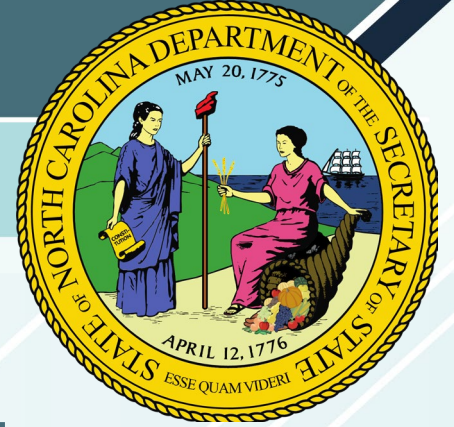


“Make it Easy, Keep it Easy”

...It ain't always so easy



Behavioral Economics: Policy Applications & Practical Guidance For State & Local Initiatives

NC Department
of the Secretary of State

NC Secretary of State, Elaine F. Marshall

William W. Toole, Deputy Secretary
March 22, 2024

Anticipating Trouble—Annual Reports

Save Time, File Online Campaign (March 1 to April 15, 2021)

Goals

Increase filing compliance

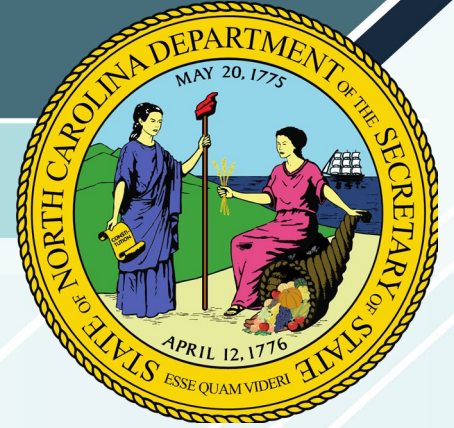
- *Reduce follow up Administrative Dissolutions and related notices*

Increase Web filing from 81 % to 85%

- *Reduce mail handling*
- *Eliminate errors and related document processing*

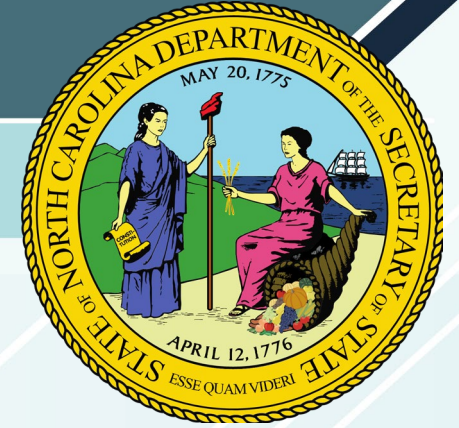
Provide notice to Corporation entities using savings otherwise appropriated to notify LLCs

Maintain 6 to 9 day processing times without hiring seasonal temporary workers



Anticipating Trouble—Annual Reports

Save Time, File Online Campaign (March 1 to April 15, 2021)



Project Steps

March 1

*Project team assembled,
elements conceived*

March 15

*One click button on NCSOS
home page*

March 16

*First email event to LLC
and BusCorp*

March 20

*Mailers, using savings from
email notices to LLCs to pay
for postcards to both
**BusCorp and LLCs lacking
emails***

**Save Time,
File Online!**

LLC Annual Report
Filing Reminder

NC Secretary of State
Elaine F. Marshall

Your 2021 Annual Report
is due on or before
April 15, 2021

For the steps to filing your
Annual Report... **Click here!**

*If you have already filed your
2021 Annual Report,
you may disregard this notice.*

NC Secretary of State
Elaine F. Marshall

www.sosnc.gov/AROnline

1. Enter the company name in the **Search For** box, then click **Search**.
2. Click **Annual Report** in the right column next to the company's name.
3. The online filing process will begin after clicking on the **File Most Recent Annual Report**.

You may also
file by mail: North Carolina Department of the Secretary of State,
Annual Reports, PO Box 29525 Raleigh, NC 27626-0525

William W. Toole, Deputy Secretary
March 22, 2024

Anticipating Trouble—Annual Reports

Save Time, File Online Campaign (March 1 to April 15, 2021)

Project Steps

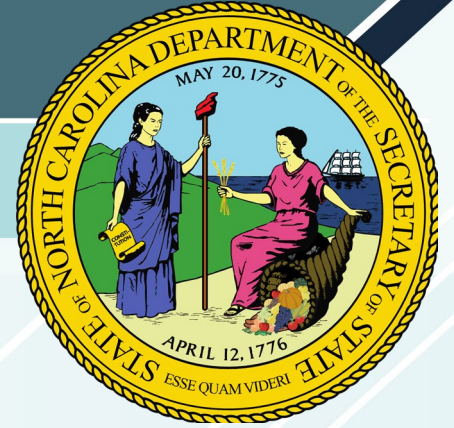
March 29 – April 1

Email followups

April 12

Final reminder email

Filers removed from subsequent notices



Save Time,
File Online!

LLP Annual Report
FINALReminder

File Your LLP Annual Report TODAY

Avoid Administrative Dissolution

Don't let the next time you hear from us be an ALERT that your business is about to be Administratively Dissolved. That happens when you fail to file an Annual Report each year.

Fiscal Year 2021 Annual Report
is due on or before
April 18, 2022

To start filling your
Annual Report...

If you have already filed your
2021 Annual Report,
you may disregard this notice.

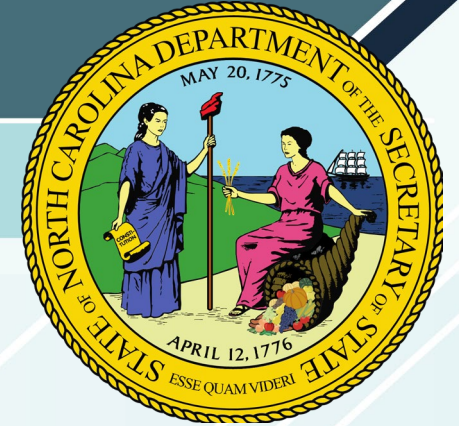
**CLICK
HERE!**

www.sosnc.gov/AROnline

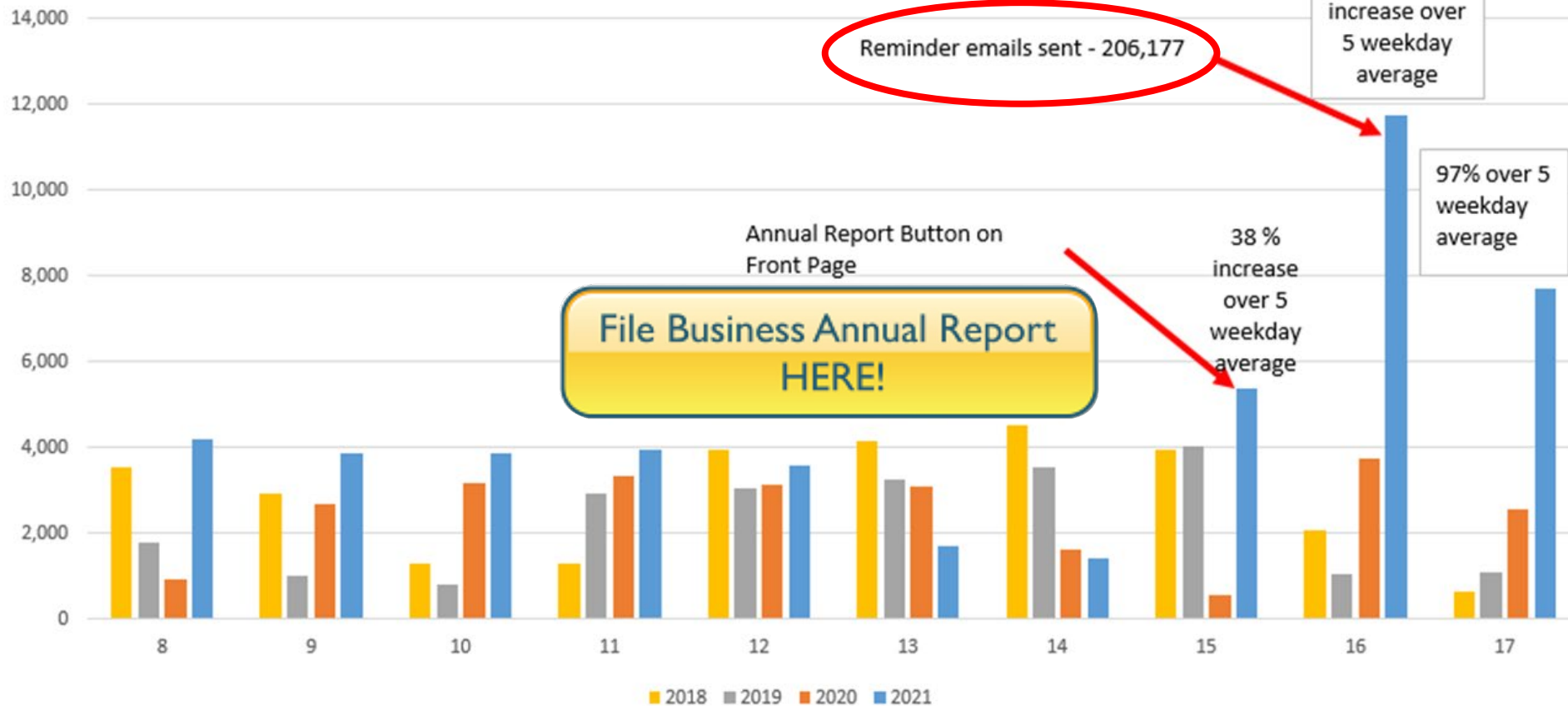
William W. Toole, Deputy Secretary
March 22, 2024

Results!

March 16, 2021 Email Event



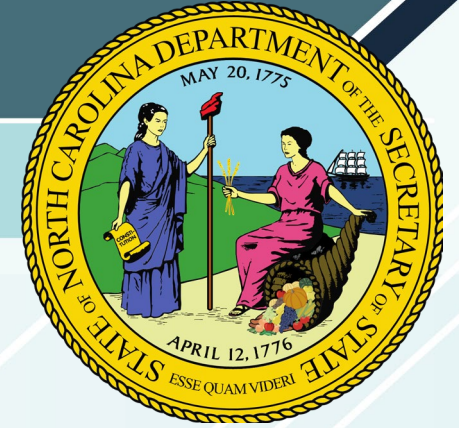
Annual Report Web Entered Filings
March 8 - 17



William W. Toole, Deputy Secretary
March 22, 2024

Anticipating Trouble—Annual Reports

Save Time, File Online Campaign (March 1 to April 15, 2021)



- Results – March 1 to May 31, 2021
 - 378,000 annual reports filed
 - 62,700 paper filings (17% of total)
 - Roughly 12% rejection rate (7,700)
 - 314,500 web filings (83%)
 - Corp filings 30% of filings compared to 24% previous year (111,700 vs. 64,600)
 - Processing < 9 days, except for 3800 in 10-15 day range
 - No seasonal temps hired
- Data – March 1 to May 31, 2020
 - 267,000 annual reports filed
 - 51,600 paper filings (19% of total)
 - Roughly 24% rejection rate (11,800)
 - 215,300 web filings (81%)

Another Button – Busi. Reg. Online

Save Time, File Online Campaign (Stage 2)



Register Your Business
ONLINE!

	Sep-20		Oct-20		Mar-21		Apr-21		Sep-21		Feb-24	
Total	16,776		14,324		18,076		16,862		15,182		15,016	
Paper/PDF Submittals	16,776	84%	11,675	82%	12,545	69%	9,688	57%	7,089	47%	1,699	11%
Web Submittals			2,649	18%	5,531	31%	7,174	43%	8,093	53%	13,317	89%
Paper/PDF Rejections	4,116	25%	2,457	21%	2,581	21%	1,661	17%	990	14%	386	23%
Web Rejections			273	10%	580	10%	762	11%	710	9%	1,104	8%
Total Rejections	4,116	25%	2,730	19%	3,161	17%	2,423	14%	1,700	11%	1,490	10%

Paper filings time consuming and error prone

- Ea. paper filing costs 20 mins
 - Mail pick up, opening
 - Check attribution
 - Filing data entry
- Most customer errors are careless
 - Add 15 mins in returns, plus frustration

- Web Wizard**
 - Customer enters data
 - Prohibits careless errors
 - Eliminates mail handling
- Processing time reduced 3 to 15 days
- Agency savings -- 670 to 1200 hrs/mo

- Button boosts usage 39% overnight
 - Agency savings – 1500 to 1600 hrs/mo

- Nearly 90% usage
- Agency savings -- 2500 hrs/mo

SOS Website Updates – “Quickie Links”

Save Time, File Online Campaign (March 1 to April 15, 2021)



Secretary of State
Elaine F. Marshall

[Home](#) [I Want To...](#) [Divisions](#) [Topics](#) [Online Services](#) [🔍](#)



SAVE TIME. FILE ONLINE · The NC Department of Secretary of State is entering its seasonal busy season. Combined with continued staffing shortages, this means there will be delays processing Annual Reports and other business organization documents. The delays are greatest for mailed filings. We strongly urge our customers to save time and file their documents online if at all possible. Mailed filings currently require 10 to 15 days to process, compared to 5 days or less for documents filed online. Save time, file online. [Next →](#)

ANNOUNCEMENTS

COVID-19 Resources

Find Important Resources for the COVID-19 Emergency

[COVID-19 →](#)

1 2 3 4 5 6

Register Your Business ONLINE!

File Business Annual Report HERE!

Reinstate or Requalify HERE!

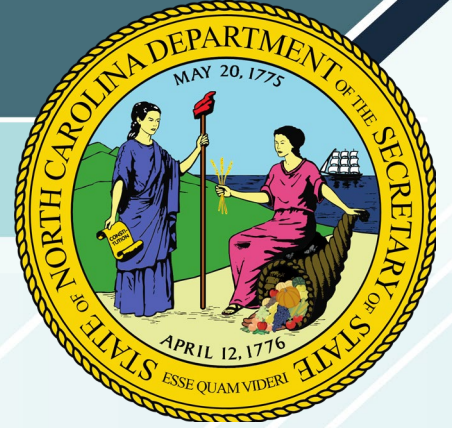
Renew Notary Commission HERE!



Elaine F. Marshall, Secretary
Elaine F. Marshall

William W. Toole, Deputy Secretary
March 22, 2024

Key Factors For Success



Developing appropriate data architecture can be costly

- *Many government databases last overhauled 25 years ago in response to Y2K*
- *These databases support file in, file out record retrieval, not big data analysis*
- *Technology debt is not one many appropriating bodies understand*
- *Good architecture that supports accessibility for data mining is well worth the price*

DATA, DATA, DATA

- *Accurate*
- *Timely*
- *Accessible*

Creation Filings

CF Records in Queue

Days In Queue	Count	Earliest EnteredDate
A). Today	142	3/5/2024 1:03:27 PM
B). One Day	183	
C). 2-4 Days	419	
D). 5 Days	5	
E). 6 Days	4	
Total	753	

Entered CF

ArrivalType	Entered	% Total
Paper	97	13.86%
Web	603	86.14%
Total	700	100.00%

Committed CF

ArrivalType	Committed	% Total
Paper	98	13.37%
PDF	1	0.14%
Web	634	86.49%
Total	733	100.00%

CF Rejection Rate LLC

ArrivalType_Simple	Accepted	Rejected	Rejection Rate %
Paper	36	13	26.53%
Web	547	42	7.13%
Total	583	55	8.62%

CF Rejection Rate Bus Corps

ArrivalType_Simple	Accepted	Rejected	Rejection Rate %
Paper	15	3	16.67%
Web	53	4	7.02%
Total	68	7	9.33%

Overall Totals

1095979

Total Entities

163030

Total Non Profit Entities

Choose: DE or AR Group

All

RISE Counties

All

Entered Total

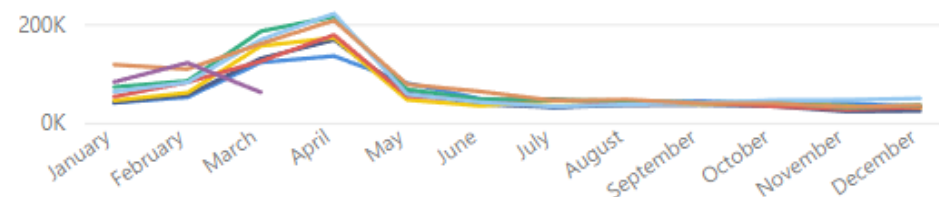
ArrivalType	Entered	% Total
No Arrival Type	1	0.01%
Paper	1519	19.23%
PDF	153	1.94%
Web	6228	78.83%
Total	7901	100.00%

Committed Total

ArrivalType	Committed	% Total
No Arrival Type	1	0.01%
Paper	890	12.05%
PDF	183	2.48%
Web	6312	85.46%
Total	7386	100.00%

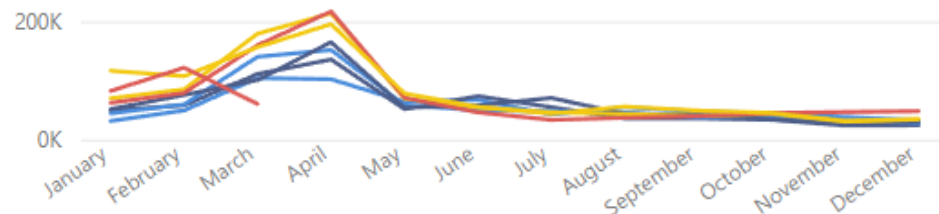
Entered Document Trends

Year ● 2017 ● 2018 ● 2019 ● 2020 ● 2021 ● 2022 ● 2023 ● 2024



Committed Document Trends

Year ● 2017 ● 2018 ● 2019 ● 2020 ● 2021 ● 2022 ● 2023 ● 2024



Annual Reports

AR Records in Queue

Day In Queue	Count	Earliest EnteredDate
A). Today	428	3/6/2024 1:32:03 PM
B). One Day	691	
C). 2-4 Days	54	
D). 5 Days	1	
Total	1174	

Entered AR

ArrivalType	Entered	% Total
Paper	1079	16.13%
PDF	4	0.06%
Web	5608	83.81%
Total	6691	100.00%

Committed AR

ArrivalType	Committed	% Total
Paper	426	7.06%
PDF	4	0.07%
Web	5604	92.87%
Total	6034	100.00%

Rejection Rate Annual Reports

ArrivalType_Simple	Accepted	Rejected	Rejection Rate %
Paper	308	118	27.70%
PDF	4	0	0.00%
Total	312	118	27.44%

Summary Report Data Date

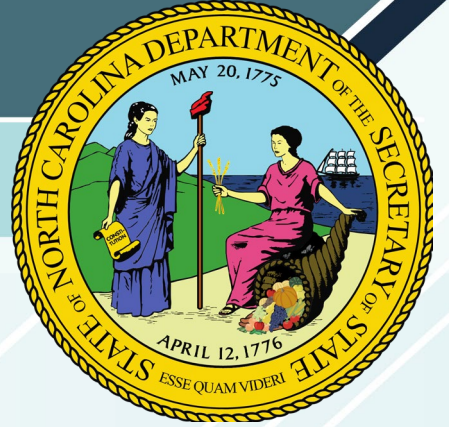
03/12/24 12:00:00 AM To 03/12/24 11:59:59 PM

Last Updated

3/13/2024 2:00:16 PM

Stay Connected With NCSOS

With Social Media



Facebook: @NCSecState



YouTube: North Carolina Secretary of State



LinkedIn: North Carolina Secretary of State



Twitter: @NCSecState

wtoole@sosnc.gov

William W. Toole, Deputy Secretary
March 22, 2024