot marking equipment in time for the 2020 election cycle.

The objectives are to: purchase this new equipment at the state level to ensure uniformity throughout the state; lower costs through bulk ordering; and continue to ensure that Nebraska elections are paper-based, secure, transparent, fair, modern, and reliable.

- *Expected beneficiaries of the project:*

Registered voters in Nebraska, general public, County Clerks and Election Commissioners in Nebraska, Nebraska Secretary of State Office employees, Candidates on the ballot in Nebraska, and local/national media outlets.

- *Expected outcomes:*

The expected outcome is to have the State fund new tabulation equipment, new ADA-accessible equipment and vote reporting software for all 93 counties in time for the 2020 election cycle to ensure that the elections in Nebraska remain paper-based, secure, transparent, fair, modern, and reliable.

2. Describe the measurement and assessment methods that will verify that the project outcomes have been achieved.

Engagement with various voting advocacy groups before, during, and after the 2020 election cycle, responses on the Election Administration & Voting Survey conducted by the federal government through the Election Assistance Commission, and various reports and rankings from national groups focused on elections will provide both measurements and assessments of whether new equipment succeeds in meeting the project outcomes. In addition, feedback from voters as well as County Election Administrators will be solicited.

3. Describe the project's relationship to your agency comprehensive information technology plan.

The objective of the last statewide purchase of election equipment was held to the philosophy that a statewide solution was needed to provide uniformity. If a statewide solution was not implemented, then counties would be left to themselves to provide solutions. Since some counties have more resources than others, it is the public's best interest to have a uniform way for voting statewide. This same philosophy guides this project's plan. In addition, this project will adhere to Nebraska's tradition of voting by way of a paper ballot.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The existing statewide ballot tabulation equipment, reporting software and ADA ballot marking equipment were purchased in 2005 with federal funds and are nearing the end of their life cycle. The same equipment cannot be purchased as this equipment is no longer manufactured.

Within the last 5 years, the equipment has had repair requests in all 93 counties consisting of 560 separate repairs and 816 different parts having to be replaced. Some of these failures occurred on election night and caused delays in reporting results in several counties. Any delay in reporting vote count results is an erosion of voter confidence in the election system.

While replacement of legacy equipment is necessary to ensure consistent and reliable tabulation of ballots statewide, new equipment also offers efficiencies and improved overall

performance. One efficiency that new ballot counting equipment will have on our counties is that most newer machines allow folded ballots to be counted easier than current equipment. This will allow counties to fold early ballots to be placed into a smaller envelope with less postage costs.

Benefits to voters:

1. Faster Results on Election Night
2. Improved Voting Experience for Voters with Disabilities
3. Continued Trust in the Conduct of Elections
4. Less Postage to Return Early Voting Ballots

Benefits for Elections Officials:

1. Improved Ballot Counting Processes
2. Ability to Fold Early Voting Ballots
3. Ability to Mail Ballots for Less Postage
4. Lighter ADA Ballot Marking Equipment for Transport to Polling Sites
5. Faster Counting of Ballots on Election Night
6. Increases to Efficiency and Productivity
7. Potential to have the Ability to Conduct Risk Limiting Audits of Election Results

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

One option was to wait for additional federal money to pay for the next generation of equipment. While congress did appropriate money to the state in 2018, it is not enough to cover a statewide replacement. No other federal money is on the horizon at this time. In addition, another option that was considered was that the state would not pay for the equipment replacement and instead rely upon the counties to replace the equipment when it failed. This too was rejected, as counties with resources could replace their equipment and the counties who could not would be forced to hand count ballots in the event of failure. This lack of uniformity in the elections process would likely erode voter confidence in the election system and could lead to possible lawsuits and election law violations.

Continuing to utilize our current system in the long term is not viable. This system is 12 years old and the company that initially developed the equipment no longer manufactures the equipment. While we have a maintenance contract, repairs and part replacements are becoming more common and Election results have been delayed. The state has no spare counting equipment available in the event of a systemic failure.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

This project is not the result of a state or federal mandate; however, as the Secretary of State is in charge of the conduct of elections, this project is fundamental to ensure the integrity and security of future elections in Nebraska.

TECHNICAL IMPACT (20 PTS):

7. Describe how the project enhances, changes or replaces present technology systems, or implements a new technology system. Describe the technical elements of the project, including hardware, software, and communications requirements. Describe the strengths and weaknesses of the proposed solution.

This project will replace election equipment statewide in regards to the ballot tabulation machines that the counties use, the software to upload and report results from the counting machines as well as the ballot marking equipment that members of the disabled community use to have the same voting experience as any other voter at a polling site. Our vendor is still maintaining the current equipment; however, it is not being manufactured or sold any longer. Supplies that the equipment uses are dated and hard to find such as ZIP disks to save the counted ballots to be uploaded on a ZIP drive for reporting purposes. Repairs for the equipment have risen in the last 5 years.

The software and hardware for the system must utilize current supported technology and services available for each product and rely on paper ballots to maintain public confidence and provide a backup in the event of cyber instruction of the election. The new system will be required to meet the certification standards of the U.S. Election Assistance Commission in order to meet state certification guidelines. The ballot counting and ADA ballot marking devices will not be connected to any networks either in the state or in the counties.

The Elections Division performed a comprehensive analysis by county of the equipment currently in place, along with an evaluation of the equipment needed for each county. A plan was developed to essentially replace each piece of existing voting equipment with a current model. Adjustments were made to account for known factors, such as precincts or counties that have implemented all mail ballot voting systems. In these instances, precinct-level vote tabulators would not be needed; instead, a central vote tabulator would be used. With this approach, we estimate purchasing 14 high speed central vote tabulators, 51 mid-range central vote tabulators, 133 precinct level vote tabulators, 1,292 ADA compliant ballot marking devices, and 1,606 ADA compliant printers.

It is anticipated that a new Elections System will have the following enhancements.

Secure methods of saving ballot totals from the counting machines

1. Secure methods of saving ballot totals from the counting machines
2. Faster capability to count ballots
3. Ability to count folded ballots to allow counties to send early ballot in a more cost efficient manner
4. Remaining ADA Compliant
5. Equipment will be easier to store and in the case of ADA Ballot marking equipment, easier to transport to polling locations.

8. *Address the following issues with respect to the proposed technology:*

   - *Describe the reliability, security and scalability (future needs for growth or adaptation) of the technology.*
   - *Address conformity with applicable NITC technical standards and guidelines (available at http://nitc.ne.gov/standards/) and generally accepted industry standards.*
   - *Address the compatibility with existing institutional and/or statewide infrastructure.*

The new system will be required to meet the certification standards of the Election Assistance Commission in order to meet state certification guidelines. The new system will be independent of the existing voter registration system, but it will need to be compatible with the existing election night reporting system. NITC technology standards for both security and technology platforms and best practices will be followed. The ballot counting and ADA ballot marking devices will not be connected to any networks either in the state or in the counties. Consumables for these devices will be more readily available and be more secure. For example, many new counting machines will only accept USB drives specifically designed for the machine and no off the shelf products can be utilized.

The new election system will need to comply with current state statutes that will require three separate tests of each machine prior to an election. Machines will also go through a mock election before each primary and general election. Finally ballot tabulation equipment vote totals will be verified by a manual hand count audit conducted of 2-3% of the precincts in the state after each election.

Since our current equipment is not being sold any longer, the state will not be able to purchase any additional equipment in the event that the number of precincts in the state increases after the next federal census. We will be able to scale this project by purchase additional equipment if this occurs in 2021 after this project is implemented.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

9. Describe the preliminary plans for implementing the project. Identify project sponsor(s) and examine stakeholder acceptance. Describe the project team, including their roles, responsibilities, and experience.

The project will be a full replacement and update of outdated and obsolete election equipment that the state purchased in 2005. The project will require an RFP selection process to identify a vendor, funding for new equipment, delivery of new equipment to all 93 counties, and training for all 93 county election officials prior to the May 12, 2020 statewide primary election.

The project sponsors are the Secretary of State's Office, Secretary of State, and Deputy Secretary of State for Elections Wayne Bena.

Stakeholders include the State of Nebraska, the Secretary of State's Office, county election officials, public interest groups, and the citizens of Nebraska.

The Secretary of State's Office has convened an Election Systems Advisory Task Force consisting of the Secretary of State's Office, county election officials, and numerous public interest groups to ensure stakeholders' acceptance of a full replacement and update of election equipment. The task force has met multiple times over the past two years, and a report was released in 2017 regarding the full replacement and update of election equipment available here: http://www.sos.ne.gov/elec/pdf/2017-task-force-report.pdf

The project team includes:

- Secretary of State
- Wayne Bena – SOS – Deputy for Elections
- Colleen Byelick – SOS – General Counsel / Chief Deputy
- Chad Sump – SOS – Chief Information Officer
- Joan Arnold – SOS – Controller
- Andrew Buller – SOS – Elections Coordinator
- Heather Doxon – SOS – Elections Specialist II
- Todd Higgins – SOS – IT Officer
- County Election Official(s) – (TBD)
- OCIO – (TBD)
- DAS – (TBD)
- External Resource

The project team combines a broad level of decision makers, financial experts, legal experts, election experts, and IT experts. The combined experience of all the different team members encompasses everything necessary to fulfill project funding, contract, RFP, IT, and implementation requirements.

10. List the major milestones and/or deliverables and provide a timeline for completing each.

- Completion of RFP – June 2019
- Release RFP – July 2019

- Contract award – December 2019
- Delivery / install / training start – January 1, 2020
- Delivery / install / training finish – April 1, 2020

11. Describe the training and staff development requirements.

All state and county election officials will need training on how to use the new equipment and supporting software. It is anticipated that it will require 93 sessions (one for each county):

- one-half day for the tabulation equipment training
- one-half day for the ADA accessible equipment training
- one day for general use of supporting software

Then additionally, for the state users:

- five days of training on advanced use of supporting software

It is expected that this training will be provided by a combination of current SOS elections staff as well as staff from the vendor that is selected upon completion of the RFP process.

12. Describe the ongoing support requirements.

Ongoing support will require an equipment maintenance agreement with the vendor to ensure preventative maintenance, repair, software/firmware updating, and disaster recovery needs are met and conform to the US Election Assistance Commission – Voluntary Voting System Guidelines and to the Secretary of State standards. The vendor will be responsible for the aforementioned for the duration of the maintenance agreement, which should cover the entire lifespan of the new equipment. As previously noted, there will be a warranty period; the equipment maintenance agreement is not expected to be necessary until the FY22-FY23 biennium budget. For the FY20-FY21 biennium, there would actually be a cost savings of nearly $600,000 due to the current equipment maintenance contract no longer being necessary.

RISK ASSESSMENT (10 PTS):

13. Describe possible barriers and risks related to the project and the relative importance of each.

- Implementation of the new hardware and software must have good communication and coordination between counties, the state and the vendor to stay on track.
- Implementation must be complete before the next election.
- Changes in internal staff could slow or delay the project as new staff will need to be trained and brought up to date.
- New statutes, rules or federal guidelines may change defined requirements.
- Any system issues, defects or errors that do not meet the Secretary of State's expectations will need to be addressed as minor or substantial fixes.
- Vendor resources don't meet expectations. The timeline for the project is dependent on key vendor staff devoting sufficient time and resources to the project and meeting election deadlines.
- Vendor could misunderstand requirements or deliver hardware not requested. Must ensure the vendor fully understands processes and requirements so time can be allocated appropriately.
- Additional and unforeseen expenses could push the project over budget.
- Training and learning curve for county election officials could delay implementation.

14. Identify strategies which have been developed to minimize risks.

Present well defined requirements in the RFP with specific criteria, expectations, timelines, and deliverables to minimize risk. Staff involvement will take place during implementation to help train all county election officials on the new systems. Outreach to members of the ADA community will help in the training and education regarding new ballot marking equipment. All current election equipment will be retained until full implementation in the event of a delay. Project will adhere to NITC technology standards for both security and technology platforms and best practices.

Selection will be made by identifying the best vendor equipped to meet project outcomes and goals as evidenced by prior experience, proven project successes and references provided by prior customers. An election system selected similar to the one the state currently uses will help to minimize impact on county election officials and the general public. Any election system selected must be certified by the Election Assistance Commission.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

15. Financial Information. The "Financial" information tab in the Nebraska Budget Request and Reporting System (NBRRS) is used to enter the financial information for this project (NOTE: For each IT Project Proposal created in the NBRRS, the submitting agency must prepare an "IT Issue" in the NBRRS to request funding for the project.)

This project will be funded through General Funds. A current federal grant to the Secretary of State's office, while not enough to replace the entire system, could be used for the creation of an RFP for this project. Election administration is a general government function and whether borne by the State or County, these costs will need to come from tax dollars.

Approximately $10,775,160 of hardware needed will need to be purchased. To go along with that hardware, another $376,000 of software would be needed to each of the 93 counties. Furthermore, we estimate $1,418,500 of travel, training, and on-site support will be required. There will also be nearly $600,000 in cost savings over the FY20-FY21 biennium as there will be a warranty on the new equipment; therefore, an equipment maintenance contract will not be required again until the FY22-FY23 biennium budget. The current equipment maintenance contract is $589,704, with $400,000 to be paid in FY20 and $189,704 to be paid in FY21.