



Iowa Secretary of State's office

About Iowa

- Population: 3.1 million
- 2.1 million registered voters
- What SOS does:
 - *Business Entity filings*
 - *UCC filings*
 - *Other filings (Notary public, mechanic's liens, inter-governmental agreements, etc)*
 - *Election/Voter Registration*
 - *Address confidentiality program*
- Staff size of SOS office
 - *12 - Business Services*
 - *6 - Elections*
 - *12 - support staff (Accounting, IT, communication, administrative)*

Iowa Secretary of State filing volume

- UCCs
 - *120,000 per year (97% online)*
- Business Entity filings
 - *171,000 per year*
 - 105,000 are Biennial Reports (95% online)
 - 66,000 paper based filings
- Notary Filings
 - *42,000 per year (35% online)*
- 28E agreements, Ag Reports, Mechanic's Liens
 - *Low volume but 100% online*



Business Entity Filings Challenges

- Business entity filings require high degree of human intervention
- Human review for:
 - *Name availability*
 - *Name suffix*
 - *Registered agent requirements*
 - *Many requirements for foreign entities*
 - *Cert of Existence from home state*
 - *No forms; Did filer provide all the required elements?*
 - *Signature requirements*
 - *More*
- Most other online filings are real time

Bringing business entity filings online

- 2012
- Form to upload your drafted document
- But still a paper process behind the scenes
- 2012 system was only a quicker way to deliver documents to SOS; no affect on processing times



IOWA SECRETARY OF STATE

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If you are forming a new business entity in Iowa, use the [Fast Track Filing](#) system. Please use Fast Track Filing to submit these document types: Certificate of Organization, Articles of Incorporation or Certificate of Authority.

Business Entity Filings

For additional information and requirements please see the corresponding section in our [forms and fees schedule](#).

File type:*

Payment type:*

- Pay by account (For the payment amount see the [forms and fees schedule](#))
- Pay by credit card

Filing party:*

Address:*

Address:

City:*

State:*

Zip:*

Country:

Paper process..... What is it?

- Open mail / Print & sort documents
- Verify documents
- If ok, cashier
- Data entry
- Scan document
- Redact document
- Mail outs
- If rejected: correspondence out

Paper process by the numbers

- Paper document process - about 15 minutes per document
- In 12 months, 23,000 new business submissions are accepted by Iowa SOS.
- That's almost 90 new business filings every day!
- That equates to 5,750 hours staff time
- And that doesn't include time spent on rejections....

Rejections

- No forms in Iowa for new business formations
- 30% of paper submissions are rejected
- 7,000 paper submissions rejected annually (new business formations only)
- Paper processing – 3 weeks processing time (May 2018).
 - *Becomes 6 weeks with a rejection.*
- Rejection process is entirely paper based correspondence.
 - *No email.*
 - *No online system.*

Fast Track Filing

- True online filing system
- Online system can do a higher level of validation (reduce rejections)
- Financial transactions are all online
- Data entry online
- No scanning
- Correspondence is all online (email and online dashboard)
- Still requires human review... but that is the only task SOS staff is needed for.

Comparing FTF to paper process

- Processing time per document goes from 15 minutes to less than 2 minutes
- Rejection rate goes from 30% (paper) to 9% (online)

FTF vs. Paper (Processing Time)

- 23,000 new business filings in the 12 months
- Paper: 5,750 hours staff time (15 min per document)
- FTF: 766 hours (2 min per document)
- Most FTF submissions are approved & on file in less than one hour.
- Since July 1, 2018: 74% new business filings have been filed online
 - *80% since Jan 1, 2019*

FTF v. Paper (Rejections)

- 30% rejection rate for paper documents
- 9% rejection rate for FTF documents
- Paper rejection timeline has been 4-6 weeks to complete a filing.
- Online rejections can be resubmitted the same day.

FTF Demo

- Filing an LLC
 - *What the customer sees*
 - *What SOS staff does*
- Filing a change of agent
- Filing a UCC
- Administrative functions

FTF Next Steps

- Add more filing types to Fast Track Filing
 - *Fictitious Names (May 2019)*
 - *Biennial Reports (Jan 2020)*

Fast Track Filing Development

- Fast Track filing is a custom application developed by SOS staff and local vendor
- SOS Office managed the project
- SOS Staff wrote code for internal system
- SOS partnered with local company, QCI, to develop the FTF online site

