



OFFICE OF THE MINNESOTA SECRETARY OF STATE

Steve Simon

2018 Legislative Report on Election Equipment Grant Account Awards

Updated 3/2/2018

COST OF REPORT PREPARATION

Estimated costs to prepare the report are provided in accordance with Minnesota Statutes, section 3.197. The total cost for the Office of the Secretary of State to prepare this report was approximately \$716. These costs are exclusively staff time needed to prepare the written report.

Background

In 2017, the legislature authorized \$7 Million in grant funding available to counties, cities, towns, and school districts to assist with the purchase of voting equipment. The legislature authorized use of these funds to offset up to 50% of the cost of optical scan precinct counters, optical scan central counters, or assisted voting devices; or up to 75% of the cost of electronic rosters. See Minn. Laws. 2017, 1st Spec. Sess., Chap. 4, Art. 3 § 17. This report summarizes the grant awards made to local jurisdictions in accordance with the enabling legislation, "including the jurisdiction, the amount of the grant, and the type of equipment purchased." *Id.*

Overview of Election Equipment Grant Account Awards

The Office of the Minnesota Secretary of State made grant applications available starting on September 6, 2017. Applications were due to the Office of the Minnesota Secretary of State by 4 p.m. on December 15, 2017. The December 15, 2017 date was selected in order to allow counties and local governments the ability to time their application in conjunction with their annual budget processes. A copy of the grant application is attached to this report at Appendix A.

At the close of the grant application period, ***the Office of the Minnesota Secretary of State received grant applications from 85 counties and 17 municipalities, for a total request of over \$13.3 million in grant matching funds.*** Of these jurisdictions, 97 requested \$8,199,605.78 in matching funds for optical scan precinct counters, optical scan central counters, or assisted voting devices and 59 requested \$5,097,051.17 in matching funds for electronic rosters.

Between December 15, 2017 and January 19, 2018, the Office of Secretary of State reviewed applications for completeness and prepared grant contracts and grant award allocations. Because the amount of grant requests exceeded the amount of available grant funds, grant awards were pro-rated based on the number of precincts in the jurisdiction.

If there are questions on the materials submitted in this report or the status of a jurisdiction's grant award or contract, contact Julie Strother at 651-201-1342 or julie.strother@state.mn.us

Following the initial allocation of grant awards, some jurisdictions asked for the ability to reallocate funds between optical scan counters/assistive voting devices and electronic rosters. The Office accommodated these requests, and provided all counties with the opportunity to request reallocation. Eleven counties asked for reallocation. An updated copy of the grant awards for each jurisdiction is attached to this report as Appendix B, and the grant award contract is attached to this report as Appendix C.

If there are questions on the materials submitted in this report or the status of a jurisdiction's grant award or contract, contact Julie Strother at 651-201-1342 or julie.strother@state.mn.us

Appendix A

Grant Application

Application for Voting Equipment Grant

In accordance with the requirements of
Minnesota Statutes section 206.95

Minnesota Secretary of State Steve Simon

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Section A. General Instructions

The Office of the Minnesota Secretary of State (OSS) is currently soliciting applications from jurisdictions for grants to purchase voting equipment.

\$7,000,000 has been appropriated to the Voting Equipment Grant Account. Grants of up to \$5,000 per precinct may be made to purchase any combination of optical scan counters (OS), assistive voting devices (AVD), or electronic rosters until the appropriation is exhausted. If the grant requests exceed the appropriation available, the secretary of state will prorate the grant amounts to each eligible jurisdiction to match the amount available. Jurisdictions must agree to provide a local match at least equal to the amount of the grant received that is used for optical scan or assistive voting devices (i.e. at least 50% of total cost), and at least equal to one-fourth the amount of the grant received that is used for electronic rosters (i.e. at least 25% of total cost).

Applications must be received by 4 p.m. December 15, 2017. Funds are expected to be awarded by Jan. 31, 2018 and funds must be used by August 31, 2019. Awarded funds not used must be returned to the Minnesota Office of the Secretary of State by August 31, 2019.

In order to apply for these funds, jurisdictions must answer all questions fully and completely on this application. All county applications must include a resolution from the county board of commissioners approving the application for these funds. All municipality or school district applications must include a resolution from the city council, town board or school district board approving the application for these funds; and must include a letter from the county auditor(s) agreeing to assist the municipality/school district in use of the equipment.

Section B. Contact Information

Name of Individual Submitting Application:	
Jurisdiction: (Political Subdivision)	
Title of Individual Submitting Application:	
Address of Individual Submitting Application:	
E-Mail of Individual Submitting Application:	
Phone:	
Fax:	
Federal Tax ID of Jurisdiction:	

Section C. Existing Equipment Information

List the type of equipment currently used in each precinct, the model, the date acquired, the cost, total registered voters as of application date. **See example application.

Precinct	a. OS b. AVD c. E roster	Model	Month/Year Acquired: MM/YYYY	Total Cost:	Registered Voters

Section D. Proposed Equipment Information

List the type of equipment being acquired for each precinct, whether the voting system will permit individuals with disabilities to cast a secret ballot, the proposed schedule for purchasing and implementation, whether the political subdivision has previously applied for a grant from the Voting Equipment Grant Account (VEGA) and the disposition of that application.

** See Example Application.

Precinct	A. OS Pr B. OS Cent C. AVD D. E roster	Permit Disability to cast secret ballot? Y/N	Proposed purchase Cost	Proposed purchase Date	Proposed Implemen- tation Date	Previously Applied for VEGA grant? Y/N	Grant Disposition Approved or Denied
Total							

Section E. Funding Information

- A. Total # of Precincts in Jurisdiction: _____
 B. Maximum grant per precinct \$5,000
 C. Maximum Jurisdiction Grant (AxB=C) _____
 D. Jurisdiction's remaining HAVA Funds _____

OS/AVD

OS/AVD Purchase Cost

1. Total Cost of optical scan counters purchase \$ _____
 2. Total Cost of assistive voting devices purchase \$ _____
 3. Total Cost of combined OS/AVD units purchase \$ _____
 4. Total Cost of OS/AVD Purchase (Lines 1+2+3) \$ _____
 5. Line 4 divided by 2 = _____

Jurisdiction OS/AVD Funding

The total amount and source of political subdivision's matching funds for optical scan or AVDs:

6. General Funds \$ _____
 7. HAVA Funds (county plan) \$ _____
 8. _____ \$ _____
 9. Total political subdivision funds for optical scan and AVDs \$ _____
 (Line 9 must be greater than or equal to Line 5)

Requested OS/AVD Grant Funding

10. The total amount of the grant requested for optical scan units: \$ _____
 11. The total amount of the grant requested for assistive voting devices: \$ _____
 12. The total amount of the grant requested for combined OS/AVDs: \$ _____
 13. The total amount requested for OS/AVD grant funding (Lines 10+11+12) \$ _____
 (Line 4 – Line 9 = Line 13)

Electronic Rosters

Total Purchase Cost Electronic Rosters

14. Total Cost of electronic rosters purchase \$ _____
 15. Line 14 divided by 4 = _____

The total amount and source of political subdivision's matching funds for electronic rosters:

16. General Funds \$ _____
 17. HAVA Funds (county plan) \$ _____
 18. _____ \$ _____
 19. Total political subdivision funds for electronic rosters \$ _____
 (Line 19 must be greater than or equal to Line 15)

20. The total amount of the grant requested for electronic rosters: \$ _____
 (Line 14 – Line 19 = Line 20)

Total Grant Requested

21. The total amount of the grant requested (Lines 13+20): \$ _____
 (Line 21 must be less than or equal to Line C)

Note: Lines 4+14 also equals **Section D** proposed purchase cost column total

Section F. Certification

I certify that Voting Equipment Grant funds will be used only to purchase (1) an electronic voting system, or any individual component of an electronic voting system as provided in section 206.56, subdivision 8; (2) assistive voting technology; or (3) an electronic roster system meeting the technology requirements of section 201.225 subdivision 2. I further certify that the jurisdiction has insufficient resources to purchase the voting system without obtaining a grant from the fund. I further certify that all information provided in this application is true and accurate.

Name of Jurisdiction: _____

Printed Name of Individual Submitting Application: _____

Title of Applicant: _____

Signature: _____ **Date:** _____

Please check one:

- For county application, see attached county board resolution approving the application for these funds.
- For municipality or school district application, see attached resolution from the city council, town board or school district board approving the application for these funds; and see attached letter from the county auditor(s) agreeing to assist the municipality/school district in use of the equipment.

Mail the completed application and all accompanying worksheets and documents to:

MN Secretary of State
Attention: Brad Anderson
180 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1299

If necessary, applications may be submitted by fax or email. Please follow with hard copy.

Fax: 651-296-9073
Bradley.k.anderson@state.mn.us

DEADLINES:

All grant application submissions must be received by 4:00 p.m. Friday December 15, 2017.

If you have any questions please call Brad Anderson at 651-556-0642.

Appendix B

Grant Awards

Appendix C

Grant Award Contract

**STATE OF MINNESOTA
VOTING EQUIPMENT GRANT AGREEMENT**

This grant agreement (hereinafter "Agreement") is made between the State of Minnesota, (hereinafter, "State") acting through its Secretary of State, 180 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Boulevard, Saint Paul, MN 55155-1299 ("State") and «Grantee Agency Legal Name», «Grantee Address Line 1», «Grantee Address Line 2», «Grantee City», «Grantee State» «Grantee Zip Code» ("Grantee")

Recitals

- 1 Under Minnesota Laws 2017, First Special Session, Chapter 4, Article 3, § 17, coded as Minnesota Statutes, § 206.95, the Grantee is empowered to apply for the funds requested in this Agreement, and submitted a grant application under subdivision 3 of that section prior to 4 P.M. Central Time on December 15, 2017, and the State is empowered to enter into this grant.
- 2 Grantee represents that it is duly qualified and agrees to perform all services described in this Agreement to the satisfaction of the State and in accordance with all state laws authorizing this grant. Pursuant to [Minn.Stat. §16B.98](#), Subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant.
3. The State is in need of assurance that Minnesota elections are conducted on modern voting equipment. Grantee is in need of funds to purchase optical scan counters, assistive voting devices, or electronic roster systems.
4. Grantee represents that it has insufficient resources to purchase these counters, devices or systems without the grant amount provided pursuant to this agreement.

Agreement

1 Effectiveness of Agreement

- 1.1 **Effective date:** February 1, 2018, or the date all required signatures, including those required by Minnesota Statutes, § 16B.98, Subd. 5, have been affixed to the agreement by Grantee and State, whichever is later. Per [Minnesota Statutes. §16B.98](#), Subd. 11, the grantee submitted and the State approved a work plan and budget. Per, [Minnesota Statutes §16B.98](#) Subd. 7, no payments will be made to the Grantee until this grant agreement is fully approved and executed, and Grantee has been notified by the State ' s Authorized Representative that they are in compliance with the terms of this Agreement.
- 1.2 **Expiration date:** August 31, 2019, or when all funds applied for and provided to Grantee by State have been expended, whichever occurs first.
- 1.3 **Survival of Terms.** The following clauses survive the fulfillment of this grant agreement: 4. Conditions; 8. Liability; 9. State Audits; 10. Government Data Practices; 12. Property Insurance; 13. Governing Law, Jurisdiction, and Venue; and 14. Data Disclosure.

2 Grantee's Duties

- 2.1 **Activities.** The Grantee, who is not a state employee, will comply with required grants management policies and procedures set forth through [Minn.Stat. §16B.97](#), Subd. 4 (a) (1) and will use all funds provided as a result of this Agreement for the purchase of optical scan counters, assistive voting devices, or electronic roster systems in the manner described in this Agreement and as set forth in the Grant Application previously submitted by Grantee and attached hereto. As Chief County Election Official, the County Auditor or Election Director is responsible for fulfilling all requirements of Grantee under this agreement. Grantee will use the funds awarded only for the procurement of the voting equipment set forth in the Grant Application except as set forth in paragraph 2.4 of this Agreement.

Grantee is hereby awarded [insert dollar amount] for the purchase of [insert type of equipment].

Grantee must match this grant with [insert dollar amount] of local funds.

Grantee will expend all funds granted by this Agreement as well as the required match pursuant to Minnesota Statutes, § 206.95, no later than August 1, 2019, or will return all unspent grant funds to the State by August 31, 2019, for potential redistribution.

2.2 Reporting Requirements. Grantee shall report to the State as specified in this Agreement.

- (1) **Progress Reporting.** Grantee shall submit, by January 7, 2019, a financial reporting form to the State utilizing the format identified by the State, stating the amount spent in calendar year 2018 for the purchase of each kind of voting system, how many were purchased, and how much of the grant award remains to be spent, if any.
- (2) **Final Reporting.** Grantee will submit a final report, no later than August 15, 2019, or 30 days after the grant amount has been fully expended, whichever comes first, including all items listed in 2.2 (1) above as well as cancelled checks, invoices and paid bills, agreement and sub award documents, and records sufficient to detail history of procurements. These records must prove the total expenditure of the Grant Amount and the required total match pursuant to Minnesota Statutes, § 206.95, subdivision 4, or if less than all grant funds were expended, the total of the expended grant funds and the proportionate match required by Minnesota Statutes, § 206.95, subdivision 4.
- (3) **Other Requirements.** Subgrantee must maintain financial records for each grant sufficient to satisfy audit standards and must transmit those records to the secretary of state upon request of the secretary of state.
- (4) **Evaluation.** State shall have the authority, during the course of this grant period, to conduct an evaluation of the performance of Grantee.
- (5) **Requirement Changes.** State may modify or change all reporting forms at their discretion during the grant period.
- (6) **Special Requirements.** The State reserves the right to append to the Agreement terms, at any time before all grant funds have been expended, special administrative requirements deemed necessary to assure Grantee's successful implementation of the program. The State will notify the Grantee in writing of any special administrative requirements.

2.3 Accounting Requirements - Fiscal Control and Accounting Procedures.

Grantee's fiscal control and accounting procedures must be sufficient to:

- (a) Permit preparation of reports required by this Agreement,
- (b) Permit the tracing of funds to a level of expenditures adequate to determine that funds have not been used in violation of this agreement, and
- (c) Support accounting records through source documents, such as: cancelled checks, invoices and paid bills, agreement and sub award documents, and records sufficient to detail history of procurements.

2.4 Alterations in Spending Plan.

Grantee may not spend funds granted for electronic roster systems for other equipment, nor may Grantee spend funds granted for other than electronic roster systems on electronic roster systems.

Grantee may spend funds granted for the purchase of optical scan counters on assistive voting devices, and granted for the purchase of assistive voting devices on optical scan counters, or in either case for combinations thereof, if the change is reported in the next financial report due after the purchase.

3 Time

Grantee must comply with all the time requirements described in this Agreement. In the performance of matters funded pursuant to this Agreement, time is of the essence.

4 Consideration and Payment

4.1 Consideration. The State will make an award to Grantee under this Agreement as follows:

- (1) **Grant Award.** The Subgrantee will be awarded the amount listed for the Grantee in paragraph 2.1 of this Agreement.
- (2) **Total Obligation.** The total obligation of the State to Grantee under this grant agreement will not exceed the amount stated in paragraph 2.1 of this Agreement.

4.2 Fiscal Requirements. Grantee shall report to the State as provided by paragraph 2.2 of this Agreement.

- (1) **Financial Guidelines.** Grantee's eligible expenditures under this grant agreement must be specifically incurred by Grantee. Grantee will report on all expenditures pertaining to this grant agreement as provided in paragraph 2.2.

(2) **Records.** Grantee shall retain all financial records for a minimum of six (6) years after the date of submission of the final financial report, or until completion of an audit which has commenced before the expiration of this six-year period, or until any audit findings and/or recommendations from prior audit(s) have been resolved between the Grantee and State, whichever is later, and comply with all other Retention and access requirements for records provided in the jurisdiction's retention schedules.

4.3 **Payment Invoices.** State will pay the grant amount to an account of Grantee within 30 days after the effective date of this Agreement.

4.4 **Conditions.**

- (1) Payments under this Agreement will be made from funds appropriated by Laws 2017, First Special Session, Chapter 4, Article 1, § 6. Grantee is responsible for compliance with all requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Grantee's failure to comply with statutory or grant agreement requirements.
- (2) Grant funds must be used only to increase the funds that would, in the absence of this grant, be made available for procurement of the equipment set forth in paragraph and operating expenses as defined by law.
- (3) Grantee assures that equipment to be acquired with these grant funds is required because Grantee has need of the equipment, and has insufficient funds for that purchase. Grantee also assures that equipment purchased with grant funds will be used for all elections as required by law. Grantee agrees that it will only purchase optical scan counters, or assisted voting devices, certified under M.S. 206.57, or electronic rosters that the jurisdiction determines meets requirements of M.S. 201.225.
- (4) Grantee, for five full years following the purchase of equipment with grant funds, may dispose of that equipment only after first offering the equipment to Minnesota jurisdictions using the same type of equipment. During that five year period, Grantee may only sell the equipment at or below a price equal to the amount of the funds initially expended by Grantee for the equipment purchase, excluding the grant made pursuant to this agreement. If the funds so expended, or any part thereof, were initially received from the Help America Vote Act, funds from the sale of the equipment must be returned to the jurisdiction's Help America Vote Act (HAVA) account and must be retained and expended only for the purposes of HAVA.

5 **Satisfaction**

All duties required and agreements or assurances provided by Grantee in this Agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations.

6 **Authorized Representative**

The State's Authorized Representative is Gary Poser, Director of Elections, 180 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Boulevard, Saint Paul, MN 55155-1299, 651-556-0612, or his successor, and has the responsibility to monitor the Grantee's performance and compliance with this Agreement.

Grantee's Authorized Representative is «Grantee Main Contact First Name»
«Grantee Main Contact Last Name», «Grantee Main Contact Job Title»,
«Grantee Main Contact Organization», «Grantee Main Contact Address Line 1», Grantee Address Line 2»,
«Grantee Main Contact City», «Grantee Main Contact State» «Grantee Main Contact Zip Code»,
«Grantee Main Contact Phone Number».

Grant payment will be made to:

«Provide information here for whom grant check should be made payable to, if different from Grantee's Authorized Representative»
«Grantee's Federal ID Number»

Grantee must be registered as a vendor in the SWIFT system, or must provide a W-9 form with this executed agreement, in order for State to register Grantee in the SWIFT system.

If Grantee's Authorized Representative changes at any time before the funds provided for in this Agreement are fully expended, Grantee must immediately notify the State.

7 *Assignment Amendments, Waiver, and Grant Contract Complete*

7.1 *Assignment*

Grantee shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the State, approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 *Amendments*

Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

7.3 *Waiver*

If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or the State's right to enforce it.

7.4 *Grant Contract Complete*

This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

8 *Liability*

Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the expenditures of the funds provided by this Agreement by Grantee or Grantee's agents or employees.

9 *State Audits*

Under Minnesota Statutes, § 16C.05, subd. 5, and 16B.98, subd. 8, Grantee's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10 *Government Data Practices*

Grantee and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Ch. 13, as it applies to all data provided by the State under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by Grantee under this Agreement. The civil remedies of Minnesota Statutes, § 13.08 apply to the release of the data referred to in this clause by either Grantee or the State. If Grantee receives a request to release the data referred to in this Clause, the Subgrantee must immediately notify the State. The State will give Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law

11 *Workers' Compensation*

Grantee certifies that it is in compliance with Minnesota Statutes, § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 *Property and Casualty Insurance*

Grantee is required to maintain a property and casualty insurance policy covering "All Risk" (or equivalent) of direct physical loss or damage, including, but not limited to, the perils of transit (if applicable), theft, and flood for the counters, devices or systems acquired using funds granted under the Agreement. The insurance limit shall be equal to the replacement cost of the election equipment. Any deductible shall be the sole responsibility of Grantee.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Data Disclosure

Under Minnesota Statutes, § 270.66, and other applicable law, Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Subgrantee to file state tax returns and pay delinquent state tax liabilities, if any, or pay other state liabilities.

15 Termination.

The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee.

16 Grantee Procurement

Grantee certifies that it will use the procurement processes applicable in Grantee's jurisdiction in purchasing equipment with funds subject to this Agreement.

1. ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes, §§ 16A.15 and 16C.05.

Signed: _____

Date: _____

Grant Agreement No. _____

3. STATE (Office of the Secretary of State)

By: _____
(with delegated authority)

Title: _____

Date: _____

2. GRANTEE (Local Jurisdiction)

Grantee certifies that the appropriate person(s) have executed the grant agreement on behalf of Grantee as required by applicable resolutions or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Distribution:

Grantee
State's Authorized Representative