

COREY STAPLETON

SECRETARY OF STATE



STATE OF MONTANA

February 26, 2020

US Election Assistance Commission
1335 East-West Highway, Suite 4300
Silver Spring, MD 20910

Members of the US Election Assistance Commission:

The Montana Secretary of State's Office appreciates the opportunity represented by the 2020 HAVA Election Security Grant Funds to enhance the security and integrity of elections in Montana. The grant funds will be used as follows: subgrants to the 56 counties, National Guard security risk assessments, indirect and administrative costs incurred by the Secretary of State's Office.

Montana's Federal grant award is \$3,127,978 with a 20% state match of \$625,596 for a total of \$3,753,574. The state match will be met with the Secretary of State's expenditures within the enterprise fund. Per Title 17-2-102, Montana Code Annotated, the enterprise fund accounts for operations that are financed and operated in a manner similar to private business enterprises. The 2020 HAVA grant funds are allocated as follows:

1. County subgrant program - \$1,912,636

Subgrants will be made available to all of Montana's 56 counties to be used in accordance with the HAVA spending provisions. The allocation is based on using the Montana Association of Counties allocation formula, which includes a base amount for all counties and the remainder calculated using the counties' populations. The population amounts are based on the data provided by the U.S. Census Bureau, Population Division--Release Date: April 2019. This office will update the expenditures in the specific program categories through the life cycle of the grant. Each county will submit to the Montana Secretary of State a plan detailing how the funds will be used to improve the administration of elections, enhancing technology and make elections security improvements. Each county will indicate which of the following categories their request falls under and the amount of funds they are requesting:

1. Voting Equipment Replacement and Upgrades
2. Election Auditing
3. Voting Registration Systems and Management
4. Cyber Vulnerabilities
5. Training
6. Communication

2. Security Risk Assessment - \$200,000

The Montana Secretary of State anticipates utilizing the current Memorandum of Understanding with the Montana National Guard to conduct security risk assessments and follow-up visits in Montana counties.

3. Indirect and Administrative Costs - \$1,015,342

The Secretary of State's Office will recover administrative and indirect costs per 17-1-106, Montana Code Annotated. This includes personnel costs associated with IT Security and grant administration. The provisional rate of recovering indirect cost is 32.46%.

4. Election Administration \$625,596

The state match will be met with the Secretary of State's enterprise fund for Election and Voter Services Division expenditures, including administrative expenses, payroll, and staff training and development for existing contracted election IT systems. This office will update the expenditures in the specific program categories through the life cycle of the grant. When accounting for the 2020 HAVA Election Security Grant Funds, the Office of the Secretary of State utilizes project accounting. This allows the office to track hours and related costs for this specific grant. Project accounting allows SOS to have a clear indication of the resources and costs going into that project.

Thank you again for the opportunity to enhance the integrity and security of Montana's elections. Please contact Dana Corson with any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "Corey Stapleton". The signature is stylized with a large, looping initial "C" and "S".

COREY STAPLETON
Secretary of State