

FEDERAL ELECTION COMMISSION
FISCAL YEAR 2022
CONGRESSIONAL BUDGET JUSTIFICATION



May 28, 2021

Concurrently submitted to Congress and the Office of Management and Budget

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SUMMARY OF FY 2022 BUDGET JUSTIFICATION

The Federal Election Commission (FEC) is an independent regulatory agency responsible for administering, enforcing, defending and interpreting the *Federal Election Campaign Act of 1971* (“*FECA*” or the “*Act*”), as amended.¹ As the foundation of federal campaign finance regulation, *FECA* reflects Congress’s efforts to prevent corruption through two principal means. First, it ensures that voters have access to information about the sources of financial support for federal candidates, political party committees and other political committees. Second, *FECA* imposes amount limitations and source prohibitions on contributions received by certain types of political committees. The Commission’s responsibilities also include overseeing the federal public funding programs for presidential campaigns.²

For the fiscal year (FY) 2022 Budget Submission, the FEC’s total requested funding level is \$76.5 million. The requested increase for FY 2022 represents a nearly seven percent increase from the FEC’s enacted appropriation for FY 2021. This level reflects an increase after flat funding in FY 2021 and essentially flat funding for core FEC operations since FY 2016. The prior year’s funding profile created significant challenges for the agency in FY 2021, as the agency needed to slow IT spending and hiring, including a pause in backfilling positions throughout the agency. These hiring constraints placed a considerable strain on many of the FEC’s line offices and impaired the agency’s ability to execute its mission. Funding at the requested level would allow the agency to resume mission-critical hiring, continue ongoing IT modernization projects, realize the attendant future savings of these efforts, and provide the FEC with the necessary resources to maintain its commitment to providing excellent service to the public.

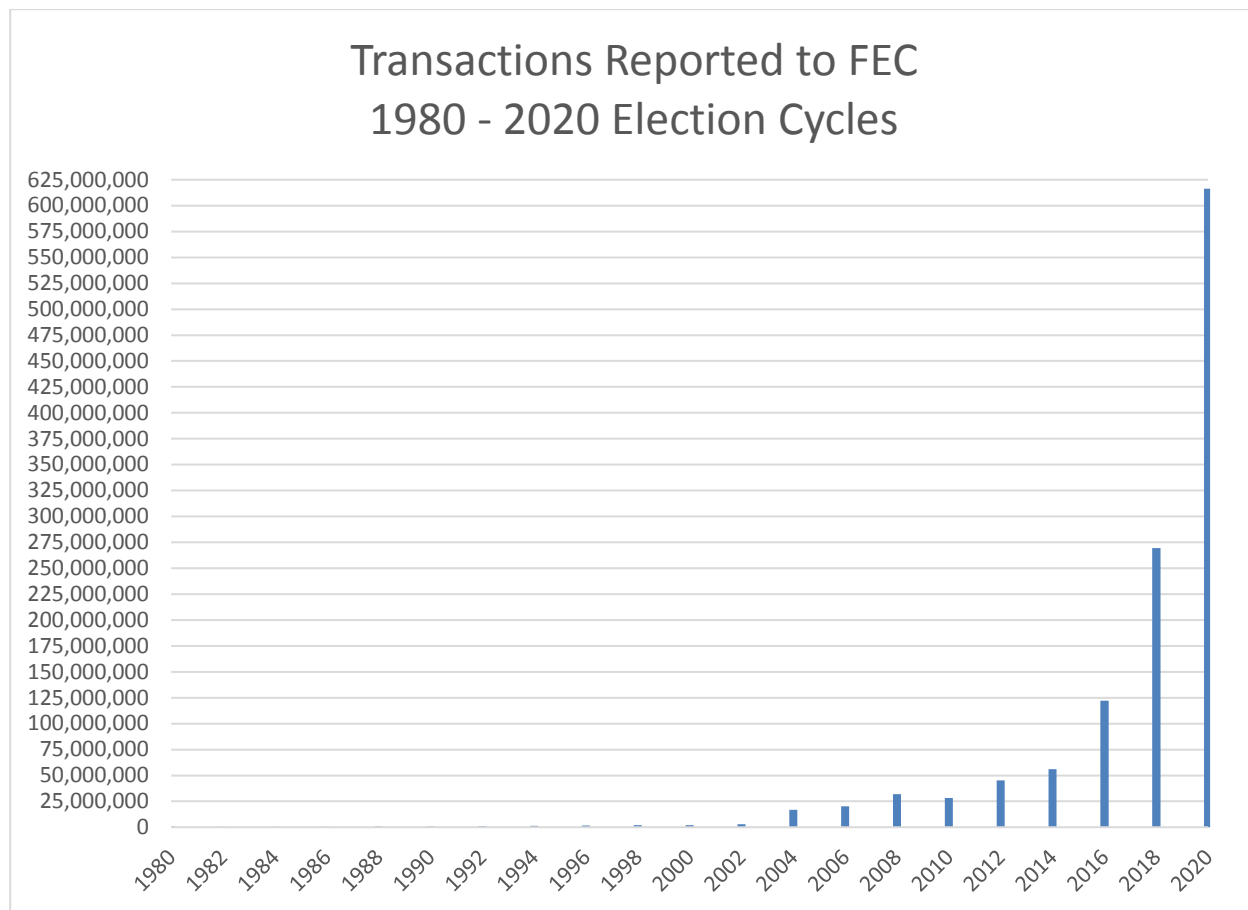
Funding at the requested level for FY 2022 will help the agency perform critical components of its mission during FY 2022 and in future years. For example, the FEC currently receives campaign finance reports, statements and other disclosure documents throughout each fiscal year from more than 16,000 political committees and other filers. During the 2020 election cycle, these filers reported more than 600 million financial transactions, which were reviewed by FEC staff and disclosed to the public on the FEC’s website. Also, during the 2020 election cycle the FEC website’s Application Programming Interface (API), which permits users to customize data searches making vast quantities of campaign finance data readily available, received over 407 million hits.

Changes in the way political committees raise and spend funds have resulted in an exponential increase in the number of transactions reported to the FEC. This ever-growing volume of campaign finance disclosure data must be received, processed and made available to the public each election cycle within the agency’s tight deadlines for public disclosure, and must be safeguarded to ensure the integrity and accessibility of the information. The following chart illustrates the exponential growth of data

¹ Pub. L. No. 92-225, 86 Stat. 3 (1972) (*codified at* 52 U.S.C. §§ 30101-45).

² The Commission’s responsibilities for the federal public funding programs are contained in the *Presidential Election Campaign Fund Act*, Pub. L. No. 92-178, 85 Stat. 562 (1971) (*codified at* 26 U.S.C. §§ 9001-13) and the *Presidential Primary Matching Payment Account Act*, Pub. L. No. 93-443, 88 Stat. 1297 (1974) (*codified at* 26 U.S.C. §§ 9031-42).

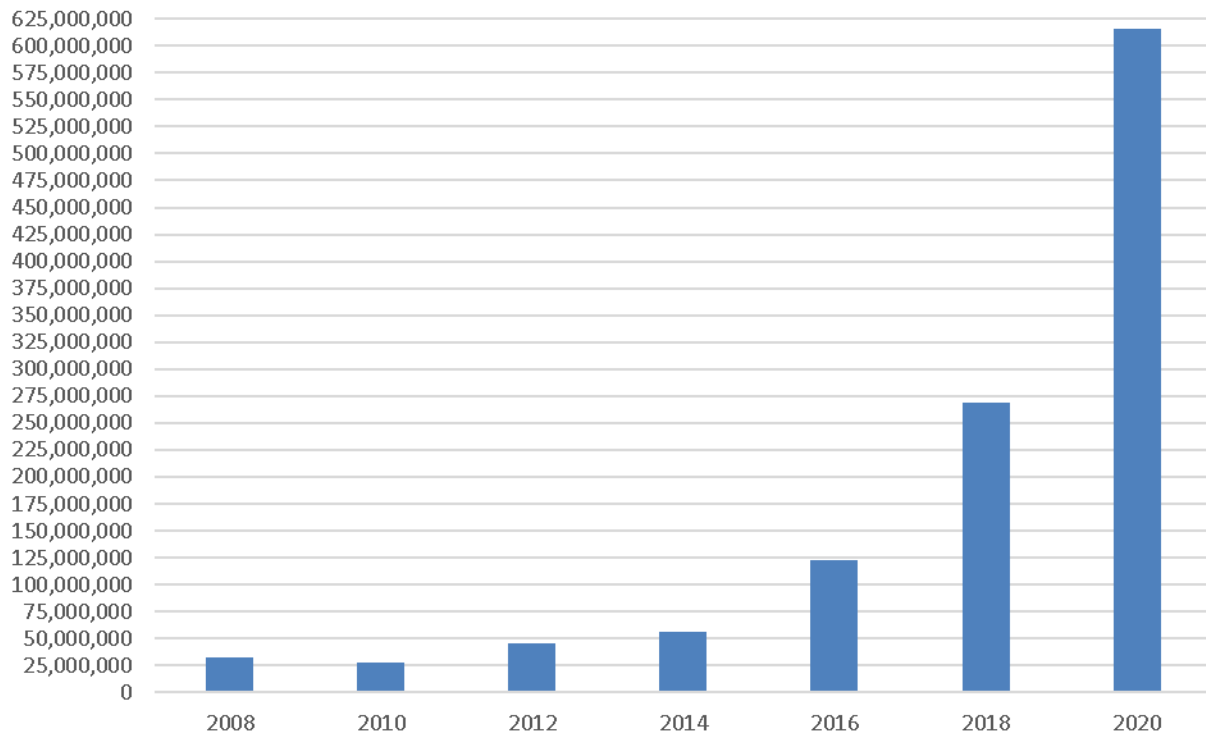
transactions the FEC needs to process, store, search and display to support the disclosure portion of its mission.



In the 1980 election cycle, approximately 602,000 transactions were reported to the FEC. 1992 was the first election cycle with over one million transaction reported to the FEC. In the 2002 election cycle, nearly three million transactions were reported to the FEC, but in the 2004 election cycle, that figure jumped to nearly 17 million.

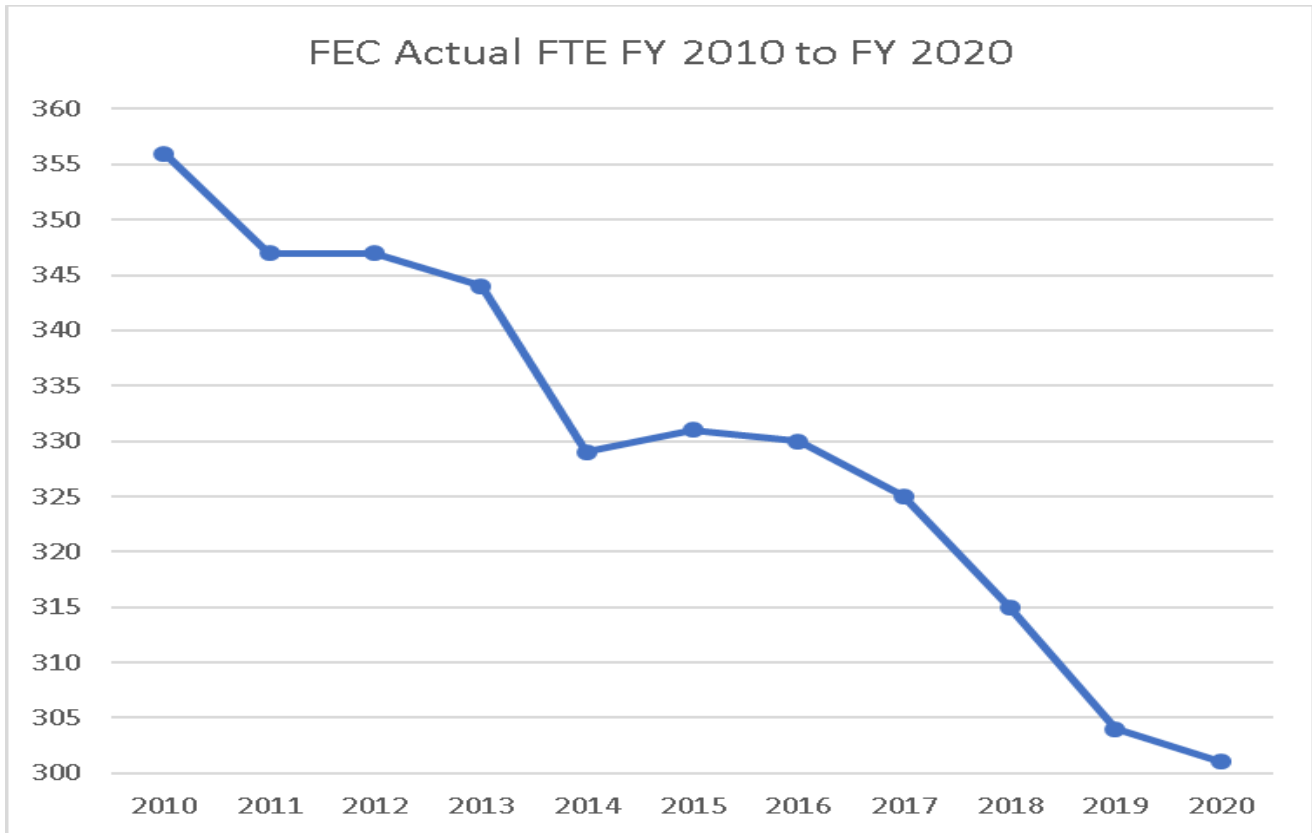
Over the next six election cycles alone, the number of financial transactions disclosed to the agency has increased from approximately 31 million transactions reported during the 2008 election cycle to nearly 300 million reported during the 2018 election cycle. The 2020 election cycle had more than double that amount, over 600 million transactions.

Transactions Reported to FEC 2008 - 2020 Election Cycles



These trends in campaign finance activity illustrate how crucial it is for the agency to continue to implement new programs and systems to ensure the timely disclosure of this increasing volume of campaign finance data. The migration of campaign finance data to a cloud environment and efforts to modernize the FEC's eFiling system are essential components of these efforts. Adequate funding for FY 2022 will help to ensure the FEC meets its mission to provide transparency in the campaign finance process. The FEC is currently processing and reviewing historically high levels of campaign finance disclosure information, while satisfying an increased demand for customer service and data information requests from the public. For the FEC to manage the pressures of increased workload, data processing, security concerns and customer service requests, the FEC requests a funding level that will ensure the agency is able to efficiently, fairly and effectively achieve its mission.

In addition, the workload has increased substantially across the agency while staffing has generally decreased. The FY 2022 Budget requests 328 FTE, down from over 375 actual FTE in FY 2005. As the graph below illustrates, staffing levels have generally followed this decreasing trend over the last 10 years as well. This trend arises from efforts to capture productivity gains through modernization efforts and new technology as well as the agency's efforts to maintain budget discipline with limited, strategic hiring. The increased workload on employees makes receiving the FY 2022 requested funding imperative, so that the agency can maintain performance at current levels.



*Figures are from Actual Column of the President’s Budget Appendix.

One example of the lower FTE is in the FEC’s Office of General Counsel (OGC), which has continued to see an increased workload with a significant decrease to its staffing resources. OGC went from a high of 128 FTE just over a decade ago to a current FTE of 89 (31% decrease). In particular, the Enforcement Division, which processes and investigates complaints and referrals alleging civil violations of FECA, went from a high of 51 FTE in FY 2008 to an FTE of 37 in FY 2021 (27.5% decrease). During this time, however, the volume of cases for the Enforcement Division has steadily increased from an average of 111 matters in FY 2010 to the approximate caseload of 435 matters at the end of the second quarter of FY 2021. The increased caseload coupled with the decrease in staffing has resulted in an approximate four-fold increase or more in the workload average per staff attorney in the Enforcement Division. Obviously, this has put an extreme level of strain on the Enforcement Division’s resources and, absent changes, could potentially jeopardize its ability to meet its statutory and internal deadlines. In order to support the Commission in meeting its obligations to administer and enforce campaign finance law, OGC must process cases in an efficient manner and provide the Commission with strategic legal advice that is supported by reports that are timely, thoroughly researched and well-written as well as conduct Commission-authorized investigations in a timely manner. It is critical that OGC have the staffing levels necessary to meet these mission-critical goals, as reflected in the personnel request for FY 2022.

The Commission plans to use some of the requested additional FTE to backfill positions in OGC, including the Enforcement Division. Other hiring is planned to address needs in the Audit Division, the Reports Analysis Division and the Office of the Chief Information Officer, each of which is experiencing vacancies in previously filled positions while faced with an expanding workload, including particularly the effect of the large increase in the number of transactions reported to the FEC.

Funding at the \$76.5 million level will also allow the agency to continue ongoing IT modernization projects and realize the attendant future savings of these efforts. Over the past several years, the FEC has made significant progress to modernize its IT systems and processes. These efforts include the migration to a cloud environment of the FEC's primary campaign finance database, which contains over forty years of transaction-level campaign finance data reported to the agency, and the searchable legal systems and related databases. As a result of these efforts, the FEC has been able to reduce its physical data center footprint, and it plans to continue to do so. To continue to mitigate an anticipated steep rise in future costs from maintaining physical data centers, the FEC is pursuing a modernization plan which requires investment now and over the next several years to continue cloud migration and realize improvements in its IT processes. During 2020, the FEC conducted a study to determine how best to migrate other appropriate systems and databases to the cloud, allowing the agency to realize greater efficiency and performance in future years. With funding at the full requested amount, the FEC will continue to implement the recommendations of this study during FY 2022, with the goal of generating efficiencies in future years while maintaining high levels of service to the public.

In addition, the FEC is currently working to upgrade the agency's eFiling platform. In FY 2017, the Commission published a study of its current eFiling platform, including a survey of the existing functionality of the FEC's free filing software and an in-depth investigation of needs expressed by filers.³ The FEC is relying on the recommendations of this study to improve its eFiling platform to allow greater operating system flexibility for users when generating filings for submission to the Commission, and to increase the consistency and accuracy of reporting. The FEC's new eFiling platform is expected to improve the process for validating filings prior to acceptance and generate modern file outputs that will provide for more flexibility in accessing data. The FEC had expected to begin the implementation phase of this project during FY 2020. However, COVID-19 related delays in onboarding new staff and contractors subsequently hampered the FEC's efforts to complete the development phase of the eFiling platform during FY 2020. As a result, the FEC's request for FY 2022 includes funding that will be used to continue development and begin implementation of the new eFiling platform during FY 2022.

This Budget Justification is organized in three sections. Section 1 addresses the agency's purpose and priorities in FY 2022. Section 2 provides an overview of the agency's request. Section 3 provides an overview of the agency's four strategic objectives and describes the agency's performance goals, indicators and targets to ensure continued progress toward meeting these objectives during FY 2022.

³ Available at <https://fec.gov/about/reports-about-fec/agency-operations/e-filing-study-2016/>.

Section 1: Purpose and Priorities in FY 2022

1A: Commission Overview and Future Outlook

The FEC is an independent regulatory agency responsible for administering, enforcing, defending and interpreting *FECA*. The Commission is also responsible for administering the federal public funding programs for presidential campaigns.

The FEC is directed by six Commissioners, who are appointed by the President with the advice and consent of the Senate. By law, no more than three Commissioners can be members of the same political party. The Commissioners meet regularly to formulate policy and to vote on significant legal and administrative matters. Any exercise by the Commission of duties and powers under the *Act* requires at least a majority vote of the members of the Commission, and certain core functions related to enforcement, litigation, rulemakings, advisory opinion and public funding of presidential campaigns require four affirmative votes no matter how many Commissioners are serving. Moreover, an internal Commission regulation extends the four-vote requirement to any exercise of powers and duties under the *Act*. These provisions require bipartisan decision-making.

As part of its responsibilities, the FEC makes available on its website the campaign finance disclosure reports that all federal candidates and federal political committees must file, as required by the *Act*. These disclosure reports and the data contained in them are made available to the public through the Commission's internet-based public disclosure system on the agency's website at www.fec.gov. The FEC also has exclusive responsibility for civil enforcement of *FECA*, including the handling of civil litigation arising from any legal actions brought by or against the Commission. Additionally, the Commission promulgates regulations implementing the *Act*. The Commission also has a statutory responsibility to issue advisory opinions responding to inquiries regarding interpretation and application of the *Act* and the Commission's regulations to specific factual situations.

The FEC's Strategic Plan for FY 2018 through FY 2022, developed pursuant to the *Government Performance and Results Act of 1993 (GPRA)*⁴ and the *GPRA Modernization Act of 2010*⁵, provides the agency's strategic management framework. This framework is designed to ensure that every employee works in support of the FEC's strategic goal and objectives and that the effectiveness of these efforts can be regularly and meaningfully measured

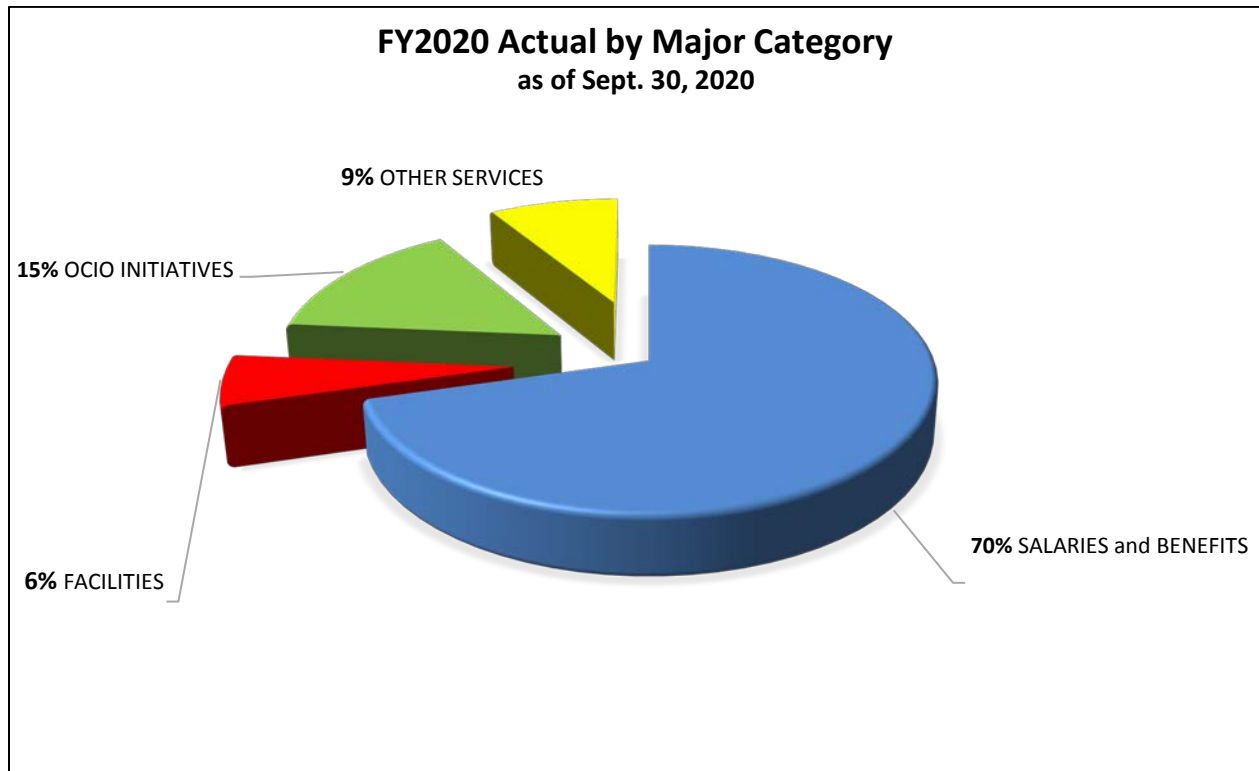
The FEC is funded by a single annual appropriation for salaries and expenses and is authorized to collect fees only to offset the costs of the agency's educational conferences. Approximately 70 percent of the agency's budget is composed of expenses related to personnel, such as salaries and benefits. Of

⁴ Pub. L. No. 103-62, 107 Stat. 285 (1993) (*codified at 31 U.S.C. § 1115 et seq.*).

⁵ Pub. L. No. 111-352, 124 Stat. 3866 (2011) (*codified at 31 U.S.C. §§ 1115-24*).

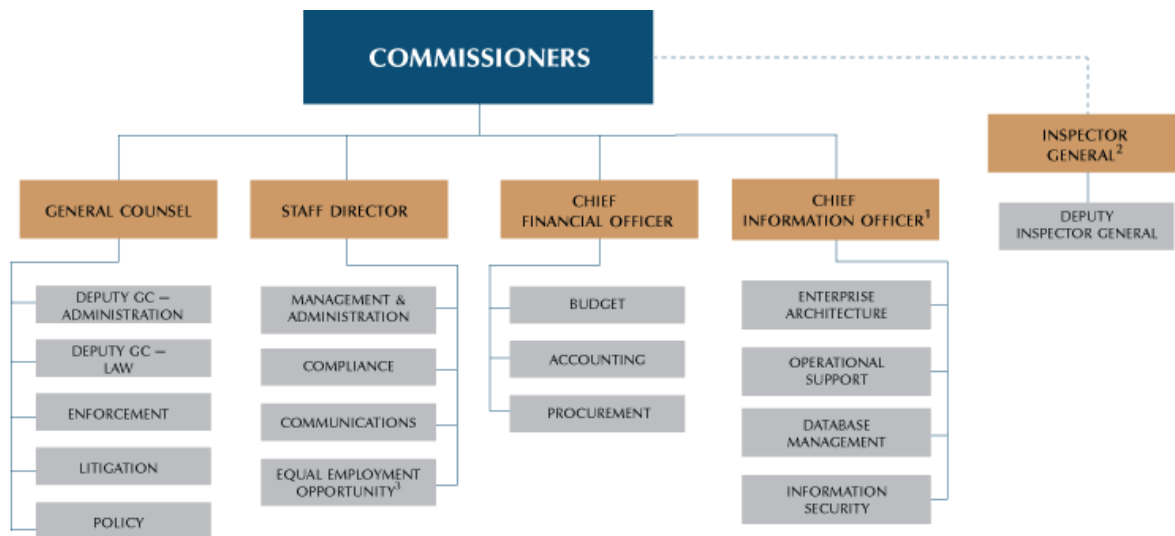
the agency's remaining operational expenses, the largest categories are IT initiatives, including IT security initiatives, and facilities rent. These three requirements constitute 91 percent of the agency's budget. The allocations for the FY 2020 Budget are shown in Figure 1 below.

Figure 1 – FY 2020 Budget by Major Category



FEC Organizational Chart

The Offices of the Staff Director, General Counsel, Chief Information Officer and Chief Financial Officer support the agency in accomplishing its mission. The Office of the Inspector General, established within the FEC in 1989 under the *Inspector General Act Amendments of 1988*,⁶ is independent and reports both to the Commissioners and to Congress. The specific roles and responsibilities of each office are described in detail at: <https://www.fec.gov/about/leadership-and-structure/fec-offices>.



- 1 The position of Chief Information Officer normally reports directly to the Staff Director who, in turn, reports to the Commission itself. At present, however, the same individual is serving in both the position of the Staff Director and the position of the Chief Information Officer, pursuant to an authorization by the Commission and based, in part, on an advance decision from the Comptroller General. Accordingly, the organizational chart reflects both positions – the Staff Director and the Chief Information Officer – as reporting directly to the Commission.
- 2 The Office of the Inspector General (OIG) independently conducts audits, evaluations, and investigations. OIG keeps the Commission and Congress informed regarding major developments associated with their work.
- 3 The Director for Equal Employment Opportunity reports to the Staff Director on administrative issues but has direct reporting authority to the Commission on all EEO matters. See 29 CFR 1614.102(b)(4).

⁶ Pub. L. No. 100-504, 102 Stat. 2515 (1988).

1B: FY 2022 Priorities

The FEC priorities for FY 2022 are aligned with the agency's FY 2018 to 2022 Strategic Plan and are limited to those needs that will allow the agency to fulfill its mission as required by law. Funding at the requested amount of \$76.5 million would permit the FEC to resume mission-critical hiring practices, including backfilling positions that previously could not be filled, and other hiring necessary to meet the demands of the agency's workload. This level of funding would permit the agency to fulfill its requested 328 FTE complement and represents critical personnel investment necessary to fulfill the agency's mission. The requested funding would also improve the agency's systems and processes, allowing the Commission to reduce dependency on costly legacy systems and improve the efficiency of the agency's IT infrastructure, including migration to cloud-hosted data and services, improvements to the eFiling platform, and continued enhancements to cybersecurity and related tools. These priorities will ensure that the agency can improve customer experience and service delivery as it meets increasing public demand for its services. These are the FEC's priorities for FY 2022, and they are discussed in more detail below.

Strengthening the Workforce to Achieve FEC's Mission and Improve Customer Service

The FEC intends to continue its efforts to maintain the current high performance of staff and the excellent service that they provide to the public. A critical part of this effort is promoting adequate staffing levels across the agency. The FY 2022 request would allow the agency to backfill critical vacancies that are currently unfunded, including areas where the FEC has experienced increased demands in workload. As discussed above, these areas include OGC, the Audit Division, the Reports Analysis Division and the Office of Chief Information Officer. The request would also allow the FEC to invest in training and awards at levels more consistent with historical levels, so as to improve the skills-base of the workforce and reward high performance.

Finally, the Commission has established a series of data-driven metrics to measure customer satisfaction with educational outreach efforts, and to ensure that matters are moved efficiently and fairly through the enforcement and compliance processes, with complainants and respondents afforded sufficient transparency regarding the processes. Additionally, the FEC plans to bolster customer service in FY 2022 by continuing the development of a redesigned eFiling platform. This platform is being created using customer experience design. The new eFiling system will strive to be more user-friendly and promote regulatory compliance.

IT Modernization

The FEC protects the integrity of the federal campaign finance process by providing transparency and fairly enforcing and administering federal campaign finance laws. Fair enforcement and full disclosure of the sources and amounts of campaign funds allows the public to make informed decisions in the political process. Transparency requires that information is not only maintained by the FEC but also provided to the public in a way that is intuitive to users, with the necessary context for understanding how federal elections are funded. The FEC must make election-related reports and information accessible to the public in a timely, reliable and useful fashion. The Commission is therefore committed to providing the public with robust access to campaign finance data, compliance information and legal resources.

Funding at the full requested amount of \$76.5 million would permit the FEC to improve the quality of services delivered to the public.

The FEC provides free electronic filing software, FECFile, to support political committees of federal candidates, political parties and other filers in reporting their campaign finance activity to the FEC. The FEC has completed and published a study that helped to determine ways to modernize the agency's eFiling system, platform and software to receive better quality data, be more responsive to user needs and handle the increasing volume of data reported.⁷ In this request, the agency seeks funds for FY 2022 to support development and implementation of these improvements to the eFiling platform. The redesigned eFiling platform will improve ease of filing for users by allowing greater operating system flexibility when generating filings for submission to the Commission. The FEC's new eFiling platform will also improve the process for validating filings prior to acceptance and generate modern file outputs that will provide for more flexibility in accessing data. In addition, the modernization efforts will provide for seamless integration with the data portion of the website and, therefore, more efficient use of the agency's resources. The study of the FEC's eFiling system showed that 59 percent of electronic filers use the agency's software. Therefore, the eFiling modernization project continues to be an important priority for the Commission. Funding at the requested amount allows the FEC to continue development and begin implementation of the eFiling platform.

At the same time, the FEC is undertaking a multi-year effort to move appropriate systems and databases to a cloud environment. The first FEC system to be migrated to a cloud environment was the agency's email system, which has been cloud-hosted since 2016. Migration of the FEC's website and campaign finance database was completed during FY 2018, with the closure of one of the FEC's physical data centers. During FY 2021, the FEC migrated its primary campaign finance database and its searchable legal systems. Cloud hosting of the agency's website and campaign finance database offers many benefits for the FEC. The agency's internet traffic is variable, with many more visitors accessing the website during election years and near reporting deadlines. In addition to website visitors, filers need to access the electronic filing system and Commission staff need to access applications, including the website and databases, to perform their regular workday duties. With a cloud-hosted application and database infrastructure, the FEC will only need to pay for actual usage, rather than constantly maintaining the capacity to support peak usage, even during periods of reduced usage. Website downtime will be minimized, and server maintenance will be managed by the cloud computing provider.

The move to a cloud-hosted model provides the Commission with opportunities to retire a number of other costly legacy systems and reduce the agency's data center footprint.⁸ For example, planned improvements to the eFiling system, which was designed in the mid-1990s, will provide an opportunity to migrate the eFiling data center to a cloud environment as well, reducing costs for the support and maintenance of the legacy eFiling physical data center. Thus, in addition to improving service delivery to the public, migrating to a cloud environment will help the agency to confront the increasing long-term costs of maintaining IT legacy systems.

⁷ Available at <https://www.fec.gov/about/reports-about-fec/agency-operations/e-filing-study-2016/>.

⁸ The FEC's efforts to reduce spending on operation and maintenance costs is consistent with the Government Accountability Office's May 2016 report, *Federal Agencies Need to Address Aging Legacy Systems* (<https://www.gao.gov/assets/680/677454.pdf>).

During 2020, the FEC conducted a study of its remaining legacy systems to develop a cloud migration plan for these legacy applications and systems. The cloud migration plan also included recommendations for migrating the FEC's disaster recovery environment to a cloud environment. To realize the full value of this study, and to more quickly realize the cost and efficiency benefits of migrating applications and systems to a cloud environment, the FEC has begun implementation of the study's recommendations in FY 2021 and FY 2022 and requests funding for FY 2022 to continue that implementation.

Moreover, migration to the cloud requires efforts regarding the design, engineering and security in the cloud environment to ensure the security of our systems and the integrity and accessibility of our data. The FEC's FY 2022 funding request includes the funding to ensure the FEC has implemented adequate cybersecurity controls and industry-leading practices to protect the data that is collected and maintained in the cloud environment.

The FEC continuously develops, maintains and improves its security architecture that mitigates modern threats. In partnership with the Department of Homeland Security (DHS) and numerous strategic partners, the FEC continuously identifies, protects, detects, responds to and recovers from the impact of known and unknown potential threats. The FEC's FY 2022 funding request includes funding for information security efforts, including the FEC's security operation center and the applications for continuous diagnostics and mitigation, and implementing security controls to address identified cybersecurity gaps. The requested funding is to ensure that identified risks are appropriately addressed and that the agency's cybersecurity program and security architecture will continue to safeguard its infrastructure, networks and applications against cyber threats and malicious activities.

Funding below the requested FY 2022 level could compromise the agency's ability to protect its information and infrastructure from external or internal threats, and its compliance with statutory and regulatory requirements regarding information access, security and privacy.

Section 2: Budget Overview

2A: Requested Budget Level

In this section, increases and decreases are identified and the FY 2022 request is compared to the *Financial Services and General Government Appropriations Act, 2021*. For FY 2022 the requested appropriation is \$5 million higher than the FY 2021 appropriation, representing a nearly seven percent increase.

The requested increase is split with 55 percent directed to non-personnel expenses and 45 percent directed to personnel expenses. For non-personnel expenses, the increases mainly affect the information technology area, and other areas such as travel and training, which either decreased to artificially low levels during the COVID-19 pandemic or were reduced to stay within the levels provided in FY 2021. For personnel expenses, the increase is driven by the 2.7 percent pay raise, benefits and backfilling 13 FTEs above the budgeted FY 2021 level.

Table 1
Changes from FY 2021 Appropriation to FY 2022 Request

Category	Amount
FY 2021 Appropriation	\$71,497,000
Personnel Changes	
Personnel Compensation and Benefits	2,261,885
Personnel Changes Subtotal:	\$2,261,885
Non-Personnel Changes	
Non-Capitalized & Capitalized Equipment	-156,198
Printing and Reproduction	31,247
Communications	104,022
GSA Rent	112,229
Travel	206,500
Training	229,024
Supplies & Materials	333,925
Federal Goods & Services	751,476
Contracts & Other Services	1,128,890
Non-Personnel Changes Subtotal:	\$2,741,115
Total Change:	\$5,003,000
FY 2022 Budget Request	\$76,500,000

Table 2 highlights the FY 2022 Budget Request as compared to the President’s FY 2021 appropriation and the FY 2020 actual obligations.

Table 2
FY 2022 FEC Budget Submission

Object Class Data Federal Election Commission		FY 20 Actual	FY 2021 Agency Budget 3/31/21	FY 2022 Full request	Change from FY 2021 3/31 budget to FY 2022 Full Request Level	% Change From FY 2021 Agency Budget 3/31/21 to FY 2022 Full Request Level
11	Personnel Compensation	36,843,586	38,793,741	41,135,868	2,342,128	6.04%
11.52	Cash Awards	575,199	200,039	650,000	449,961	224.94%
12.1	Personnel benefits	12,509,820	13,840,120	13,039,917	-800,203	-5.78%
12.18	Transit Subsidy	208,594	85,000	355,000	270,000	317.65%
Subtotal, Personnel		\$50,137,199	\$52,918,900	\$55,180,785	\$2,261,885	4.27%
21	Travel & transportation of persons	122,577	92,000	298,500	206,500	224.46%
23.1	GSA Rent	4,241,539	5,161,066	5,273,295	112,229	2.17%
23.3	Communications, Utilities & Postage	389,455	435,978	540,000	104,022	23.86%
24	Printing & Reproduction	127,841	125,693	156,940	31,247	24.86%
25.11	Training, Commercial Fed. & Tuition	424,186	357,816	586,840	229,024	64.01%
25.14	IT Contracts	9,006,903	7,095,838	7,095,838	0	0.00%
25.2	Contracts & Other Services	1,865,277	1,457,492	2,530,382	1,128,890	77.45%
25.3	Federal Goods & Services	2,174,004	1,566,424	2,317,900	751,476	47.97%
26	Supplies and Materials	829,912	753,595	1,087,520	333,925	44.31%
31	Non-Capitalized and Capitalized Equipment	1,639,235	1,532,198	1,376,000	-156,198	-10.19%
	Insurance Claims & Indemnities*	200,949	0			
Subtotal, Non-Personnel		\$21,021,877	\$18,578,100	\$21,263,215	\$2,741,115	14.75%
TOTAL		\$71,159,076	\$71,497,000	\$76,500,000	\$5,003,000	7.00%

* In FY 2020, FEC paid a judgment in the case *Pursuing America’s Greatness v. FEC*.

2A.1: Description of Budget Increases and Decreases at Request Level

Program Increases and Decreases.....\$5,003,000

Personnel Increases.....\$2,261,885/13 FTE

FEC seeks an addition of \$2.3 million above the FY 2021 enacted level to support salaries, awards and other personnel benefits. These funds would provide the agency with vitally needed flexibility to backfill critical vacancies and restore awards and training to levels consistent with historical experience. Importantly, FEC’s current plan is to reduce awards to approximately one-third of FY 2020 levels for FY 2021. The FY 2022 request for \$650,000 would support restoring those levels and providing additional amounts to support the Administration’s awards initiatives. In total, this level would support 328 FTE.

Non-Personnel Increases and Decreases\$2,741,115

This increase would provide funding for critical non-personnel areas to continue and maintain FEC’s IT modernization efforts and other essential initiatives that were not funded in FY 2021, including support for services purchased from other federal agencies and rent.

Non-Capitalized and Capitalized Equipment.....-\$156,198

FEC is implementing hardware refreshes (for example, network equipment, routers and switches) and is looking for efficiencies enabled by its modernization efforts, such as reduced data center equipment costs.

Printing and Reproduction.....\$31,247

As the agency returns to normal operations, printing costs are projected to increase.

Communications Utilities & Postage.....\$104,022

This represents increased costs associated with telephone and internet communications-related contracts.

GSA Rent.....\$112,229

FEC’s increased rent costs are in a lease agreement and supplied by GSA.

Travel.....\$206,500

The agency anticipates increased travel expenses as it resumes normal operations after the COVID-19 pandemic.

Training.....\$229,024

The agency reduced FY 2021 training levels in order to meet the FY 2021 enacted levels and would like to restore training to previous years' levels.

Supplies and Materials\$333,925

This number reflects a normal return to agency operations after the pandemic.

Federal Goods and Services.....\$751,476

This increase is due to the increased costs of FEC's Shared Service Providers (SSP), HR support and the Federal Protective Service.

Contracts & Other Services.....\$1,128,890

The additional funding for Contracts & Other Services would allow resumption of planned IT activities, including migration of legacy applications, and other key contracts.

2B: Appropriations Language

The FEC proposes the following Appropriations Language for FY 2022.

FEDERAL ELECTION
COMMISSION
Federal
Funds
Salaries and
Expenses

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, \$76,500,000, of which not to exceed \$5,000 shall be available for reception and representation expenses.

2C: Recommended Legislative Changes

On May 6, 2021, the Commission submitted legislative recommendations to Congress and the Administration.⁹ Four of these recommendations represent bold proposals to streamline agency processes, including those for disclosing campaign finance data to the public, and ensure that the agency can operate more effectively and at a lower cost to taxpayers.

These initiatives require statutory changes to be enacted through legislation, and proposed statutory language for each was approved by the Commission and provided to the Congress and the Administration.

Electronic Filing of Electioneering Communication Reports

Section: Federal Election Campaign Act of 1971, as amended (FECA) § 304(a)(11)(A)(i)
(codified at 52 U.S.C. § 30104(a)(11)(A)(i))

Recommendation: Congress should require reports of electioneering communications to be filed electronically with the Commission, rather than on paper.

Explanation: The Treasury and General Government Appropriations Act, 2000,¹⁰ required the Commission to make electronic filing mandatory for political committees and other persons required to file with the Commission who, in a calendar year, have, or have reason to expect to have, total contributions or total expenditures exceeding a threshold amount set by the Commission (which is currently \$50,000). In addition, many independent expenditure reports are already subject to mandatory electronic filing under section 304(a)(11)(A)(i) of the Federal Election Campaign Act of 1971, as amended (FECA).¹¹ However, because electioneering communication reports are not filed by political committees, and because funds spent for electioneering communications are reported as “disbursements,” and not as “expenditures,” the mandatory electronic filing provisions do not apply to electioneering communication reports.

Compared to data from paper reports, data from electronically filed reports is received, processed and disseminated more easily and efficiently, resulting in better use of resources. Reports that are filed electronically are normally available to the public, and may be downloaded, within minutes. In contrast, the time between the receipt of a report filed through the paper filing system and its initial appearance on the Commission’s web site is 48 hours.

⁹ All of the FEC’s 2021 Legislative Recommendations are available here: <https://www.fec.gov/resources/cms-content/documents/legrec2021.pdf>.

¹⁰ Pub. L. No. 106-58, § 639, 113 Stat. 430, 476 (1999).

¹¹ Pub. L. No. 92-225, 86 Stat. 3 (1972), as amended, codified at 52 U.S.C. § 30104(a)(11)(A)(i).

Electronic filings are not subject to delay due to post office processing or disruptions in the delivery of mail, such as those arising from health and security measures related to the COVID-19 pandemic or the discovery of anthrax powder and ricin in mail. Because of these measures, the Commission's receipt of mailed paper filings is delayed. In contrast, electronic filings are not subject to these delays.

Only entities that report more than \$50,000 of electioneering communications would be subject to mandatory electronic filing under the proposal. The current threshold selected by the Commission ensures that entities with limited financial resources can file reports on paper, which avoids the limited cost of internet access and a computer sufficient to file reports.

Authority to Create Senior Executive Service Positions

Sections: 5 U.S.C. § 3132(a)(1)
FECA § 306(f)(1)
(codified at 52 U.S.C. § 30106(f)(1))

Recommendation: Congress should delete the exclusion of the Federal Election Commission from eligibility for the Senior Executive Service (SES) under the Civil Service Reform Act of 1978 (as amended by the Federal Election Campaign Act Amendments of 1979).¹² Additionally, Congress should revise section 306 of FECA, to delink the salaries of the Staff Director and the General Counsel from Level IV and Level V of the Executive Schedule.

Explanation: The Commission believes that these statutory changes are needed to bring the Commission's personnel structure in line with that of other comparable federal agencies. This would ensure that the Commission is better able to compete with other government agencies in recruiting and retaining key management personnel.

Currently, the Commission is prohibited by law from creating Senior Executive Service positions within the agency.¹³ The Commission recommends that it be made eligible to create Senior Executive Service positions because: (1) the agency currently has several top management positions that the Commission believes would fully satisfy the criteria for SES positions set forth in 5 U.S.C. § 3132 (e.g., directing the work of an organizational unit, monitoring progress toward organizational goals, etc.); and (2) the SES system would provide institutional benefits to the agency and agency employees.

As a result of the current prohibition, the Commission's senior managers (other than the Staff Director and the General Counsel) are employed in Senior Level positions. The current Senior Level

¹² See Pub. L. No. 96-187, § 203, 93 Stat. 1339, 1368 (1980), codified at 5 U.S.C. § 3132(a)(1)(C).

¹³ 5 U.S.C. § 3132(a)(1)(C).

positions (the Chief Financial Officer, the Inspector General, the Deputy Inspector General, four Deputy Staff Directors, two Deputy General Counsels, and three Associate General Counsels) oversee major programmatic areas and supervise not only staff, but other managers as well. Although these twelve top management positions are designated as Senior Level, because supervisory and executive responsibilities occupy 100% of the time of the employees filling these positions, the positions would be more appropriately designated as SES.¹⁴

The FEC's expenses would not increase significantly if it were permitted to participate in the SES program. In 2008, legislation brought the salary ranges for Senior Level employees into parity with Senior Executive Service employees.¹⁵ Like SES employees, Senior Level employees may now carry over 720 hours of annual leave into the next year, rather than the previous Senior Level limit of 240. Nonetheless, the SES system would provide institutional benefits to the Commission and its employees by enhancing the quality and quantity of the pool of persons available to fill vacancies that may arise.

SES candidates must go through a competitive selection process in order to enter a Candidate Development Program. Completion of a Candidate Development Program by candidates within the agency ensures that a cadre of SES-approved employees is available for selection and thereby assists in good succession planning. In addition, the SES system enables agencies to hire experienced and skilled leaders from a *government-wide*, not just intra-agency, pool with relative ease and with the assurance that all such employees have met the same standards of development and experience. For example, because SES-certified applicants from outside the agency will have met all of the Executive Core Qualifications, the Commission would be able to evaluate their applications with the assurance that fundamental competencies have already been developed.

The current provision in FECA specifies that the Staff Director and General Counsel are to be paid at Level IV and Level V of the Executive Schedule, respectively. Both positions supervise personnel at the GS-15 and Senior Level pay scales, which often provide higher salaries than Levels IV and V of the Executive Schedule. The Staff Director and General Counsel have significant responsibilities and oversight duties with respect to both administrative and legal areas, as well as management over almost all agency personnel. According to recruiting specialists working with the Commission, the current limit makes attracting a strong pool of applicants to these positions more challenging. The appointment and retention of these key leaders have been identified as ongoing management and performance challenges to the Commission by the Inspector General in the eight most recent Agency Financial Reports covering 2014 through 2021 and in previous Performance and Accountability Reports. The General Counsel's position is currently filled on an acting basis.

¹⁴ In fact, OPM's guidance on the Senior Level positions indicates that the Senior Level system is generally for positions in which supervisory duties occupy less than 25% of the employee's time. See <http://www.opm.gov/policy-data-oversight/senior-executive-service/scientific-senior-level-positions/> (last visited May 6, 2021). OPM's guidance does note, however, that "in a few agencies [such as the Federal Election Commission] that are statutorily exempt from inclusion in the Senior Executive Service (SES), executive positions are staffed with SL employees."

¹⁵ See Senior Professional Performance Act of 2008, Pub. L. No. 110-372, 122 Stat. 4043 (2008).

The Commission proposes removing the statutory references to the Executive Schedule, so that the Staff Director and General Counsel would be compensated under the same schedule as the Commission's other senior managers. This revision will remedy the current situation where the Commission's top managers are compensated at a lower rate than many of their direct reports, and will ensure that the Commission can retain highly qualified individuals to serve in those positions as well as enable it to remain competitive in the marketplace for Federal executives when filling the current vacancy or when further vacancies arise. This change will not require an increase in the Commission's appropriation request.

Accordingly, the Commission believes that the positions of Staff Director and General Counsel, as well as the current Senior Level positions within the agency, would be more appropriately categorized as SES positions. Because salary ranges for Senior Executive Service employees and Senior Level employees are in parity, as discussed above, the foregoing amendments will affect the salary expenses for only two positions: the Staff Director and the General Counsel.

Make the Administrative Fine Program for Reporting Violations Permanent

Section: FECA § 309(a)(4)(C)(v)
(codified at 52 U.S.C. § 30109(a)(4)(C)(v))

Recommendation: Congress should make permanent the Commission's authority to assess administrative fines for violations of the law requiring timely reporting of receipts and disbursements. The Commission's current Administrative Fine Program only covers violations that relate to reporting periods through December 31, 2023.

Explanation: On December 21, 2018, President Trump signed legislation that extended the Administrative Fine Program, which authorized the Commission to include in the Program certain violations of FECA that relate to reporting periods through December 31, 2023.¹⁶ Congress has acted six times to extend the Administrative Fine Program, extending the initial covered period from two years to cover 24 years.¹⁷ Instead of enacting a seventh temporary extension, Congress should act to make the program permanent.

Through the Administrative Fine Program, the Commission has processed and made public 3,482 cases, with more than \$6.8 million in fines assessed during the period from implementation of the program in 2000 through the end of fiscal year 2020. The Administrative Fine Program has been

¹⁶ See Pub. L. No. 115-386, 132 Stat. 5161 (2018).

¹⁷ Pub. L. No. 107-67, §642, 115 Stat. 514, 555 (2001) (extending program through 2003 reports), Pub. L. No. 108-199, § 639, 118 Stat. 3, 359 (2004) (extending program through 2005 reports, leaving gap in coverage from January 1 to February 10, 2004); Pub. L. No. 109-155, § 721, 119 Stat. 2396, 2493-94 (2005) (extending program through 2008 reports); Pub. L. No. 110-433, 122 Stat. 4971 (2008) (extending program through 2013 reports); Pub. L. No. 113-72, 127 Stat. 1210 (2013) (extending program through 2018 reports); and Pub. L. No. 115-386, 132 Stat. 5161 (2018) (extending program through 2023 reports).

remarkably successful: over the course of the program, the number of late and nonfiled reports has dramatically decreased. For election cycles 1992 through 2000, an average of 21% of campaign finance reports were filed late. Since the inception of the Administrative Fine Program, the percentage of late reports has dropped to below 10%. As a result, the Administrative Fine Program has become an integral part of the Commission's mission to administer and enforce the Act. With fewer late reports and fewer challenges to administrative fines, the Commission has been able to reduce the number of employees who work on this program. By making the program permanent, Congress would ensure that the Commission would not lose one of the most cost-effective and successful programs in its history.

Under the Administrative Fine Program, the Commission considers reports to be filed late if they are received after the due date, but within 30 days of that due date. Election-sensitive reports¹⁸ are considered late if they are filed after their due date, but at least five days before the election. Committees filing reports after these dates are considered nonfilers. Civil money penalties for late reports are determined by the amount of activity on the report, the number of days the report was late and any prior penalties for violations under the administrative fine regulations. Penalties for nonfiled reports are determined by the estimated amount of activity on the report and any prior violations. Committees have the option to challenge the Commission's finding, proposed penalty or both, or they may pay the civil penalty assessed.

Increase and Index for Inflation Registration and Reporting Thresholds

Sections: FECA §§ 301, 304 and 315
(codified at 52 U.S.C. §§ 30101, 30104 & 30116)

Recommendation: Congress should increase and index for inflation certain registration and reporting thresholds in the Federal Election Campaign Act that have not been changed since the 1970s.

Explanation: Most of the Federal Election Campaign Act's contribution limits and registration and reporting thresholds were set in the 1970s. Because over twenty years of inflation had effectively reduced FECA's contribution limits in real dollars, the Bipartisan Campaign Reform Act of 2002 increased most of the Act's contribution limits to adjust for some of the effects of inflation. Furthermore, BCRA indexed these limits for inflation to address inflation in future. The Commission proposes extending this approach to registration and reporting thresholds, which have been effectively reduced by inflation since those thresholds were established in 1971 or 1979.

Since 1971, FECA has provided that any group of persons that receives contributions or makes expenditures in excess of \$1,000 in a calendar year must register and report as a political

¹⁸ Election sensitive reports are those filed immediately before an election and include pre-primary, pre-special, pre-general, October quarterly and October monthly reports.

committee.¹⁹ FECA also requires political committees to abide by the contribution limits and source prohibitions specified in FECA. Since 1979, FECA has provided that local political party organizations are also subject to a \$1,000 threshold for federal political committee status.²⁰ The Commission recommends that Congress increase these thresholds to \$2,000, and then index those amounts for inflation to prevent erosion in the future. Raising this threshold would be particularly beneficial for local and Congressional district committees of political parties. These organizations frequently breach the \$1,000 threshold. An increased threshold would permit limited spending on federal elections without triggering federal political committee status for local and Congressional district committees of political parties.

Since 1979, FECA has required persons (other than political committees) who make independent expenditures in excess of \$250 in a calendar year to report such expenditures to the Commission.²¹ The Commission recommends that Congress increase this threshold to \$500 and index this amount for inflation.

Increasing these thresholds would take into account many years of inflation and the general increase in campaign cost and ease the compliance burdens on smaller organizations and individuals. Additionally, by increasing the thresholds, Congress would exempt some individuals and small organizations that engage in only minimal spending from the Act's registration and reporting requirements. Increasing the registration and reporting thresholds to compensate for inflation would leave significant financial activity subject to regulation as intended by Congress when it enacted the FECA.

¹⁹ FECA § 301(4)(A) (*codified at* 52 U.S.C. § 30101(4)(A)).

²⁰ FECA § 301(4)(C) (*codified at* 52 U.S.C. § 30101(4)(C)).

²¹ FECA § 304(c)(1) (*codified at* 52 U.S.C. § 30104(c)(1)).

2D GAO Report: *Campaign Finance: Federal Framework, Agency Roles and Responsibilities, and Perspectives*, GAO-20-66R (Feb. 2020)

On February 3, 2020, the U.S. Government Accountability Office (GAO) issued a report entitled: “Campaign Finance: Federal Framework, Agency Roles and Responsibilities, and Perspectives” (GAO-20-66R). GAO’s report includes its recommendations that the FEC and the U.S. Department of Justice (DOJ) review and update guidance that addresses coordination between the two agencies regarding enforcement of federal campaign finance laws. GAO’s recommendations expressly recognize that the FEC lacked a quorum in February 2020 and stated that the FEC should act “once a quorum of commissioners is in place.”

The FEC regained the number of Commissioners necessary to constitute a quorum in December 2020. Since then, in addition to prioritizing and completing a large volume of necessary and time-sensitive work, including with respect to a backlog of enforcement matters, FEC and DOJ staff have had initial and substantive contact regarding updating the coordination guidance, as recommended by GAO, and expect those efforts to continue as time and resources permit.

Section 3: FY 2022 Annual Performance Plan and FY 2020 Annual Performance Report

3A: Introduction

This Annual Performance Plan and Report (APP/APR) is considered the companion to the Federal Election Commission’s Strategic Plan for Fiscal Years (FY) 2018-2022, and designed to provide a solid framework for performance planning and reporting in accordance with the requirements of the *GPR Modernization Act of 2010*.²² The FY 2022 Annual Performance Plan and FY 2020 Annual Performance Report are combined in this document to present accomplishments through FY 2020 and performance targets associated with FYs 2020, 2021 and 2022.

This plan positions the agency to promote compliance and to engage and inform the public about campaign finance data and rules. In order to meet these challenges, the FEC must maintain a workforce that is highly qualified to achieve the agency’s mission effectively and efficiently.

3A:1 Mission Statement

To protect the integrity of the Federal campaign finance process by providing transparency and fairly enforcing and administering Federal campaign finance laws.

²² The President’s Budget identifies the lower-priority program activities, where applicable, as required under the GPR Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at: <http://www.whitehouse.gov/omb/budget>.

3B: Organizational Structure

The FEC is an independent regulatory agency responsible for administering, enforcing, defending and interpreting the *Federal Election Campaign Act (the Act)*.²³ The Commission is also responsible for administering the federal public funding programs for Presidential campaigns. This responsibility includes certifying and auditing all participating candidates and committees and enforcing the public funding laws.

Under the *Act*, all federal political committees, including the committees of Presidential, Senate and House candidates, must file reports of receipts and disbursements. The FEC makes disclosure reports available to the public through the Commission's Internet-based public disclosure system at www.fec.gov as well as through a public records office at the Commission's Washington, D.C. headquarters. The FEC also has exclusive responsibility for civil enforcement of the *Act*, and has litigating authority independent of the Department of Justice in U.S. District Court and the Courts of Appeals. Additionally, the Commission promulgates regulations implementing the *Act* and issues advisory opinions responding to requests.

To accomplish its legislative mandate, the FEC is directed by six Commissioners, who are appointed by the President with the advice and consent of the Senate. By law, no more than three Commissioners may be members of the same political party. Each member serves a six-year term, and two seats are subject to appointment every two years. Commissioners may serve beyond their six-year terms until new Commissioners are confirmed. The Chairmanship of the Commission rotates among the members, with no member serving as Chair more than once during a six-year term. The Commissioners are responsible for administering and enforcing the *Act* and meet regularly to formulate policy and to vote on significant legal and administrative matters. The *Act* requires at least four votes for the Commission to approve certain official actions, thus requiring bipartisan decision-making. The FEC has its headquarters in Washington, D.C. and does not have any regional offices.

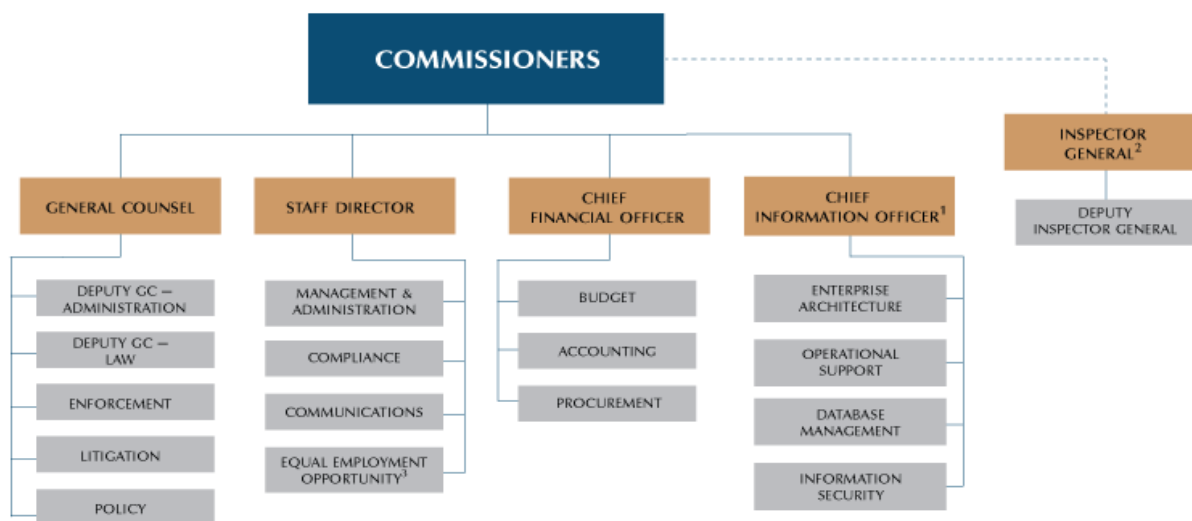
The Federal Election Commission was without a quorum of four Commissioners for approximately 11 months during FY 2020.²⁴ The *Act* requires the affirmative vote of four Commissioners for many actions. For example, the Commission cannot defend itself in some litigation, reach decisions in enforcement actions, issue advisory opinions or engage in rulemakings without the affirmative votes of four Commissioners. However, while the *Act* requires an affirmative vote by four Commissioners to make decisions in many areas, staff continued to further the agency's vital mission of administering the nation's campaign finance laws. The requirements of the *Act* and Commission regulations remained in effect, and political committees and other filers were required to continue to disclose their campaign finance activity to the Commission on the regular schedule. FEC staff continued to help committees and the public understand and comply with the law, process and review committee reports, and provide public access to campaign finance data. While the Commission could not take action on many legal matters, staff continued

²³ The Commission's primary responsibilities pertain to the *Federal Election Campaign Act of 1971*, Pub. L. No. 92-225, 86 Stat. 3 (1972) as amended (*codified at* 52 U.S.C. §§ 30101-30145) (formerly at 2 U.S.C. §§ 431-55) (the *Act* or the *FECA*). The Commission's responsibilities for the Federal public funding programs are contained in the *Presidential Election Campaign Fund Act*, Pub. L. No. 92-178, 85 Stat. 562 (1971) (*codified at* 26 U.S.C. §§ 9001-13) and the *Presidential Primary Matching Payment Account Act*, Pub. L. No. 93-443, 88 Stat. 1297 (1974) (*codified at* 26 U.S.C. §§ 9031-42).

²⁴ The FEC began FY 2020 without a quorum. A quorum was briefly restored on June 5, 2020, when Commissioner James E. "Trey" Trainor, III, was sworn in. The FEC again began working without a quorum on July 3, 2020, with the departure of Commissioner Caroline C. Hunter. A quorum was restored in December 2020 when Shana M. Broussard, Sean J. Cooksey and Allen Dickerson were sworn in.

to litigate ongoing court cases, process new advisory opinion requests and enforcement complaints and responses, and investigate matters previously authorized by the Commission.

In response to the pandemic caused by the novel coronavirus, the Federal Election Commission closed its offices to visitors and directed all of its employees to telework as of Friday, March 13, 2020. A formal evacuation notice was issued the following week. Nevertheless, the FEC’s website, web-based programs and electronic filing systems have remained online, and staff access to phone and email has been uninterrupted. Most Commission operations were not interrupted by the transition to an exclusively teleworking agency. However, the Commission temporarily suspended its mail operations and ceased fingerprinting new employees. During the suspension of mail operations, the agency did not process any documents submitted on paper, including non-electronically filed reports, advisory opinion requests, enforcement complaints and court-case documents. Website notices directed those interested in those activities to use email and explained the delayed processing of mail. On Thursday, June 18, 2020, the FEC began the initial phase of its return to normal operations. During the initial phase of the FEC’s reopening, the agency’s offices remain closed to visitors, and most of its employees continue to telework. However, the FEC resumed processing mail, including any mail delivered since the agency suspended its mail operations in March 2020. Additionally, fingerprinting and onboarding new employees and contractors resumed.



1 The position of Chief Information Officer normally reports directly to the Staff Director who, in turn, reports to the Commission itself. At present, however, the same individual is serving in both the position of the Staff Director and the position of the Chief Information Officer, pursuant to an authorization by the Commission and based, in part, on an advance decision from the Comptroller General. Accordingly, the organizational chart reflects both positions – the Staff Director and the Chief Information Officer – as reporting directly to the Commission.

2 The Office of the Inspector General (OIG) independently conducts audits, evaluations, and investigations. OIG keeps the Commission and Congress informed regarding major developments associated with their work.

3 The Director for Equal Employment Opportunity reports to the Staff Director on administrative issues but has direct reporting authority to the Commission on all EEO matters. See 29 CFR 1614.102(b)(4).

Figure 1: FEC Organizational Chart

As noted in Figure 1 above, the offices of the Staff Director, General Counsel, Chief Information Officer and Chief Financial Officer support the agency in accomplishing its mission. The Office of the Inspector General, established within the FEC in 1989 under the 1988 amendments to the *Inspector General Act*, is independent and reports both to the Commissioners and to Congress. The specific roles and responsibilities of each office are described in greater detail immediately below.

Office of the Staff Director (OSD)

The Office of the Staff Director consists of four offices: 1) Management and Administration; 2) Compliance; 3) Communications; and 4) Equal Employment Opportunity. The Office of Management and Administration is responsible for the FEC's strategic planning and performance and works with the Commission to ensure the agency's mission is met efficiently. In addition, this office houses the Office of the Commission Secretary, the Office of Human Resources (OHR) and the Administrative Services Division (ASD). The primary responsibilities of the Office of Compliance are making campaign finance reports and data available to the public, review of campaign finance reports, assistance with compliance, audits, administrative fines and alternative dispute resolution. The Office of Communications includes divisions charged with drafting enforcement, policy and other Commission documents, as well as presidential candidates' personal financial disclosure reports, available to the public, encouraging voluntary compliance with the *Act* through educational outreach and training, and ensuring effective communication with Congress, executive branch agencies, states, the media and researchers, and the general public. The Equal Employment Opportunity (EEO) Office administers and ensures compliance with applicable laws, regulations, policies and guidance that prohibit discrimination in the federal workplace based on race, color, national origin, religion, age, disability, sex, pregnancy, genetic information or retaliation. The EEO Director reports to the Staff Director on administrative issues, but has direct reporting authority on all EEO matters. *See* 29 CFR 1614.102(b)(4).

Office of General Counsel (OGC)

The Office of General Counsel consists of five organizational units: (1) the Deputy General Counsel—Administration; (2) the Deputy General Counsel—Law; (3) the Policy Division; (4) the Enforcement Division; and (5) the Litigation Division. The Deputy General Counsel—Administration directly supervises the Administrative Law Team, the Law Library and all OGC administrative functions. The Deputy General Counsel—Law has the primary responsibility for assisting the General Counsel in all of the substantive aspects of the General Counsel's duties and shares in the management of all phases of OGC programs, as well as directly supervising the agency's ethics program. The Policy Division drafts for Commission consideration advisory opinions and regulations interpreting the Federal campaign finance law and provides legal advice to the FEC's compliance programs. The Enforcement Division recommends to the Commission appropriate action to take with respect to administrative complaints and apparent violations of the *Act*. Where authorized, the Enforcement Division investigates alleged violations and negotiates conciliation agreements, which may include civil penalties and other remedies. If an enforcement matter is not resolved during the administrative process, the Commission may authorize suit in district court, at which point the matter is transferred to the Litigation Division. The Litigation Division represents the Commission before the Federal district and appellate courts in all civil litigation involving campaign finance statutes. This Division assists the Department of Justice's Office of the Solicitor General when the Commission's *FECA* cases are before the Supreme Court.

Office of the Chief Information Officer (OCIO)

The Office of the Chief Information Officer (OCIO) consists of four units: (1) Enterprise Architecture; (2) Operational Support; (3) Data Administration; and (4) IT Security. The OCIO provides secure, stable and robust technology solutions for Commission staff and the public. OCIO both develops and maintains the systems that serve as the public's primary source of information about campaign finance data and law and ensures agency employees have a technology infrastructure that allows them to perform their day-to-day responsibilities administering and enforcing campaign finance law. OCIO also develops and supports analytic reporting tools that help staff perform their disclosure and compliance duties.

Office of the Chief Financial Officer (OCFO)

The Office of the Chief Financial Officer consists of three offices: (1) Budget; (2) Accounting; and (3) Procurement. The OCFO is responsible for complying with all financial management laws and standards, and all aspects of budget formulation, budget execution and procurement.

3C: Performance Framework

3C:1 Strategic Goal

The strategic goal of the Federal Election Commission is to fairly, efficiently and effectively administer and enforce the *Federal Election Campaign Act*, promote compliance and engage and inform the public about campaign finance data and rules, while maintaining a workforce that delivers results.

3C:2 Plans and Progress by Strategic Objective

The *Act* reflects a belief that democracy works best when voters can make informed decisions in the political process—decisions based in part on knowing the sources of financial support for Federal candidates, political party committees and other political committees. As a result, the FEC’s first strategic objective is to inform the public about how Federal campaigns and committees are financed. Public confidence in the political process also depends on the knowledge that participants in Federal elections follow clear and well-defined rules and face consequences for non-compliance. Thus, the FEC’s second strategic objective focuses on the Commission’s efforts to promote voluntary compliance through educational outreach and to enforce campaign finance laws effectively and fairly. The third strategic objective is to interpret the *FECA* and related statutes, providing timely guidance to the public regarding the requirements of the law. The Commission also understands that organizational performance is driven by employee performance and that the agency cannot successfully achieve its mission without a high-performing workforce that understands expectations and delivers results. Consequently, the FEC’s fourth strategic objective is to foster a culture of high performance in order to ensure that the agency accomplishes its mission efficiently and effectively. The FEC’s strategies for reaching these objectives are outlined below.

3C:2.1 Strategic Objective 1: Engage and Inform the Public about Campaign Finance Data

Leaders: Assistant Staff Director for Reports Analysis Division; Assistant Staff Director for Public Disclosure and Media Relations Division

The FEC protects the integrity of federal campaigns by providing transparency and fairly enforcing and administering Federal campaign finance laws. Full disclosure of the sources and amounts of campaign funds and fair enforcement of Federal campaign finance laws allow the public to make informed decisions in the political process. Transparency requires that information is not only maintained by the FEC, but also provided to the public in an easily accessible way. In order to make certain that campaign finance disclosure information is quickly available and easily accessible to the public, the agency has made a number of improvements to modernize its campaign finance disclosure database and public interface. Specifically, the FEC has developed application programming interfaces (APIs) and other tools to improve access to campaign finance data. The agency is also committed to providing excellent customer service to help the public find and understand campaign finance information. The FEC gauges its effectiveness through a series of indicators designed to measure performance in areas that promote confidence in the campaign finance process, as detailed in the charts below.

Strategies and Next Steps

The FEC's eFiling system acts as the point of entry for submission of electronically filed campaign finance reports, providing faster access to reports and streamlining operations. This system provides for public disclosure of electronically filed reports, via the FEC website, within minutes of being filed. When a committee files a financial disclosure report on paper, the Commission ensures that a copy is available for public inspection within 48 hours of receipt, both electronically on the website and at the FEC's offices in Washington, D.C. The FEC is committed to providing timely and transparent campaign finance disclosure to the public and delivering data in accessible and easy-to-use formats.

During FYs 2021 and 2022, the FEC will continue work to upgrade the agency's eFiling platform. In FY 2017, the Commission published a study of its current eFiling platform, including a survey of the existing functionality of the FEC's free filing software and an in-depth investigation of needs expressed by filers.²⁵ The FEC will rely on the recommendations of this study to improve its eFiling platform to allow greater operating system flexibility for users when generating filings for submission to the Commission and increase the consistency and accuracy of reporting. The FEC's new eFiling platform is expected to improve the process for validating filings prior to acceptance and generate modern file outputs that will provide for more flexibility in accessing data.

The Commission is also improving and refining its website through iterative development, ensuring the FEC continues to provide an effective, user-centered online platform to deliver campaign finance information to its diverse base of users. This effort will ensure that the FEC provides full and meaningful campaign finance data and information in a manner that meets the public's increasing expectations for data customization and ease of use.

Performance measures and targets for assessing progress on this Strategic Objective include measures to ensure that data from campaign finance reports are quickly made available to the public and that the FEC pursues programs to make data more accessible to the public.

Progress Update for FY 2020

The FEC continued its work to receive and make public campaign finance disclosure information. The FEC received 90,605 campaign finance disclosure documents filed during FY 2020 disclosing nearly 244 million transactions. Reports filed electronically are made available on the FEC website, and may be downloaded by the public within minutes of submission. Reports filed on paper are scanned and made available on the FEC website within 48 hours of receipt. During FY 2020, the FEC ensured that 100 percent of paper-filed reports were made available to the public within two business days and that 100 percent of independent expenditure filings were made available to the public within one business day.

After reports are imaged for disclosure purposes, the information is coded and entered into the FEC's database for review to assess accuracy and ensure complete disclosure of campaign finance information.

²⁵ Available at <https://fec.gov/about/reports-about-fec/agency-operations/e-filing-study-2016/>.

The agency's goal is to code and enter 95 percent of the reports within 30 days of receipt. In FY 2020 the agency processed 98 percent of reports within 30 days of receipt.

The FEC had expected to begin the implementation phase of its modernized eFiling platform during FY 2021. However, COVID-19 related delays in fingerprinting and onboarding new staff and contractors subsequently contributed to delays in the FEC's efforts to complete the development phase of the eFiling platform during FY 2020. As a result, the FEC expects to begin partial implementation of the new eFiling system during FY 2021 and to complete implementation of the new eFiling platform during FY 2022. Full deployment to filers is expected for the 2023-2024 election cycle.

Performance Goal 1-1: Improve the public’s access to information about how campaign funds are raised and spent.

Key Indicator: Percent of reports processed within 30 days of receipt.								
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
92%	100%	96%	100%	94% ²⁶	95%	98%	95%	95%

²⁶ The agency’s ability to meet its target for this performance goal during FY 2019 was negatively impacted by the lapse in appropriations from December 22, 2018 to January 25, 2019.

Supporting Indicators 1-1:

Measure Name	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Percent of reports and statements filed on paper with the FEC made available on the FEC website within two business days of receipt	91% ²⁷	99%	99%	99%	100%	100%	100%	100%	100%
Percent of 24- and 48-hour reports on independent expenditure spending filed on paper made available on the FEC website within one business day of receipt	100%	100%	100%	100%	100%	100%	100%	100%	100%
Implement modernized eFiling system	N/A	N/A	Published study	N/A	40%	N/A	N/A	N/A	Complete implementation

3C:2.2 Strategic Objective 2: Promote Compliance with the FECA and Related Statutes

Leaders: Deputy Staff Director/Chief Compliance Officer; General Counsel; Deputy General Counsel—Administration; Assistant Staff Director, Information Division

Helping the public understand its obligations under the *Act* is an essential component of voluntary compliance. The FEC places a significant emphasis on encouraging compliance. The FEC measures its progress in meeting this Objective through two performance measures, discussed separately below. The first measures the agency’s efforts to encourage voluntary compliance through educational outreach and information and the second measures the FEC’s efforts to seek adherence to *FECA* requirements through fair, effective and timely enforcement and compliance programs. Progress against these measures and supporting indicators is detailed in the charts below.

²⁷ During FY 2015, the Commission developed an automated process to measure this metric in order to provide a more accurate assessment.

Strategies and Next Steps

Encourage voluntary compliance with FECA requirements through educational outreach and information.

The FEC's education and outreach programs provide information necessary for compliance with campaign finance law and give the public the context necessary to interpret the campaign finance data filers disclose. The FEC maintains a toll-free line and public email accounts to respond to inquiries regarding campaign finance data disclosed to the public and questions about how to comply with campaign finance law and its reporting requirements. The FEC's Public Disclosure and Media Relations Division and Congressional Affairs Office also respond to inquiries.

One way the Commission encourages voluntary compliance is by hosting conferences across the country, where Commissioners and staff explain how the *Act* applies to candidates, parties and political action committees. These conferences address recent changes in the law and focus on fundraising, methods of candidate support and reporting regulations.

The FEC also devotes considerable resources to ensuring that staff can provide distance learning opportunities to the general public. The Commission's website is one of the most important sources of instantly accessible information about the *Act*, Commission regulations, and Commission proceedings. In addition to viewing campaign finance data, anyone with Internet access can use the website to track Commission rulemakings, search advisory opinions, audits and closed enforcement matters, view campaign finance data, and find reporting dates. The Commission places a high emphasis on providing educational materials about campaign finance law and its requirements. Toward this end, the FEC has moved its focus away from the printing and manual distribution of its educational materials and instead looked for ways to leverage available technologies to create and disseminate dynamic and up-to-date educational materials through the website. While the Commission continues to make available printed copies of its educational brochures and publications, transitioning to primarily web-based media has allowed the agency to reduce significantly its printing and mailing costs and use of resources while at the same time encouraging new and expanded ways of communicating with the public via the website.

As part of this broad effort to improve its Internet communications and better serve the educational needs of the public, the Commission maintains its own YouTube channel, which can be found at <http://www.youtube.com/FECTube>. The YouTube channel offers a variety of instructional videos and tutorials that enable users to obtain guidance tailored to their specific activities.

The agency's educational outreach program has been significantly enhanced with the addition of an online training service that enables political committees, reporters, students and other groups to schedule live, interactive online training sessions with FEC staff. This on-demand service allows the FEC to provide tailored, distance learning presentations and training to the public in a manner that will significantly increase the availability of FEC staff to serve the public. The service also offers an efficient and effective way for alternative dispute resolution and other enforcement respondents to satisfy the terms of their agreements with the agency.

Seek adherence to FECA requirements through fair, effective and timely enforcement and compliance programs.

The FEC has formed strategies for ensuring that its enforcement and compliance programs are fair, effective and timely. The Commission's statutory obligation is to administer, interpret and enforce the *Federal Election Campaign Act*, which serves the compelling governmental interest in deterring corruption and the appearance of corruption in financing elections. In doing so, the Commission remains mindful of the First Amendment's guarantees of freedom of speech and association, and the practical implication of its actions on the political process.

The FEC has exclusive jurisdiction over civil enforcement of Federal campaign finance laws. It consults with the U.S. Department of Justice, as appropriate, on matters involving both civil and criminal enforcement of the *Act*. Commission enforcement actions, which are handled primarily by the Office of General Counsel (OGC), originate from a number of sources, including external complaints, referrals from other government agencies and matters generated by information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities. Enforcement matters are handled by OGC pursuant to the requirements of the *FECA*. The workload of the Enforcement Division of the OGC has steadily increased over time from an average of 111 matters in FY 2010 to the approximate caseload of 435 matters at the end of the second quarter, FY 2021. If the Commission cannot settle or conciliate a matter involving an alleged violation of the *Act*, the Commission may initiate civil litigation by filing and prosecuting a civil action in Federal district court to address the alleged violation. Closed enforcement matters are available via the FEC website.

To augment OGC's traditional enforcement role, the Office of Compliance manages several programs that seek to remedy alleged violations of the *Act* and encourage voluntary compliance. These programs include: 1) the Alternative Dispute Resolution Program, 2) the Administrative Fine Program and 3) the Audit Program. The Commission's Alternative Dispute Resolution Program is designed to resolve matters more swiftly by encouraging the settlement of less-complex enforcement matters with a streamlined process that focuses on remedial measures for candidates and political committees, such as training, internal audits and hiring compliance staff. Violations involving the late submission of, or failure to file, disclosure reports are subject to the Administrative Fine Program. This Program is administered by the Reports Analysis Division (RAD) and the Office of Administrative Review (OAR), which assess monetary penalties and handle challenges to the penalty assessments. The Audit Program conducts "for cause" audits under the *FECA* in those cases where political committees have failed to meet the threshold requirements for demonstrating substantial compliance with the *Act*, and conducts mandatory audits under the public funding statutes. Subject to limited redactions, threshold requirements approved by the Commission and used by RAD and the Audit Division are public.

The Office of Compliance's Reports Analysis Division (RAD) reviews an ever-increasing volume of reports to track compliance with the law and to ensure that the public record provides a full and accurate representation of reported campaign finance activity. If the FEC's review identifies an apparent violation or raises questions about the information disclosed on a report, RAD sends a request for additional information (RFAI letter) to the filer, affording an opportunity to take remedial action or correct the public record, if necessary. If the filer is able to resolve the FEC's concerns, it may avoid an enforcement action. If not, the Commission has several tools available to it, such as the Administrative Fine Program, Audit Program, the Alternative Dispute Resolution Program and the traditional enforcement program.

The Alternative Dispute Resolution (ADR) Program was implemented in FY 2001 with the primary objective of enhancing the agency's overall effectiveness through more expeditious resolution of enforcement matters with fewer resources required to process complaints and internal referrals. A case is closed when the Commission votes on the recommendation made by the ADR Office as to what final action should be taken.

In response to a legislative mandate, an Administrative Fine (AF) Program was implemented in July 2000 to address late and non-filing of disclosure reports in a more efficient and effective manner. The AF Program is administered by RAD and Office of Administrative Review (OAR), which are within the Office of Compliance.

The Commission generally conducts audits when a committee appears not to have met the threshold requirements for substantial compliance. The audit determines whether the committee complied with the limitations, prohibitions and disclosure requirements of the *Act*. In addition, the Commission is required by law to audit presidential campaigns that accept public funds.

Progress Update for FY 2020

Encourage voluntary compliance with FECA requirements through educational outreach and information.

During FY 2020, the Commission continued to meet its mandate to assist the public by providing access to campaign finance compliance information. The Commission is deeply committed to providing candidates, committees and the public timely advice and support so they can fully understand and comply with the *Act*. The Commission also continues to strive to better understand and meet the needs of the public and other stakeholders. During FY 2020, the FEC produced a variety of instructional videos and web content, conducted online training workshops—including 19 fully-remote webinars while staff teleworked—and, prior to the pandemic, held comprehensive two-day conferences in San Diego, California and San Antonio, Texas. The FEC again exceeded its customer service target for conferences and webinars, achieving an average attendee satisfaction rating of 4.51 on a five-point scale.

Seek adherence to FECA requirements through fair, effective and timely enforcement and compliance programs.

Reports Analysis Division

During FY 2020, RAD continued to ensure that campaigns and political committees file timely and accurate disclosure reports that fully disclose their financial activities. During the fiscal year, RAD reviewed 89,521 documents totaling 73.5 million pages. RAD continued to demonstrate its commitment to assisting filers with compliance, handling 13,209 phone calls and meetings, 894 electronic mail inquiries, developing reporting examples for the FEC website, and participating in several FEC conferences, seminars and webinars during FY 2020. In addition, the Reports Processing Branch demonstrated its commitment to providing the public with timely data, coding 63.9 million transactions during FY 2020.

Office of General Counsel

OGC continues to seek improvement in meeting its obligations to the Commission and the public to handle its caseload efficiently and effectively despite staffing challenges. In FY 2020, the Commission closed 37 enforcement cases in an average of 530 days, which included \$70,200 in negotiated civil penalties. The Commission closed 23 cases (62 percent) within 15 months.

Alternative Dispute Resolution Office

The ADRO continued to promote compliance with Federal campaign finance law and Commission regulations and to reduce the cost of processing complaints by encouraging settlements outside the agency's normal enforcement track. During FY 2020, the Commission completed 39 ADR cases, which included \$241,345 in negotiated civil penalties. The Commission's performance measure for ADR is to circulate 75 percent of cases to the Commission within 140 days of a case being referred. Seventy percent of cases met the 140-day benchmark. During fiscal year 2020, ADRO circulated 100% of recommendations within that timeframe.

Administrative Fine Program

The Administrative Fine Program continues to successfully reduce the number of late and non-filed reports and encourage campaign finance transparency through the timely filing of campaign finance reports. During FY 2020, RAD processed 166 reason-to-believe recommendations for Commission consideration. RAD processed 100 percent of these recommendations within 60 days of the original due date of the untimely or not filed report. OAR reviewed 8 challenges submitted by committees in response to a reason-to-believe finding and/or civil money penalty. OAR reviewed 100% percent of these challenges within 60 days of receipt. The average completion time for challenges was 46 days. Overall, OAR has reviewed 798 challenges submitted from the Program's inception through FY 2020.

Audit Division

The Audit Division continues to enforce the *FECA* through an audit process approved by the Commissioners each election cycle. Audit reports must be approved by a quorum of the Commission prior to public release. In the absence of a quorum for FY 2020, the Audit Division did not publicly release any Audit Reports. During FY 2020 there were two requests received under the Request for Legal Consideration by the Commission program established in 2011 to allow for challenges to preliminary audit findings, and one request for an Audit Hearing.

Performance Goal 2-1: Encourage voluntary compliance with FECA requirements through educational outreach and information.

Key Indicator: Educational outreach programs and events achieve targeted satisfaction rating on user surveys.								
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
4.34	4.53	4.43	4.53	4.45	4.0 or higher on a 5.0 scale	4.51	4.0 or higher on a 5.0 scale	4.0 or higher on a 5.0 scale

Supporting Indicators 2-1:

Measure Name	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Increase in the number of E-Learning presentations available on the FEC website	1 new training	4 new trainings	6 new trainings	3 new trainings	9 new trainings	4 new trainings	2 new trainings	4 new trainings	4 new trainings
Implement correspondence tracking tool for public-facing offices	N/A	N/A	N/A	100%	N/A	N/A	N/A	N/A	N/A

Performance Goal 2-2: Seek adherence to FECA requirements through fair, effective and timely enforcement and compliance programs.

Key Indicator: Of the enforcement matters resolved during the fiscal year, the percentage that was resolved within 15 months of the date of receipt.								
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
49%	38%	68%	62%	56%	50%	62%	50%	50%

Supporting Indicators 2-2:

Measure Name	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Percent of notifications provided within five days of complaints filed with the FEC	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percent of enforcement matters presented to the Commission for initial review within one year of the date of receipt	93%	86%	86%	84%	82%	80%	81%	80%	80%
Percent of RFAIs sent within 40 days of report review	92%	92%	88%	88%	88%	75%	86%	75%	75%
Percent of reports reviewed by RAD within 90 days of receipt	79%	93%	77%	92%	76%	75%	92%	75%	75%
Percent of <i>Proposed Final Audit Reports (PFAR)</i> approved by the Commission within two years from the start of fieldwork	43%	56%	25%	45%	100%	65%	N/A ²⁸	65%	65%
Percent of <i>Reviewing Officer Recommendations</i> circulated within 60 days	97%	82%	97%	100%	97%	75%	100%	75%	75%

²⁸ The Audit Division was unable to obtain approval for any audit reports during FY2020 because doing so requires the vote of the Commission, which lacked a quorum for approximately 11 months of the fiscal year.

Percent of ADRO Recommendations circulated within 140 days of referral	90%	97%	78%	74%	70% ²⁹	75%	100%	75%	75%
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3C:2.3 Strategic Objective 3: Interpret the FECA and Related Statutes

Leader: General Counsel; Deputy General Counsel— Administration

Commission initiatives, Congressional action, judicial decisions, petitions for rulemaking or other changes in campaign finance law may necessitate that the Commission update or adopt new regulations. Consequently, the FEC undertakes rulemakings either to write new Commission regulations or revise existing regulations. The Commission also provides guidance on how the *Act* applies to specific situations through the advisory opinion process and represents itself in most litigation before the Federal district and appellate courts. The Commission’s three primary means for providing interpretive guidance for the *Act* and related statutes are discussed below.

Regulations

The Policy Division of OGC drafts various rulemaking documents, including Notices of Proposed Rulemaking (NPRMs), for Commission consideration. NPRMs provide an opportunity for the public to review proposed regulations, submit written comments to the Commission and, when appropriate, testify at public hearings at the FEC. The Commission considers the comments and testimony and deliberates publicly regarding the adoption of the final regulations and the corresponding Explanations and Justifications, which provide the rationale and basis for the new or revised regulations.

Advisory Opinions

Advisory opinions (AO) are official Commission responses to questions regarding the application of Federal campaign finance law to specific factual situations. The *Act* generally requires the Commission to respond to AO requests within 60 days. For AO requests from candidates in the two months leading up to an election, the *Act* requires the Commission to respond within 20 days. On its own initiative, the Commission also makes available an expedited process for handling certain time-sensitive requests that are not otherwise entitled to expedited processing under the *Act*. The Commission strives to issue these advisory opinions in 30 days.

Defending Challenges to the Act

The Commission represents itself in most litigation before the Federal district and appellate courts and before the Supreme Court with respect to cases involving publicly financed presidential candidates. It also has primary responsibility for defending the *Act* and Commission regulations against court challenges. In addition, the *Act* authorizes the Commission to institute civil actions to enforce the *Act*.

²⁹ The agency’s ability to meet its target for this performance goal during FY 2019 was negatively impacted by the lapse in appropriations from December 22, 2018 to January 25, 2019.

Strategies and Next Steps

The Office of General Counsel continues to focus on its processes to ensure that staff provides timely and well-written advice to the Commission so that it can meet its obligations to administer and enforce campaign finance law. The Commission considers it a high priority to ensure that guidance is provided through the advisory opinion process within the timeframes established by the *Act*. OGC continues to ensure that court filings meet all deadlines and rules imposed by the courts and has set as a performance target meeting 100 percent of these deadlines and rules.

Progress Update for FY 2020

During FY 2020, the Commission met its goal to issue 100 percent of advisory opinions within the applicable 60- or 20-day statutory deadlines. During FY 2020, the Commission completed work on seven AO requests and issued three opinions in response to those requests.³⁰ All seven AO requests that the Commission completed in FY 2020 were 60-day AORs (five of which received extended deadlines).³¹ These AOs addressed a variety of issues, including advertising by an online political forum, a political committee’s use of a candidate’s initials in its registered name, and a political committee’s deduction of fees from earmarked contributions. The average number of days from receipt of a complete AO request to Commission action on it was 270 days.³² The Commission also provided legal guidance within statutory and court-ordered deadlines 88 percent of the time.

Performance Goal 3-1: Provide timely legal guidance to the public.

Key Indicator: Percent of legal guidance provided within statutory and court-ordered deadlines.								
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
100% ³³	100% ³⁴	100% ³⁵	100% ³⁶	100% ³⁷	100%	88% ³⁸	100%	100%

³⁰ One advisory opinion request was withdrawn. One advisory opinion request was dismissed as moot. And in two advisory opinion requests the Commission issued a closeout letter rather than an advisory opinion because the Commission lacked a quorum of four Commissioners to take action on the advisory opinion requests within 60 days and the requestors declined to grant an extension.

³¹ As noted above, requestors in two advisory opinion requests declined to grant an extension.

³² This number is significantly higher than usual because the Commission lacked a quorum to vote on advisory opinion requests for an extended period and requestors granted the Commission extensions until after it regained a quorum.

³³ The Commission obtained extensions to consider two advisory opinion requests in FY 2015. The Commission did not have any rulemakings during FY 2015 with statutory or court-ordered deadlines.

³⁴ The Commission obtained extensions to consider six advisory opinion requests in FY 2016.

³⁵ The Commission obtained extensions to consider seven advisory opinion requests in FY 2017.

³⁶ The Commission obtained an extension to consider one advisory opinion request in FY 2018.

³⁷ The Commission obtained extensions to consider six advisory opinion requests in FY 2019; two of those extensions were lengthened by the partial Federal government shutdown during the first and second quarters of FY 2019.

³⁸ This corrects the figure in the 2020 Agency Financial Report, which indicated that 100% of legal guidance was provided within statutory and court-ordered deadlines. The Agency Financial Report did not take into account one rulemaking that the

Supporting Indicators 3-1:

Measure Name	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Percent of advisory opinions issued within 60-day and 20-day statutory deadlines	100% ³⁹	100% ⁴⁰	100% ⁴¹	100% ⁴²	100% ⁴³	100%	100% ⁴⁴	100%	100%
Percent of court filings that meet all deadlines and rules imposed by the courts	100%	100%	98%	99%	97%	100%	98%	100%	100%

Commission approved after the statutory deadline, due to the lack of a Commission quorum for most of FY 2020. The Commission approved the rulemaking—which adjusted for inflation civil monetary penalties—in July 2020, when a quorum was briefly restored.

³⁹ The Commission obtained extensions to consider two advisory opinion requests in FY 2015.

⁴⁰ The Commission obtained extensions to consider six advisory opinion requests in FY 2016.

⁴¹ The Commission obtained extensions to consider seven advisory opinion requests in FY 2017.

⁴² The Commission obtained an extension to consider one advisory opinion request in FY 2018.

⁴³ The Commission obtained extensions to consider six advisory opinion requests in FY 2019; two of those extensions were lengthened by the partial Federal government shutdown during the first and second quarters of FY 2019.

⁴⁴ Due to the lack of a quorum for most of FY 2020, the Commission sought extensions from all advisory opinion requestors. Two advisory opinion requestors declined to grant an extension and, once the deadline for responding to those requests expired, the Commission notified those requestors that it was unable to approve an advisory opinion by the required affirmative vote of four commissioners.

3C:2.4 Strategic Objective 4: Foster a Culture of High Performance

Leaders: Deputy Staff Director for Management and Administration/Chief Human Capital Officer and Deputy Chief Information Officer, Enterprise Architecture

One of the objectives from the FEC's Strategic Plan, FY 2018-2022, Foster a Culture of High Performance, cuts across the organization and reflects the agency's strategic priorities for improving the efficiency and effectiveness of its workforce and management processes. The FEC's primary measure of success in developing and maintaining a result-driven workforce is at the program level: a workforce that delivers results will meet the internal performance targets set by the Commission. Supporting targets and results are detailed in the charts below.

Strategies and Next Steps

The Commission understands that the success of its programs depends upon the skills and commitment of its staff. The Commission is focused on ensuring that staff training needs are assessed and met at every level of the agency and that agency leaders receive training necessary to help manage and maintain a fully engaged and productive workforce. The FEC is also focused on decreasing the time to hire, improving the agency's performance management systems and developing a supervisory and managerial training program for senior leaders, mid-career managers and first-time supervisors.

The FEC is also implementing a multi-phase plan to reduce reliance on physical servers and migrate appropriate systems and data to a cloud environment. In conjunction with the redesign of the agency's website, the FEC successfully migrated its largest database, the campaign finance database, to a cloud environment and shut down one physical data center during FY 2018. Cloud hosting offers a number of benefits for the FEC's campaign finance database and website. The agency's Internet traffic is variable, with many more visitors accessing the website during election years and near reporting deadlines. With a cloud-hosted application and database infrastructure, the FEC only needs to pay for the actual usage, rather than constantly maintaining the capacity to support peak usage, even during periods of reduced usage. Website downtime is minimized and server maintenance is managed by the cloud computing provider.

The Commission's records management program continues to make advancements, as described below. FYs 2021 and 2022 will bring continued focus on updating the agency's records schedules in compliance with the Transition to Electronic Records Memorandum, updating the agency's Records Management Program, and training all staff on the agency and government-wide records schedules, policies and responsibilities.

Progress Update for FY 2020

In accordance with the Transition to Electronic Records Memorandum, which superseded the Managing Government Records Presidential Directive as of June 28, 2019, the Commission has made important progress toward the Memorandum's goal of managing all permanent records in an electronic format with appropriate metadata by 2022. In support of that goal, the Commission received approval from the Archivist of the United States for its National Archives and Records Administration (NARA) Form 1005 (NA-1005) *Verification for Implementing GRS 6.1*. This established the Commission's agency-wide Email Management Policy via the Capstone approach. The Commission also received approval from the Archivist of the United States for its Commission Meeting Records Schedule. The Commission is seeking

approval of its January 2018 request, pending with NARA, to electronically maintain all records associated with the Office of Alternative Dispute Resolution's case files, as NARA seeks to finalize and formally add to its regulations digitization standards applicable to paper records that are ultimately digitized.

During FY 2020, the FEC partnered with the Office of Personnel Management's (OPM) HR Solutions to improve the FEC's staffing, classification and performance management processes. The FEC and HR Solutions continued implementing new standard operating procedures (SOPs) that streamline and better document the agency's hiring procedures. With these procedures, hiring managers are more directly involved throughout the hiring process, are receiving high quality advice and are able to onboard new hires more quickly. The FEC also provided training to hiring managers and interview panels to ensure that the panel members understood and followed the new SOPs. During FY 2020, the average days to hire were affected by the coronavirus pandemic. The agency worked to implement ongoing guidance from OPM, the Office of Management and Budget, the Department of Homeland Security, and the Occupational Safety and Health Administration to modify requirements for personnel security and suitability/fitness screening, wet signatures, onboarding, and equipment issuance while also implementing safety protocols. Despite the time lost, the agency slightly reduced average days to hire from 132 days in FY 2019 to 130 days during FY 2020. In FY 2021 and 2022, the FEC will continue to focus on using the new SOPs to further streamline the hiring process and fill vacant positions faster.

In addition, the FEC non-bargaining unit employees completed a full annual performance cycle using a new web-based performance management system during FY 2020. The FEC also worked with HR Solutions to develop a strategic plan for creating an agency-wide training program. The FEC continued to leverage the partnership with OPM to bring broad, high-quality supervisory trainings to the agency's supervisors during the year.

During FY 2020, the FEC conducted a study of its remaining legacy systems to develop a cloud migration plan for these legacy applications and systems. The cloud migration plan developed during FY 2020 will also include recommendations for migrating the FEC's disaster recovery environment to a cloud environment. To realize the full value of this study, and to more quickly realize the cost and efficiency benefits of migrating applications and systems to a cloud environment, the FEC will begin implementation of the study's recommendations in FY 2021.

Performance Goal 4-1: Foster a workforce that delivers results.

Key Indicator: Commission-required quarterly updates meet targeted performance goals.								
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
80%	76%	85%	73%	53% ⁴⁵	65%	73% ⁴⁶	65%	65%

⁴⁵ The agency’s ability to meet its target for this performance goal during FY 2019 was negatively impacted by the lapse in appropriations from December 22, 2018 to January 25, 2019.

⁴⁶ The agency’s performance under this measure was negatively impacted by the lack of a quorum for most of FY 2020.

Supporting Indicators 4-1:

Measure Name	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Average number of days to hire	N/A	N/A	N/A	153	132 ⁴⁷	80 days	130 days ⁴⁸	120 days	120 days
Implement new performance management system	N/A	N/A	N/A	N/A	100%	N/A	N/A	N/A	N/A
Develop program for tiered supervisory training	N/A	N/A	N/A	Baseline Supervisory Training provided	Baseline Supervisory Training provided	N/A	N/A	N/A	N/A
Meet Records Management Presidential Directive milestones	N/A ⁴⁹	60%	70%	73%	76%	As specified in Presidential Directive	80%	As specified in Presidential Directive	As specified in Presidential Directive
Reduce reliance on physical data centers	N/A	N/A	N/A	100%	N/A	N/A	N/A	N/A	N/A
Develop and implement Innovation Center	N/A	N/A	N/A	N/A	100%	N/A	N/A	N/A	N/A

⁴⁷ The agency's ability to meet its target for this performance goal during FY 2019 was negatively impacted by the lapse in appropriations from December 22, 2018 to January 25, 2019.

⁴⁸ The agency's ability to meet its target for this performance goal during FY 2020 was negatively impacted by the coronavirus pandemic.

⁴⁹ There were no Records Management Presidential Directive milestones for calendar year 2015.

3D: Implementation Factors

3D:1 Major Management Priorities, Challenges and Risks

The FEC identified in the agency's FY 2018-2022 Strategic Plan a management objective, Foster a Culture of High Performance, that sets out strategies and measures designed to help the agency deliver greater impact through innovation, increase effectiveness and efficiency, and improve service. Detailed information about this Strategic Objective is available in section 3C:2.4, above. In addition, the Commission has identified management initiatives as strategic activities in the strategic plan to support its mission objectives where those activities are deemed crucial to the success of the objective.

During FY 2020 the FEC partnered with the Office of Personnel Management's HR Solutions to improve the FEC's staffing, classification and performance management processes. Goals for the FEC's human capital management processes are detailed in section 3C:2.4.

Each year the FEC's Inspector General (IG) is required to provide a summary and assessment of the most serious management and performance challenges facing the FEC. In a memorandum dated October 23, 2020, the IG identified five challenge facing management: governance and management framework:

1. Growth of campaign spending;
2. Lack of quorum;
3. Coronavirus (COVID-19) pandemic;
4. Lack of full-time support to Chief Information Officer (CIO) and General Counsel Positions;
5. Cybersecurity.

The IG's assessment and the FEC's response are included in the FEC's FY 2020 Agency Financial Report, available on the FEC website at https://www.fec.gov/resources/cms-content/documents/FY_2020_Agency_Financial_Report.pdf.

3D:2 Data Validation and Verification

OMB Circular A-136, as revised, and the *GPRAMA Modernization Act of 2010 (GPRAMA)* require each agency to describe the accuracy and reliability of the data used to measure progress toward its performance goals, including an identification of the means used to verify and validate the measured values and the source for the data. Agencies are encouraged to determine the appropriate frequency of data validation and verification (V&V) needed for the intended use and should allocate appropriate resources to carry out validation and verification on an appropriately periodic basis.

Many of the FEC's performance measures set goals for the timely completion of tasks that are either internally generated or triggered through requests, reports or complaints filed with the Commission. As a result, the universe of data the FEC must collect and verify to support its performance information is generally small, centrally located and easily verified. The FEC tracks data to support its performance measures through its internal databases and with spreadsheets maintained by program managers. In cases

where performance is measured based on the timeframe for completing a decision, matter or inquiry, the universe of data to be measured and the dates on which performance milestones are reached are tracked electronically. Data provided by the agency's litigation, policy, enforcement and compliance offices are reported at least quarterly to the Commission, which provides regular opportunities for the accuracy of the data to be verified.

The FEC also tracks its performance in making campaign finance information available to the public. Reports filed with the FEC represent the largest universe of data the agency must consider in determining its performance. Campaign finance reports and statements filed electronically are made available on the FEC website nearly instantaneously, and reports and statements filed on paper with the FEC are placed on the FEC website within 48-hours of receipt. In addition, FEC staff process the data contained in campaign finance reports so that the information can be accurately organized, categorized and searched in the agency's databases. The FEC sets as a performance goal processing 95 percent of reports through its data and coding system within 30 days. The entry and completion dates for each report are retrievable through the FEC's electronic systems.

The FEC has completed a broad review of its methods for verifying and validating performance as part of its overall assessment of its strategic and performance plans. The FEC has identified senior-level staff and key managers to serve as goal leaders for each area of the strategic and performance plans. In addition, each strategic activity in the Strategic Plan has been assigned one or more program managers, who are responsible for the delivery and performance reporting of that activity. These managers will be serving as measure managers and data quality leads to ensure the completeness, consistency and accuracy of the reported data of their respective strategic activity.

3E: Conclusion

As described in this section, the FEC's plans and strategies for FYs 2021 and 2022 are designed to ensure that the agency is well-prepared to provide full campaign finance transparency to the public despite the expected increase in campaign finance activity.

Office of the Inspector General's Fiscal Year 2022 Budget Request

The Inspector General Reform Act (Pub. L. 110-409) was signed by the President on October 14, 2008. Section 6(f)(1) of the Inspector General Act of 1978, 5 U.S.C. app., was amended to require certain specifications concerning Office of Inspector General (OIG) budget submissions each fiscal year.

Each Inspector General (IG) is required to transmit a budget request to the head of the establishment or designated Federal entity to which the IG reports specifying:

- the aggregate amount of funds requested for the operations of the OIG;
- the portion of this amount requested for OIG training, including a certification from the IG that the amount requested satisfies all OIG training requirements for that fiscal year; and
- the portion of this amount necessary to support the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

The head of each establishment or designated Federal entity, in transmitting a proposed budget to the President for approval, shall include:

- an aggregate request for the OIG;
- the portion of this aggregate request for OIG training;
- the portion of this aggregate request for support of the CIGIE; and
- any comments of the affected IG with respect to the proposal.

The President shall include in each budget of the U.S. Government submitted to Congress:

- a separate statement of the budget estimate submitted by each IG;
- the amount requested by the President for each OIG;
- the amount requested by the President for training of OIGs;
- the amount requested by the President for support of the CIGIE; and
- any comments of the affected IG with respect to the proposal if the IG concludes that the budget submitted by the President would substantially inhibit the IG from performing the duties of the OIG.

Following the requirements as specified above, the OIG of the Federal Election Commission submits the following information relating to the OIG's requested budget for fiscal year 2022:

- the aggregate budget request for the operations of the OIG is \$1,962,277.
- the portion of this amount needed for OIG training is \$41,590; and
- the portion of this amount needed to support the CIGIE is an estimated \$7,039.

I, Christopher L. Skinner, certify as the IG of the Federal Election Commission that the amount I have requested for training satisfies all OIG training requirements for fiscal year 2022.

OIG Summary of Outstanding FEC Audit Recommendations

The FEC OIG provides the table detailed herein for informational purposes only. It provides an update to FEC management as to the status of the total outstanding recommendations reported in the OIG's most recent semiannual report for the period ending March 31, 2021. Please note that the recommendations below have been open for at least a year as of July 31, 2020.

<i>OIG Audits/Inspection</i>	<i>Total Outstanding Recommendations as of October 2020</i>	<i>Total Closed</i>	<i>Total Open as of March 2021⁵⁰</i>
2010 Follow-up Audit of Privacy and Data Protection <i>9 years outstanding</i>	9	0	9
Inspection of the FEC's Disaster Recovery Plan and Continuity of Operations Plans <i>8 years outstanding</i>	5	2	3
Audit of the FEC's Office of Human Resources <i>8 years outstanding</i>	2	1	1
Audit of the FEC Telework Programs <i>5 years outstanding</i>	1	0	1
2017 Required Review Under the DATA Act <i>3 years outstanding</i>	2	2	0
Outstanding Recommendations from prior Annual Financial Statement Audits <i>At least 1 year outstanding</i>	5	2	3
Total Outstanding Recommendations			17⁵¹

⁵⁰ These numbers include recommendations that management has disagreed with or has not adequately implemented, and the OIG concludes that these recommendations are still open.

⁵¹ OIG notes that the total outstanding recommendations include open recommendations from prior financial statement audits, which are normally not reported in the semiannual report. The total number of outstanding recommendations excluding financial statement audit recommendations is 14.