MEMORANDUM

Legislative Fiscal Office
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To:	Joint Legislative Committee on Information Management and Technology
From:	Sean McSpaden, Principal Legislative IT Analyst
Date:	February 5, 2016
Subject:	SOS ORESTAR Election Night Reporting Project Request LFO Analysis and Recommendations

Agency Request: The Oregon Secretary of State (SOS) has submitted a request to the Joint Committee on Ways and Means for an appropriation of $347,900 General Fund and position authority for a 0.25 FTE Limited Duration Policy Analyst 2 position to continue work on the Oregon Secretary of State Secure Access System (ORESTAR), a core database system for the Elections Division.

The purpose of this request is to provide the SOS Elections Division the 2015-17 funding ($300,000 in contract related costs) and project management resources ($47,900 in position related costs) needed to replace the SOS ORESTAR Election Night Reporting module with a fully functional, Commercially-available Off-the Shelf (COTS) Election Night Reporting Solution. The initial planning for the project began in early 2015 and, if the requested implementation resources are approved, the project is expected to be completed just prior to the November 2016 General Election.   When fully deployed, the new COTS solution will provide real time unofficial and official elections results for all state, county, or local primary, general, and special elections on the agency's website.

A. LFO Analysis

In early 2015, SOS contracted with an experienced consulting firm to evaluate and identify the limitations and capabilities of ORESTAR, which was originally deployed in 2007, and recommend strategies for maintaining, supporting, enhancing, or replacing the nine (9) application modules that comprise ORESTAR:

- Election Night Reporting
- UOCAVA (Uniformed and Overseas Citizens Absentee Voting Act)
- My Vote
- Campaign Finance
- Filing Candidacy
- Committee Filer Registration
- Voter Pamphlet
- Complaints & Violations
- Contact Management

During the 2015 legislative session, SOS submitted a policy option package requesting funding to develop and implement a short and long range plan for ORESTAR. The 2015 Legislature authorized SOS to initiate work on a limited set of ORESTAR bug fixes and enhancements and directed SOS to report back to the Legislature on the short and long term recommendations contained within the consulting firm's ORESTAR report once it had been received by SOS.

The consultant delivered the final ORESTAR evaluation report in mid-December 2015.

The alternatives considered for each of the nine (9) ORESTAR modules included:

- Maintain In-House Software - fix current issues through new releases
- Replace In-House - develop new software
- Replace with vendor software - purchase new software through a RFP Process.

For the Election Night Reporting module, the consultant, with extensive input from the SOS Elections and Information Systems Division staff, recommended that the agency issue a Request for Proposals (RFP) to replace the current system with a vendor supplied software package.

The primary drivers for this recommendation were the limitations of the current ORESTAR Election Night Reporting module, stakeholder needs for better and more expansive Election Night Reporting, and the consultant's knowledge of modern COTS solutions that have been deployed in other states over the past several years.

To confirm whether current marketplace solutions would meet Oregon SOS needs, SOS conducted a request for information (RFI) process by hosting on-line demonstrations with five vendors that market Election Night Reporting solutions.   In December 2015, SOS issued a RFP and received and evaluated multiple vendor proposals. In January 2016, SOS issued an intent to award to a vendor that has implemented its election night reporting solution in seven other states and is awaiting resolution of a vendor protest (from a vendor who did not receive the award) and legislative approval of its request for implementation resources prior to contract signature.   SOS anticipates successful resolution of the vendor protest by February 3, 2016.

Implementation of the apparent vendor solution would involve year 1 implementation costs and a subscription fee to the vendor on an annual basis thereafter. Although the final contract has not yet been negotiated, the estimated cost of this solution over five years is outlined within the table below:

Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
$260,000	$40,000	$43,000	$44,500	$48,000	$435,500

Assuming legislative approval for 2015-17 funding and position authority is granted, SOS intends to proceed immediately with project implementation with the goal of a partial deployment of the solution for the May 2016 primary election and full deployment of the solution for the November 2016 General Election.

- *Current* ORESTAR Election Night Reporting - vote count numbers for statewide elections.
- *New* for May 2016 Primary - vote counts and a graphical representation (map-based) of those vote counts (statewide elections only).
- *New* for November 2016 General Election - full system functionality deployed including vote count, graphical/map based displays for statewide, county, and local election results.

An appropriate level of analysis and due diligence has been performed to justify initiation of the

project. The agency has a plan to hire a qualified and experience project manager and is committed to developing and utilizing a set of foundational project management documents appropriate for a project of this scope, cost, and complexity. The agency intends to incrementally deploy the new solution, in part, to mitigate the schedule risk associated with deployment by the May 2016 Primary. This project does not require third party quality management service oversight and is of a scope, cost, and complexity that is familiar to the agency.

B. LFO Recommendations

The Legislative Fiscal Office (LFO) recommends approval of the SOS Election Night Reporting Project request assuming the funding, spending authority and personnel resources are made available to SOS by the Joint Committee on Ways and Means.   Specifically LFO recommends that SOS:

- Ensure the project is led and managed by an experienced, qualified project manager
- Provide LFO with periodic project status reports throughout the life of the project
- Report back to the Joint Legislative Committee on Information Management and Technology or the Emergency Board on project status during the September 2016 Legislative Days

- Motion on the LFO recommendations

C. Final IT Subcommittee Action

Transmit the JLCIMT recommendations to the General Government Subcommittee of the Joint Committee on Ways and Means.