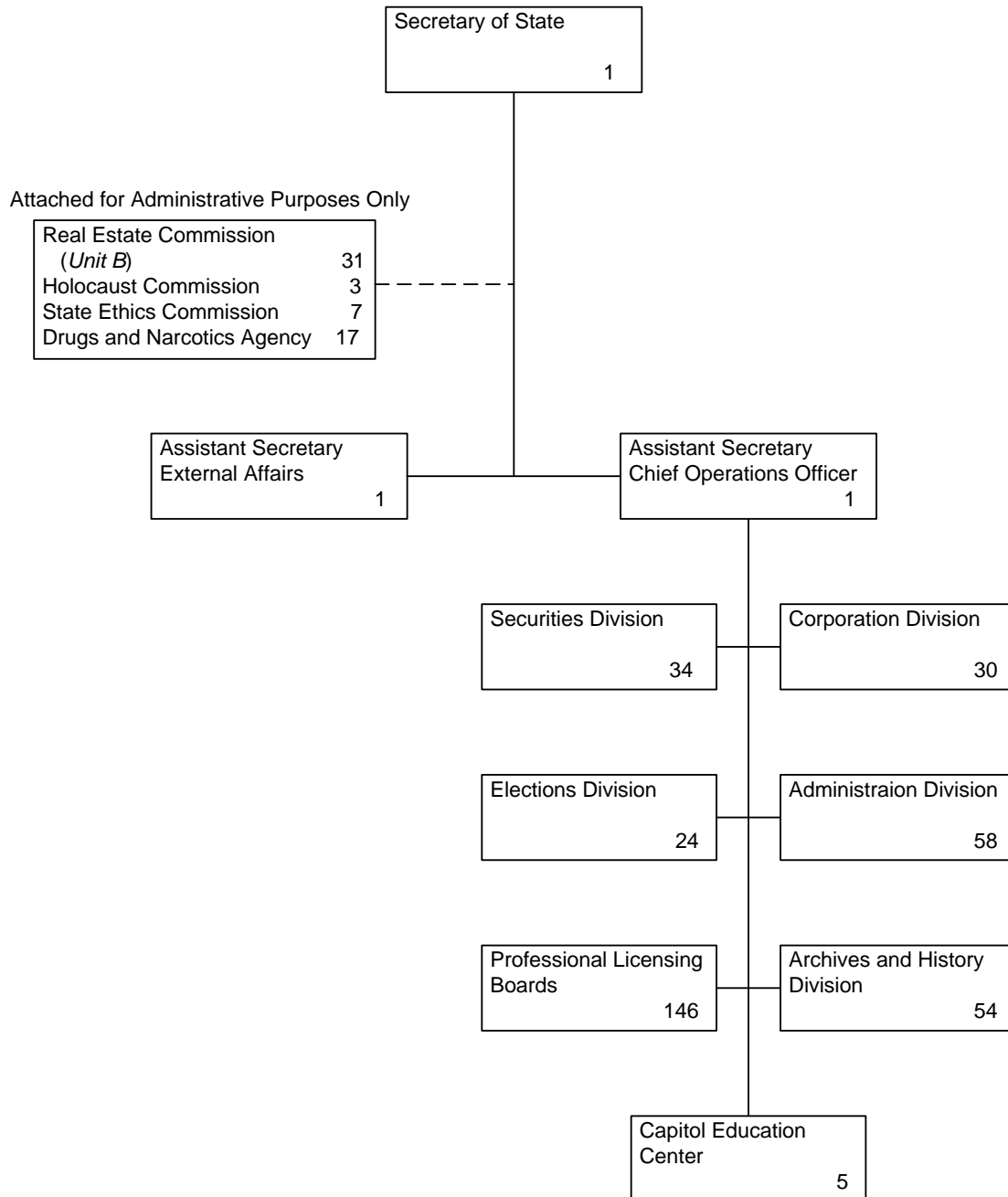


OFFICE OF SECRETARY OF STATE

Total Budgeted Positions -- 412



OFFICE OF SECRETARY OF STATE
Financial Summary - Unit A - Office of Secretary of State

Expenditures, Current Budget, and Agency Requests

Budget Classes / Fund Sources	FY 2000 Expenditures	FY 2001 Expenditures	FY 2002 Current Budget	FY 2003 Agency Requests		
				Adjusted Base	Enhancements	Totals
Personal Services	\$17,702,808	\$18,047,473	\$19,458,900	\$19,964,960	\$581,333	\$20,546,293
Regular Operating Expenses	3,228,333	3,698,928	2,981,386	3,790,041	112,500	3,902,541
Travel	251,934	383,396	234,150	431,400	30,000	461,400
Motor Vehicle Purchases	139,582	186,906	166,455	227,460		227,460
Equipment	20,576	59,580	81,111	106,359	25,000	131,359
Real Estate Rentals	2,898,598	2,991,828	3,744,758	4,374,836	30,400	4,405,236
Per Diem and Fees	1,905,786	1,106,287	560,721	435,721	50,000	485,721
Contracts		50,810	770,005	1,709,005	90,000	1,799,005
Computer Charges	3,660,138	3,522,916	3,218,735	23,401,861	192,900	23,594,761
Telecommunications	1,028,128	985,195	863,974	897,350	12,500	909,850
Capital Outlay		35,000				
Election Expense	730,504	620,900	640,900	640,900		640,900
Major Repair and Maintenance				70,000		70,000
Total Funds	\$31,566,387	\$31,689,219	\$32,721,095	\$56,049,893	\$1,124,633	\$57,174,526
Less Federal & Other Funds:						
Other Funds	\$903,504	\$1,960,904	\$1,045,000	\$1,045,000		\$1,045,000
Governor's Emergency Funds		46,607				
Total Federal & Other Funds	\$903,504	\$2,007,511	\$1,045,000	\$1,045,000		\$1,045,000
TOTAL STATE FUNDS	\$30,662,883	\$29,681,708	\$31,676,095	\$55,004,893	\$1,124,633	\$56,129,526
Positions	368	376	381	395	10	405
Motor Vehicles	85	86	86	89		89

OFFICE OF SECRETARY OF STATE
Financial Summary - Unit A - Office of Secretary of State

Current Budget and Governor's Recommendations

Budget Classes / Fund Sources	FY 2002 Current Budget	FY 2003 Governor's Recommendations				Totals
		Annualizers and Adjustments	Budget Reductions	Adjusted Base	Enhancements	
Personal Services	\$19,458,900	(\$388,553)	(\$902,931)	\$18,167,416	\$601,216	\$18,768,632
Regular Operating Expenses	2,981,386	528,725	(274,648)	3,235,463	1,443,370	4,678,833
Travel	234,150	150,000	(31,726)	352,424	72,000	424,424
Motor Vehicle Purchases	166,455		(166,455)			
Equipment	81,111	(9,925)	(17,461)	53,725		53,725
Real Estate Rentals	3,744,758	619,814		4,364,572		4,364,572
Per Diem and Fees	560,721	(125,000)	(80,000)	355,721		355,721
Contracts	770,005	75,000	(280,050)	564,955	1,238,000	1,802,955
Computer Charges	3,218,735	623,626	(4,337)	3,838,024		3,838,024
Telecommunications	863,974	1,000	(9,397)	855,577	12,000	867,577
Capital Outlay						
Election Expense	640,900		(49,397)	591,503		591,503
Major Repair and Maintenance						
Total Funds	\$32,721,095	\$1,474,687	(\$1,816,402)	\$32,379,380	\$3,366,586	\$35,745,966
Less Federal & Other Funds:						
Other Funds	\$1,045,000		\$19,350	\$1,064,350		\$1,064,350
Governor's Emergency Funds						
Total Federal & Other Funds	\$1,045,000		\$19,350	\$1,064,350		\$1,064,350
TOTAL STATE FUNDS	\$31,676,095	\$1,474,687	(\$1,835,752)	\$31,315,030	\$3,366,586	\$34,681,616
Positions	381			381	13	394
Motor Vehicles	86			86		86

OFFICE OF SECRETARY OF STATE
Budget Summary - Unit A - Office of Secretary of State

Governor's
Recommendations

ADJUSTMENTS TO CURRENT BUDGET

FY 2002 STATE APPROPRIATIONS	\$31,676,095
Annualizers:	
1. Annualize the cost of the FY 2002 salary adjustment.	161,880
Other Adjustment:	
2. Reduce personal services to reflect the 4.09 percentage point reduction to the employer contribution rate for the Employees' Retirement System.	(550,433)
3. Provide regular operating expense for relocation of the Archives from Capitol Avenue to Clayton State University beginning January 1, 2003.	528,725
4. Transfer \$125,000 from per diem and fees to travel for the Professional Licensing Board.	Yes
5. Provide travel (\$25,000) and contract (\$75,000) funds to continue the 21st Century Voting Commission.	100,000
6. Transfer \$9,925 from equipment to computer charges for the Drugs and Narcotics Agency.	Yes
7. Increase real estate rentals to reflect partial year rental costs for the old Capitol Avenue and new Clayton State University Archives buildings.	573,691
8. Increase real estate rentals to reflect annual escalation clauses for the Tifton Operations Office (\$1,195), Elections warehouse (\$7,124), Drugs and Narcotics (\$1,050), Ethics Commission (\$510) and the Professional Licensing Boards' Macon Office (\$36,244).	46,123
9. Increase computer charges for agency assumption of costs previously provided by GaNet (\$196,000), LAN maintenance by the Securities Division (\$22,620), and GTA reimbursement for workload increases in the National Voter Registration System (\$395,081).	613,701
10. Provide telecommunications funds for the Ethics Commission.	1,000
Budget Reductions	
11. Reduce personal services to reflect decreases in liability rates and other adjustments.	(110,216)
12. Increase lapse in personal services to reflect vacant positions, reductions in overtime and temporary labor.	(792,715)
13. Reduce regular operating expenses in Internal Administration (\$88,000), Archives and Records (\$89,000), Business Services - Securities (\$22,144), Elections and Campaign Disclosure (\$10,000), Drugs and Narcotics (\$4,751), State Ethics Commission (\$17,737), Holocaust Commission (\$8,505) and State Examining Boards (\$34,511).	(274,648)
14. Reduce agency motor vehicle expenses (\$166,455), equipment (\$17,461), contracts (\$280,050), per diem and fees (\$80,000), computer charges (\$4,337), Elections Expense (\$49,397), telecommunications (\$9,397), travel (\$31,726), and increase other funds (\$19,350).	(658,173)
ADJUSTED BASE	\$31,315,030
ENHANCEMENT FUNDS	
ENHANCEMENTS	
1. Expand the Georgia voter education program, including 13 positions, in preparation for the statewide uniform electronic voting system authorized by SB 213.	\$3,366,586
TOTAL ENHANCEMENT FUNDS	\$3,366,586
TOTAL FY 2003 STATE FUNDS	\$34,681,616

OFFICE OF SECRETARY OF STATE
Functional Budget Summary - Unit A - Office of Secretary of State

Functional Budgets	FY 2002 Appropriations		FY 2003 Recommendations	
	Total	State	Total	State
1. Internal Administration	\$4,751,142	\$4,721,142	\$4,565,608	\$4,535,608
2. Archives and Records	5,755,861	5,680,861	6,424,387	6,349,387
3. Capitol Education Center	375,873	375,873	357,833	357,833
4. Business Services - Securities	2,225,429	2,175,429	2,117,737	2,048,387
5. Business Services - Corporations	2,336,475	1,616,475	2,229,006	1,509,006
6. Elections and Campaign Disclosure	4,804,512	4,784,512	8,467,616	8,447,616
<u>ATTACHED AGENCIES:</u>				
7. Drugs and Narcotics	1,503,909	1,503,909	1,323,507	1,323,507
8. State Ethics Commission	549,478	549,478	515,887	515,887
9. State Examining Boards	10,098,325	9,948,325	9,445,246	9,295,246
10. Holocaust Commission	320,091	320,091	299,139	299,139
TOTAL APPROPRIATIONS	\$32,721,095	\$31,676,095	\$35,745,966	\$34,681,616

RECOMMENDED APPROPRIATION: The Office of Secretary of State is the budget unit for which the following State Fund Appropriation is recommended for FY 2003: \$34,681,616.

OFFICE OF SECRETARY OF STATE
Financial Summary - Unit B - Real Estate Commission

Expenditures, Current Budget, and Agency Requests

Budget Classes / Fund Sources	FY 2000 Expenditures	FY 2001 Expenditures	FY 2002 Current Budget	FY 2003 Agency Requests		
				Adjusted Base	Enhancements	Totals
Personal Services	\$1,359,576	\$1,412,216	\$1,486,966	\$1,498,990	\$100,000	\$1,598,990
Regular Operating Expenses	182,069	125,746	175,000	175,000		175,000
Travel	16,481	28,781	37,000	37,000		37,000
Motor Vehicle Purchases	32,690		34,000	34,000		34,000
Equipment	3,249	6,891	10,000	10,000		10,000
Real Estate Rentals	170,472	172,487	171,000	181,000		181,000
Per Diem and Fees	165,619	122,352	128,000	128,000		128,000
Computer Charges	224,244	288,126	262,345	262,345		262,345
Telecommunications	77,277	76,097	86,000	86,000		86,000
Total Funds	\$2,231,677	\$2,232,696	\$2,390,311	\$2,412,335	\$100,000	\$2,512,335
Less Federal & Other Funds:						
Other Funds	\$17,004	\$18,964				
Total Federal & Other Funds	\$17,004	\$18,964				
TOTAL STATE FUNDS	\$2,214,673	\$2,213,732	\$2,390,311	\$2,412,335	\$100,000	\$2,512,335
Positions	31	31	31	31	1	32
Motor Vehicles	13	13	13	11		11

OFFICE OF SECRETARY OF STATE
Financial Summary - Unit B - Real Estate Commission

Current Budget and Governor's Recommendations

Budget Classes / Fund Sources	FY 2002 Current Budget	FY 2003 Governor's Recommendations				Totals
		Annualizers and Adjustments	Budget Reductions	Adjusted Base	Enhancements	
Personal Services	\$1,486,966	\$211	(\$66,000)	\$1,421,177		\$1,421,177
Regular Operating Expenses	175,000	(16,000)	(14,000)	145,000		145,000
Travel	37,000		(5,000)	32,000		32,000
Motor Vehicle Purchases	34,000	(17,000)	(17,000)			
Equipment	10,000	2,500		12,500		12,500
Real Estate Rentals	171,000	10,000		181,000		181,000
Per Diem and Fees	128,000	16,000		144,000		144,000
Computer Charges	262,345	14,500	(16,000)	260,845		260,845
Telecommunications	86,000		(2,000)	84,000		84,000
Total Funds	\$2,390,311	\$10,211	(\$120,000)	\$2,280,522		\$2,280,522
Less Federal & Other Funds:						
Other Funds						
Total Federal & Other Funds						
TOTAL STATE FUNDS	\$2,390,311	\$10,211	(\$120,000)	\$2,280,522		\$2,280,522
Positions	31			31		31
Motor Vehicles	13	(2)		11		11

OFFICE OF SECRETARY OF STATE
Budget Summary - Unit B - Real Estate Commission

Governor's
Recommendations

ADJUSTMENTS TO CURRENT BUDGET

FY 2002 STATE APPROPRIATIONS	\$2,390,311
Annualizers:	
1. Annualize the cost of the FY 2002 salary adjustment.	12,949
2. Increase real estate rentals to reflect annual escalation clause for non-state owned space.	10,000
Other Adjustments:	
3. Reduce personal services to reflect the 4.09 percentage point reduction to the employer contribution rate for the Employees' Retirement System.	(42,578)
4. Redirect regular operating expenses (\$16,000) and motor vehicle purchases (\$17,000), reduce 2 motor vehicles, equipment (\$2,500), per diem and fees (\$16,000), and computer charges (\$14,500).	Yes
5. Increase personal services to reflect reclassified Board member expenses and other adjustments.	29,840
Budget Reductions:	
6. Increase lapse in personal services to reflect vacant positions, reductions in overtime and temporary services.	(66,000)
7. Reduce regular operating expenses (\$14,000), motor vehicle purchases (\$17,000), travel (\$5,000), telecommunications (\$2,000) and computer charges (\$16,000).	(54,000)
	\$2,280,522
ADJUSTED BASE	\$2,280,522
TOTAL FY 2003 STATE FUNDS	\$2,280,522

RECOMMENDED APPROPRIATION: The Real Estate Commission is the budget unit for which the following State Fund Appropriation is recommended for FY 2003: \$2,280,522.

OFFICE OF SECRETARY OF STATE

Roles and Responsibilities

The Office of the Secretary of State provides many services for the public, businesses, state agencies, and city and county governments. These services include:

- Licensing the practice of over 65 professions and registration of other activities;
- Election and voter registration, campaign finance disclosure;
- Business activity monitoring and enforcement of many financial regulations;
- Management and preservation of public records; and
- Educational programs on the Capitol.

The Secretary of State is the keeper of the Great Seal of Georgia and the custodian of the State flag.

The office is comprised of Internal Administration, Archives and History, Elections and Campaign Disclosure, Corporations, Securities, State Professional Licensing Boards, and Capitol Education Center. The attached agencies are the Georgia Commission on the Holocaust, Georgia Drugs and Narcotics Agency, State Ethics Commission, and the Georgia Real Estate Commission and Appraisers Board.

REGULATORY RESPONSIBILITIES

As a regulatory agency, the office offers education and examinations, issues licenses, collects fees for licenses, investigates complaints or violations of the law and orders reprimands. The Securities Division is responsible for regulating securities, and has the authority, to adopt necessary rules to monitor the securities industry, including registration of brokers and securities. The division registers cemeteries and audits perpetual care trusts and regulates perpetual care cemeteries, charitable organizations and paid solicitors

The Corporations Division regulates foreign and domestic charters, nonprofit organizations and other types of corporate entity activities. In addition, the division registers and renews trademarks and servicemarks.

The Professional Licensing Boards Division manages 35 occupational and professional regulatory boards. The duties include reviewing and approving applications to practice, scheduling examinations, issuing licenses, maintaining records, investigating violations and resolution of complaints.

The Georgia Drugs and Narcotics Agency supports the Georgia Board of Pharmacy, enforces State laws governing controlled substances, poisons, and the sale and distribution of these drugs by licensed registrants. The agency performs inspections and investigations of pharmacies. The agency

is also responsible for the destruction of expired and outdated controlled substances.

The Real Estate Commission regulates real estate brokers and salespersons and provides administrative support for a board, which administers the Real Estate Appraiser Licensing and Certification Act.

STATE ELECTIONS ACTIVITY

The Office of the Secretary of State monitors all activities related to officials and elections, including registration and investigation. The Elections Division's primary function is to perform all activities related to federal, state, county and municipal elections and campaign and financial disclosure, including authorization of election results.

The State Ethics Commission is granted the authority to administer the Ethics in Government Act to ensure integrity of the democratic process. As part of the requirements, lobbyists and officials are mandated to submit financial and expenditure disclosure statements.

MANAGEMENT OF PUBLIC RECORDS

The Division of Archives and History collects, manages, and preserves official records of Georgia from 1732 to the present. The division administers the state records management program under the direction of the State Records Committee, Chaired by the Secretary of State, and a record center for the storage and maintenance of non-permanent records of state agencies.

EDUCATIONAL PROGRAMS

The Capitol Education Center provides tours of the capitol and serves as an education center for visitors. The center holds public events throughout the year and is a focal point for informing citizens about the legislative process during the annual sessions of the General Assembly.

Within the Internal Administration Division, are the general administrative support functions of accounting, purchasing, budgeting, human resources and information technology, as well as two non-internally focused activities: The Administrative Procedures Section is responsible for administrating the rules promulgation process pursuant to the Administrative Procedures Act for the State; and The Georgia Capitol Museum.

AUTHORITY

Titles 10, 14, 21, 28, 43, 44, 45 of the Official Code of Georgia; Public Law 93-443, 1993; Resolution Act 11, Georgia Laws 1993.

OFFICE OF SECRETARY OF STATE

Strategies and Services

STATEWIDE UNIFORM ELECTRONIC VOTING

The November election of 2000 exposed flaws in the current system of elections within Georgia. Elections are currently held on four different types of equipment throughout the state; paper ballots, punchcards, lever and optiScan systems. The Statewide Uniform Electronic Voting system will bring about uniformity in voting equipment, move in the direction of restoring confidence, as well as facilitate a consistent statewide voter education effort.

PROFESSIONAL LICENSING BOARDS

The State Professional Licensing Boards Division provides administrative and investigative support to 35 licensing boards through a centralized location and staff. The boards regulate more than 700,000 licensees throughout the state. They play an integral role in consumer protection by regulating professionals and investigating violations of state law.

REAL ESTATE COMMISSION

The Georgia Real Estate Commission is the primary agency for licensing and regulating the real estate brokerage profession and administering support for the Georgia Real Estate Appraisers Board.

In order to serve its licensees more efficiently, regulated entities can renew licenses over the Internet. Programs are in development that will allow licensees to process other applications via the Internet. In addition, the commission has a web site with available newsletters, applications and status information. A visitor to the site is able to print applications and licensing requirements.

To assure cost-efficient administration, high quality, and fairness in all qualifying examinations, the commission contracts for the development and administration of examinations for all real estate licensee and appraiser applicants. Another service is instant grading of qualifying examinations. Tests are given via computer, and the licensee receives the results on the day of the examination. The commission offers applicants the option of receiving their licenses at the test centers the same day they successfully complete the licensing examination.

STATE ETHICS COMMISSION

In furtherance of the state's responsibility to protect the

integrity of the Democratic process and to ensure fair elections, the Commission oversees Campaign Finance Disclosure and Personal Financial Disclosure for an estimated 6,000 public offices of the state, county and municipal governments in Georgia. The commission is charged with registration of lobbyists at both state and local levels of government, and the commission receives and maintains lobbyist disclosure reports filed by all registered lobbyists. The commission is also charged with vendor disclosure for the State of Georgia for those vendors who meet the requirements for filing. Vendor reports are received and maintained and penalties for late filing are collected.

INFORMATION TECHNOLOGY

The information technology plan addresses the need for substantial upgrades of systems to meet the needs of customers. Existing systems and business procedures throughout the office are being enhanced to improve their function and being changed to lower costs and improve performance in delivering information to the taxpayer.

Through the improvements being made in systems, the office will be able to:

- Provide prompt service;
- Transmit an accurate response to external users such as governmental agencies and members of the public;
- allow electronic access and filings to the systems by the public;
- Accept electronic payments for fees and fines; and
- Post-public information.

Objectives for FY 2003 are to enable customers of the agency to conduct business and use information by improving both traditional and electronic means of access. Efforts aim toward coordinated internal processes, maximize use of technology and continue to evaluate physical relocation of operations.

Initiatives will focus on finding ways to move services closer to the taxpayer at less cost, increase opportunities for the agency to utilize e-commerce in transactions between citizens over the Internet, and expand use of digital imaging and electronic communication for the transfer of information among agencies and to the public.