

# IACA 2008 - SALT LAKE CITY

*UNITING LOCAL AND GLOBAL PERSPECTIVES*

## Merit Award Application and Criteria

Completed applications must be received by: March 15, 2008

Send completed application to: Randy Moes  
1019 Brazos, Suite 505  
Austin, TX 78701

### Criteria:

1. Any technology project initiated by the filing office that improved the efficiency of the office, service to the customer or otherwise benefited the office; or
2. Any innovative changes in your office that have been implemented that have allowed the office to continue or increase its efficiency.
3. Only those projects that have not been previously selected for recognition and which are presently in operation may be nominated (projects which are planned or currently under development are not eligible)
4. Application must be accompanied by a separate detailed description of the project or innovation and must demonstrate how it has enhanced your office. Award recipients will be given 10 minutes at the 2008 IACA Conference to present their project.
5. While specific content of the submission is not mandated, project should include; an introduction to the project, description of the project, results of implementation, cost-benefit of project and lessons learned.

**Jurisdiction:** \_\_\_\_\_ Michigan \_\_\_\_\_

**Submitted by:** \_\_\_\_\_ Tracy Goss \_\_\_\_\_

**Date Submitted:** \_\_\_\_\_ 3/14/08 \_\_\_\_\_

**Brief Description:** Online filing of current and prior year corporation annual reports and limited liability company annual statements and reports.

**Detailed Description:**

On March 21, 2007, the Corporation Division's online filing program, [FILEOnline](#) was expanded to allow corporations and limited liability companies in good standing to file prior year reports and statements online.

The Corporation Division began offering online filing in February 2006, initially for current year limited liability company annual statements and for 2005 nonprofit corporation reports that had not been filed by the October 1, 2005 due date. Profit corporations were added for the 2006 reports in March of 2006. However, in all cases, the corporation or limited liability company was only able to file the "current" year report or statement.

In order to encourage greater usage of online filing and meet statutory requirement for acceptance of documents submitted either via electronic mail or internet by January 1, 2007, Corporation Division worked with Department of Information Technology to add prior year annual reports and statements to FILEOnline. Discussion on the proposal and initial work on the project was completed in 2006. Extensive testing was completed from December 2006 through early March 2007 and on March 21, 2007, the revised FILEOnline was launched.

**Cost-Benefit:**

1. Increase in number of *all* reports filed online. Over twice as many reports and statements filed online in the year since prior reports and statements were added.

Reports/statements filed 3/1/06 - 2/28/07: 23,938

Reports/statements filed 3/1/07 - 2/29/08: 52,495

2. Corporations and limited liability companies can avoid automatic dissolution or loss of good standing by filing prior year reports and statements online.

For customers with corporations or LLCs facing impending dissolution/revocation or loss of good standing status for failure to file reports or statements, availability of online filing of prior year reports and statements allows the customer to quickly and immediately file reports and statements required in order to avoid loss of good standing. Other customers may not have been aware of missing reports or statements and are alerted to that fact when using the system to file the current year report or statement. The system was designed so that the customer must file reports in date order, i.e. oldest first.

3. Significant cost savings in processing reports and statements filed online. There are at least 10 steps eliminated across multiple agencies and it is estimated that on average each step takes one minute. From 3/1/07 – 2/29/08, there were approximately 5,000 reports and statements filed *for prior years* and that number represents about 10% of all filings

done online during that time period. For these 5,000 prior year reports, if there was saved a total of 10 minutes per report, that equals 50,000 minutes, or a total of 834 man-hours saved.

4. Improved customer service. by allowing more businesses to conduct transactions with the Corporation Division 24/7, as expected in today's environment. Customers appreciate the online filing as evidenced by the following comments submitted from the web site survey:

*"Thank you. This process was absolutely wonderful! I appreciate you valuing my time as a small business owner."*

*"I just love the changes that have been made with the online services offered by the State of Michigan.....keep up the great work.....and remember "say yes to Michigan"*

#### **Lessons Learned:**

1. Absolutely essential to listen to customer suggestions for new and improved services. After the online filing program was launched, there were multiple requests to include not only current year, but also prior year reports and statements.
2. Importance of Communication regarding services: As more online services became available, customers were notified both on the web site and with notices included with the paper reports and statements and the online filing web address ([www.michigan.gov/fileonline](http://www.michigan.gov/fileonline)) is now printed directly on the paper reports and statements for reference.
3. Customer Training: We allow customers to change their resident agent and registered office with their report. Customers did not always understand the concept of who a resident agent is and the significance of the address where the agent is located. Some changes were made to this information which resulted in a PO Box address only and no physical location where the agent could be found for service. We created a few on screen instructions to help customers understand the significance of this information and what is required or acceptable for resident agent and registered office.

**Awards will be presented at the 2008 IACA Conference.  
Award recipients should be prepared to give a brief  
presentation (approximately 10 minutes) about their project.**