

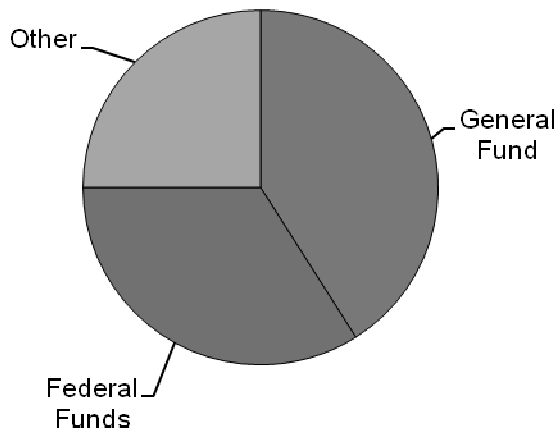
Agency Purpose

The Office of the Secretary of State serves the people of Minnesota by administering fair elections through processes that preserve their integrity, promoting citizen participation in elections and government, facilitating commerce, preserving for history the records entrusted to the office, and administering the Safe at Home address confidentiality program.

At a Glance

- Approximate number of business, Uniform Commercial Code (UCC), Effective Financing Statement (EFS), and notary filings in databases: 3 million
- Registered voters in databases: 3.1 million (81.9% percent of all eligible voters)
- Web inquiries and transactions: 1.4 billion
- General elections support:
 - 2,000 township elections every year
 - 900 city elections on a two-year cycle
 - 300 school district elections on a two-year cycle
 - 90 state and county elections on a two-year cycle
 - 200 other elections on a two-year cycle
 - Voter registration (VR) requests

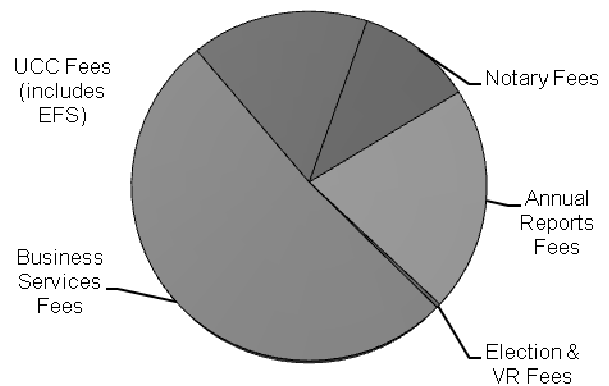
Est. FY 2010-11 Expenditures by Fund



Source: Consolidated Fund Statement.

FY2010-11 General Fund Fee Revenue Sources

Estimated Total Revenues: \$28 Million



Source: MAPS as of 7/19/10.

Strategies

The core functions of the office are

- the administration of elections
- the recording of documents regarding corporations, non-profit associations and business-related loans
- the filing and preservation of the official documents of the state
- the filing of Notary Registrations
- administration of Safe at Home, Minnesota’s address confidentiality program

Operations

The Office of the Secretary of State works in close partnership with county auditors, county recorders and municipal and township officials in the administration of business filings and oversight of elections.

Business Services registers a variety of for-profit and not-for-profit organizations, including corporations, assumed business names, limited liability companies, limited liability partnerships, and limited partnerships. Other business-related filings include notary filings, trade and service marks, and legal newspaper registrations, among others. The Office of the Secretary of State also accepts service of process on businesses under certain specific circumstances. It also maintains a statewide computerized network with county recorders so that the public may search Uniform Commercial Code records throughout the state from any filing office. The office is in the process of conducting a major rewrite of its business computer software that will enable businesses around the state to electronically file most documents with the office and complete on-line searches of the business databases.

Elections is responsible for administration of Minnesota election law. In this capacity, the Office of the Secretary of State operates the statewide voter registration system and prepares the official roster of voters for every election conducted in Minnesota. Other election activities include certifying voting systems, conducting administrative recounts, accepting filings by candidates for federal and state offices, training local election officials, and creating materials for use in training election judges. The Office of the Secretary of State provides information to voters on registration, elections, absentee ballots, polling place locations, candidates and election results via individual contact, outreach and maintaining a web site. Over the past four years, the office has expanded its web site to provide all citizens easy on-line access to information identifying their polling places and precinct caucus locations. The office works with a vendor of the United States Postal Service to automatically update a voter’s address whenever they move within or outside of the state. Such updates eliminate the need for voters to re-register to vote every time they move. Recent upgrades allow voters to check on the status of their absentee ballots online. The office conducts extensive outreach to help register individuals to vote and encourage all eligible citizens to exercise their right to vote. The office honors our nations’ veterans by encouraging everyone to cast their vote in honor of a veteran and write tributes to their veterans for posting on the office’s website. The Secretary of State chairs the state canvassing board, which certifies the results of state elections.

The Office of the Secretary of State administers the **Open Appointments** process and publishes the *Minnesota Legislative Manual*, a compendium of federal, state, and county government information. The *2009-10 Minnesota Legislative Manual* included well over 100 tributes to individual veterans that were written by Minnesota citizens.

The Office of the Secretary of State administers the **Safe at Home** address confidentiality program for survivors of domestic violence, sexual assault, stalking, and others who fear for their safety.

The Secretary of State is the keeper of the Great Seal of the State of Minnesota used to certify the authenticity of a wide variety of official documents. These include gubernatorial proclamations, open appointments, oaths and executive orders, enrolled acts of the Minnesota Legislature, rules, municipal documents and authentications and apostilles of official state documents for use in other countries.

Key Goals & Measures

Voter Registration

Goal: Increase number of registered voters

Measurement: Number of citizens registered to vote as entered in SVRS (statewide voter registration system)

<u>FY 2005</u>	<u>FY2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
2,925,000	2,084,000	3,091,000	3,105,000	3,178,000	3,111,000

Facilitate Commerce – Business Services

Goal: Increase number of filings

Measurement: Number of filings processed by mail and online

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
No. of new Business filings	56,000	55,000	63,000	57,000
No. of annual business renewals	167,000	212,000	217,000	220,000
No. of UCC/Tax Lien & CNS filings	144,000	140,000	134,000	138,000
No. of Notary filings & renewals	10,000	12,000	10,000	44,000

Access to Information and Services

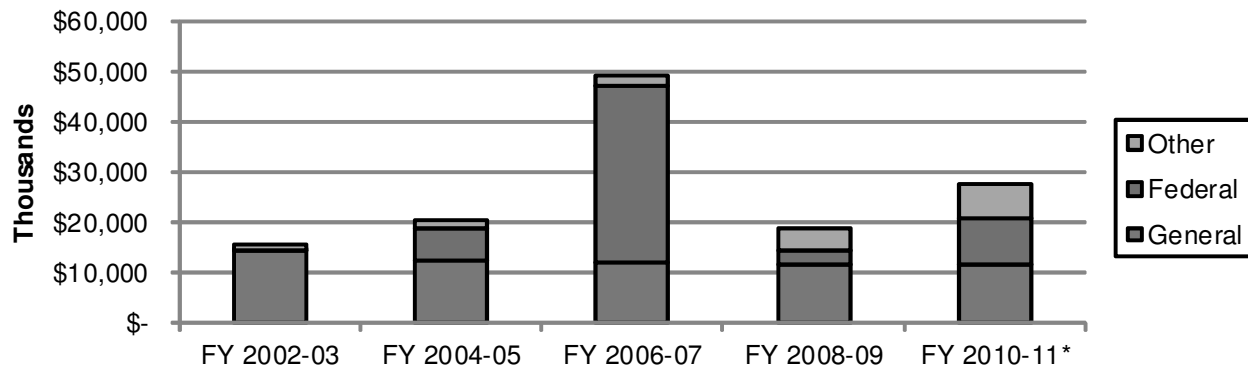
Goal: Increase in the availability of information and services via the web

Measurement: Number of online filings.

	<u>FY 2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>
No. of Business web filings	145,000	185,000	195,000	280,000
No. of UCC web filings	85,000	85,000	84,000	88,000
No. of notary renewal web filings	5,000	6,000	6,000	23,000

Budget Trends

**Total Expenditures by Fund
\$ in Thousands**



* FY 2010-11 is estimated, not actual

Source data for the previous chart is the Minnesota Accounting and Procurement System (MAPS) as of 07/13/10.

The following external factors impact the budget of the Office of the Secretary of State:

- In slow economies, dislocated workers apply their skills and entrepreneurial spirit to create start-up businesses at a greater rate than during good economies; this has led to an increase in business filings.
- Close elections and challenging economic situations generate increased interest in the political process and voting. This has certainly been the case with the 2008 presidential, 2008 U.S. Senate, and the 2010 elections, which include the election of a governor, all other state constitutional officers, and senate and house members.
- With continued growth in the use of the internet, citizens expect to be able to conduct all of their business on-line; this expectation has led to a high demand for the on-line tools for businesses and voters in the past four years.

During the FY 2010-11 biennium, the Office of the Secretary of State projects collecting approximately \$28 million in fees. These fees are deposited into the state general fund. The legislature returns approximately \$6 million annually from the state general fund to the Office of the Secretary of State to cover the office's operating budget. The remaining fees of approximately \$16 million over the two year biennium remain in the state general fund. In addition to the fees deposited in the general fund, the office has a revolving fund of approximately \$1 million each fiscal year for general operations. For the FY 2008-09 biennium and FY 2010-11 biennium, the legislature approved a temporary technology surcharge fee to initiate a rewrite of our Business Center software applications, which will enable most business service transactions to be completed online.

Minnesota has received federal funds from the Help America Vote Act (HAVA) for election-related expenses. These funds have been transferred to the Office of the Secretary of State to carry out activities required under HAVA (P.L. 107-252). This federal law sets national standards and imposes new requirements for the conduct of federal elections. These funds have been critical in the continued improvement of Minnesota's statewide voter registration system and election results reporting system. In the last four years, the Office received a \$2 million competitive grant from the federal Election Assistance Commission and \$364,000 in competitive grants from the PEW Charitable Trust to develop and implement cutting edge election processes. These improvements have included automatic address updates for voters who move using the US Postal Service permanent address change data, implementation of changes to absentee voting laws, the ability for voters to check on the status of their absentee ballots online, and numerous improvements to functionality requested by federal, state and local election officials throughout the nation.

Contact

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