

### 0890 Secretary of State

The Secretary of State, a constitutionally established office, is the chief elections officer of the state and is responsible for the administration and enforcement of election laws. The Office is also responsible for administering and enforcing laws pertaining to filing documents associated with corporations, limited liability companies, partnerships, limited partnerships, unincorporated associations and pertaining to filing bonds and perfecting security agreements. In addition, the Office is responsible for commissioning notaries public, enforcing the notary laws, and in conjunction with being the home of the State Archives, preserving documents and records having historical significance. The Secretary of State is the filing officer for lobbying and campaign registration and disclosure documents filed under the Political Reform Act. The Secretary of State also operates the Safe At Home program, maintains the Domestic Partners and Advanced Health Care Directives Registries, provides support functions for the Voting Modernization Board, and is home to the California Museum for History, Women and the Arts.

Policy associated with the administration of the Office is accomplished through the divisions of Elections, Political Reform, Business Programs, Archives, Information Technology, and Management Services.

#### 3-YR EXPENDITURES AND PERSONNEL YEARS

|  |  | Personnel Years |              |              | Expenditures     |                  |                  |
|--|--|-----------------|--------------|--------------|------------------|------------------|------------------|
|  |  | 2010-11         | 2011-12      | 2012-13      | 2010-11*         | 2011-12*         | 2012-13*         |
| 10   | Filings and Registrations                    | 258.5           | 260.6        | 268.8        | \$44,109         | \$51,735         | \$52,579         |
| 20   | Elections                                    | 60.3            | 60.2         | 58.6         | 81,332           | 101,384          | 38,055           |
| 30   | Archives                                     | 25.7            | 26.7         | 25.8         | 10,530           | 10,857           | 10,897           |
| 40   | DOJ Legal Services                           | -               | -            | -            | -                | -                | 333              |
| 50.01  | Administration and Technology                | 117.8           | 100.7        | 97.8         | 16,351           | 23,793           | 23,962           |
| 50.02  | Distributed Administration and Technology    | -               | -            | -            | -16,351          | -23,793          | -23,962          |
| <b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b> |  | <b>462.3</b>    | <b>448.2</b> | <b>451.0</b> | <b>\$135,971</b> | <b>\$163,976</b> | <b>\$101,864</b> |
| <b>FUNDING</b>   |  |                 |              |              | <b>2010-11*</b>  | <b>2011-12*</b>  | <b>2012-13*</b>  |
| 0001   | General Fund                                 |                 |              |              | \$70,063         | \$30,989         | \$31,558         |
| 0228   | Secretary of State's Business Fees Fund      |                 |              |              | 36,887           | 38,653           | 40,231           |
| 0890   | Federal Trust Fund                           |                 |              |              | 4,787            | 82,315           | 18,849           |
| 0995   | Reimbursements                               |                 |              |              | 24,204           | 9,520            | 9,628            |
| 3042   | Victims of Corporate Fraud Compensation Fund |                 |              |              | 30               | 2,499            | 1,598            |
| <b>TOTALS, EXPENDITURES, ALL FUNDS</b>                   |  |                 |              |              | <b>\$135,971</b> | <b>\$163,976</b> | <b>\$101,864</b> |

#### LEGAL CITATIONS AND AUTHORITY

##### DEPARTMENT AUTHORITY

The California Constitution, Article 5, Section 11, Government Code Sections 12159-12179.1.

##### PROGRAM AUTHORITY

10-Filings and Registrations:

Corporations Code, Titles 1-3; Government Code, Sections 1363., 6206, 6206.4, 6206.5, 6208, 6208.5, 6215.2, 6215.3, 6215.7, 6215.9, 6503.5, 6503.7, 6518, 7220, 7222, 7223, 7225, 7226, 7227, 7229, 8200, 8201, 8201.1, 8201.2, 8201.5, 8202.5, 8203.1-8203.4, 8204.1, 8205, 8206, 8207, 8207.1, 8207.2, 8207.3, 8213, 8213.6, 8214.1, 8214.15, 8214.21, 8214.23, 8214.4, 8214.5, 8214.8, 8216, 8219.5, 8220, 8222, 8228, 12160, 12163, 12168, 12168.5, 12168.7, 12176, 12177, 12178.1, 12179.1, 12180, 12181, 12182, 12182.1, 12183-12197, 12261, 12262, 12263, 23712-23714, 34459-34461, and 53051; Business and Professions Code, Sections 14207, 14209, 14215, 14220, 14225, 14230, 14235, 14240, 14417, 14427, 14461, 14482, 14483, 14492, 17533.6, 17537.9, 17550 et seq., 18896 et seq., 22370 et seq., 22441.11, 22442.4, 22443.1, 22908-22912, 22914, 22916, 22917, 22920, 22921, and 22923, ; Civil Code, Sections 912, 1195, 1363.5, 1363.6, 1789.10 et seq., 1812.50 et seq., 1812.80 et seq., 1812.100 et seq., 1812.503., 1812.510, 1812.515, 1812.525, 1812.600, and 3344.1; Commercial Code, Sections 9501, 9509, 9512-9516, 9518, 9519-9523, and 9525-9528; Code of Civil Procedure, Sections 488.375, 488.405, 697.510, 697.550, 697.570, 697.580, 697.640-697.670, 2101, and 2103-2105; Family Codes, Section 297, 298, 298.5, 299; Section 14101.6, 14315; Insurance Code, Section 709.5; Food and Agriculture Code, Sections 54040, 54081-54083, 55702, 57405, 57408-57411, 57414, 57512, 57516-57517, 57519, 57530, 57531, and 57561 et seq.; Probate Code, Section 4800-4806; Vehicle Code, Section 40305.5; California Code of Regulations, Title 2, Sections 20800 et seq., 21000 et seq., 21900 et seq., 22100 et seq., 22500 et seq., 22600 et seq., and 22610.1 et seq.

20-Elections:

California Constitution, Article XVI, Section 1; California Elections Code, Section 10; California Government Code, Section 12172.5; Help America Vote Act of 2002 (Public Law 107-252) and other federal elections law; Government Code, Title 9.

\* Dollars in thousands, except in Salary Range.

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30-Archives:

Chapter 1, Statutes of 1850; Government Code, Sections 6204, 6268, 9080, 9149.9, 11347.3, 12153, 12174, 12220-12237, 14755-14756, and 14765-14768; Civil Code, Sections 1798.24, and 1798.64; Evidence Code, Section 1605, and Military and Veterans Code, Section 1360.

## DETAILED BUDGET ADJUSTMENTS

|  | 2011-12*      |                |                 | 2012-13*      |                  |                 |
|--|---------------|----------------|-----------------|---------------|------------------|-----------------|
|  | General Fund  | Other Funds    | Personnel Years | General Fund  | Other Funds      | Personnel Years |
| <b>Workload Budget Adjustments</b>                               |               |                |                 |               |                  |                 |
| <b>Workload Budget Change Proposals</b>                          |               |                |                 |               |                  |                 |
| • SB 636: Internet Disclosure Prohibition (Safe at Home Program) | \$-           | \$-            | -               | \$42          | \$-              | 0.5             |
| • HAVA VoteCal   | -             | -              | -               | -             | 14,428           | -               |
| • HAVA Amended Spending Plan                                     | -             | -              | -               | -             | 4,421            | -               |
| • SB 201: Creation of Flexible Purpose Corporations              | -             | -              | -               | -             | 64               | 0.5             |
| <b>Totals, Workload Budget Change Proposals</b>                  | <b>\$-</b>    | <b>\$-</b>     | <b>-</b>        | <b>\$42</b>   | <b>\$18,913</b>  | <b>1.0</b>      |
| <b>Other Workload Budget Adjustments</b>                         |               |                |                 |               |                  |                 |
| • Employee Compensation Adjustments                              | -\$109        | -\$256         | -               | \$54          | \$139            | -               |
| • Retirement Rate Adjustment                                     | 50            | 143            | -               | 50            | 143              | -               |
| • One Time Cost Reductions                                       | -             | -              | -               | -             | -83,055          | -               |
| • Operational Efficiency Plan                                    | -775          | -310           | -               | -775          | -310             | -               |
| • Miscellaneous Adjustments                                      | 703           | 1,852          | 6.7             | 250           | -904             | 8.5             |
| <b>Totals, Other Workload Budget Adjustments</b>                 | <b>-\$131</b> | <b>\$1,429</b> | <b>6.7</b>      | <b>-\$421</b> | <b>-\$83,987</b> | <b>8.5</b>      |
| <b>Totals, Workload Budget Adjustments</b>                       | <b>-\$131</b> | <b>\$1,429</b> | <b>6.7</b>      | <b>-\$379</b> | <b>-\$65,074</b> | <b>9.5</b>      |
| <b>Policy Adjustments</b>  |               |                |                 |               |                  |                 |
| • California Business Connect IT Project                         | \$-           | \$-            | -               | \$-           | \$2,414          | -               |
| • Business Fees Fund Augmentation                                | -             | -              | -               | -             | 1,149            | -               |
| • DGS Rate Increases   | -             | -              | -               | 817           | 259              | -               |
| <b>Totals, Policy Adjustments</b>                                | <b>\$-</b>    | <b>\$-</b>     | <b>-</b>        | <b>\$817</b>  | <b>\$3,822</b>   | <b>-</b>        |
| <b>Totals, Budget Adjustments</b>                                | <b>-\$131</b> | <b>\$1,429</b> | <b>6.7</b>      | <b>\$438</b>  | <b>-\$61,252</b> | <b>9.5</b>      |

## PROGRAM DESCRIPTIONS

## 10 - FILINGS AND REGISTRATIONS

The Business Programs Division is the first stop for anyone wanting to do business in California. The California Business Portal provides online resources and services to businesses, connecting people with electronic versions of important documents and handbooks, searchable lists of registered businesses, a step-by-step guide to starting a business, and assistance for international businesses wanting to operate in California.

The Business Entities Section files articles of incorporation, foreign qualifications, and other related documents to ensure that corporations and other business entities are properly formed, merged, amended, and dissolved in compliance with California law.

The Uniform Commercial Code Section provides for the filing of documents that allow lending institutions to perfect a security interest in named collateral and to establish a priority scheme for property repossession in case of debtor default or bankruptcy.

The Notary Public and Special Filings Section appoints and commissions eligible notaries public. A notary public is a public official who performs services to the legal, business, financial and real estate communities by certifying or witnessing signatures on official documents. Special Filings include trademarks and service marks as well as bonds that certain business entities are required to file, joint power agreements, city and county charters, and claims for successor-in-interest. This Section also has disciplinary functions with regard to notaries public and immigration consultants.

The Safe at Home Program provides address protection, name change confidentiality, and confidential voter registration for survivors of domestic violence and stalking and their family members, and providers, employees, volunteers, and patients of reproductive health care facilities.

\* Dollars in thousands, except in Salary Range.

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The Advance Health Care Directive (AHCD) Registry maintains AHCDs, which allow a person to indicate to their medical treatment preferences if they cannot speak or make decisions for themselves. The AHCD also may designate someone else to make decisions regarding medical treatment. AHCDs and related information can be provided upon request to the registrant's health care provider, public guardian or legal representative.

The Domestic Partners Registry registers same-sex couples regardless of the age of the partners, and opposite-sex couples in which one partner is at least 62 years old, as domestic partners in California when they file a Declaration of Domestic Partnership.

The Victims of Corporate Fraud Compensation Fund provides restitution to victims of corporate fraud who are unable to collect through other means on a judgment against a corporation for corporate fraud.

**20 - ELECTIONS**

The Secretary of State, as California's chief elections officer, has broad responsibility to administer the election process. This program oversees the modernization of voting equipment and the improvement of current electoral database systems, enhancing the voting processes, providing accessibility to voters, working to increase people's knowledge of the electoral system, and establishing a procedure to allow voters to file and have complaints resolved about voting-related issues.

This program includes the campaign and lobbying registration and disclosure provisions of the Political Reform Act of 1974. Under this law, the Office registers all levels of campaign committees, and reviews for compliance with statutory requirements all state-level campaign recipient, major donor, slate mailer, political party, and independent expenditure committees. The program also registers lobbyists, lobbying firms and lobbyist employers, reviews the periodic financial disclosure reports filed by lobbying entities, and publishes a Lobbying Directory both on paper and on the Internet. This program also supports the electronic filing requirements of the Political Reform Act and posts relevant registration and disclosure information to the Office's web site so voters can track where campaign money is raised and spent and what lobbying activity is occurring in state government. A searchable database of campaign and lobbying financial activity is also provided through the web site.

**30 - ARCHIVES**

The California State Archives acquires, indexes, preserves, and provides reference access to irreplaceable historic materials from the three branches of state government. The Archives acquires records that are legally required to be placed there, that possess legal, administrative or evidentiary value, or that have long-term historical significance. Materials of durable value are transferred to the Archives for long-term preservation.

**50 - ADMINISTRATION AND TECHNOLOGY**

This program develops and manages overall policy. It serves as the liaison to other state agencies, the Legislature, the federal government, and other states' Secretaries of State. This program responds to constituent correspondence and requests from the public and advocates in the Legislature, administers the Secretary's role as ex officio member of the World Trade Commission and as a member of the National Association of Secretaries of State, in the management of task forces and advisory committees, in the implementation of new federal and state statutory requirements, and coordinates and disseminates information about the Office and its initiatives to the public. It also provides the Office with the necessary personnel, general administrative, budgeting, fiscal services, and information technology expertise to plan, develop, implement, and operate innovative and effective business and information systems solutions.

**DETAILED EXPENDITURES BY PROGRAM**

|   | 2010-11*        | 2011-12*        | 2012-13*        |
|---|-----------------|-----------------|-----------------|
| <b>PROGRAM REQUIREMENTS</b>                       |                 |                 |                 |
| <b>10 FILINGS AND REGISTRATIONS</b>               |                 |                 |                 |
| <b>State Operations:</b>                          |                 |                 |                 |
| 0001 General Fund                                 | \$222           | \$1,071         | \$1,122         |
| 0228 Secretary of State's Business Fees Fund      | 36,888          | 38,653          | 40,231          |
| 0995 Reimbursements                               | 6,969           | 9,512           | 9,628           |
| 3042 Victims of Corporate Fraud Compensation Fund | 30              | 2,499           | 1,598           |
| <b>Totals, State Operations</b>                   | <b>\$44,109</b> | <b>\$51,735</b> | <b>\$52,579</b> |
| <b>PROGRAM REQUIREMENTS</b>                       |                 |                 |                 |
| <b>20 ELECTIONS</b>                               |                 |                 |                 |
| <b>State Operations:</b>                          |                 |                 |                 |
| 0001 General Fund                                 | \$687           | \$19,061        | \$19,206        |
| 0890 Federal Trust Fund                           | 3,332           | 15,238          | 16,433          |
| 0995 Reimbursements                               | 17,235          | 8               | -               |
| <b>Totals, State Operations</b>                   | <b>\$21,254</b> | <b>\$34,307</b> | <b>\$35,639</b> |
| <b>Local Assistance:</b>                          |                 |                 |                 |

\* Dollars in thousands, except in Salary Range.

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|                                 | 2010-11*         | 2011-12*         | 2012-13*         |
|---------------------------------|------------------|------------------|------------------|
| 0001 General Fund               | \$58,623         | \$-              | \$-              |
| 0890 Federal Trust Fund         | 1,455            | 67,077           | 2,416            |
| <b>Totals, Local Assistance</b> | <b>\$60,078</b>  | <b>\$67,077</b>  | <b>\$2,416</b>   |
| <b>PROGRAM REQUIREMENTS</b>     |                  |                  |                  |
| <b>30 ARCHIVES</b>              |                  |                  |                  |
| <b>State Operations:</b>        |                  |                  |                  |
| 0001 General Fund               | \$10,530         | \$10,857         | \$10,897         |
| <b>Totals, State Operations</b> | <b>\$10,530</b>  | <b>\$10,857</b>  | <b>\$10,897</b>  |
| <b>PROGRAM REQUIREMENTS</b>     |                  |                  |                  |
| <b>40 DOJ LEGAL SERVICES</b>    |                  |                  |                  |
| <b>State Operations:</b>        |                  |                  |                  |
| 0001 General Fund               | \$-              | \$-              | \$333            |
| <b>Totals, State Operations</b> | <b>\$-</b>       | <b>\$-</b>       | <b>\$333</b>     |
| <b>TOTALS, EXPENDITURES</b>     |                  |                  |                  |
| State Operations                | 75,893           | 96,899           | 99,448           |
| Local Assistance                | 60,078           | 67,077           | 2,416            |
| <b>Totals, Expenditures</b>     | <b>\$135,971</b> | <b>\$163,976</b> | <b>\$101,864</b> |

## EXPENDITURES BY CATEGORY

| 1 State Operations  | Positions/Personnel Years |              |              | Expenditures    |                 |                 |
|---|---------------------------|--------------|--------------|-----------------|-----------------|-----------------|
|   | 2010-11                   | 2011-12      | 2012-13      | 2010-11*        | 2011-12*        | 2012-13*        |
| <b>PERSONAL SERVICES</b>  |                           |              |              |                 |                 |                 |
| Authorized Positions (Equals Sch. 7A)                                   | 462.3                     | 505.0        | 505.0        | \$24,015        | \$26,475        | \$27,170        |
| Total Adjustments   | -                         | -            | 1.0          | 253             | -1,761          | -1,084          |
| Estimated Salary Savings  | -                         | -56.8        | -55.0        | -               | -3,018          | -3,939          |
| <b>Net Totals, Salaries and Wages</b>                                   | <b>462.3</b>              | <b>448.2</b> | <b>451.0</b> | <b>\$24,268</b> | <b>\$21,696</b> | <b>\$22,147</b> |
| Staff Benefits  | -                         | -            | -            | 10,633          | 9,942           | 10,214          |
| <b>Totals, Personal Services</b>  | <b>462.3</b>              | <b>448.2</b> | <b>451.0</b> | <b>\$34,901</b> | <b>\$31,638</b> | <b>\$32,361</b> |
| <b>OPERATING EXPENSES AND EQUIPMENT</b>                                 |                           |              |              | \$33,116        | \$57,027        | \$58,295        |
| <b>SPECIAL ITEMS OF EXPENSE</b>   |                           |              |              |                 |                 |                 |
| Parallel Monitoring   |                           |              |              | \$-             | \$95            | \$95            |
| Printing ballot pamphlets   |                           |              |              | 4,680           | 2,362           | 2,769           |
| Mailing ballot pamphlets  |                           |              |              | 838             | 2,813           | 2,964           |
| Printing registration cards   |                           |              |              | 848             | 1,664           | 1,664           |
| Mailing registration cards  |                           |              |              | 1,362           | 1,095           | 1,095           |
| Election night reporting  |                           |              |              | 148             | 205             | 205             |
| <b>Totals, Special Items of Expense</b>                                 |                           |              |              | <b>\$7,876</b>  | <b>\$8,234</b>  | <b>\$8,792</b>  |
| <b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b> |                           |              |              | <b>\$75,893</b> | <b>\$96,899</b> | <b>\$99,448</b> |

## 2 Local Assistance

|   | Expenditures    |                 |                |
|---|-----------------|-----------------|----------------|
|   | 2010-11*        | 2011-12*        | 2012-13*       |
| May 19, 2009 Statewide Special Election                   | \$58,623        | \$-             | \$-            |
| P.L. 107-252 - Help America Vote Act of 2002              | 1,455           | 67,077          | 2,416          |
| <b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b> | <b>\$60,078</b> | <b>\$67,077</b> | <b>\$2,416</b> |

\* Dollars in thousands, except in Salary Range.

## 0890 Secretary of State - Continued

## DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

| 1 STATE OPERATIONS  | 2010-11*        | 2011-12*        | 2012-13*        |
|---|-----------------|-----------------|-----------------|
| <b>0001 General Fund</b>                                    |                 |                 |                 |
| APPROPRIATIONS  |                 |                 |                 |
| 001 Budget Act appropriation                                | \$30,158        | \$31,037        | \$31,558        |
| Allocation for employee compensation                        | 49              | 36              | -               |
| Adjustment per Section 3.60                                 | 221             | 50              | -               |
| Adjustment per Section 3.90                                 | -               | -145            | -               |
| Adjustment per Section 3.91                                 | -673            | -               | -               |
| Adjustment per Section 3.91 (b) Operational Efficiency Plan | -               | -775            | -               |
| Adjustment per Section 4.30                                 | 764             | -               | -               |
| Transfer from Item 0911-001-0001, per Provision 1           | 125             | -               | -               |
| Transfer from Item 8640-001-0001 (Political Reform Act)     | 703             | 703             | -               |
| 005 Budget Act appropriation                                | -               | 83              | -               |
| <b>Totals Available</b>                                     | <b>\$31,347</b> | <b>\$30,989</b> | <b>\$31,558</b> |
| Unexpended balance, estimated savings                       | -19,907         | -               | -               |
| <b>TOTALS, EXPENDITURES</b>                                 | <b>\$11,440</b> | <b>\$30,989</b> | <b>\$31,558</b> |
| <b>0228 Secretary of State's Business Fees Fund</b>         |                 |                 |                 |
| APPROPRIATIONS  |                 |                 |                 |
| 001 Budget Act appropriation                                | \$37,720        | \$39,056        | \$40,231        |
| Allocation for employee compensation                        | 119             | 72              | -               |
| Adjustment per Section 3.60                                 | 437             | 114             | -               |
| Adjustment per Section 3.90                                 | -               | -279            | -               |
| Adjustment per Section 3.91                                 | -1,373          | -               | -               |
| Adjustment per Section 3.91 (b) Operational Efficiency Plan | -               | -310            | -               |
| Adjustment per Section 4.30                                 | 446             | -               | -               |
| <b>Totals Available</b>                                     | <b>\$37,349</b> | <b>\$38,653</b> | <b>\$40,231</b> |
| Unexpended balance, estimated savings                       | -462            | -               | -               |
| <b>TOTALS, EXPENDITURES</b>                                 | <b>\$36,887</b> | <b>\$38,653</b> | <b>\$40,231</b> |
| <b>0890 Federal Trust Fund</b>                              |                 |                 |                 |
| APPROPRIATIONS  |                 |                 |                 |
| 001 Budget Act appropriation                                | \$24,361        | \$14,681        | \$16,433        |
| Allocation for employee compensation                        | 2               | 1               | -               |
| Adjustment per Section 3.60                                 | 18              | 7               | -               |
| Adjustment per Section 3.90                                 | -               | -10             | -               |
| Adjustment per Section 3.91                                 | -63             | -               | -               |
| Revised expenditure authority per Provision 4               | -               | 559             | -               |
| Budget Adjustment   | -20,986         | -               | -               |
| <b>TOTALS, EXPENDITURES</b>                                 | <b>\$3,332</b>  | <b>\$15,238</b> | <b>\$16,433</b> |
| <b>0995 Reimbursements</b>                                  |                 |                 |                 |
| APPROPRIATIONS  |                 |                 |                 |
| Reimbursements  | \$24,204        | \$9,520         | \$9,628         |
| <b>3042 Victims of Corporate Fraud Compensation Fund</b>    |                 |                 |                 |
| APPROPRIATIONS  |                 |                 |                 |
| 001 Budget Act appropriation                                | \$1,561         | \$2,499         | \$-             |
| 011 Budget Act appropriation (Loan to the General Fund)     | (10,000)        | -               | -               |
| Corporations Code Section 1502.5                            | -               | -               | 1,598           |
| <b>Totals Available</b>                                     | <b>\$1,561</b>  | <b>\$2,499</b>  | <b>\$1,598</b>  |

\* Dollars in thousands, except in Salary Range.

**0890 Secretary of State - Continued**

| <b>1 STATE OPERATIONS</b>  | <b>2010-11*</b>  | <b>2011-12*</b>  | <b>2012-13*</b>  |
|--|------------------|------------------|------------------|
| Unexpended balance, estimated savings  | -1,531           | -                | -                |
| <b>TOTALS, EXPENDITURES</b>  | <b>\$30</b>      | <b>\$2,499</b>   | <b>\$1,598</b>   |
| <b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>                      | <b>\$75,893</b>  | <b>\$96,899</b>  | <b>\$99,448</b>  |
|  |                  |                  |                  |
| <b>2 LOCAL ASSISTANCE</b>  | <b>2010-11*</b>  | <b>2011-12*</b>  | <b>2012-13*</b>  |
| <b>0001 General Fund</b>   |                  |                  |                  |
| APPROPRIATIONS   |                  |                  |                  |
| 119 Budget Act appropriation   | \$68,228         | \$-              | \$-              |
| <b>Totals Available</b>  | <b>\$68,228</b>  | <b>\$-</b>       | <b>\$-</b>       |
| Unexpended balance, estimated savings  | -9,605           | -                | -                |
| <b>TOTALS, EXPENDITURES</b>  | <b>\$58,623</b>  | <b>\$-</b>       | <b>\$-</b>       |
| <b>0890 Federal Trust Fund</b>   |                  |                  |                  |
| APPROPRIATIONS   |                  |                  |                  |
| 101 Budget Act appropriation   | \$2,860          | \$66,992         | \$2,416          |
| Budget Adjustment  | -1,405           | 85               | -                |
| <b>TOTALS, EXPENDITURES</b>  | <b>\$1,455</b>   | <b>\$67,077</b>  | <b>\$2,416</b>   |
| <b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>                      | <b>\$60,078</b>  | <b>\$67,077</b>  | <b>\$2,416</b>   |
| <b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b> | <b>\$135,971</b> | <b>\$163,976</b> | <b>\$101,864</b> |

**FUND CONDITION STATEMENTS**

|   | <b>2010-11*</b> | <b>2011-12*</b> | <b>2012-13*</b> |
|---|-----------------|-----------------|-----------------|
| <b>0228 Secretary of State's Business Fees Fund <sup>s</sup></b>    |                 |                 |                 |
| BEGINNING BALANCE   | -               | \$1,000         | \$1,000         |
| Prior year adjustments  | \$396           | -               | -               |
| Adjusted Beginning Balance  | \$396           | \$1,000         | \$1,000         |
| REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS                          |                 |                 |                 |
| Revenues:   |                 |                 |                 |
| 124100 Domestic Corporation Fees                                    | 8,299           | 8,497           | 7,121           |
| 124200 Foreign Corporation Fees                                     | 965             | 988             | 828             |
| 124300 Notary Public License Fees                                   | 1,151           | 1,015           | 1,015           |
| 124400 Filing Financing Statements                                  | 2,191           | 2,191           | 2,191           |
| 125600 Other Regulatory Fees  | 6,205           | 6,353           | 5,325           |
| 142000 General Fees--Secretary of State                             | 22,985          | 23,931          | 24,675          |
| 150300 Income From Surplus Money Investments                        | 15              | 10              | 10              |
| 161400 Miscellaneous Revenue  | 54              | 47              | 47              |
| 163000 Settlements/Judgments(not Anti-trust)                        | 109             | -               | -               |
| Transfers and Other Adjustments:                                    |                 |                 |                 |
| TO0001 To General Fund per Government Code Section 12176            | -4,387          | -4,331          | -918            |
| Total Revenues, Transfers, and Other Adjustments                    | \$37,587        | \$38,701        | \$40,294        |
| Total Resources   | \$37,983        | \$39,701        | \$41,294        |
| EXPENDITURES AND EXPENDITURE ADJUSTMENTS                            |                 |                 |                 |
| Expenditures:   |                 |                 |                 |
| 0840 State Controller (State Operations)                            | 73              | 48              | 63              |
| 0890 Secretary of State (State Operations)                          | 36,887          | 38,653          | 40,231          |
| 8880 Financial Information System for California (State Operations) | 23              | -               | -               |
| Total Expenditures and Expenditure Adjustments                      | \$36,983        | \$38,701        | \$40,294        |
| FUND BALANCE  | \$1,000         | \$1,000         | \$1,000         |
| Reserve for economic uncertainties                                  | 1,000           | 1,000           | 1,000           |

\* Dollars in thousands, except in Salary Range.

**0890 Secretary of State - Continued**

|  | 2010-11*        | 2011-12*       | 2012-13*       |
|--|-----------------|----------------|----------------|
| <b>3042 Victims of Corporate Fraud Compensation Fund <sup>s</sup></b>  |                 |                |                |
| BEGINNING BALANCE  | \$13,094        | \$4,612        | \$3,556        |
| Prior year adjustments   | 8               | -              | -              |
| Adjusted Beginning Balance   | \$13,102        | \$4,612        | \$3,556        |
| REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS                             |                 |                |                |
| Revenues:  |                 |                |                |
| 142000 General Fees--Secretary of State                                | 1,473           | 1,443          | 1,426          |
| 150300 Income From Surplus Money Investments                           | 33              | -              | -              |
| 150500 Interest Income From Interfund Loans                            | 34              | -              | -              |
| Transfers and Other Adjustments:                                       |                 |                |                |
| TO0001 To General Fund Loan per Item 0890-011-3042, Budget Act of 2010 | -10,000         | -              | -              |
| Total Revenues, Transfers, and Other Adjustments                       | <u>-\$8,460</u> | <u>\$1,443</u> | <u>\$1,426</u> |
| Total Resources  | \$4,642         | \$6,055        | \$4,982        |
| EXPENDITURES AND EXPENDITURE ADJUSTMENTS                               |                 |                |                |
| Expenditures:  |                 |                |                |
| 0890 Secretary of State (State Operations)                             | 30              | 2,499          | 1,598          |
| Total Expenditures and Expenditure Adjustments                         | <u>\$30</u>     | <u>\$2,499</u> | <u>\$1,598</u> |
| FUND BALANCE   | \$4,612         | \$3,556        | \$3,384        |
| Reserve for economic uncertainties                                     | 4,612           | 3,556          | 3,384          |

**CHANGES IN AUTHORIZED POSITIONS**

|                                      | Positions/Personnel Years |              |              | Expenditures    |                 |                 |
|--------------------------------------|---------------------------|--------------|--------------|-----------------|-----------------|-----------------|
|                                      | 2010-11                   | 2011-12      | 2012-13      | 2010-11*        | 2011-12*        | 2012-13*        |
| Totals, Authorized Positions         | 462.3                     | 505.0        | 505.0        | \$24,015        | \$26,475        | \$27,170        |
| Salary Adjustments                   | -                         | -            | -            | 253             | -1,761          | -1,140          |
| <b>Proposed New Positions:</b>       |                           |              |              |                 |                 |                 |
| Safe at Home Program:                |                           |              |              |                 |                 |                 |
| Program Technician II                | -                         | -            | 0.5          | 2,638-3,209     | -               | 18              |
| Business Programs Division:          |                           |              |              |                 |                 |                 |
| Staff Counsel                        | -                         | -            | 0.5          | 4,674-7,828     | -               | 38              |
| <b>Totals Proposed New Positions</b> | <b>-</b>                  | <b>-</b>     | <b>1.0</b>   | <b>\$-</b>      | <b>\$-</b>      | <b>\$56</b>     |
| <b>Total Adjustments</b>             | <b>-</b>                  | <b>-</b>     | <b>1.0</b>   | <b>\$253</b>    | <b>-\$1,761</b> | <b>-\$1,084</b> |
| <b>TOTALS, SALARIES AND WAGES</b>    | <b>462.3</b>              | <b>505.0</b> | <b>506.0</b> | <b>\$24,268</b> | <b>\$24,714</b> | <b>\$26,086</b> |

\* Dollars in thousands, except in Salary Range.