Randy Thomas with the State Controller's Office called and talked with me about this “offer”. The only thing he could say is that the Maximus company is reputable and works with the State and that Mr. Clugston is nice to work with.

I asked where these monies for Delaware were recovered from and he said “All he knew about it was this email”. I asked him to forward it to us.

Mr. Bartlett do you think our friend Howard Scholl would have any insight on this matter?

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From: Thomas, Randall B
Sent: Wednesday, October 19, 2011 10:20 AM
To: McLean, Johnnie
Subject: FW: Board of Elections

FYI!

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From: Nelson Clugston/MAximus [mailto:NelsonClugston@Maximus.com]
Sent: Tuesday, October 18, 2011 3:09 PM
To: Thomas, Randall B
Subject: Board of Elections

Randy,

I do not remember if I have spoken with you about this before. I think we can get the NC Board of Elections some additional funds to spend as they need. We helped get DE elections about $500,000 in indirect cost recoveries from the Help America Vote Act. If there is someone I can talk to let me know.
RALEIGH, N.C. (AP) -- The country's attention will be on North and South Carolina during next year's election as Republicans will compete in a hotly contested primary and Democrats try to keep the Southern foothold they gained in 2008.

But the nuts and bolts of those elections - printing ballots, keeping machines in working order, making sure every voter who wants to cast a ballot gets a chance - depend on state agencies where budgets have shrunk dramatically. Some officials and observers now worry about whether everything will run smoothly on election day.

"We are looking at a potential train wreck with less money and more complexity in handling the administration of elections," said Bob Hall, executive director of the nonpartisan Democracy North Carolina.

The North Carolina General Assembly's decision to cut more than $1 million from the state Board of Elections budget this year could make it harder for regulators to ensure county election operations are prepared for 2012, particularly with machinery.

The budget eliminated 14 positions, including eight elections technicians assigned to cover all 100 counties. First created in 2005, the technicians help perform accuracy testing on precinct equipment, perform "wellness checks" on county board operations and cite areas for improvement.

"I've seen those technicians in action," Hall said. "They were a valuable part of the team for counties that were under-resourced."

For example, district technicians performed a wellness check on New Hanover County's election board after a series of voting machine problems during the 2010 election that caused about 300 voters receiving the wrong ballot. The review found training of county precinct workers lacking and reported that audits of local political action committees
and campaigns were way behind. The review suggested a path for improvement.

"They were sort of a fail-safe in the election process," state elections director Gary Bartlett said. "They were rapid responders ... if there was a problem with an election, they were the first there."

With the technicians gone, Bartlett said more county problems will have to be handled by phone from Raleigh, rather than in person, or counties will have to hire more of their own technical staff. It also could lead longer times before issues are resolved and changes are made.

"It's possible it will take us longer to get to the bottom of the facts," Bartlett said.

Budget-writers also declined to provide matching funds this year for Bartlett's office to tap into millions of dollars in federal Help America Vote Act designed to help counties open more one-stop voting site and purchase voting machines and license to operate the machines.

The situation might not be as dire in South Carolina, where officials say they've got enough money to run things smoothly. But all bets are off if there are further reductions in a budget that's shrunk by more than 50 percent in the last three years.

In 2000, the South Carolina Election Commission received $2.1 million for operations. In 2008, it received $1.8 million. That's dwindled to $852,000 this fiscal year, spokesman Chris Whitmire said, putting the agency at "barebones capacity."

However, that's not the only pot of money the agency receives from the state. Legislators yearly designate money for statewide elections, and the agency's been dipping into excess from previous years to pay for the basics.

Its operating budget is enough to pay salaries, but not other operating costs, including rent, utilities, supplies, vehicles and data-processing for voter registration.

The three main duties of the commission are voter registration, statewide voting, and poll workers' training and certification. It also produces voter registration lists and builds the database that municipalities use to load ballots for municipal elections.

"We're surviving on our agency funds plus election money. We're able to meet customers' needs now," Whitmire said. "If either one of those pots of monies decreased, we'd have problems. The fixed costs can't be reduced. ... There is no more meat on the bone to cut."

The agency's saved money by renegotiating contracts and cutting travel, cell phones and staff. Several years ago, all 19 1/2 of the agency's allowed positions were filled. The number briefly dropped to 10 last year. Thirteen people now
work at the agency, which is poised to add a 14th.

"That's really our baseline level," Whitmire said. "We couldn't operate on 10."

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Associated Press writer Tom Breen contributed to this report from Raleigh. Adcox reported from Columbia, S.C.