Arizona
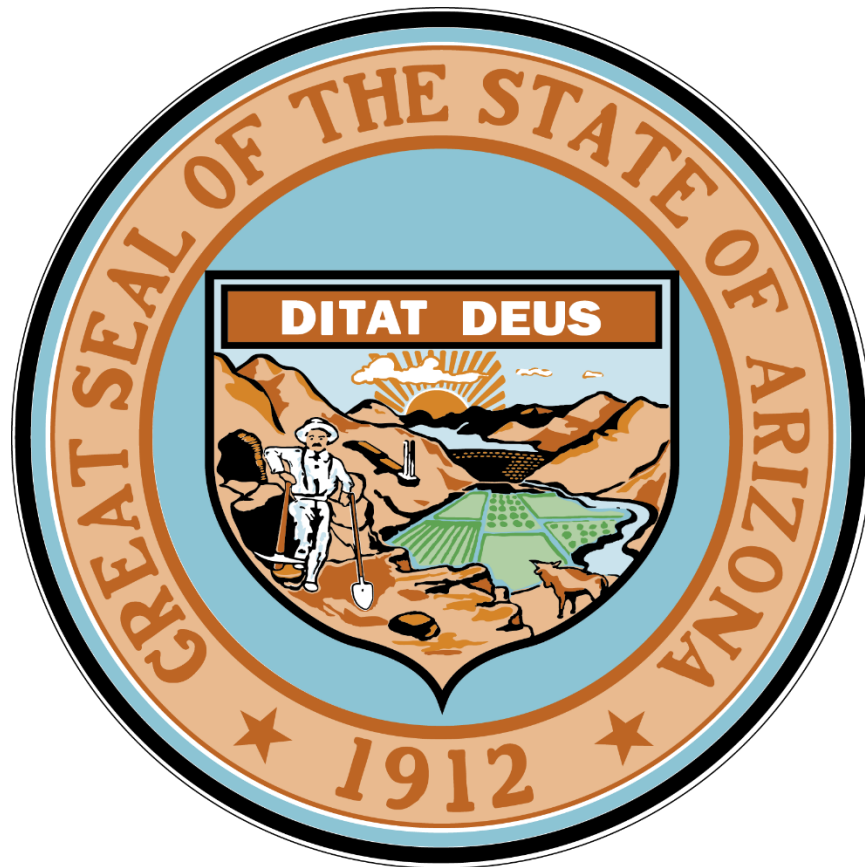
2018 HAVA Election Security Funds

GREAT SEAL OF THE STATE OF ARIZONA · DITAT DEUS · 1912

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Letter from Secretary Reagan

Election security and integrity have been the top priority for my administration and the hard work to update outdated systems has already begun. In November of 2017, a contract was issued to Sutherland Government Solutions, Inc. for the acquisition of a new statewide voter registration database ("AVID") that will replace our currently aging system ("VRAZII") on or before June 30, 2019. This new system will employ the most current security protocols. It will be hosted in the same environment that banks and the US Military maintain essential data. This shift maintains the highest level of integrity of the voter rolls in Arizona while still having the ability to grow as needs shift.

We live in a connected, albeit wireless, world. It's a world of great convenience but each new convenience creates new security risks and vulnerabilities. Arizona has utilized a portion of the new funding to undertake a comprehensive, industry standard evaluation of our entire IT network. Given that we are only as strong as our weakest link, we intend to release this wide ranging survey to the public to heighten their confidence in the results of any election.

Election security, regardless of the medium, is a culture that needs to be championed from the highest election official to the newest poll worker. Locally, the Department of State works closely with the fifteen counties of Arizona to help foster that culture of security. The human element is the largest unknown factor in any cyber security plan and providing ongoing training and forums for information sharing is a long-term goal. The bulk of Arizona's additional HAVA dollars will go towards training and process enhancement to further strengthen our culture of security.

Sincerely,

Michele Reagan
Arizona Secretary of State

Grant Funding Information

Amount of Award: $7,463,675.
Matching Funds: $373,184
Timeframe for Usage: 5 years

Immediate Improvement Plans

Voter Registration Database

Arizona began the acquisition of a new statewide voter registration database which ended in the award of a contract in November of 2017. The contract was issued to Sutherland Government Solutions, Inc. for the acquisition of a new statewide voter registration database ("AVID") that will replace our currently aging system ("VRAZII") on or before June 30, 2019. We will be using the grant funds to finance the purchase (or implementation) of the new system. The RFP focused on correcting user and security issues found during a current state assessment and future state assessment based on use cases gathered. A comprehensive security assessment of the proposed system has resulted in approval from outside consultants and the Arizona Department of Administration Strategic Enterprise Technology team. While technology is ever changing, the new AVID system will be adapt enough to meet the current needs of our county users and registered voters while maintaining the most robust security protocols.

Cyber Security

Security Assessment

The Arizona Secretary of State's Office has recently entered into an agreement to undergo an assessment of current IT infrastructure focusing on critical election systems. The deliverables include a public facing document (The Arizona Election Security Plan) that outlines best practices, engagement and training plans, and an incident response plan. The private facing document (STA Security Plan) will discuss remediation of found issues and an improvement plan that includes security controls and policies. The evaluation started on July 9, 2018 will be completed in mid-August and will provide a framework for future spending.

Information Sharing

The Department has begun the process of information sharing to help the fifteen counties of Arizona understand the multitude of security threats. Opening the communication channels and creating a culture of support is a vital task to ensure the same strong standards are used throughout the state. Bi-weekly meetings are led by experienced staff and include county election and recorder office staff as well as county IT personnel. Each call focuses on core issues that invoke discussion which produce best practices to be shared. The end goal of these meetings is to provide recommendations to election leadership on how to improve the process from ballot handling to IT infrastructure.

Long Term Improvements

Cyber Security

Sub-Grants

The Department is developing a new process, that will have significant county involvement, in deciding sub-grant awards within the framework of HAVA of 2002. This involvement includes the development of grant priorities, review of proposals, ongoing tracking, and ensuring completion of projects. The main focus of all sub-grants will be shoring up the security of elections. Each county in the state of Arizona is at different phases of IT and election security and by using a sub-grant process, each is allowed to focus on their individual needs while still allowing attention to oversight and guidance. A sub-grant process also allows for the combination of needs to generate buying power by leveraging quantity. It is also the hope that through the evaluation process, ideas and information is shared to create discussion points for the best practices of the state.

Security Personnel

The Department is in the process of creating a new position to the Secretary of State's Office that will be tasked with maintaining and understanding the state and county positions on elections security. There is a lot of information that is disseminated from the federal government down that this employee will help filter and distribute. The new position will work on best election security practices, hold roundtable exercises, lead the bi-weekly security updates, and be a resource for all of our stakeholders. Cybersecurity is a never ending mission that requires dedicated resources.

Budgets

JLBC Review Process

The Arizona Legislature requires that any spending of HAVA funds be approved by the Joint Legislative Budget Committee ("JLBC").   This process allows for a bi-partisan review and public comment on spending outside of the standard legislative cycle. On June 19, 2018, the Department presented a spending plan (Approved Spending Plan on page 5) and received favorable review. The Department plans on testifying before JLBC as more decisions are made in regards to spending of these funds throughout the 5 year spending cycle. In anticipation of the matching requirement, the Department has already started making preparations to spend 50% of the required match ($186,592) in fiscal year 2019 and the second half in fiscal year 2020. JLBC does not provide oversight, past the standard budgetary approval cycle, on general fund spending for the Department.

Approved Spending Plan

2018 HAVA ELECTION SECURITY GRANT

Budget Information   CFDA # 90.404   **Non-Construction Program**

Name of Organization: Arizona Department of State

Budget Period Start: 3/23/2018   SECTION A - BUDGET SUMMARY   *(Consolidated Budget for total project term--*

Budget Period End: 12/31/2018   FEDERAL & NON-FEDERAL FUNDS (Match)   *up to 5 years as defined by grantee)*

BUDGET CATEGORIES	(a) Voting Equipment	(b) Election Auditing	(c) Voter Registration Systems	(d) Cyber Security	(e) Communications	(f) Other	(g) Other	TOTALS	% Fed Total
PROGRAM CATEGORIES									
1. PERSONNEL (including fringe)	$ -	$ -		$ 39,915.60	$ -			$ 39,915.60	2%
2. EQUIPMENT	$ -	$ -		$ -	$ -			$ -	0%
3. SUBGRANTS- to local voting jurisdictions	$ -	$ -		$ -	$ -			$ -	0%
4. TRAINING	$ -	$ -		$ -	$ -			$ -	0%
5. All OTHER COSTS	$ -	$ -	$ 2,165,936.03	$ 380,000.00	$ -			$ 2,545,936.03	98%
6. TOTAL DIRECT COSTS (1-6)	$ -	$ -	$ 2,165,936.03	$ 419,915.60	$ -	$ -	$ -	$ 2,585,851.63	
7. INDIRECT COSTS (if applied)								$ -	0%
8. Total Federal Budget	$ -	$ -	$ 2,165,936.03	$ 419,915.60	$ -	$ -	$ -	$ 2,585,851.63	
11. Non-Federal Match	$ -	$ -	$ 102,636.03		$ -			$ 102,636.03	
12. Total Program Budget	$ -	$ -	$ 2,268,572.06	$ 419,915.60	$ -	$ -	$ -	$ 2,688,487.66	
13. Percentage By Category	0%	0%	84%	16%	0%	0%	0%		

Proposed State Match   4.0%

A. Do you have an Indirect Cost Rate Agreement approved by the Federal government or some other non-federal entity?   No
If yes, please provide the following information:

B. Period Covered by the Indirect Cost Rate Agreement (mm/dd/yyyy-mm/dd/yyy):   N/A

C. Approving Federal agency: N/A

D. If other than Federal agency, please specify: N/A

E. The Indirect Cost Rate is: N/A

5 Year Spending Projections

2018 HAVA ELECTION SECURITY GRANT

Budget Information | CFDA # 90.404 | **Non-Construction Program**

Name of Organization: Arizona Department of State

Budget Period Start: 3/23/2018   SECTION A - BUDGET SUMMARY   *(Consolidated Budget for total project term--*

Budget Period End: 6/30/2023   FEDERAL & NON-FEDERAL FUNDS (Match)   *up to 5 years as defined by grantee)*

BUDGET CATEGORIES	(a) Voting Equipment	(b) Election Auditing	(c) Voter Registration Systems	(d) Cyber Security	(e) Communications	(f) Other	(g) Other	TOTALS	% Fed Total
PROGRAM CATEGORIES									
1. PERSONNEL (including fringe)	$ -	$ -		$ 610,665.60	$ -			$ 610,665.60	8%
2. EQUIPMENT	$ -	$ -		$ 105,000.00	$ -			$ 105,000.00	1%
3. SUBGRANTS- to local voting jurisdictions	$ -	$ -		$ 3,391,521.83	$ -			$ 3,391,521.83	45%
4. TRAINING	$ -	$ -		$ 81,500.00	$ -			$ 81,500.00	1%
5. All OTHER COSTS	$ -	$ -	$ 2,653,887.57	$ 621,100.00	$ -			$ 3,274,987.57	44%
6. TOTAL DIRECT COSTS (1-6)	$ -	$ -	$ 2,653,887.57	$ 4,809,787.43	$ -	$ -	$ -	$ 7,463,675.00	
7. INDIRECT COSTS (if applied)								$ -	0%
8. Total Federal Budget	$ -	$ -	$ 2,653,887.57	$ 4,809,787.43	$ -	$ -	$ -	$ 7,463,675.00	
11. Non-Federal Match	$ -	$ -	$ 102,636.03	$ 270,547.97	$ -			$ 373,184.00	
12. Total Program Budget	$ -	$ -	$ 2,756,523.60	$ 5,080,335.40	$ -	$ -	$ -	$ 7,836,859.00	
13. Percentage By Category	0%	0%	36%	64%	0%	0%	0%		

Proposed State Match   5.0%

A. Do you have an Indirect Cost Rate Agreement approved by the Federal government or some other non-federal entity?   No
If yes, please provide the following information:

B. Period Covered by the Indirect Cost Rate Agreement (mm/dd/yyyy-mm/dd/yyy):   N/A

C. Approving Federal agency: N/A

D. If other than Federal agency, please specify: N/A

E. The Indirect Cost Rate is: N/A