



January 31, 2020

Department of Elections' Budget Proposals: Fiscal Year 2020-21 and Fiscal Year 2021-22

Introduction

The mission of the Department of Elections (Department) is to administer San Francisco's federal, state, and local elections in a manner that is free, fair, and functional and provide access to voting and election-related services. In administering elections, the Department must comply with all applicable federal, state, and local laws, including the Voting Rights Act, the Help America Vote Act, the Americans with Disabilities Act, and the City's Language Access Ordinance.

To inspire public confidence and participation in elections, the Department maintains transparency in its procedures, develops public outreach and education programs designed to engage voters and potential registrants, and continually improves its services by streamlining procedures and anticipating the future needs of San Francisco voters. Serving a base of over 500,000 registrants, the Department:

- Facilitates the filing of candidate nomination papers and ballot measures;
- Produces all versions of the official ballot and Voter Information Pamphlet;
- Provides educational services, programs, and materials in venues across the City;
- Administers a vote-by-mail program for nearly 350,000 local voters;
- Administers a separate vote-by-mail program for nearly 8,000 voters serving in the military or residing overseas;
- Secures and prepares nearly 600 accessible polling places throughout the City for each election;
- Recruits and trains nearly 2,500 poll workers to serve a linguistically and culturally diverse voter population;
- Administers early voting at City Hall beginning 29 days before Election Day;
- Administers early voting at satellite voting centers the weekend before and on Election Day;
- Organizes the collection of ballots and election results data on Election Night;
- Provides vote count tabulation and election results reporting to the public; and
- Conducts an Official Canvass of all votes cast to verify the validity of election results.

Every year the Department prepares its budget proposals for the following two fiscal years (FYs), detailing fixed costs and variable operating expenses as well as any revenue or revenue recoveries expected in the upcoming budget cycle. The Department's budget proposals for FY2020-21 and FY2021-22 are organized as follows:

- A. Budget Cycle and Budget Submission Process
- B. Budget Submission Forms
 1. Form 1A, 1B, and 1C: High Level Summary

- Form 1A: Summary of Major Changes in Department's Proposed Budget
- Form 1B: Target Efficiency/Reduction Proposal
- Form 1C: Department Budget Summary
- 2. Form 2A, 2B, and 2C: Sources
 - Form 2A: Department Revenue Report
 - Form 2B: Fees and Fines
 - Form 2C: Fee Cost Recovery
- 3. Form 3A and 3B: Uses
 - Form 3A: Expenditure Changes
 - Form 3B: Position Changes
- 4. Form 4A, 4B, and 4C: Equipment and Fleet Requests
 - Form 4A: All Equipment Funded During Last Year's Budget Process
 - Form 4B: New General Fund Equipment Requests
 - Form 4C: Fleet
- 5. Prop J Contracting: Reporting Requirements
- 6. Interdepartmental Services Balancing
- 7. Organizational Chart
- C. Conclusion

A. Budget Cycle and Budget Submission Process

On December 20, 2019, the Controller's Office issued the Mayor's and Controller's Policy and Technical Instructions and the budget submission forms, and opened the City's budget system for department phase budget entries.

On December 20, 2019, the Board of Supervisors passed, and the Mayor approved, an ordinance (File No. 191072: Administrative Code – Budget Approval Process) that modified the budget review and approval process. Following the passage of the ordinance, the Mayor's Office provided background and guidance regarding the new budget transparency legislation in effect for this budget cycle.

Specifically, for this FY2020-21 and FY2021-22 budget cycle, all departments must hold one public meeting – noticed 72 hours prior – before February 14, 2020. The purpose of such a meeting is to allow members of the public to provide feedback on the departments' proposed budgets before department proposals are finalized. As in previous years, department budget proposals must be finalized and submitted to the Mayor's and Controller's Offices on February 21, 2020.

Starting in December 2020 (for the FY2021-22 and FY2022-23 budget cycle), most departments are required to hold two public meetings: one for initial public input on departments' budget priorities and a second meeting described in the paragraph above. For departments with commissions, this second meeting will need to occur at least 15 days before the meeting in which the commission approves the Department's budget.

Following the submission of the budget proposals on February 21, 2020, the Controller's Office will consolidate the budget proposals and submit them to the Mayor's Office, with this Office analyzing proposals in light of the Mayor's priorities for the upcoming fiscal years. Then, between June 1 and August 1, the Budget and Finance Committee will hold additional public

hearings and make recommendations on proposed budgets before presenting a citywide budget to the full Board of Supervisors by August 1. Finally, the citywide budget will return to the Mayor for approval and passage before the departments can begin implementation.

B. Budget Submission Forms

1. Form 1A, 1B, and 1C: High Level Summary

Form 1A: Summary of Major Changes in Department’s Proposed Budget. This form provides a high-level overview, explaining changes submitted in the Department’s budget proposals.

The Department’s FY2020-21 and FY2021-22 budget proposals contemplate funding for fixed and variable operating expenses of two elections, the November 3, 2020, Consolidated General Election and the March 8, 2022, Consolidated Statewide Direct Primary Election, as well as revenues and reimbursements the Department expects to receive.

In FY2020-21, the Department will conduct the November 3, 2020, Consolidated General Election, which is projected to be one of the highest turnout elections in the City’s history. Accordingly, the Department expects that public demand for election-related services, and resulting costs of providing these services, to be higher in the next fiscal year, relative to previous years. The Department projects an increase in expenses in most of its major accounts.

To expand access to services amongst all City residents eligible to participate in these elections, the proposals also include the Department’s plans to expand voting centers into at least two neighborhoods with turnout below the City’s historical average, and to continue outreach partnerships with nonprofits working with vulnerable residents and hard-to-reach populations across the City. The proposals also contain plans to support the City’s Redistricting Task Force, following the release of 2020 census data, through securing a consultant with expertise working with census data. Each of these new projects was developed with the Mayor’s goals and priorities for the coming years in mind, namely to address the challenges faced by those struggling on the streets, to provide City services for those most in need, and to help maintain safe, healthy, and vibrant neighborhoods. The Department’s budget proposals also reflect a recent allocation of grant funding by the State, a credit of approximately \$4.5M that will reduce the need for General Fund support for the City’s elections costs.

Table 1 below provides a snapshot of the Department’s budget proposals.

	FY2020-21	FY2021-22
Total Expenditures	\$ 23,351,968	\$ 22,236,492
Total Revenue & Recovery	(\$ 2,586,268)	(\$ 876,628)
Total General Fund Support	\$ 20,765,700	\$21,359,864

Following are the major changes in the Department’s FY2020-21 and FY2021-22 budget proposals.

The Necessity of Redistricting and Supporting Funding. Pursuant to San Francisco Charter (Charter) §13.110 (d), the Director of Elections must, within 60 days following each federal decennial census, “report to the Board of Supervisors on

whether the existing [supervisory] districts continue to meet the requirements of federal and state law and the criteria for drawing districts lines set in the Charter.”

Given that the federal government will conduct its next decennial census this year, the Department has been engaged in an analysis of the requirements applicable to local redistricting and the required funding to support such a project.

In deciding whether district lines need to be redrawn, the Charter requires the Director to consider several factors, primarily whether the population of each of the 11 Supervisorial Districts is within 1% of the statistical mean. Survey data collected since the 2010 census and growth projection models indicate that redistricting will almost certainly be necessary following the 2020 census.

Following the Director’s determination that district lines would need to be redrawn, the Charter requires the Board of Supervisors, by ordinance, to convene and fund a Redistricting Task Force to determine and redraw City’s new district lines. The Mayor, Board of Supervisors, and the Elections Commission each appoint three members to the Task Force.

When redrawing district lines, the Task Force may apply additional variations to population totals in the Districts to maintain cohesive neighborhoods and to avoid diluting the voting power of minorities.

The Task Force must complete redrawing district lines before April 15 of the year in which the first election using the redrawn lines will be conducted. The first scheduled supervisorial election with the new district lines is November 8, 2022.

The Charter requires the City Attorney to add metes and bounds for the new district lines as an appendix to the Charter after the Task Force completes its work.

Redrawing of local district lines will involve a complex legal and statistical analysis. With regard to working through the legal aspects of redistricting, the Department plans to request the advisory services of the City Attorney’s office. With regard to mathematical and statistical evaluations required to properly analyze the data from the 2020 census, the Department plans to hire an experienced redistricting consultant to assist the Task Force. In 2011, when the City last undertook redistricting, the Department successfully hired a contractor to conduct similar technical work, at a cost of \$95,000. Adjusting for inflation, the Department is seeking an approval of \$150,000 in its FY2020-2021 budget proposal, to hire a redistricting consultant to assist the Task Force in evaluating census data.

There will likely be additional costs incurred by the Redistricting Task Force, namely personnel expenditures for administrative, outreach, translation, programming and cartographic work, as well as expenditures for materials and supplies. In 2011, such costs totaled approximately \$125,000. Due to inflation, The Department anticipates such costs are likely to be higher than those incurred by the 2011 Task Force. Accordingly, the Department seeks \$175,000 in its FY2021-2022 budget proposal to cover the anticipated costs of the Task Force.

In total, the Department seeks \$325,000 to pay for all expenses to fund the 2021 Redistricting Task Force.

Expansion of Registration and Early Voting Opportunities for City Residents. In FY2019-2020, the Department evaluated opportunities to increase access to election services in San Francisco, focusing on providing additional registration and voting options for first-time voters and residents of neighborhoods with below City average voter-turnout.

For the November 5, 2019, Consolidated Municipal election, the Department opened a second voting center, located on the San Francisco State University (SFSU) campus at 798 State Drive. For the March 3, 2020, Presidential Primary Election, the Department will open a third voting center at the Joseph Lee Recreation Center, located in the Bayview neighborhood at 1395 Mendell Street.

For the November 3, 2020, Consolidated General Election and the March 8, 2022, Consolidated Statewide Direct Primary Election, in addition to operating the City Hall Voting Center, the SFSU Voting Center, and the Joseph Lee Voting Center, the Department proposes to open a fourth voting center in a neighborhood below City average voter-turnout (location is yet to be identified).

The Department also plans to expand the capacity of the City Hall Voting Center, in anticipation of increased demand for election-related services during the 2020 election cycles.

Most expenses associated with the opening of additional voting centers and expansion of the City Hall Voting Center will fall into four main categories: salaries for temporary staff, materials and supplies, printing costs, and facility rental fees, totaling approximately \$1.4M, of which nearly \$600,000 are one-time costs.

Personnel Costs. An increase in temporary salaries will result from hiring personnel required to administer registration, voting, and other election-related processes at voting centers. Specifically, temporary personnel will prepare and organize voting materials such as official ballots, deliver and set up equipment and materials, issue ballots and process voters during the early voting period and on Election Day, and finally, retrieve items from voting centers after Election Day. In all, the Department will need to hire, onboard, and train nearly 145 temporary personnel to staff four voting centers, resulting in approximately \$800,000 additional personnel costs including salaries, overtime, fringe and other benefits.

Materials and Supplies. The Department will need to supply each of the voting centers with computers and networking equipment, as well as various items designed to facilitate voting, direct voter traffic, ensure compliance with accessibility standards, and maintain the efficiency of the process for both voters and personnel. For example, each of the three satellite voting centers will be provided with approximately 75-100 voting booths, while the City Hall Voting Center will offer nearly 250 voting booths. Accordingly, the Department's current materials and supplies budget includes one-time costs for the purchase of new voting booths, as well as computers, check stand lights, signage, stanchions, and other miscellaneous items. The total amount in this category is estimated to be approximately \$170,000.

Printing Costs. At each voting center, the Department will need to provide official ballots, sample ballots, and informational materials in Chinese, Spanish, and Filipino, in addition to English, as well as ballot facsimiles and informational materials in Vietnamese and Korean. In addition, the Department will need to prepare translated provisional envelopes, voting instructions, and signage for each facility. Signage includes posters that direct voters to the accessible entrance to the facility, inform voters of their rights and available resources, provide information about services offered in languages other than English, as well as placards that indicate languages spoken by staff. Printing costs associated with the production of such materials are estimated to be approximately \$300,000.

Facility Rental and Security Fees. The Department estimates that the cost of renting facilities for three satellite voting centers will be approximately \$40,000. Additional expenses for onsite ballot storage and security services to safeguard vital election materials are estimated to be approximately \$45,000.

Continuing Education on Ranked-Choice Voting and Ballot Format. In early 2019, the Department entered into an agreement with Dominion Voting Systems for the lease of a new voting system beginning in the November 5, 2019, Consolidated Municipal Election cycle. Essential features of the new voting system include a more intuitive method for marking ballots, a ballot format that allows voters to rank a greater number of candidates in contests that use ranked-choice voting (RCV), and simpler ballot navigation for voters with disabilities.

As part of its effort to provide comprehensive and inclusive voter education about the new voting system and the expanded number of rankings in RCV contests, the Department issued a Request for Proposals (RFP) to provide funding to local nonprofits who were capable of disseminating information to hard-to-reach or vulnerable populations likely to benefit from focused outreach. Such populations include residents of neighborhoods with turnout below the City average, voters with limited English proficiency, seniors and persons with disabilities, and first-time voters. Following the RFP process, six organizations received grants of approximately \$40,000 - \$50,000, each, at a total cost of approximately \$250,000.

The cumulative impact of these outreach partnerships was significant, with partner organizations reaching approximately 6,000 members of focus populations through over 100 outreach events. In addition, partners reached approximately 30,000 City residents via email and social media and distributed approximately 35,000 educational flyers. In all, grantee reports indicate that continuing such partnerships is an effective method to provide meaningful voter outreach and education to San Francisco residents.

To continue providing focused outreach to hard-to-reach populations, the Department requests \$250,000 in each fiscal year in its budget proposal. This money will fund a continuing series of grants to local organizations able and willing to provide educational outreach on RCV to voters with limited-English proficiency, seniors and persons with disabilities, young or first-time voters, and residents of neighborhoods with below City average voter-turnout.

In the RFPs, the Department will place a specific focus on the need to find partners able to focus on providing election outreach to low-income populations and populations with no fixed address. The lack of a permanent residential or mailing address can make it difficult for some City residents to receive election-related materials such as educational flyers and voter information guides. In recognizing this challenge, the Department will make a concerted effort to partner with organizations with a history of successfully providing outreach and services to those populations. To support outreach efforts of grantees, the Department will continue efforts to develop print and digital outreach materials to emphasize services and options available to voters without permanent residence, including the right to register at cross-streets in lieu of a house number and the right to have election-related materials mailed via general delivery to a post office.

State Reimbursements for New Voting System. The Governor's 2018-2019 budget set aside \$134M to counties for the replacement of voting systems, on the condition that counties match these funds on a 1:1 basis. From this budget, the state specifically allocated \$3,011,500 to San Francisco.

Then, California's 2019 Budget Act provided \$87M in additional funding and modified the match requirement such that counties with more than 50 precincts, including San Francisco, would only need to pay 25% of their voting system replacement costs, rather than 50% up to amount specified in the table below. Resulting from this action, the original \$3,011,500 for FY 2018-19 remained with new matching requirements, and the state allocated additional funding of \$1,505,750 to San Francisco, for similar expenditures incurred by the City in FY 2019-20.

County	Match of Funds Percentage*	2018-19 Allocation	2019-20 Allocation		
			Voting System Replacement	EMS Replacement	Total 2019-20
Counties with 50 or fewer precincts will require no match of funds.					
San Francisco	75%	\$ 3,011,500.00	\$ 1,505,750.00	\$ 444,109.50	\$ 1,949,859.50

The terms of the state reimbursement contract (the Department is in the final stages of finalizing the terms) will provide for flexibility in timing, with the state paying 75% of any voting system replacement costs incurred by San Francisco between 4/29/2015 and 6/30/2022. Contract terms will also allow the Department to submit any number of claims before the end of June 2022, up to the combined amount of \$3,011,500 plus \$1,505,750, or \$4,517,250. Accordingly, the Department has budgeted to receive \$2.1M in FYs 2019-20 and \$1.66M 2020-21, as well as approximately \$750,000 in FY2021-22.

This reimbursement will provide a deep offset to the cost of leasing the new voting system, for which the Department expects to receive nine invoices totaling \$8,335,000. Because three quarters of this amount, or \$6,251,250, exceeds the cap of \$4,517,250, the Department will still need to pay the remaining \$3,817,750 from its operating budget.

Form 1B: Target Efficiency/Reduction Proposal. This form is to be used to list proposed budget reductions to meet department targets.

The Mayor has directed every City Department to submit a target reduction in budget proposals for the next two fiscal years. For the Department of Elections, this would correspond to ongoing target reductions of approximately \$223,146 for FY2020-21 and \$446,293 for FY 2021-22. Due to the cyclical nature and timing of the upcoming elections, the Department is not able to propose such reductions at this time while still maintaining core elections-related services.

However, the Department did identify several areas of operations in which the introduction of efficiencies would be feasible and would result in some cost savings. In working to find these reductions, the Department considered the key factors enumerated by the Mayor's office:

- Exploring revenue options;
- Reviewing and consolidating service contracts for potential savings;
- Streamlining programs and operations using Lean principles;
- Piloting creative solutions that reduce costs.

The table below organizes some of these efforts, with each described in more detail below.

Strategy	Type of Savings
1. Develop user-friendly digital self-help tools.	Human Resources Wages
2. Adopt staggered hiring and group interviews.	Human Resources Wages
3. Reuse materials and offer digital formats.	Printing and Storage
4. Reschedule processing tasks to minimize overtime.	Human Resources and Overtime Wages

Digital Self-Help Tools. With many voters preferring to find the answers to common questions regarding their registration status, upcoming elections, and voter resources online, the Department has recently added two new tools to its digital voter self-help toolkit. The launch of both tools reduces the time that staff would otherwise have spent on providing similar information over the phone, in person, or via email.

First, in an effort to facilitate easier access to essential registration and voting information, the Department consolidated a number of its online tools and resources into a centralized *Voter Portal*. The Voter Portal is located at sfelections.org/Voterportal, and is accessible from the homepage and sidebar of all landing pages on the Department's website. Voter Portal users can review data in their registration records, including current party and language preferences, request vote-by-mail ballots, track their ballots through delivery, verification, and counting processes, locate their assigned polling places, view sample ballots, identify their elected officials, and opt in or out of paper Voter Information Pamphlet mailings.

Second, in preparation for the March 3 presidential primary election, the Department launched the *Presidential Primary Ballot Tool* to help voters understand their ballot options and take any actions necessary to receive different ballots. Available from the homepage and the sidebar of all landing pages of the Department's website, voters utilizing the new primary tool are first presented with key information about how party preference affects ballot issuance. After entering current party preference, the user is prompted to enter the party of the user's preferred presidential candidate. The tool then outputs directions about what additional action, if any, the user must take to get a ballot showing that candidate.

Efficient Hiring. The nature of the Department's work requires significant fluctuations in staffing volumes. In the past, hiring hundreds of temporary staff has added considerable time to already time-intensive periods leading up to Election Day. In the last year, the Department has worked to reduce the costs associated with hiring by streamlining the processes for hiring temporary processors, customer service representatives, and poll workers.

First, the Department recently adopted group interview approaches for onboarding temporary processors and customer service representatives. Individual job interviews conducted in this busiest part of the election cycle would typically have required Department managers to devote at least one hour to interviewing and onboarding each temporary employee. Instead, group interviews now take place in 1.5 hour sessions, totaling approximately 10% of the time traditional individual interviews would have taken.

Second, the Department enhanced and streamlined its training program for temporary processors and customer service representatives, paving the way for a staggered hiring approach, in which a large proportion of staff can be onboarded and trained later in a given Election Cycle. The staggered hiring approach mitigates the fiscal impact of hiring additional temporary staff to expand election-related services to the community.

Third, the Department simplified its online poll worker application process, which resulted in cost savings in human resource wages and an easier process for residents to become poll workers. While the number of temporary staff to be hired for the 2020 elections will be higher than it has been in previous elections, conducting group interviews, staggering hiring timelines, and streamlining applications will introduce savings in terms of staff time and wages.

Form Retention. For every election, the Department is required to produce over 200 forms, signage, and outreach materials, all in three mandated languages, in addition to English. Wherever possible, however, the Department reuses existing materials and provides materials in digital format. For example, while a recent change in the law allows counties to combine the provisional ballot envelope and the voter registration form, the Department will utilize remaining stock of provisional envelopes and registration forms issued at voting centers before redesigning the provisional envelope to serve dual purpose.

Rescheduling of Tasks. Given the many legal deadlines for high-volume processing tasks, the Department is required to schedule staff to work overtime. Wherever possible, however, the Department reschedules tasks with later deadlines in order to avoid unnecessary overtime. For example, prior to counting provisional ballots, the Department must enter registration information provided by provisional voters into its database. For record retention, the Department also scans a copy of the registration form and saves a digital copy in the voter database. To reduce the total number of hours worked between Election Day and certification, the Department now scans images of registration forms after the certification, thus mitigating the cost of overtime.

Net Result. While these efforts will result in cost reductions, other factors will still control the Department's proposed budget over the next two years. Specifically, the reductions described in this section will be more than offset by costs incurred by the Department in preparing for multiple large elections, including the 2020 Presidential Election, which will likely be the most complex and time-consuming in the City's history.

In addition, for the Department to achieve the goals of its *Strategic Plan*, it must maintain or increase current staffing and resources levels. The goals of the current plan include: 1) ensuring equal access to information, 2) expanding programs serving new registrants, 3) administering conditional voter registration, 4) replacing the City's voting system, 5) implementing an accessible vote-by-mail system, 5) administering non-citizen voting, 6) expanding digital services and tools, 7) cultivating community partnerships, and 8) considering implementation of the Voter's Choice Act. As described in this budget proposal, the Department's projected expenses are essential to the Department's ability to deliver the highest level of service possible to San Francisco voters.

Form 1C: Department Budget Summary. This form provides Department Total Budget Historical Comparison.

2. Form 2A, 2B, and 2C: Sources of Revenue and Recoveries

Form 2A: Department Revenue Report. This form details any variances in projected revenues and revenue recoveries from the approved base amount.

Form 2B: Fees and Fines. This form provides a breakdown of projected fee recoveries, along with fee descriptions, amounts, and relevant code sections, incorporating any revenue or recoveries previously budgeted for FY2019-20, as well as the Department's FY2020-21 and FY2021-22 year-end projections.

Form 2C: Fee Cost Recovery. This form is not applicable, as the Department is not submitting any new or modified fees, fines, or service charges in the instant budget proposal.

The Department's projected revenue and recoveries in FY2020-21 total \$2,586,568 and \$876,628 for FY2021-2022, and reflect revenues the Department expects to receive from 1) candidate filing fees and paid ballot argument fees, 2) revenue recoveries from scheduled district and agency elections, and 3) state grant.

Fee Collections. State and local laws detail fee amounts and the process via which the Department must collect candidate filing and submission of paid ballot argument fees. In estimating these revenues, the Department also considers historical filling data in elections similar to those occurring in the next budget cycle.

District Elections. Pursuant to state election law, the Department may conduct district elections and seek reimbursement to recoup the costs associated with administering such elections. Districts conduct their scheduled elections in even-numbered

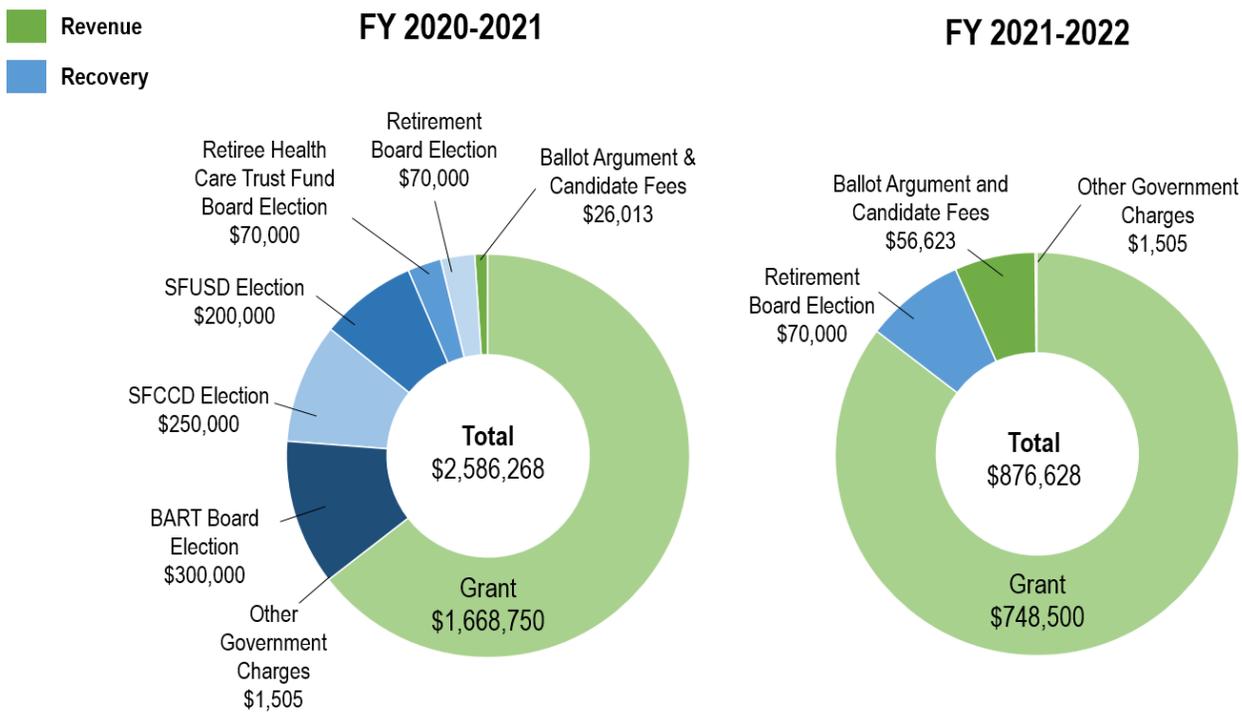
years. Accordingly, the ballots for the November 3, 2020, Consolidated General Election will include contests for members of the San Francisco Unified School District (SFUSD), the Community College District (CCD), and the Bay Area Rapid Transit (BART) District.

The Department calculates reimbursements for conducting district elections according to the amount of space these contests take up on ballots. As such, district reimbursements will partially offset the costs of layout, printing, preparation, and distribution of ballots in FY2020-21.

The Department also plans to conduct separate Retirement Board elections in FY2020-21 and FY2021-22, as well as a Retiree Health Care Trust Fund Board Election in FY2020-21. For such elections, the Department will simply request reimbursement for all costs

State grant. California’s 2019 Budget Act added \$87M in county funding to an original \$134M for the replacement of voting technology. It also modified the match requirement and allocated a specific amount to each county, based primarily on county size, number of precincts, and voting equipment needs. Consequently, in both FY2020-21 and FY2021-22, the Department will receive reimbursements from the state for voting system replacement costs, which will partially offset the leasing payments required under the City’s contract with Dominion Voting Systems. For such costs, the Department plans to seek reimbursements of \$1,668,750 and \$748,500 in FY2020-21 and FY2021-2022, respectively.

Figure 1 below illustrates the projected revenue and recoveries and associated sources.



3. Form 3A and 3B: Uses

Form 3A: Expenditure Changes. This form lists expenditure changes in FY2020-21 and FY2021-22 as compared to the base budget approved during the last year’s cycle.

535810 Advertising. As part of its continuing effort to provide residents with information about the features of San Francisco's voting system and the recent changes to the ballot format for ranked-choice voting contests, the Department plans to place ads on 17 television channels through Comcast, AT&T U-verse, or other major cable companies. Such advertisements result in \$25,000 increase in each FY.

530210 Garage Rent. The Department is requesting additional funding for parking expenses due to the number of vans, trucks, and other vehicles the Department will be leasing to support its operations.

549250 Minor Data Processing Equipment. The Department is requesting funding for the purchase of new remote desktop server licenses to allow access to the Department's computers via secured remote voter database connections. The purchase of Windows Server 2019 licenses will bring the Department's remote access system up to date.

The Department is also planning to purchase external SSD drives, flash drives, network switches, cellular network devices, network cables, and other peripheral supplies to replace the old supplies currently in use in the City Hall Voting Center.

Finally, the purchase of Nest cameras would allow the Department to record and broadcast elections operations on *sfelections.org*, leading to expanded transparency in the elections processes.

These purchases would result in an increase of \$12,000 in FY2020-21.

530310 Misc Facilities Rental. The \$101,629 increase in FY2020-21 and \$153,783 increase in FY2021-22 is primarily due to increases in payments under contractual obligations with the Port of San Francisco, for the storage of voting equipment and other vital election documents at the Pier 31 warehouse, as well as rental and service costs incurred while operating three satellite voting centers.

In FY2020-21, the City is likely to redraw its district lines and in FY2021-22, the Department will likely redraw precinct lines as well. Consequently, the Department expects the number of polling places to increase, resulting in higher facilities costs.

549510 Other Office Supplies. The \$73,500 increase in each FY is primarily due to the need to purchase supplies such as privacy screens, ballot boxes, pens, and papers for three satellite voting centers. Additionally, the Department's polling place transport bags have gone through many elections and are now showing signs of wear and tear. These wheeled bags carry heavy loads of polling place supplies such as ballots, voter guides, privacy folders, signage, poll worker manuals, roster books, etc. The Department plans to purchase 50 new bags in each FY.

The accessible voting equipment that allows voters to mark and print ballots using an accessible interface requires printer paper for which the Department will incur costs.

With the opening of additional satellite voting centers and the implementation of conditional voter registration in polling places, the Department expects to begin processing a higher volume of registration affidavits and provisional ballots. During the next FY, as part of a plan to increase workstation capacity, hire more temporary staff, and speed up high volume processing tasks, the Department plans to modify the layout of the northern end of its office space at City Hall, which contributes to the increase in FY2020-21.

535610 Postage. For the November 2020 presidential election, the Department expects an increase of \$40,000 in postage costs associated with mailing vote-by-mail ballot packets as well as in-house mailing costs. In-house mailings will include voter notifications, special request ballots, voter guides, and large-print/audio materials.

535520 Printing. The cyclical nature of elections, fluctuations in voter turnout, and the length of ballots all influence printing costs. As the Department expects a 5-card ballot and a very high turnout in the November 2020 presidential election, overall printing costs are expected to rise.

In addition, the Department also increased the frequency of two legally-mandated notices, the Address Change Confirmation Card and the Move Out Confirmation Card, to match the frequency of Voter Notification Card postcards mailings. Maintaining the new mailing schedule will increase printing costs.

Taking these facts and vendor quotes into consideration, the Department anticipates an increase in printing costs of \$422,918 in FY2020-21. There will be no increase in FY2021-22.

528110 Security. During voting periods, the Department will need to procure security services to safeguard voting equipment and vital election materials at satellite voting centers, resulting in a \$45,000 increase in each FY.

527990 Other Professional Services. The \$49,000 increase in each FY will cover costs for the City's legally mandated online accessible vote-by-mail system that allows voters with disabilities and those serving in the military or living overseas to mark an electronic ballot in an accessible format.

535710 Subscriptions. The Department determined that a subscription to the vehicle route optimization service *RouteSolutions* will improve the efficiency of polling place locating efforts and Election Day staff dispatching activities, resulting in a \$1,558 increase in each FY.

527610 System Consulting Services. In 2019, the Department acquired a second ballot envelope processing machine. Dual processing now allows for quicker reporting of preliminary election results. Expected maintenance costs for this machine are \$52,000 per FY, based on cost entries for the other processing machine.

The Department will also be renewing a contracts for the use of the Election Information Management System that hosts voter records and other election data and for the other ballot envelope processing machine, resulting in additional expenditure in each FY year.

545310 Uniforms. The Department seeks increase of \$1,000 in each FY to purchase uniform vests, hats, and shirts for voting center staff, poll workers, and warehouse staff. Such apparel helps members of the public recognize Department employees.

531990 Other Equipment Rentals. The Department plans to rent a reach truck, a forklift, stand lights, dollies, tents, and portable toilets for Canvass, processing, and storage work at the warehouse. The Department also plans to rent portable toilets for some voting centers and polling places. The rental of such equipment results in \$16,000 increase in each FY.

531210 Vehicle Rental. In the recent past, the Department has rented a single box truck to transport supplies between voting facilities and the warehouse. With the launch of additional satellite voting centers, the Department will need at least one more box truck at a cost of \$5,000 in each FY.

Form 3B: Position Changes. This form shows any changes to Department human resource expenditures.

The Department does not propose adding any permanent positions already approved under the last year's Annual Salary Ordinance and only seeks one substitution.

Although Form 3B shows an increase in temporary salaries in terms of five full-time equivalent positions, these positions will not in fact be full-time. Specifically, the Department intends to hire approximately 479 seasonal staff for a period of 2-3 months and these costs will equate to hiring approximately five additional full-time staff for one year.

Other increases, including higher temporary wage costs, overtime, premium pay, and holiday pay, are either responsive to the anticipated workload, new election programs established under new legislation, or the Memoranda of Understanding (MOUs) negotiated with employee organizations and the City.

Position Substitution. The Department seeks to substitute a 1095 IT Operations Support V position, currently approved in the Annual Salary Ordinance, for a 1042 IS Engineer-Senior position to align the tasks expected to be performed by a person in this position with the City's classification structure. This substitution will result in increase in permanent salaries: \$19,567 in FY2020-21 and \$20,255 in FY2021-22.

The 1095 classification aligns more with help desk support functions and does not reflect the full scope of the requirements of this position. Help desk support provides users with information and services regarding an organization's products and services, to resolve technology-related issues, and to instruct users on operating equipment and software interfaces. In comparison, the person in 1042 position will serve as the Department's lead technology and security officer, coordinating with local, state, and federal government officials, including the Department of Homeland Security, California Secretary of State's office, San Francisco Department of Technology, and county elections officials. Among other tasks, the person in this position will work to enhance cyber attack prevention capabilities and protocols for protecting election infrastructure, voting systems and other sensitive hardware, and confidential voter data; develop cybersecurity trainings and conduct security drills for elections personnel; assess, integrate, document, and implement prudent maintenance and upgrades to hardware and software used for sensitive and high volume elections-related processes. Additionally, this position requires the development of applications using several languages and support of website and online voter tools.

Reduction in Attrition Savings. In early 2020, a position of the Assistant Deputy Director became vacant. The Department seeks to fill a similar 0951 Deputy Director position to manage several new programs, with a focus on the ongoing expansion of satellite voting centers. The filling of this position will result in \$143,408 reduction in attrition savings while still allowing for \$252,286 in attrition savings in FY2020-21 and FY2021-22.

In recent years, a steady increase in the number of voters who prefer to cast their ballots at voting centers, combined with the introduction of new legally mandated procedures, has required major expansions of the layout, staffing resources, and equipment used early voting facilities.

In response to these increases, and in an effort to reach vulnerable residents and first-time voters, the Department is proposing to open several more early voting centers in neighborhoods with below than City's average voter turnout. Amongst other responsibilities, this Deputy Director would maintain principle responsibility for the planning and overseeing the Department's early voting program and would need to have significant administrative experience and be able to coordinate well with a wide range of people: IT employees, Department managers, and personnel from other city agencies.

The new Deputy Director would also be responsible for the development and maintenance of training and human resource plans necessary to administer conditional voter registration (CVR) at voting sites across the City. Since 2017, eligible California residents have used CVR to register after the traditional 15-day registration deadline and vote provisionally up through Election Day. Until now, elections officials administered CVR only at voting centers.

Starting in January 2020, a new law will allow voters to use CVR not only at voting centers, but also at polling places. In response, the Department must develop new processes, procedures, and training materials. In addition, CVR will significantly increase the Department's post-Election Day workload. This increased workload, will in turn, require an increase in staff, many of whom will need be supervised by the new Deputy Director.

Increase in Temporary Salaries. In the months leading up to each election, the Department hires several hundred temporary employees to assist with a number of election tasks. These tasks include processing candidate filings and ballot arguments, maintenance of voter records, signature comparison on vote-by-mail ballot envelopes, poll worker training, preparation of polling places, counting voted ballots, language assistance and translation, and vote count reconciliation in the official canvass.

Although the Department must hire many temporary staff for every election, some types of elections result in a larger workload and consequently, require more staffing, than other elections do. In FY2020-21, the Department will be preparing for a high level of complexity and an increased workload in the November 3, 2020, Consolidated General Election. In fact, the November 3, 2020 presidential election may very well be the most work-heavy election in the City's history, with a significant uptick in voter registration, a very long ballot, and a complex Voter Information Pamphlet, as well as new legally-required services to be provided by Department personnel, such as CVR at polling places.

In previous high voter turnout elections, 12%-16% of provisional ballots were cast by unregistered voters and therefore could not be counted. The Department's new forms and procedures will allow voters using CVR at polling places to use provisional ballot envelopes that also function as registration affidavits. This will result in fewer uncounted provisional ballots, because eligible voters who were not previously registered can be entered into the Election Information Management System (EIMS) database, and their ballots can be subsequently be counted.

Increasing both the number of registrants and the number of ballots counted will be beneficial from a voter participation point of view, however, the increase in data entry work, combined with strict deadlines for the canvass, will necessitate an increase in the number of processors. Prudent preparation will also require the Department to hire more staff to assist with the organization of voting materials such as official ballots, the delivery and set-up of equipment and materials, the facilitation of registration and voting at voting centers, and the retrieval of voting equipment and other materials after Election Day.

In FY2020-21, the Department estimates it will need to hire, onboard, and train approximately 479 temporary personnel to staff four voting centers in the presidential election and to carry out the new procedures mandated by state election law. This will result in \$715,923 additional personnel costs including salaries, fringe and other benefits.

In FY2021-22, the Department will conduct the March 8, 2022 primary midterm election and, due to lower projected voter turnout rates for the primary, the Department plans to constrict its temporary staffing from the levels necessary to administer the presidential election in the previous fiscal year. However, due to the need to continue staffing early voting locations and to continue administering CVR at polling places, the Department still proposes a \$386,272 increase in its temporary salaries.

Finally, the City’s most recent Memoranda of Understanding (MOUs) contributed to a slight increase in this account.

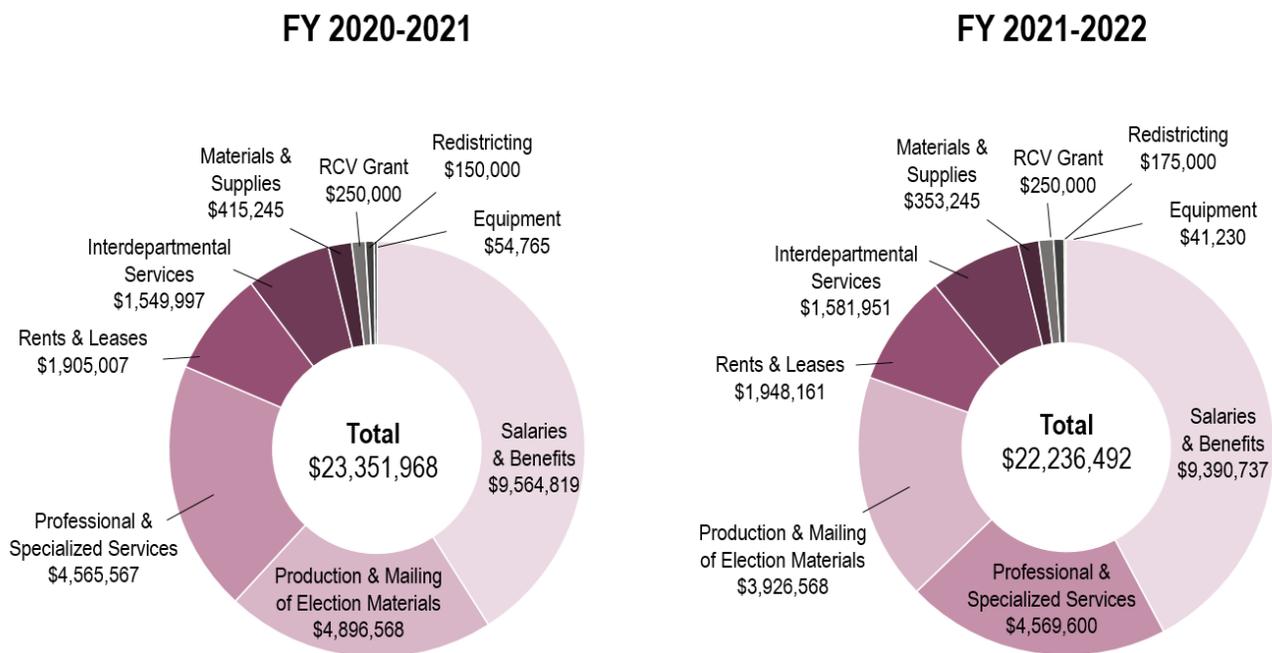
Increase in Overtime, Premium, and Holiday Pay. In every election cycle, overtime costs strongly correlate with staffing levels. Given the proposed increases in temporary staffing, the Department projects corresponding overtime cost increase of \$106,428.

To minimize overtime costs, the Department has moved some tasks related to the processing of CVR provisional envelopes until after the official Canvass period. These tasks include scanning envelopes for inclusion in each voter’s record and mailing voter notification cards to the new registrants. However, to ensure the Department can comply with all legal election deadlines and issue final election results on time, considerable amount of overtime will still be required.

Bilingual pay terms in the City’s most recent SEIU Local 1021 MOU contributed to a slight increase in this account.

As with overtime pay, compliance with statutory deadlines will necessitate work on holidays, resulting in an increase in holiday pay.

Figure 2 below illustrates the projected expenditures and associated sources.



4. Form 4A, 4B, and 4C: Equipment and Fleet Requests

Form 4A: Funded Equipment Requests. This form lists all equipment funded, including vehicles, during last year’s budget process.

Last year, the City approved the Department’s purchase of one server and one forklift in FY2020-2021. The Department still plans to complete these purchases this year.

The Department uses EIMS, which is connected to the state VoteCal system, to organize and integrate voter registration information with vital processes such as vote-by-mail voting, provisional voting, candidate filings, petition verification, poll worker training, polling place administration, and modification of precinct and district boundaries. The new server will replace one of the older EIMS database servers, as the hardware housing this critical application has reached the end of its useful life. Accordingly, this purchase is aligned with the City's disaster recovery goals by ensuring availability of replacement hardware for servers running mission critical applications.

The new electric forklift will replace the Department's old propane forklift, used at the Department's warehouse. Department staff operate the propane forklift indoors, where exhaust fumes create unpleasant and hazardous conditions. In addition, the Department has recently moved to a new warehouse with smaller aisles between shelving units and the old machine cannot navigate the new aisles as well as the new, smaller electric forklift would be able to.

Form 4B: New Equipment Requests. This form shows new General Fund equipment requests.

The Department seeks approval of \$21,700 for the purchase of two servers. Six of the Department's ten servers have exceeded their lifespans. While the typical industry server lifespan is 5 years, with consistent maintenance, the Department has been able keep its servers in use longer. Replacing two servers per fiscal year would allow the Department to reach its 5-year replacement goal. This purchase thus aligns with the City's disaster recovery goals by ensuring availability of replacement hardware for servers running mission critical applications.

The first server the Department seeks to replace is a Backup Active Directory server that controls user access within the Department and functions as the Department's DHCP and DNS server, allowing for network control over the devices plugged into Department's network. The second server the Department seeks to replace is an application server that supports the same EIMS system detailed on Form 4A. Both servers reached the end of their useful life and both serve critical functions contemplated by the City's policies on technology.

The Department also seeks approval of \$29,295 over the period of the next two fiscal years for the purchase of three production scanners. The Department's current production scanners have exceeded their lifespans and been in operations for more than 10 years. Replacing these production scanners is necessary to continue processing vital election materials (roster pages with voters' signatures, registration affidavits, and provisional envelopes).

Form 4C: Fleet Purchases. This form lists new or replacement vehicle requests.

The Department is not seeking funds to purchase new or replacement vehicles at this time.

5. Prop J Contracting: Reporting Requirements

The Department has received approval to contract out the assembly and mailing of its vote-by-mail ballot packets every year since FY2007-08 and now seeks approval to contract out the same services for the March 2022 election. In support of its current request, the Department has submitted a comparative cost analysis on the Prop J Contracting: Reporting Requirements form.

6. Interdepartmental Services Balancing

The Department maintains 21 interdepartmental City service accounts. Twenty of these departments provide services to Elections; through the last account with Retirement Systems, the Department generates revenue by providing election services. The funds for some interdepartmental services are centrally loaded by the Mayor's Office, and contribute to the Department's fixed operating costs. Other interdepartmental services are specific to election services and fluctuate based on the number of scheduled elections in a FY. Fixed interdepartmental charges include those incurred for services from the Department of Technology; the Public Utilities Commission (for light, heat, and power); the General Services Agency's fees (for maintaining the City's Risk Management Program and the City's 311 customer service call center); and from Central Shops (for maintaining the Department's fleet). Variable interdepartmental charges include those incurred for services from the Reproduction and Mail Services Division (for printing and reproduction of mailers and other election materials); the Sheriff's Department (for ballot security and collection services); and the Municipal Transportation Agency (for Election Night collection of results data).

The Interdepartmental Services Balancing form details costs associated with each interdepartmental service.

7. Organizational Chart

The Department has 39 FTEs approved in the last year's Annual Salary Ordinance. The organizational chart included with the budget forms shows filled and vacant positions.

C. Conclusion

In every election, the logistical bar for elections officials rises, with new state laws and regulations implemented to increase the engagement of an ever-changing electorate. Various election laws and the Department's mission to conduct free, fair, and functional elections necessitate careful maintenance of voter records, meaningful access to services for all City residents, expeditious guidance for local candidates and campaigns, secure operation of technology, development of legally-compliant training, publication of accurate voting materials, and creation of engaging and accessible voter outreach programs.

This proposed budget reflects the Department's continuous efforts to maximize the effectiveness of City resources while expanding elections-related services to voters and the public at large. In the next two fiscal years, the Department will continue to exercise fiscal discipline and to find or create added efficiencies whenever possible. Only with stable support from the General Fund can the Department continue to accomplish its mission.