



**ALEX PADILLA** | SECRETARY OF STATE | STATE OF CALIFORNIA  
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May 14, 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 April 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](http://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

May 14, 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 15<sup>th</sup> 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 April 2018 and covers the period of April 1, 2018 through April 30, 2018.

<b>Document Processing</b>	<b>Business Entities</b>	<b>Statements of Information</b>
Processing Times as of April 1, 2018	10 days	3 days
Processing Times as of April 30, 2018	9 days	4 days
Average Processing Times <sup>1</sup>	10 days	4 days

<b>Document Processing</b>	<b>Business Entities</b>	<b>Statements of Information</b>	<b>Total</b>
Documents in Processing as of April 1, 2018	19,906	2,864	22,770
Documents Received during This Reporting Period	39,834	25,919	65,753
Documents Processed during This Reporting Period <sup>2</sup>	41,831	24,815	66,646
Documents Awaiting Processing as of April 30, 2018	17,909	3,968	21,877
Documents Received since May 1, 2013	2,212,233	2,662,526	4,874,759
Documents Processed since May 1, 2013	2,220,067	2,730,409	4,950,476
Preclear/Expedites Processed during This Reporting Period	4,585	170	4,755
Preclear/Expedites Processed since May 1, 2013	196,071	14,605	210,676

<b>Staffing</b>	<b>Permanent</b>	<b>Limited Term</b>	<b>Total</b>
BPD FY 2017/18 Authorized Positions	263.6	45.0	308.6
Filled Positions as of April 30, 2018	248.6	34.0	282.6
Vacant Positions as of April 30, 2018	15.0	11.0	26.0
Estimated Average Vacancy Rate for this Reporting Period	5%	29%	9%

<b>Staffing</b>	<b>Total</b>
Number of Temporary Workers	83
Hours Worked by Temporary Workers during This Reporting Period	6,531
Temporary Hours Worked since May 1, 2013	609,085
Overtime Hours Worked during This Reporting Period	2,592
Overtime Hours Worked since May 1, 2013	132,673

<sup>1</sup> 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 April 2018, Business Entities is reporting an average of 10 business days, with the peak filing period lasting through the tax filing season. The average processing time is expected to drop through the next month as the non-peak filing season begins. Overtime continues. In May, SOS will be launching LLC Formations Online which will help with processing the increased workload.

<sup>2</sup> Documents Processed includes Preclear/Expedites processed