
1986 ANNUAL REPORT



TABLE OF CONTENTS

THE COMMISSION	1
MESSAGE FROM THE CHAIRMAN	2
COMMISSION STAFF AND TABLE OF ORGANIZATION	3
MESSAGE FROM THE EXECUTIVE DIRECTOR	4
COMPLIANCE AND INFORMATION SECTION	5
LEGAL SECTION	7
REVIEW AND INVESTIGATION SECTION	9
GUBERNATORIAL PUBLIC FINANCING SECTION	10
ADMINISTRATION SECTION	11
1986 AND 1987 BUDGET OVERVIEW	12

THE COMMISSION

ANDREW C. AXTELL, CHAIRMAN

Mr. Axtell is serving his third term as Commissioner. Named Chairman in 1982, he is a businessman who also serves on the Board of Directors of the Afro-American Purchasing Commission (N.Y., N.Y.). Mr. Axtell is also President and a partner of Parkhurst Realty Company of Newark. He is a member of the Board of Directors of the Dreyfus Consumer Bank of East Orange, former Councilman and Mayor of Livingston, former Chairman of the Essex County Republican Committee, and former member of the State Republican delegations to the National Conventions of 1960, 1964, and 1976. Mr. Axtell also served as a Commissioner on the Port Authority of New York and New Jersey from 1970-1976, and is a Trustee of the East Orange General Hospital. Mr. Axtell is married to the former Ruth Cunningham and has two children.

ALEXANDER P. WAUGH, JR., VICE CHAIRMAN

Mr. Waugh is serving his second term as Commissioner. Vice Chairman since 1984, Mr. Waugh is a partner in the Princeton law firm of Smith, Stratton, Wise, Heher and Brennan. Mr. Waugh also serves as Vice Chair of the New Jersey Supreme Court's District VII Ethics Committee and as a member of the New Jersey Supreme Court's Committee on Civil Practice. Mr. Waugh was an assistant counsel to former Governor Brendan Byrne from 1978 through 1980.

Married to the former Anne Christie, Mr. Waugh lives in Pennington with his wife and their two children.

HAYDN PROCTOR, COMMISSIONER

Haydn Proctor is serving his second term on the Commission. A former Associate Justice of the New Jersey Supreme Court, Justice Proctor served in both the General Assembly and the State Senate. Chairman of the Joint Appropriations Committee in 1941 and 1943, Justice Proctor was Senate Majority Leader in 1945 and Senate President in 1946.

A delegate to the New Jersey Constitutional Convention of 1947, Justice Proctor resides in Interlaken with his wife, the former Dorothy Young. The couple has two daughters.



OWEN V. McNANY, III, COMMISSIONER

Mr. McNany is serving his second term on the Commission. He is President and Director of Yorkwood Savings and Loan Association and President and Director of the Crestwood Service Corporation. Involved in both the civic and political life of the State, Mr. McNany is active with many business and professional associations. He is the State Director of the Institute of Financial Education of the U.S. League of Savings Associations and is a trustee and Vice President of the Hospital Center at Orange, New Jersey. Mr. McNany and his wife, the former Patricia Beury, have four children and reside in Maplewood, New Jersey.

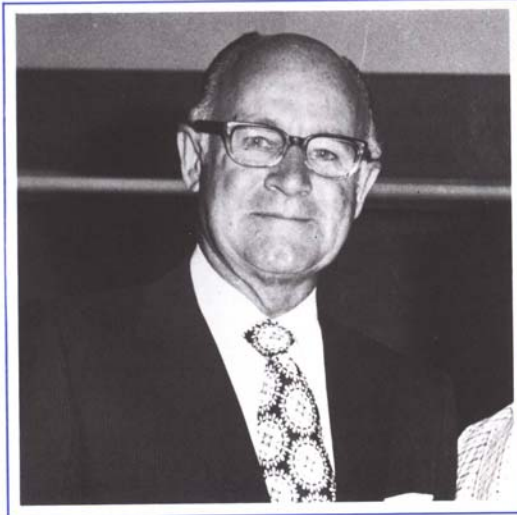
EDWARD J. FARRELL, GENERAL COUNSEL

Edward J. Farrell has been General Counsel to the Commission since its inception in 1973. He is senior partner in the firm of Farrell, Curtis & Davidson.

FREDERICK M. HERRMANN, PH.D., EXECUTIVE DIRECTOR

Frederick M. Herrmann worked for the New Jersey Legislature in the area of election law for eight years before coming to the Commission. He holds a doctorate in American political history; has taught at Rutgers University and Kean College; and is the author and co-author of numerous books, articles, and reviews in New Jersey history. Dr. Herrmann is the Executive Vice Chairman of the Northeastern Regional Conference on Lobbying and a member of the Steering Committee of the international Council on Governmental Ethics Laws.

MESSAGE FROM THE CHAIRMAN



As Chairman of the New Jersey Election Law Enforcement Commission, I am honored to present this report to the members of the Legislature.

The year 1986 was a very important one in the life of the Commission. Not only did the Commission continue its efforts to make its procedures more simple and understandable, but it redoubled its efforts toward better informing the public about the role of money in campaigns.

In addition, the Commission took a very active part in the attempt to modify the Gubernatorial Public Financing Program. Besides conducting a public hearing on the program early in the year, it also produced a comprehensive report which contains several recommendations for improving gubernatorial financing in New Jersey.

Among the recommendations, which work to preserve public funds, reduce the influence of special interests, and enable qualified candidates of limited means to run for governor, by far the most innovative is one which ties all thresholds and limits to the Consumer Price Index. This proposal keeps the program apace with campaign inflation.

In 1986, the Commission spent a great deal of energy in a successful campaign to boost compliance. The campaign was undertaken in two distinct, but related, ways. First, new initiatives were taken by the Compliance and Information Section to reach out to the candidates, treasurers, and political committees, and other reporting entities to better acquaint them with their filing responsibilities. Second, a truly concentrated effort was made in the area of enforcement, culminating in the most complaints ever initiated by the Commission in one year.

This approach resulted in a compliance rate which reached an all-time high in 1986.

As you can see, significant progress was made by the Commission last year in fulfilling its role in monitoring the financial aspects of the electoral process.

On behalf of the members, I would like to pledge the Commission's continued adherence to the tradition of public trust it has always maintained throughout the years.

Cordially,

A handwritten signature in blue ink that reads "Andrew C. Axtell". The signature is written in a cursive style.

Andrew C. Axtell

COMMISSION STAFF AND TABLE OF ORGANIZATION

Frederick M. Herrmann, Ph.D., Executive Director
 Jeffrey M. Brindle, Deputy Director
 Josephine A. Hall, Executive Secretary

LEGAL

Gregory E. Nagy, Esq., Staff Counsel and Director
 Nedda Gold Massar, Esq., Assistant Staff Counsel
 Carol Neiman, Secretary

COMPLIANCE AND INFORMATION

Evelyn Green, Esq., Director
 R. David Rousseau*, Senior Compliance Officer
 Donna Saczynski, Assistant Compliance Officer
 Shirley Thorpe, Computer Technician
 Kim Rivera-Key, Clerk
 Evelyn Robeson, Clerk
 Ivestia Williams, Clerk
 Darlene Creighton, Clerk
 Nellie Rivera, Clerk
 Jose Zayas, Messenger
 Myra Negron, Messenger
 Carol Killings, Data Processing Operator
 Brenda Brickhouse, Data Processing Operator
 Barbara Counts, Principal Clerk Typist

ADMINISTRATION

Richard J. Magee, Director
 Donna D. Margetts, Personnel Officer
 Sandra Magee, Administrative Assistant
 Elaine Salit, Bookkeeper
 Debra Kostival, Receptionist
 Irene Comiso, Receptionist

REVIEW AND INVESTIGATION

Cheryl R. Clarke, Esq., Director
 Sheila E. Becker, Senior Investigator
 John Hulick, Senior Report Examiner
 Vratislav Pechota, Assistant Report Examiner
 James Wojtowicz, Assistant Report Examiner
 Beverly Dixon, Secretary

GUBERNATORIAL PUBLIC FINANCING

Peter D. Nichols*, Director

*Departed in 1986

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

TABLE OF ORGANIZATION



MESSAGE FROM THE EXECUTIVE DIRECTOR

The year 1986 was one of important accomplishments at the Election Law Enforcement Commission. It was a time of great growth and development in administrative performance, statutory and regulatory activity, and participation at the regional and even international levels.

Administratively, the past year witnessed the completion of the Administration Section created in 1985. This unit, established to provide organizational support and to perform the numerous administrative tasks so critical to the efficient functioning of the Commission, made major contributions to the overall operation of the office, including continued work on ELEC's in-house computer.

Major progress on the installation of the computer system was made with the addition of legislative tracking and fiscal monitoring capabilities. With the help of the Office of Telecommunications and Information Systems in the Department of the Treasury, the Administration Section worked on establishing an integrated word processing system, which was almost completed. Moreover, the section spearheaded the improvement of the Commission's physical facilities and participated in the removal of hundreds of boxes of surplus records to outside storage facilities, thereby creating more office space and removing a fire and shelving hazard.

During 1986, ELEC published its first newsletter, the ELEC Bulletin. The newsletter will improve the Commission's visibility and aid filers in their compliance with the law.

There were significant developments in the statutory and regulatory areas, as well. A number of bills to amend the Campaign Act that were based on recommendations made by the Commission in its 1985 Annual Report began moving through the legislative process. Should these bills be enacted, the Commission would gain a greater measure of autonomy and jurisdiction over issues related to the Commission's primary focus, the disclosure of campaign contributions and expenditures. Candidates would be provided with simplified, but still comprehensive, filing requirements.

In addition, the Commission proposed, and subsequently adopted, a set of regulations to clarify the long troubling question of the use of surplus campaign funds, an area still



in need of some attention by the Legislature. ELEC also set forth a series of recommendations in its report entitled, *New Jersey Public Financing 1985 Gubernatorial Elections*. All these recommendations were designed to improve the distribution of public money in gubernatorial primary and general election campaigns. Dr. Herbert E. Alexander, a nationally recognized expert in the field of public funding, served as the Commission's consultant in producing this report.

The Commission was also active in promoting governmental ethics outside of New Jersey. Over the summer, in my capacity as Executive Vice Chairman of the Northeastern Regional Conference on Lobbying, I participated in a one-day lobbying program in Baltimore, which was also attended by five senior staff members. In December, Staff Counsel Gregory E. Nagy and I served as panelists at the annual meeting of the international Council on Governmental Ethics Laws (COGEL) in Hartford, Connecticut. Vice Chairman Alexander P. Waugh, Jr., General Counsel Edward J. Farrell, and Deputy Director Jeffrey M. Brindle were also in attendance. At that time, I was also named to the COGEL's Steering Committee and became the Membership Chairperson for 1987.

All in all, this past year was a period of progress for the Commission and a time of which we are all very proud. As 1987 begins, we look forward to serving the cause of ethical government in New Jersey for many years to come.

Sincerely,

A handwritten signature in blue ink that reads "M Herrmann". The signature is stylized and cursive.

Frederick M. Herrmann, Ph.D.

COMPLIANCE AND INFORMATION SECTION

The Compliance and Information Section's accomplishments were significant in 1986.

First and foremost, efforts to assist candidates, political committees, continuing political committees and lobbyists to meet their filing requirements were redoubled.

COMPLIANCE

In order to improve compliance with election financial reporting laws, the section designed a new system to help county and municipal clerks record the names of candidates and treasurers who obtain forms from them. Not only does the new system aid compliance, but it also enables the Legal Section to confirm that the necessary forms were received by the candidates' campaign committees during the course of enforcement procedures.

The Compliance and Information Section also helped candidates meet the requirements of the Campaign Act by conducting eighteen informational and instructional sessions throughout the State. This broadened appeal reached over 1,000 candidates and treasurers, helping to acquaint them with their individual filing responsibilities.

Needless to say, these initiatives, combined with the Commission's other efforts to inspire timely reporting, advanced compliance in a meaningful way. Overall compliance with election disclosure laws reached a new high in 1986.

INFORMATION

In addition to intensifying its efforts to improve compliance, this section also endeavored to satisfy the public's desire for campaign-related information, as well as to enhance the public's acquaintance with the Commission's role in the election process.

During 1986, the section processed 16,000 reports. Concurrently, it responded to a monthly average of 92 requests for information from the press and the public. Moreover, a monthly average of 1,300 telephone inquiries received responses from ELEC's staff.

To further help the public obtain information on file at the Commission's offices, a new and streamlined request form was devised last year, accelerating the retrieval process and response time considerably.

Besides these activities, the Compliance and Information Section was instrumental in developing two new publications. First, the ELEC Bulletin, mailed to well over 2,000 individuals and organizations, constitutes an excellent source of campaign-related information for people interested in the campaign financial disclosure process. Second, a guidebook to computer access provides an easy to understand reference to obtaining information on legislative elections and PAC activity from ELEC's computer. These publications will help to improve the Commission's ability to fulfill its responsibilities as the key disclosure component in New Jersey's system of elections.

Formed in 1985 as the result of an agency-wide reorganization, the Compliance and Information Section is fundamental to ELEC's effort to insure accountability in the electoral process through the availability of information. Holding joint responsibility with the Administration Section for the ongoing installation of the Commission's new computer system, the section's value is steadily increasing.

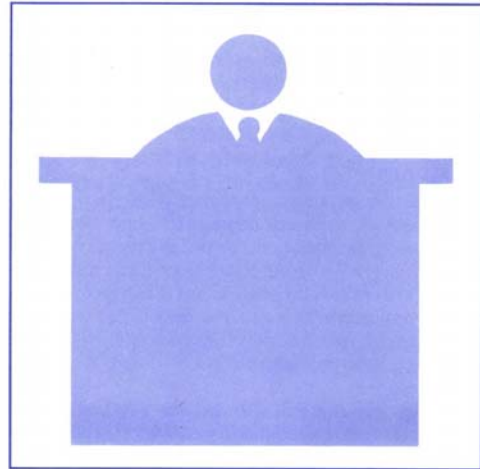


COMPLIANCE AND INFORMATION SECTION *Continued*

DATA PROCESSING

In 1986, great strides were made in data processing. The Commission's computer data base is arranged into four modules: public financing, campaign reporting, PAC and political party committee reporting, and lobbying. The Commission plans to add a legal program in the future. During the past year, these four programs were in the time-consuming process of installation, promising future enhancement of the Commission's ability to insure compliance with election financing laws and to distribute more and more campaign financial information to the public.

The Compliance and Information Section functions to process, maintain and disclose information and to facilitate compliance with campaign financing and lobbying disclosure laws. In 1986, this section surpassed even its previous achievements in this area, promising to be even more productive in the future.



LEGAL SECTION

The Legal Section's enforcement activity reached a Commission high in 1986.

Through an increasingly effective exercise of the Commission's statutory authority, the section initiated 628 complaints last year, as compared to 396 complaints begun in 1985. The 1986 figure represents the most complaints ever started in one year by the agency.

The 1986 enforcement activity can be summarized as follows:

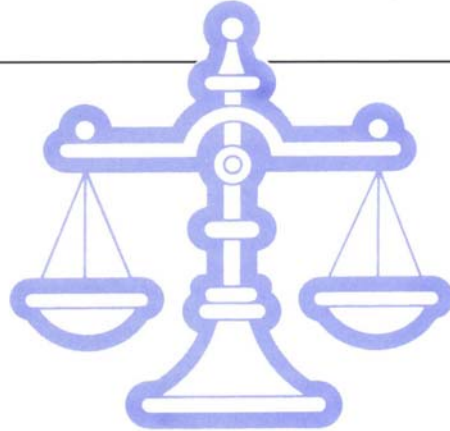
A. Cases Initiated or Carried Over	
cases carried over from 1985	136
complaints initiated in 1986	<u>628</u>
total 1986 cases	764
B. Disposition:	
fines	302
reprimands	134
admonishments	2
dismissals	<u>54</u>
final decisions	492
cases carried over to 1987	<u>272</u>
	764

FINE COLLECTION

Fine collection from candidates and treasurers of political committees also exceeded 1985 levels. In all, a total of \$23,865 in fines was collected during the past year, as compared to \$21,000 in 1985.

ADVISORY OPINIONS

The Legal Section, in conjunction with the Commission's General Counsel, was also active in the area of advisory opinions during 1986. A total of ten requests for advisory opinions were received, one of which was eventually withdrawn. The Commission issued nine opinions: two concerned permissible uses of surplus campaign funds (AO's Nos. 1 and 2 - 1986), two concerned closing the accounts of partially-funded gubernatorial candidates (AO's Nos. 3 and 5 - 1986), three concerned reporting requirements for campaign literature (AO's Nos. 4, 9 and 10 - 1986), one concerned quarterly reporting by a continuing political committee and its related trade association (AO No. 7 - 1986), and one concerned reporting requirements for circulation of petitions to put a public question on the ballot (AO No. 8 - 1986).



REGULATORY ACTIVITY

Regulatory activity is another important function of the Legal Section. During 1986, the following regulatory actions were taken by the Commission:

- (1) readoption of the public financing regulations for the gubernatorial primary and general elections,
- (2) adoption of regulations dealing with the designation of joint campaign funds and setting forth filing liabilities,
- (3) adoption of regulations concerned with the reporting of contributions by a continuing political committee received prior to an election,
- (4) adoption of regulations dealing with the reporting of inaugural event contributions, and
- (5) adoption of regulations outlining default procedures for failure to answer a Commission complaint.

The Commission also proposed regulations governing the permissible uses of surplus campaign funds, which were not adopted until 1987.

LEGISLATIVE REVIEW

In addition to these vital functions, the Legal section also reviewed several legislative proposals during 1986, suggesting some important modifications along the way. These included:

- (1) a comprehensive revision of the public financing statutes that would, among other things, adjust various thresholds, remove the expenditure limit, and index contribution and other limits to the Consumer Price Index; and,

LEGAL SECTION Continued

- (2) three interrelated bills that together would implement changes in “The Campaign Contributions and Expenditures Reporting Act” that were recommended in the 1984 and 1985 Annual Reports of the Commission. These changes include extending civil jurisdiction to ELEC to impose penalties on corporations making prohibited contributions and on individuals responsible for circulating campaign literature without a disclaimer identifying the source of payment. They also include provisions which exempt candidates for municipal charter study commissions and special taxing district elections from the reporting requirements; adjust postelection reporting for candidates by substituting quarterly reports for 60-day reports; raise from \$1,000 to \$2,000 the level at which ELEC may administratively terminate postelection reporting; increase the terms of Commission members from 3 to 5 years; lengthen the response time for advisory opinion requests from 10 to 35 days; adjust the 48-hour notice requirement by raising the reporting threshold from \$250 to \$500; and adjust the reporting of individual independent expenditures by raising the threshold from \$100 to \$1,000. Finally, these bills would require identification of the employer and occupation of a contributor making a contribution of more than \$100.

Needless to say, the Legal Section is essential to the enforcement efforts of the Commission. However, it is an equally important part of the day-to-day operations of the Commission. Whether it be in reviewing legislation, litigating cases, collecting fines, preparing regulations, or assisting in preparing advisory opinions, the section is critical to the smooth functioning of the Commission. It is clear that in 1986, the section did its job well.

SUGGESTED LEGISLATION FOR 1987

- Legislation to finetune the public financing of gubernatorial elections, as recommended in the Commission’s September, 1986 report. These recommendations include: elimination of the expenditure limit, alteration of the funding formula to preserve public money, and adjustment of the formula by the Consumer Price Index (CPI) to take account of inflation and deflation.
- Legislation to provide quarterly reporting for any gubernatorial inaugural event that is unable to conclude activity within the current 45-day period provided in the statute.
- Legislation to regulate the use of surplus funds, particularly with respect to whether or not these funds should be used for supporting Legislative district offices or other constituent services. This legislation would also clarify the use of continuing political funds.
- Legislation to require elective officeholders to file reports for gifts or other benefits received while they are in office.
- Legislation to increase the threshold requiring the identification of contributors from in excess of \$100 to in excess of \$200.
- Legislation to raise the threshold from \$250 to \$500 for 48-hour identification of contributors immediately before an election.
- Legislation to raise the threshold for requiring reporting by persons making independent expenditures from \$100 to \$1,000.
- Legislation to permit candidates and committees required to file 60-day postelection reports to file quarterly reports instead.
- Legislation to increase the length of the term of each Commissioner from 3 to 5 years.
- Legislation to increase the time for responding to a request for an advisory opinion from 10 to 35 days.
- Legislation to delete special district elections, including fire districts and municipal charter change elections, from the Reporting Act.
- Legislation to establish civil jurisdiction in the Commission to enforce the provisions concerning prohibited contributions by insurance companies, banks, other regulated industries, and political parties in primary elections.
- Legislation to establish civil jurisdiction in the Commission to enforce requirements that political literature identify the person or entity which paid for it.
- Legislation to increase the threshold of administrative termination from \$1,000 to \$2,000.
- Legislation to include candidates as well as committees in the administrative termination process.
- Legislation to establish a unitary lobbying reporting system as recommended in the December, 1982 Joint Report of the Attorney General and the Commission.
- Legislation to combine the personal financial disclosure statements required of candidates for legislative office and of members of the Legislature.
- Legislation to adjust the Commission’s penalty provisions for inflation and deflation.

REVIEW AND INVESTIGATION SECTION

The Review and Investigation Section, established in 1985 as the result of an agency-wide reorganization, reviews reports in an effort to ensure compliance and uncover potential violations of the Campaign Act. In 1986, the Review and Investigation Section fulfilled this responsibility in exemplary fashion. By improving procedures and employee training, this section completed a greater number of investigations than at any time in the past four years.

INCREASE IN COMPLETED INVESTIGATIONS

The following table provides a comparison of cases opened and investigated since 1983.

	OPENED	COMPLETED
1983	128	102
1984	129	66
1985	127	95
1986	95	128

These statistics demonstrate the success of the section's increased investigative efforts. There was a 26 percent increase in completed investigations over 1985 and a 94 percent increase over 1984.

ORGANIZATION OF STAFF

The Review and Investigation Section is divided into two units: desk auditors (review staff) and field auditors (investigative staff). The review staff initiates many investigations by identifying possible problems during its review of campaign reports. These cases are then referred to the investigative staff, whose principal task is to undertake more thorough investigations, which often includes work in the field.

TRAINING PROGRAM

In addition to the noteworthy improvement in the number of investigative cases completed, the Review and Investigation Section also further refined its training program for newly hired desk auditors. The two-week program, first instituted in 1985, provided new hires with basic information about the Commission and its reporting requirements. Moreover, it trained new review staff in the specific skills needed to meet their responsibilities. Final-



ly, the training manual, used daily as a reference guide by staff and requested by many out-of-state sister agencies, was updated and further improved in 1986. The Commission believes that this training program contributed greatly to the overall increase in completed investigative cases.

PROCEDURES

Building upon its efforts to streamline and improve procedures in 1985, the Review and Investigation Section continued to make advances in this vital area in 1986. This progress, combined with better efficiency due to the agency's computerization, enabled the staff to complete its tasks more expediently than ever before.

An essential part of the New Jersey Election Law Enforcement Commission, the Review and Investigation Section reviews a very large number of reports each year. When a possible violation is discovered, or a member of the public makes a specific complaint, the investigative staff conducts field reviews of the financial records of candidates, political committees, PAC's, and lobbyists to ensure that appropriate disclosure has been made. Moreover, as a matter of routine policy, the section conducts detailed reviews of all county political party committees and the State political party committees.

In 1986, the Review and Investigation Section substantially enhanced its capacity to complete investigative cases, contributing significantly to the preservation of accountability in the State's electoral process. In the years ahead, the section plans to continue its excellent record.

GUBERNATORIAL PUBLIC FINANCING SECTION

The Public Financing Program constitutes a major responsibility of the Commission. First administered in 1977, the program has enabled candidates to conduct their campaigns free from improper influence. Supported by the State income tax check-off provision, it has also allowed persons of limited financial means to seek election to the State's highest office.

PUBLIC FINANCING REPORT

Because there was no gubernatorial campaign in 1986, the public financing program was not formally in operation. Nevertheless, much work was undertaken in behalf of the program last year, including the publication of a report on the gubernatorial elections of 1985. This report outlined the Commission's recommendations for reforming the program in order to adapt it to the demands of the future. It has always been considered an important part of the Commission's responsibility in the Public Financing Program.

Essentially, the report contained twelve recommendations for reforming public funding, all consistent with the three goals of the program, which are: (1) to enable candidates of limited personal wealth to run for Governor, (2) to keep gubernatorial contests free from improper influence, and (3) to preserve the fiscal integrity of the program.

CONSUMER PRICE INDEX

The automatic adjustment of all thresholds and limits by the Consumer Price Index (CPI) is undoubtedly the broadest proposal. This recommendation would keep the thresholds and limits in line with inflation. Moreover, this adjustment would occur on a regular basis without action by the Legislature and the Governor, although they would retain the power to revise the law at anytime.

This proposal closely tracks the Presidential financing program, with one important exception. The Commission's proposal calls for the indexing of the contribution limit, something not done by either the federal government or any other state.

EXPENDITURE LIMITS AND CONSERVATION OF PUBLIC FUNDS

The Commission has renewed its recommendation that expenditure limits be abolished, believing that there is no

need for these caps to ensure the goal of controlling improper influence, as long as the contribution limit is in place.

In addition, the Commission recommends changes that would reduce the overall amount of public money spent in future gubernatorial elections. For instance, the report calls for the qualifying threshold to be raised to \$100,000, for the adoption of continuing thresholds in units of \$25,000, for the public-private funds matching ratio to be reduced from two-for-one to one-for-one, for the increase of the contribution limit to \$1,200, and for the reduction of the public financing cap in both the primary and general elections.

Using the 1985 experience as a basis for comparison, the Commission estimates that \$1.1 million in the primary and \$758,000 in the general election would be saved as a result of its recommendations. In the months ahead, the Commission hopes that its recommendations will stimulate debate and eventual agreement which will lead to the improvement of the program.

OTHER RESPONSIBILITIES

In addition to publishing its comprehensive report, the Commission's staff worked on numerous other responsibilities involving the Public Financing Program. These included the completion of audits on the primary and general elections, retrieval of all surplus campaign funds in gubernatorial accounts, continuous review of gubernatorial campaign reports, and development of advisory opinions relative to the financing program. Experience has shown that these responsibilities take a substantial amount of regular staff time to complete, prompting the Executive Director to request permission from the Office of Management and Budget in the Department of the Treasury to hire a full-time public financing director.

The Commission takes its responsibility to administer an excellent public financing program extremely seriously. Its activities in this area are designed to bring about continued improvement in the program as New Jersey approaches the 1989 gubernatorial election.

ADMINISTRATION SECTION

During its first full year, the Administration Section helped to modernize the agency and enable it to meet its ever-increasing fiscal and personnel demands.

An essential arm of the Commission, the Administration Section is designed to provide management support services for the other sections, as well to undertake a variety of administrative duties so necessary to a professionally run state agency.

BUDGET MANAGEMENT

During 1986, the Administration Section played an important part in formulating and then managing the Commission's first million dollar budget. With the authorization of an additional \$60,000 for three new positions in the area of administration, the section oversaw an operating budget totalling \$1,013,000.

In addition to overseeing the introduction of the fiscal year 1987 budget, the section also undertook the arduous task of planning and preparing the agency's fiscal year 1988 budget proposal. As a result of these efforts, the Executive Director was able to propose a budget containing a modest 2.7% increase over the current fiscal year. This proposal includes both a request to make a temporary computer technician position permanent and a request to make a temporary Assistant Compliance Officer permanent.

WORD PROCESSING

The Administration Section, with assistance from the Office of Telecommunications and Information Systems (OTIS) in the Department of the Treasury and the Commission's Compliance Section, coordinated the introduction of an upgraded wordprocessing system. This new system, expected to be fully operational in 1987, includes a total of four workstations, two high-speed laser printers, and an Okidata printer. It will substantially improve the efficiency of the secretarial staff and thereby the delivery of services to the public.

Also in the area of computerization, the Administration Section installed a terminal to access the Department of Treasury's fiscal data network. This addition dramatically improves the Commission's ability to "balance the books" as well as its ability to plan prudently for the future.



PERSONNEL

Besides its significant responsibilities in the areas of budget, management, and computerization, the Administration Section is also responsible for personnel. With responsibilities for evaluating employees, meeting the payroll, processing salary actions, and hiring, the section is a key part of the Commission's human resource management function, which include the agency's affirmative action goals.

The section was very active in the area of personnel in 1986, especially in developing job descriptions for the new positions authorized by the Governor and Legislature last year. Moreover, the section worked hard to help the Commission comply with an Executive Order requiring agencies to make hourly positions permanent.

In essence, the Administration Section is a critical part of the Election Law Enforcement Commission. Completing its first full year as a formal unit in the agency, the section is designed to handle fiscal and personnel responsibilities, purchase and contract negotiations. The effective functioning of the Commission's day-to-day operations is dependent upon the Administration Section.

1986 AND 1987 BUDGET OVERVIEW

In 1986, the Commission increased the number of full-time budgeted positions to 26. This increase of two was for administrative purposes. During 1986, the Commission phased out the Public Financing staff, utilized so effectively during the 1985 gubernatorial elections, and thus had no separate section of public financing employees for much of 1986. In addition, part-time hourly employees are occasionally used to help with professional and clerical backlogs.

The following budgetary chart includes the Public Financing Program budget for both years:

COMPARISON OF FISCAL YEARS 1986 AND 1987 APPROPRIATIONS

	1986 Adjusted Appropriation	1987 Adjusted Appropriation
Personnel	\$ 672,000	\$ 733,000
Printing Supplies	39,000	40,000
Household	0	0
Travel	7,000	7,000
Telephone	15,000	16,000
Postage	19,000	18,000
Insurance	0	0
Data Processing	52,000	81,000
Professional Services	41,000	38,000
Other Services	17,000	19,000
OTIS	0	11,000
Maintenance/Equipment	1,000	1,000
Rent	0	0
Central Motor Pool	4,000	4,000
Furniture/Equipment	15,000	15,000
Commissioner Per Diem	30,000	30,000
Total Operational	\$ 912,000	\$1,013,000
Gubernatorial Public Financing	\$3,000,000	\$ 0