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June 15, 2018

The Honorable Holly Mitchell, Chair
The Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, CA 95814

Mr. Michael Cohen, Director
Department of Finance
915 L Street
Sacramento, CA 95814

Dear Senator Mitchell and Mr. Cohen:

Attached is the May 2018 report on the time it is taking to process various business filings, in accordance with the Budget Act of 2017 (Chapter 14, Statutes of 2017). Previous reports are posted on the Secretary of State's office website at www.sos.ca.gov/administration/agency-reports/business-filing-processing-time-agency-reports. If you have any questions about this report, please feel free to contact me at (916) 653-7244 or have your staff contact my Chief of the Business Programs Division, Betsy Bogart, at (916) 695-1197.

Sincerely,

Alex Padilla
Secretary of State

Attachment

cc: Ms. Diane Boyer-Vine, Legislative Counsel

June 15, 2018

Secretary of State's Report to Department of Finance and Joint Legislative Budget Committee

The Business Programs Division Filings Processing Budget Change Proposal was approved and incorporated into the Budget Act of 2017 (Chapter 14, Statutes of 2017). The Secretary of State is reporting on the 15th of each month to the Department of Finance and the Joint Legislative Budget Committee (JLBC) on the processing time for business filings.

This is the report for May 2018 and covers the period of May 1, 2018 through May 31, 2018.

Document Processing	Business Entities	Statements of Information
Processing Times as of May 1, 2018	9 days	4 days
Processing Times as of May 31, 2018	7 days	5 days
Average Processing Times ¹	8 days	5 days

Document Processing	Business Entities	Statements of Information	Total
Documents in Processing as of May 1, 2018	17,909	3,968	21,877
Documents Received during This Reporting Period	43,993	25,422	69,415
Documents Processed during This Reporting Period ²	51,248	25,007	76,255
Documents Awaiting Processing as of May 31, 2018	10,654	4,383	15,037
Documents Received since May 1, 2013	2,256,226	2,687,948	4,944,174
Documents Processed since May 1, 2013	2,271,315	2,755,416	5,026,731
Preclear/Expedites Processed during This Reporting Period	4,650	207	4,857
Preclear/Expedites Processed since May 1, 2013	200,721	14,812	215,533

Staffing	Permanent	Limited Term	Total
BPD FY 2017/18 Authorized Positions	263.6	45.0	308.6
Filled Positions as of May 31, 2018	247.6	33.0	280.6
Vacant Positions as of May 31, 2018	16.0	12.0	28.0
Estimated Average Vacancy Rate for this Reporting Period	6%	25%	9%

Staffing	Total
Number of Temporary Workers	85
Hours Worked by Temporary Workers during This Reporting Period	7,615
Temporary Hours Worked since May 1, 2013	616,701
Overtime Hours Worked during This Reporting Period	1,791
Overtime Hours Worked since May 1, 2013	134,463

¹ The processing times shown for the first and final day of the reporting period are snapshots in time. Processing times, in the form of business days, are tracked on a daily basis throughout the reporting period and from that information, the average processing time for the month is calculated. Throughout the month, the processing times fluctuate daily depending on the number of documents received each day (some days have higher volumes than others) and the number of documents processed.

For the month of May 2018, Business Entities is reporting an average of 8 business days, an improvement of two business days from the April 2018 report. The average processing time is expected to continue to drop through June to 5 business days as the non-peak filing season begins. Staff continues to work overtime to process documents as quickly as possible.

² Documents Processed includes Preclear/Expedites processed