

Secretary of State of Idaho

**FIVE YEAR STRATEGIC PLAN**

**FY2012 – FY2017**

**Updated July 1, 2011**

## Mission Statement

The Secretary of State provides timely, accurate and affordable services to the public, while maintaining a high standard of integrity and customer service through the use of efficient, cost-effective technologies and administrative techniques, including the recruiting and retention of the highest quality work force possible, within a fiscally responsible budget. Furthermore, the Secretary of State provides these services and maintains the other functions of this position while closely monitoring and adhering to the laws of the State of Idaho and of the United States of America.

## Introduction

The Secretary of State is wholly responsible for any matter relative to any duty imposed upon his office by law, including membership with the State Board of Land Commissioners, membership with the State Board of Examiners and acting as chairman to the State Board of Canvassers.

The major functions of the Secretary of State's office include the filing of many documents, such as: bills of the Legislature, proclamations, extraditions, tort claims, executive orders of the Governor, business entity documents, Uniform Commercial Code financing statements, trademark and service mark registrations and other miscellaneous legislative and executive documents. The Secretary of State's office also compiles, publishes and administers election laws, publishes an election calendar, certifies abstracts of votes from counties, issues certificates of election, and administers the "Sunshine Law" for campaign financing and lobbyist activity disclosure. Other duties include the commissioning of notaries, reporting and making public the information retained in the office, distributing the Idaho Code and its supplements as approved by the Board of Examiners, biennially preparing and distributing the Idaho Blue Book, keeping a register of and attesting to the official acts of the Governor, and affixing the Great Seal while attesting to commissions, pardons and other public instruments on which the official signature of the Governor is required.

To this end, the Secretary of State currently maintains a staff of twenty-four people who are spread throughout five divisions of responsibility within the office: Elections, Legislative and Executive Affairs, Commercial Affairs, Fiscal, and Information Technology. One deputy has been assigned to directly administer the Legislative and Executive Affairs divisions. Each of these divisions reports directly to the Chief Deputy Secretary of State, and the Chief Deputy keeps the Secretary of State apprised of all division administrative functions. There are currently six open positions which are not being filled due to budgetary constraints.

The goals and objectives of the Secretary of State's office are defined by each separate division and are presented in alphabetical order.

## Corporate Affairs Division

The Corporate Affairs Division of the Secretary of State includes three sections: the Corporations Section, the Uniform Commercial Code Section and the Notary and Trademark Section.

### Corporations Section

The Corporation Section of the Commercial Division is responsible for processing domestic and foreign corporate filings, limited partnerships, limited liability companies, assumed business names and other business entities. Processing includes new business filings, as well as amendments, annual reports and the reinstatement of dissolved business entities.

### Mission Statement

The Corporation Section of the Commercial Division provides quality business services, by maintaining a high standard of customer service and by offering timely, accurate and affordable business filings.

### Goals:

First: With the change to electronic filing of annual reports another need has been recognized. As people file their annual reports, they need to be able to change the registered agent as part of the electronic filing process.

Second: Assumed Business Names were required to file a continuation until 2003, when the statute was changed. Currently, there is no continuation requirement. In an effort to clean up the corporation database of old, unused Assumed Business Names, it is recommended that this requirement be reinstated. Assumed Business Names should be required to renew their entity once every five years, which would allow for the removal of defunct Assumed Business Names from the database. Electronic filing and continuation for Assumed Business Names should also be implemented as part of this requirement.

Third: In conjunction with the Information Technology Section, a new software application is being developed for manual entry and administration of business entities.

Fourth: Plans to update the Corporations portion of the website are planned. This will provide customers with ease of use, and will clarify many of the forms, and much of the information currently provided.

Fifth: Corporation certificates have become outdated. The language used is no longer fully appropriate. The wording of these certificates will be updated, with help from our assigned attorney from the Attorney General's office.

### Objectives:

The primary objective of all goals listed is to improve an outdated system, which does not accommodate current technology. With these changes, efficiency, accuracy and customer service will improve significantly.

Discussion has begun with the Information Technology Section on development of software construction. This is in the beginning stages, and is ongoing, but has slowed significantly.

Allowing for changes to be made to registered agent information electronically may require a change to the Registered Agent Act. Research is being done to determine what changes may have to be made to include this option.

Updating the Corporations website will assist our customers in finding the information they need more easily. The current information must be analyzed and organized to determine the most efficient, user-friendly way to present the information.

Working with the Attorney General's office to revise Corporation certificates will begin in the near future. By carefully reviewing the current certificates, and the statutes associated with them, new language will be crafted for each certificate that is both up-to-date, and relevant to statutory changes that have taken place.

### External Factors:

The major constraints toward completion of these goals are time, budget, and Legislature. The Legislature will be required to see new and amended statutes, and must be willing to make the requisite changes. Furthermore, budget constraints brought on by the ailing economy will also be a factor which challenges the completion of these goals.

### Notary and Trademark Section

The Notary and Trademark Section of the Secretary of State is responsible for the filing of trade names, trademarks, service marks, certification marks, and collective marks. Notary Public commissions are also granted through this section, with a certificate of commission being issued to qualified applicants.

### Mission Statement

The Notary and Trademark Section of the Secretary of State will determine if the necessary prerequisites have been met for the filing of all submitted documents. All filings, including new applications, renewals and amendments, will be processed in a timely and accurate manner, while maintaining a high level of customer service.

### Goals:

First: To provide business information to users in a variety of forms and formats which are timely, accurate, and easily accessible.

Second: To provide services at fees which are cost-effective to the users, and which cover the incurred cost of providing the services.

Third: To put in place an application for electronic trademark registration. Electronic trademark filing allows users to fully document their trademark, including the ability to upload samples of the trademark.

### Objectives:

To respond to routine requests for information for trademark information and notary public information, within five working days of receipt for at least 95% of all requests.

To make acceptance decisions on business document filings not later than the close of business on the day following receipt for at least 98% of all filings.

The Division will work with the Information Services Division to provide electronic trademark registration.

### External Factors:

1. Growth or decline in the level of demand for the business services of the Division, which are in turn determined by the state of the economy, financing and legal practices, population growth and other factors.
2. Development of new uniform and model acts governing business organizations, secured transactions and trademarks, and their adoption by the Legislature.

### Uniform Commercial Code Section

The Uniform Commercial Code Section of the Secretary of State is responsible for the receiving and processing of liens and amendments relating to those liens. The filing of these finance statements allows for creditors to hold a security interest in collateral such as equipment and agricultural products.

### Mission Statement

The Uniform Commercial Code Section of the Secretary of State will maintain a high level of customer service, to include accurate and timely filing of all lien types as mandated by the Legislature. The UCC Section will also provide information in a timely manner, and will certify that information if so requested.

## Goals:

First: A major goal of the UCC Section is to allow for electronic filing of agricultural UCCs and amendments. Many customers have requested this and it makes sense to add the service to our other online offerings.

Second: In the beginning stages of discussion is the ability to provide other electronic agricultural filings and amendments, including commodity liens and seed and labor liens.

Third: Electronic medical indigency lien filing will be available to county agencies in early FY 2012.

Fourth: Work has begun on updating the software application for the manual processing of lien filings, amendment filings, and certified searches. We are expected to begin testing these updates in early FY 2012.

Fifth: An updated system for the publishing and distribution of the Master List of Agricultural Liens (ML) is expected to be implemented in early FY 2012. Rather than quarterly, the ML will be published bi-weekly. New file formats, including PDFs and spreadsheets, are being created for distribution, which will provide customers with improved legibility and flexibility in their use of the ML.

## Objectives:

The major objective of these goals is improved customer service and efficiency. By allowing customers to file electronically we offer them the opportunity to save time and money. This also provides customers with an extra level of flexibility as electronic filing can and should be available twenty-four hours a day.

With the completion of one objective in FY 2011 – USDA approval of a unique identifier number system, and the removal of the majority of social security number and tax identification number information from the UCC database and scanned documents – work can begin on the electronic filing of other lien types. Agricultural lien filings can now be safely processed electronically, as complete SSN/TIN information is no longer required for filing.

The implementation of the UIN system has also allowed us to develop a website where agricultural buyers can download the Master List of Agricultural Filings. Nearly fifty percent of subscribers have chosen to download, saving our agency nearly \$5,000 per year in hourly wages, materials, and postage. Downloading will also provide us with the opportunity to update our master list information and processing. New file formats will be available to subscribers in both text and spreadsheet formats. Furthermore, we can offer the Master List every two weeks, rather than quarterly, with little to no increase in cost.

Another goal that is nearing completion – the electronic filing of medical indigency liens – will be offered for use by county agencies in early FY2012. Our agency receives an estimated 7,500 of these filings by fax and mail each year. Allowing the counties to file electronically will provide benefits, not only to the Secretary of State’s office, but also to each county medical assistance agency, in the form of reduced workload, materials, and postage costs. Estimated savings from the use of this application is expected to be \$4,000 - \$6,000 per year for our agency. Three counties have been selected to assist with testing the application, with the expectation of releasing the application to all counties within 30 days after testing begins.

Fiscal concerns have put the development of a new UCC application on hold for the time being. However, upgrades to existing software are planned, and are expected to be implemented in FY 2012.

#### Completed Goals:

1. USDA approval of a unique identifier number.
2. Manual removal of social security number and tax identification number information from 58,000 scanned documents.
3. Electronic removal of 450,000 social security numbers and tax identification numbers from the UCC database.
4. Expanded search capability for premium search customers
5. Updated Administrative Rules IDAPA 34.05.01 to reflect the UIN system.
6. Revised the UCC1F, UCC2F and UCC3F forms to reflect the UIN system.
7. Changed Master List processing to reflect the UIN system.

#### External Factors:

Budgetary constraints, including cost and IT availability, continue to be the primary restraint toward the accomplishment of goals.

### Elections Division

The Election Division of the Secretary of State administers the election laws, seeks legal interpretation to resolve ambiguities, and prepares recommended legislation where improvements are necessary. This division registers qualified lobbyists, implements and administers procedures for certifying political treasurers, and makes available for public inspection all required records and documents.

### Mission Statement

The Election Division of the Secretary of State will administer fair and impartial state elections while ensuring compliance with candidate filing, campaign finance disclosure and lobbyist registration and reporting. This division will provide accurate information to the public in a timely manner.

### Goals:

First: With the passage of HB351 during the 2011 Legislative Session, which requires party registration for voting in a State Primary Election, we will be working toward implementing this law by the 2012 Primary Election.

Second: The Elections Division is pushing forward with adding a new elections application for campaign finance reporting, lobbying reporting and election administration.

Third: Online filing capability for lobbyist reporting is a service that we will be providing. This is scheduled to begin during the 2012 Lobbyist Reporting cycle.

Fourth: We wish to develop additional election administration training classes and training materials which will be made available to all county clerks throughout Idaho.

### Objectives:

To begin the process of party registration, we will need to identify the impact on current county election processes. A training program will be developed for internal staff and county election personnel with regard to party registration requirements and issuing ballots. We will also be developing a voter education program to inform voters of the change to the voting requirements in the 2012 Primary Election.

The Elections Division, with the Information Technology Division, is completing the development of the new Elections Application. The online lobbyist reporting application will be implemented during the 2012 Lobbyist Reporting cycle. We will develop training and materials to educate our staff on the operation and troubleshooting of this new system. Training and materials will also be developed to assist the users of the new online lobbyist reporting service.

Development of the online campaign disclosure reporting service will have objectives that are similar to the lobbyist reporting service.

The Elections Division is in the process of identifying discrepancies between current election processes/practices and the Idaho Code. Training will be developed to address these discrepancies which will be administered through appropriate and diversified media. Another training program will be developed for county clerks to provide uniform training of election personnel and poll workers.

### External Factors:

External factors which will affect the Elections Division's operations are federal legislation as well as Federal Voting Assistance Commission regulations which impose mandates. The Federal Election Assistance Commission's guidelines concerning election registration and the conduct of elections will also be a factor. Additional mandates

relating to election and campaign disclosure law imposed by the Legislature will need to be considered, as well as petition efforts by Idaho citizens which result in ballot measures.

### Fiscal Division

The Fiscal Division is responsible for handling all monies collected by the Office of the Secretary of State. Budget preparation, payroll, accounts receivable and accounts payable are the major duties of this division and its Fiscal Officer.

### Mission Statement

The Fiscal Division of the Secretary of State will prepare and maintain a fiscally responsible budget. This budget will allow for continued operation and maintenance of the Secretary of State's offices, within the limitations set forth by the Legislature. The Fiscal Division will provide high quality customer service, including timely and accurate receipting and account maintenance.

### Goals:

First: Work is proceeding on the development of new software which will help focus and streamline accounts receivable, accounts payable, and other routine fiscal functions. Special focus will be put on the processing of monthly statements, which is currently a cumbersome process.

Second: As part of the functionality of the new application an addition will be requested that will allow the Fiscal Division to generate a report which will indicate all prepaid accounts that have fallen below a certain dollar amount, yet show recent activity.

Third: Still in the discussion and planning stages is the development of an online service that will allow customers to view their account activity and balances.

### Objectives:

Functions developed within the new application will provide the opportunity for improved customer service, with options such as e-mailing customers their monthly statements. Work progressed on the new application into January 2010, but was halted, as IT resources were needed elsewhere. It is expected that development of this application will continue in the near future.

With the ability to determine which prepaid accounts are lacking in funds it will be possible to generate letters and/or e-mail to our customers, providing them time to replenish these accounts. Not only will this improve customer service, but it should reduce the number of documents that are being held for lack of funds, which means that the timeliness of filings also improves.

Allowing customers to view their account activity and balances online will also improve customer service. This would allow customers to view and print receipts. Customers would also be given the opportunity to monitor their activity allowing them the ability to see when their filings have been processed.

#### External Factors:

Time and the budgetary constraints of an ailing economy are the primary external factors that inhibit the completion of these goals. Furthermore, the availability of Information Technology Division resources has inhibited a more timely completion of these goals.

### Information Technology Division

The Information Services Division is responsible for operation, development and maintenance of all information systems for the Office of the Secretary of State. This includes installation and maintenance of all computer hardware and software, internal data network management, facilitating the exchange of information between the Office of the Secretary of State and other state agencies, facilitating access to public information, and supporting the election process.

#### Mission Statement

The Information Technology Division of the Secretary of State will provide the highest level of service to employees and customers by maintaining a stable and effective infrastructure to support the business service needs of the Office of the Secretary of State. This division will provide accurate, efficient and economical business services, while maintaining a secure information systems environment.

#### Goals:

First: The division will continue to expand online services provided by the Office. Many projects are in various stages of development, including online lobbyist financial reporting, online access to account activity and balances, allowing changes to registered agent information during online annual report filing, online filing and continuation of assumed business names, and online filing of various UCC liens and amendments.

Second: The migration from a Sybase database structure to an SQL database is proceeding. All databases and in-house applications are in the process of being transferred to the new database structure.

Third: The division is continuing to provide Information Technology services as required in an effort to provide a functional office which meets or exceeds our mandated filing duties. To this end, development of updated in-house applications has begun.

### Objectives:

With regard to adding online services, the current focus is on the production of on-line lobbyist and campaign financial reporting capability. Providing lobbyists and political committees the opportunity to file electronically will improve customer service by providing options to the user. Furthermore, this will also reduce the manpower requirements of the Elections Division. Other online service offerings are in various stages of early development and continue to be addressed on an item by item basis as the various sections and divisions overcome the obstacles necessary to see these projects through to fruition.

The database migration is nearing completion and has been managed in a smooth manner, with as little interruption to service as possible.

We have begun development of updated in-house applications. The framework has been structured for these applications. Lobbyist registration and disclosure reporting has been completed. Election candidate filing and campaign disclosure is in development. Development of other functional areas applications will follow.

### External Factors:

The slow economy and level of appropriation by the Legislature are issues, beyond our control, that will affect the outcome of these goals. Another factor that could inhibit progress is the continued availability of persons with technical ability, who also have knowledge and familiarity with our projects.

### Legislative and Executive Affairs Division

The Secretary of State's Legislative and Executive Affairs Division, is responsible for the filing of tort claims, legislation enacted by the state Legislature and signed by the Governor, proclamations, oaths, appointments, health care directives, annual appropriation ordinances, extraditions, summons and complaints, and executive orders of the Governor. The filing of all of these records is statutorily mandated to the Office of the Secretary of State.

### Mission Statement

The Legislative and Executive Affairs division will provide timely and accurate filing of the above-referenced documents, and shall make these records expediently available for public inspection in a user-friendly format convenient to the client.

### Goals:

First: A continued review of all records held in this division has been underway for the last several years. The review consists of a comparison of the daily journals for recorded documents and the computer databases that have been created for each of these functions.

Where there is a discrepancy between the journal entry and the database, the actual record is being reviewed if it is available for inspection. The goal is for accuracy and agreement between the journal entry and the database.

Second: The Secretary of State and Chief Deputy have been apprised of the necessity of a complete review of all archived records to determine practicality and the statutory requirements for continued retention. Due to more frequent requests for the retrieval of archived materials, it is important that the archived materials be clearly identified. At present the archived materials are not identified in a manner that makes them easily retrievable. This deficiency can and should be remedied by supplying additional identification to the labels of the storage boxes.

Once the review and relabeling has been accomplished, a purge of all records and documents that have been deemed unnecessary or not statutorily mandated can take place. The list of items to be purged will be reviewed and approved by the Chief Deputy. Other questions regarding retention may be addressed to the Office of the Attorney General and/or the State Archivist.

Third: Until recently, there has been no written procedural guidance available that outline the duties and responsibilities of the Deputy of the Legislative and Executive Affairs Division. Formulating complete documentation of the procedures implemented in this division is continuing. Although the documentation process is tedious due to the many exceptions that should be recorded, it is necessary to ensure that statutory responsibilities are accurately documented for future administrations.

Fourth: The continued success of the Health Care Directives Registry can be improved with outreach to various professional entities and practitioners. At present, the time and resources devoted to insuring public education of this service have been minimal.

#### Objectives:

The records review has been ongoing for several years and has now been completed. Currently, records that are managed in this division have been prioritized by level of importance and necessity for accuracy. A periodic review of the current year's filings in each category is being implemented.

In the matter of document retention, continuing education with regard to what archivists deem to be of importance in records retention is key. A current review of the records submitted to storage indicates a need to rename certain boxes for more accurate database searches. Consistency between previously archived materials and documents to be transmitted in the future will insure that we are able to retrieve requested documents that are in storage.

A thorough review of the archived records of this division and a purge of unnecessary documents will result in a cost savings to this office, to the State Historical Library and to the Records Services Division of the Department of Administration. Contacts have been

established to ensure maximum cooperation among all of the parties responsible for recording and retaining the historical records of this division.

Over the last several years, this division has been able to establish a working relationship with various hospices, dignity in dying organizations, hospitals, doctors, and attorneys who specialize in elder law. It is apparent that these relationships could be further nurtured and that the Health Care Directives program would benefit from a dedication of additional resources.

#### Performance Measures:

The primary measure of success for all of the objectives listed above is accuracy. This division is frequently requested to prepare affidavits for court-related matters by the Office of the Attorney General and other state agencies and the accuracy of statements from this office to the judicial branch and the federal government is of extreme importance.

During the course of realizing the stated objectives, an analysis will be made to determine the efficiency of each of the databases used in the Legislative and Executive Affairs Information System. Working closely with personnel from the Information Technologies division, we will be able to determine future needs and the necessity or possibility of restructuring various databases to promote efficiency.

Documentation of all procedures of the Legislative and Executive Affairs division will promote continuity for future administrations. This documentation is underway and procedures are being analyzed as they are recorded. Furthermore, the education and training of more than one staff member who can manage the responsibilities of this division is necessary and advisable.

This division has recently been presented with a request to provide a speaker for an extensive seminar dealing with end of life issues. The scope of this endeavor represents a major opportunity for outreach to promote the Health Care Directives Registry.

#### External Factors:

The major constraints to achieving the goals of this division are time, additional statutory responsibilities, and budget. It has been the practice of the Idaho Legislature to continue to assign new statutory responsibilities to the Office of the Secretary of State along with a restricted or non-existent budget. These new duties must then be absorbed into a daily work load that is already substantial. Furthermore, continuing budget constraints brought on by an ailing economy will also be the major impediment that challenges the completion of the stated goals.