

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: Indiana

Submitted by: Liz Keele, Director of Business Services

Date Submitted: March 14, 2008

Brief Description: The ability to file formation and/or registration documents online for seven (7) entities types.

Detailed Description: On May 22, 2007 the Indiana Secretary of State's office launched to the general public the online application INbiz to file formation and/or registration documents for seven (7) entity types electronically.

The entity types include:

Domestic Corporation

Domestic Nonprofit Corporation

Domestic Limited Liability Company

Domestic Limited Partnership

Domestic Limited Liability Partnership

Foreign Limited Partnership

Foreign Limited Liability Partnership

Beginning in 2005 our staff and representatives from AccessIN (the state's web portal manager) began discussions on development of the INbiz application. After several months in 2006 directed to development and testing the SOS offered in February 2007 the link to the application to five (5) service companies, nine (9) corporate law firms and several friends of the office who were located in different geographical locations throughout the state. This invitation to a select group provided a "soft" rollout of the application. Results of implementation provided identified features that needed to be updated prior to full roll out of the application to the general public.

Identified features included but not limited to the ability to add additional Articles beyond the required information by statute, the application to have the ability to number sequentially those added Articles, and for the application to truncate text properly.

In the development stage it was determined that the seven (7) types of transactions were 30% of the office's filing activity for the year 2006. A total of 31,455 transactions. In addition to allowing one of our highest volume filing activities online, these filings did not require additional documentation such as a Certificate of Existence from the domicile state which added to the ease of the application.

To describe the application, the customer begins the online process by confirming their email address, which is used in all correspondence for the filing. The customer then conducts a name availability search. This search is only preliminary and the final submission of the name is under review by our corporation filers.

After searching our database for name availability the customer automatically receives an email with a transaction number. With this transaction number and the user's email address the customer if necessary can end their session midway

through the filing process and save what they have typed to date. They can log into the application at any time to complete the filing or identify its' status.

Status of the filing could be:

Incomplete: You must finish filling out your form with the required information before SOS can approve your registration

Pending Review: You have completed your registration and have successfully submitted it to the Indiana Secretary of State for review. The Indiana Secretary of State will contact you via email to let you know your registration has been approved or rejected.

Approved: Your business entity registration has been approved.

Rejected: Your business entity registration was not approved by the Indiana Secretary of State. A reason (s) should be listed in your email as to why it was not approved. You may contact SOS at 317.232.6576 to determine why your registration was not approved.

The application itself provides a template (depending on the entity type) which contains the required fields of information driven by statute. Once completed, the customer submits the filing after providing payment with an AccessIN subscriber account or payment by credit card. The filing is then available for SOS review in our clerical interface. Our staff begins the review process by checking name availability in our production database and confirming other required data. If approved the data is captured in our production database and is then live time data on our website www.sos.in.gov

The customer receives a congratulatory email from Secretary Todd Rokita. With this email links are provided for the customer to download the Certificate and the stamped approved and filed documents.

If the filing is rejected, the customer receives an email explaining the status and reasons for rejection. The customer can then log into the application and update or correct the faulty filing. The payment is submitted again with the new filing since the customer has been refunded upon rejection.

Cost-Benefit: We have been monitoring adoption rates for mainly the Domestic Corporations and Domestic Limited Liability Company filings. Our first full month (June 2007) of providing the application to the general public we had 43.11% of the Articles of Incorporation and Articles of Organization filed online. Please review the increase of the percentage of filings, which continue to grow, as we approach our one (1) year mark.

<http://www.in.gov/sos/business/pdfs/INbizadoption.pdf>

To address the cost-benefit to these online filings include but are not limited to the decrease in cost for paper, toner, envelopes, postage, manpower and the wear and tear to printers.

<u>Corp grand totals thru 03/13/08</u>	
E-filed	14339
E-file rejections	954

Average online approval times for 03/10/08 4.10 minutes

Having had over 14,000 entities filed online since May 2007 there are that many Certificates, receipts for payment, SOS envelopes and mailed documents the SOS has not had to print , assemble for mailing, and pay for outgoing postage.

While the division averages over 7,000 paper corporate transactions per month, through personnel cross training, the Business Services Division has been able to process all Corporate mail, UCC filings, Apostille requests, Trademark applications, and mailed business entity reports the same day it is received since July 1, 2007. One hundred seventy three (173) business days in a row and counting!

With such great turn around time, there are less phone calls from customers questioning if we've received their paperwork and/or where their documents are within the review process.

We have eliminated one (1) full time position since July 2007.

From a recent customer "I wanted to take a few minutes to say how much I appreciate the ease of filing my Article of Organization today. To register in under fifteen minutes has been much easier than I could have ever envisioned!!!! Not only was this process extremely streamlined.....it was cheaper !! Nice work!!"

Lessons Learned:

One component that needs to be addressed is the ability to refresh or generate the approved and filed document and/or the Certificate if there has been an error in the transition of data from the web application to our production base.

