



JEANNE P. ATKINS
SECRETARY OF STATE
ROBERT TAYLOR
DEPUTY SECRETARY OF STATE

January 22, 2016

The Honorable Senator Richard Devlin, Co-Chair
The Honorable Representative Peter Buckley, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the Request

The Secretary of State, Elections Division is requesting \$347,900 (GF) to continue its work on the ORESTAR system, a core database system for the Elections Division. During the 2015 Legislative Session, the Secretary of State included Package 202 in the Agency Budget Request. Package 202 included both a short-term plan and a long-term plan for ORESTAR improvements.

To move forward with the short-term plan, a portion of this package was funded in the 2015 Session in the amount of \$285,000(GF) to address ORESTAR improvements and maintenance needs for the 2016 Election. Specifically, these funds are committed to bring in limited duration staff for bug fixes and system enhancements for issues encountered in 2014. We have been able to include some of the bug fixes and enhancements into the regular maintenance and release schedule for the application, and we also still plan to utilize this additional package in the current biennium to address necessary bug fixes and system enhancements to ORESTAR. Accordingly, while the money in Pkg 202 has not yet been spent, those funds are committed already to addressing bug fixes and enhancements in the remaining ORESTAR modules.

As part of the long-term plan for ORESTAR, we informed the Committee in 2015 that we were working with a consultant on a complete evaluation of the ORESTAR system. We explained that we would report to the Committee in the 2016 Session the results of the consultant's report and outline our long-term plan for ORESTAR at that time. The request for \$347,900(GF) related to Election Night Reporting is part of the long-term plan for ORESTAR as recommended by the consultant and is not included in the portion of Package 202 funded in the 2015 Session. We are now requesting approval to request an additional \$347,900(GF) so we can begin to implement some of the long-term recommendations of the consultant in the ORESTAR report.

Agency Action

Our consultant conducted a comprehensive evaluation of the ORESTAR system during 2015. That evaluation took place over an eight month period, with a final report received from the Elections Division on December 18, 2015. An electronic copy is included with the request. The evaluation included an assessment of the status and effectiveness of each module of the application.

In general, the report includes recommendations about the structure of ORESTAR and the widespread functionality and accompanying support and maintenance of the various modules. The consultant's report recommends maintaining and improving many ORESTAR modules in-house. This includes, for example, keeping Campaign Finance, Voters Pamphlet, Candidate Filing, and other modules in-house.

For three modules, however, the consultant's report includes recommendations about exploring alternative solutions with technology vendors. These three modules include Election Night Reporting, UOCAVA, and Contact Management. The first module from ORESTAR that the consultant recommended seeking alternative solutions is the Election Night Reporting (ENR) module. Our current ENR system was an add-on to ORESTAR and it supports only state offices and races. There are vendors who currently support various Election Night Reporting systems and software that could effectively replace this module of ORESTAR. Knowing this recommendation, and realizing that several Legislators had inquired about the shortcomings of our current ENR system, we made a decision to immediately begin laying the groundwork to carry out the first recommendation from the consultant. We worked with the consultant and the Business Services Division (BSD) to develop a Request for Proposal (RFP) for a new Election Night Reporting System. An apparent successful proposer has been identified and -- pending funding approval from the Legislature -- we are prepared to move forward with a contract award if we obtain the requested funding. The initial contract cost is \$260,000 with ongoing annual costs. The contract cost for the 2015-17 Biennium is \$300,000. This request also includes a request for one limited duration position to serve as the project manager for the implementation of the ENR solution. It is anticipated this position is needed over a twelve month period working half-time. The position costs are \$45,900 for Salary and Wages and \$2,000 for in-state travel.

This request for funding to make improvements to Election Night Reporting is an effort to be responsive to our budget subcommittee and also to achieve our consultant's recommendations. During the 2015 Session, we heard feedback from many subcommittee members about the need to improve Election Night Reporting. We want to be responsive to those concerns of the members. In addition, our consultant indicates that this change to Election Night Reporting will allow us to provide both better election night information and also allow us to better focus on the remaining modules in ORESTAR. Accordingly, this change to Election Night Reporting is required regardless of who the next Secretary of State may be since it is aimed at being responsive to our budget subcommittee and also achieving our consultant's recommendations.

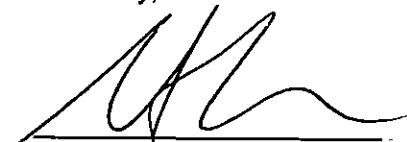
Action Requested

We respectfully request approval for an additional \$347,900 (GF) to be utilized for the procurement of a new Election Night Reporting system for a 2015-17 biennial cost of \$300,000 and position and budget authority for a .25 Limited Duration Policy Analyst 2 position for a cost of \$47,900.

Legislation Affected

Oregon Law 2015, Chapter 688, Section 1.2

Sincerely,



Robert Taylor
Deputy Secretary of State

Enc: ORESTAR Consultant Report