



ALEX PADILLA | SECRETARY OF STATE | STATE OF CALIFORNIA
1500 11th Street, 6th floor | Sacramento, CA 95814 | Tel 916.653.7244 | Fax 916.653.4620 | www.sos.ca.gov

August 8, 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 July 2018 report on the time it is taking to process various business filings, in accordance with the Budget Act of 2018 (Chapter 29, Statutes of 2018). 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

August 8, 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 2018 (Chapter 29, Statutes of 2018). 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 July 2018 and covers the period of July 1, 2018 through July 31, 2018.

Document Processing	Business Entities	Statements of Information
Processing Times as of July 1, 2018	5 days	6 days
Processing Times as of July 31, 2018	4 days	4 days
Average Processing Times ¹	5 days	5 days

Document Processing	Business Entities	Statements of Information	Total
Documents in Processing as of July 1, 2018	5,426	3,799	9,225
Documents Received during This Reporting Period	32,559	22,551	55,110
Documents Processed during This Reporting Period ²	32,469	23,390	55,859
Documents Awaiting Processing as of July 31, 2018	5,516	2,960	8,476
Documents Received since May 1, 2013	2,323,652	2,735,259	5,058,911
Documents Processed since May 1, 2013	2,343,879	2,804,150	5,148,029
Preclear/Expedites Processed during This Reporting Period	3,201	128	3,329
Preclear/Expedites Processed since May 1, 2013	207,525	15,116	222,641

Staffing	Permanent	Limited Term	Total
BPD FY 2017/18 Authorized Positions	263.6	43.0	306.6
Filled Positions as of July 31, 2018	244.6	30.0	274.6
Vacant Positions as of July 31, 2018	19.0	13.0	32.0
Estimated Average Vacancy Rate for this Reporting Period	6%	31%	10%

Staffing	Total
Number of Temporary Workers	88
Hours Worked by Temporary Workers during This Reporting Period	9,453
Temporary Hours Worked since May 1, 2013	635,752
Overtime Hours Worked during This Reporting Period	859
Overtime Hours Worked since May 1, 2013	137,121

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 July 2018, Business Entities and Statements of Information are both reporting an average of 5 business days, an improvement of one business day from the June 2018 JLBC report. Automation of the Limited Liability Company Statement of Information (implemented June 2017) and Formation (implemented May 2018) documents have further improved the customer experience with the office of the Secretary of State. Efforts to automate additional filings continues and is expected to compensate for the 10% reduction in limited term positions effective July 1, 2018. Staff continues to work overtime to process documents as quickly as possible and to deepen cross training as new automation is introduced.

² Documents Processed includes Preclear/Expedites processed