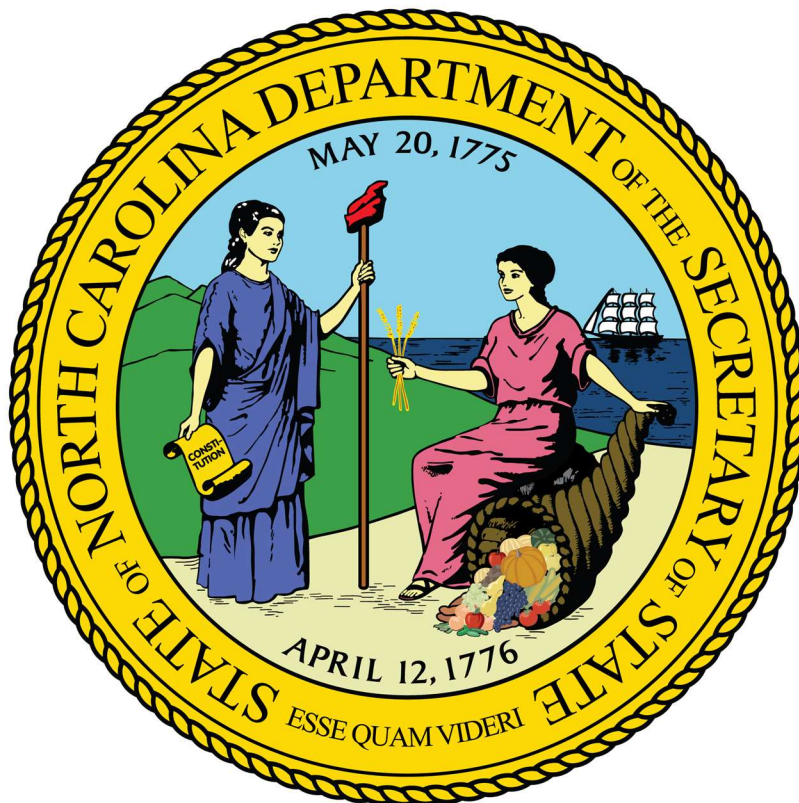


NC Department of the Secretary of State

Strategic Plan

2023 – 2025



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1. Strategic Plan Executive Summary

The Department of the Secretary of State is charged with promoting economic growth and protecting the public from financial harm which is reflected in our mission statement and statutory authority. The agency facilitates economic development through business and capital formation, which makes this Department the lead state agency in many business related activities including but not limited to providing crucial business data to the marketplace, administering the state's Securities laws, authentication and notarization of high-level business transactions and governmental decisions, and protecting the economic value of intellectual property.

Each year the executive team at the Department of the Secretary of State gathers to discuss the agency's Strategic Plan. We review the agency's mission statement, discuss and finalize the agency's vision statement and departmental values. From there divisional leaders are brought in to review and implement the departmental goals and objectives that support the mission, vision and values of the agency. Objectives are finalized with measures in mind and these measures are chosen to support the objectives for the year.

Over the next biennium, the Department has short term plans to handle the challenges of historic levels of new business creations, making data-driven performance management decisions, enhancing the customer experience through internal database and website modernizations, and serving as a primary communication channel to the state's business community. Over the longer term, the agency remains focused on being the business formation and capital creation leader through its use of state of the art technology as well as a talented work force.

2. Mission, Vision, and Values

Agency Mission Statement

To promote economic growth and protect the public from financial harm.

Agency Vision Statement

To be a national leader in facilitating financial capital, business and intellectual property formation; and enhancing E-Commerce services, all for the benefit and protection of the public.

Agency Values

Values of the North Carolina Department of the Secretary of State include the following:

- **Accountability & Ethical Behavior**
- **Communication**
- **Competence & Expertise**
- **Customer Service**
- **Diversity & Inclusion**
- **Innovation**
- **Professionalism**
- **Teamwork & Collaboration**

NOTE: These Agency Values have been placed in alphabetical order and thus is not reflective of the order of the priorities of the Department.

3. Goals, Objectives, and Performance Measures

<p>Goal 1 – <i>Facilitate economic growth and investment in North Carolina by continually modernizing a state of the art system of reliable business, governmental, and personal records.</i></p>	
<p>Objective 1.1 – <i>Ensure that critical online data and information is available when citizens or businesses need it.</i></p>	<p>Performance Measure or Milestone 1.1 – <i>The Department monitors customer-facing information systems 24x7. Monthly site availability reports will be used to verify that online systems are available ≥ 99.95% of the time (exclusive of scheduled maintenance).</i></p>
<p>Objective 1.2 – <i>Provide quality data available from the Department.</i></p>	<p>Performance Measure or Milestone 1.2 – <i>The agency modernization of its primary business database system (SOSKB) is an 18-month software modernization project that will broaden the availability and speed of data delivery to customers; enhance data accuracy and reliability; and promote processing efficiency. The Department will use various data analysis tools to target its efforts on areas that will have the greatest impact on customer service and agency performance standards.</i></p>
<p>Objective 1.3 – <i>Provide prompt and efficient processing of requests, recordings and other filings delivered to the Department.</i></p>	<p>Performance Measure or Milestone 1.3 – <i>The Department uses data-rich dashboards, call center analytics and “web wizard” tools to promote customer service, increase efficiency and reduce filing errors by identifying, anticipating and responding promptly to data filing and processing bottlenecks. The agency uses multiple external channels to measure customer satisfaction with the agency and its information transparency. Those external channels include regular customer service surveys, social media feedback loops, and mass email program analytics.</i></p>

Goal 2 – Sustain and enhance a technologically advanced and secure IT infrastructure that supports departmental accountability.

Objective 2.1 – Deploy and continuously improve a modernized IT infrastructure which supports the availability, privacy, and security needs of our customers.

Performance Measure or Milestone 2.1 – Improvements will be validated via semi-annual architectural reviews, annual disaster recovery exercises, and monthly security reporting.

Objective 2.2 – Continuously improve the functionality and security of the Department’s primary business process SOSKB application.

Performance Measure or Milestone 2.2 – Number of functional enhancement and modernization projects completed will be measured via Agile User Story reports.

Goal 3 – Maximize accessibility and efficiency by advancing the delivery of e-government services.

Objective 3.1 – Provide and promote electronic solutions so that customers can perform their business functions with the Department in an efficient and cost effective manner.

Performance Measure or Milestone 3.1 – The Department promotes “smart” interactive online filing systems in order to increase customer satisfaction, reduce customer filing errors, and speed filing completion. The Department takes active measures to increase the percentage of online filings and reduce customer error rates through a combination of custom programming, customer education, and data-informed filing enhancements. The Department’s internal data dashboards are essential informational tools that allow the agency to analyze success and identify areas of improvement in the continuing effort to move more filings online.

<p>Objective 3.2 – <i>Continuous monitoring and identifying improvements to online customer services and electronic interfaces with the Department.</i></p>	<p>Performance Measure or Milestone 3.2 – <i>The Agency uses internal data dashboard to monitor progress and find potential roadblocks to efficient filings. Externally, the agency uses multiple feedback loops including customer service surveys, call center analytics, social media feedback, and webpage analytics.</i></p>
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<p>Goal 4 – <i>Fulfill the service expectations of citizens, businesses, and other stakeholders by providing knowledgeable, efficient, and courteous customer service.</i></p>	
<p>Objective 4.1 – <i>Provide timely, professional, courteous, and effective employee responses to customer filings, inquiries, and complaints.</i></p>	<p>Performance Measure or Milestone 4.1 – <i>The Department uses multiple feedback loops to determine success including call center analytics, internal data dashboards, customer service surveys, social media outlets, and webpage analysis.</i></p>
<p>Objective 4.2 – <i>Continue to be a workplace that attracts and retains a talented workforce.</i></p>	<p>Performance Measure or Milestone 4.2 – <i>The Department will track the turnover of agency employees and note reasons for leaving. Using non-traditional recruiting tools to attract hard-to-fill positions. Continue to advocate for Salary Adjustment Funds and Labor Market Adjustment Funds.</i></p>
<p>Objective 4.3 – <i>Continue to be a workplace that includes and values a diverse workforce.</i></p>	<p>Performance Measure or Milestone 4.3 – <i>The Department will track diversity in its workforce through its EEO Plan.</i></p>

Goal 5 – Educate citizens, businesses, and other stakeholders about commercial and financial choices and how the Department and its data can assist in achieving economic success.

<p>Objective 5.1 – Educate the public to prevent financial fraud and promote economic development.</p>	<p>Performance Measure or Milestone 5.1 – Use various communication channels like bulk email and social media to communicate with public about anti-fraud prevention tools. Our target goal for email open rates is 50%+.</p>
<p>Objective 5.2 – Educate businesses on how to use departmental data to improve their capitalization and reduce risk.</p>	<p>Performance Measure or Milestone 5.2 – Number of attendees (businesses & professional individuals) participating in Department educational presentations or receiving Department educational materials. Desired result is to have number of attendees increase each year.</p>

Goal 6– Safeguard citizens, businesses, and other stakeholders against fraud by ensuring the reliability of notarized signatures on legal, real estate, business, and financial documents.

<p>Objective 6.1 – Ensure that commissioned notaries are trained to perform their duties in a professional, ethical, and lawful manner.</p>	<p>Performance Measure or Milestone 6.1 – Number of notaries trained annually. The Department will track and report on the number of notaries trained throughout the year.</p>
<p>Objective 6.2 – Coordinate with other law enforcement agencies, including involvement in multistate, local and federal task forces to investigate issues involving notaries public.</p>	<p>Performance Measure or Milestone 6.2 –Number of coordinated investigations. The Department will track and report on the number of enforcement actions against notaries that are coordinated with multiple entities including the Department.</p>

<p>Objective 6.3 – Approve and review periodically electronic notary software solutions that meet North Carolina Standards.</p>	<p>Performance Measure or Milestone 6.3 – The Department will track the number of electronic notary software solutions that are submitted and approved.</p>
<p>Objective 6.3– Develop and obtain approval of remote electronic notarization processes which are capable of establishing national standards and which meet the requirements of the Remote Electronic Notarization Act (S.L. 2022-54).</p>	<p>Performance Measure or Milestone 6.4– Complete drafting and submit to the Rules Review Commission for approval by March 2024 rules that meet General Assembly standards for data security and reliability of identification. In so doing, the Department will establish criteria that enhance the reliability and security of remotely notarized transactions such that North Carolina’s standards become those against which the marketplace and other states measure themselves.</p>
<p>Goal 7 – Protect investors, donors, innovators, intellectual property owners, and other stakeholders from misrepresentations, unethical conduct, and fraud by supporting a competitive and ethical business climate.</p>	
<p>Objective 7.1 – Enforce the State’s criminal laws and administer the State’s civil laws related to intellectual property.</p>	<p>Performance Measure or Milestone 7.1 – The Department will track through its trademark enforcement agents the seizures of counterfeit intellectual property with intent to sell and bring charges where appropriate.</p>
<p>Objective 7.2 – Enforce the State’s criminal laws and administer the State’s civil laws related to charitable donations.</p>	<p>Performance Measure or Milestone 7.2 – The Department will track investigation statistics stemming from enforcement actions, disclosing the category and number of investigations completed for the fiscal year with data elements including letters issued, number of violations corrected, etc.</p>
<p>Objective 7.3 – Enforce the State’s criminal laws and administer the State’s civil laws related to investor protection.</p>	<p>Performance Measure or Milestone 7.3 – The Department will measure the number of Investment Advisors, Investment Advisor Representatives, Dealers and Registered Representatives licensed and disciplined in NC.</p>

Goal 8 – Investigate, prosecute, and resolve complex financial crimes utilizing the Department’s law enforcement agents, professional staff, technology, and partnerships with external stakeholders.

Objective 8.1 – Investigate and enforce laws to prevent fraud and promote economic development.

Performance Measure or Milestone 8.1 – The Department will track through its enforcement staff the number of securities and financial fraud cases investigated and prosecuted.

Objective 8.2 – Department will ensure a functioning Digital Forensic Laboratory staffed with certified professionals and maintain the Lab accreditation.

Performance Measure or Milestone 8.2 – The Department will measure the number of securities and financial fraud cases investigated using the Digital Forensic Laboratory.

Objective 8.3 – Sustain and enhance the technological and forensic capabilities in support of the Department’s investigative and prosecutorial responsibilities.

Performance Measure or Milestone 8.3 – The Department will track through its forensic support staff the number of securities and financial fraud cases investigated and prosecuted.

Goal 9 – Administer miscellaneous programs and duties assigned to the Department.

Objective 9.1 – *Manage program filings and registrations including but not limited to: Calendar of Public Meetings; Business Opportunities; Loan Brokers; Campground Operators/Sellers; Telephonic Sellers; Invention Developers; Gender Equity Appointment Reporting; Ticket Resales; and State Cable Franchises.*

Performance Measure or Milestone 9.1 – *The Department conducts regular customer service related surveys. Results of those surveys will be utilized to measure how well our customers are able to access information.*

Objective 9.2 – *Administer the North Carolina Electoral College and Constitutional Amendment Publication Commission.*

Performance Measure or Milestone 9.2 – *The Department performs the task of administering the Electoral College every four years, and administering the Constitutional Amendment Publication Commission whenever proposed amendments are to appear on a general election ballot. The Department will document these events with video recordings of the Electoral College proceedings, and with transcripts of the NC Constitutional Amendment meetings, public meeting notices, and notices of adopted summaries distributed to elections boards and press.*

Objective 9.3 – *Promote national security and international relations by partnering with other entities, and to inform and introduce international groups to North Carolina in a manner that encourages direct foreign investment into this state.*

Performance Measure or Milestone 9.3 – *North Carolina’s unique twenty-four year old civilian-to-civilian partnership with the former Soviet Republic of Moldova has become especially significant to the nation’s security in light of Russia’s war on the Ukraine. The Department conducts meetings with Moldovan and other international groups annually; many times serving as the lead agency. The Department will keep an account of all the meetings with international groups.*

4. Highlights, Collaborative Opportunities, and Priority Questions

Agency Highlights

- The Secretary of State's Office has completed 350,000 new business creation filings in calendar years 2021-2022. These are historic levels and represent more than 70% growth compared to pre-COVID levels.
- The Agency is filing 125,000 more annual reports each year when compared to pre-COVID.
- The creation of "Web Wizards" for online filers have cut rejection rates of filings by 70%, shortening the time it takes a New Business Creation to be complete and allow a business to be up and running.
- Secretary Marshall started Rural RISE NC, an initiative to be a unique communications channel for new business creators in order to provide them immediate access to local, state, and national business resources to improve their opportunity for success. Focus will first be on 78 rural counties because of the increasing rural-urban economic divide. Open rates and click-through rates for these local resource bulletins are significantly above industry standards.
- UCC filings are up 20%.
- Notary applications are up 14% and the Agency sold out for the third consecutive year its annual EMortgage Conference. Conducted Notary Chats around the state with 600 participants.
- Secretary of State's Trademark Enforcement Unit led a successful operation resulted in \$250,000 worth of THC-edibles being confiscated from tobacco and vape shops and convenience stores. This operation involved 10 other local law enforcement agencies that are part of the Anti-Counterfeiting Task Force.
- The Securities Division was instrumental in busting up a Ponzi scheme that results in 8 years and 4 years of federal prison time for two offenders.
- Lead state agency in providing crucial business data to the marketplace for leveraging risk and assisting millions of buy, sell, lend, borrow, and invest transactions.
- Lead state agency in administering the state's Securities laws by registering and regulating more than \$200 billion in securities offerings and investigating and prosecuting significant white-collar crimes.
- Lead state agency in authentication and notarization of high-level business transactions, international matters, and governmental decisions.
- Lead state agency in protecting the economic value of trademarks and patents.
- Lead state agency providing for transparent registration and enforcement of charitable solicitation laws and registration and reporting of lobbyists and their principals.
- Lead state agency in Land Records Management supporting one of the state's largest assets valued at almost \$1 trillion, according to the NC State Property Tax Commission.
- The Secretary of State has increased its share of revenue to the General Fund by 40% over the last five years to \$167 million.

Collaborative Opportunities

- The Secretary of State is working in collaboration with Fayetteville State University on using agency data and a more extensive survey tool to identify business success opportunities for new business creators. In addition, the agency is in the initial stages of collaboration discussions with NC State University Cooperative Extension Service to elevate and enhance the Rural RISE NC initiative in addition to the Poole School of Management exploring business survivability research.
- The Rural RISE NC Initiative collaborates with hundreds of local, state, and national business resources in an effort to increase the opportunity for new business creators to be successful by offering immediate access to resources at the time of the businesses creation.
- The Secretary of State collaborates with more than 50 local law enforcement agencies, and the US Department of Homeland Security to conduct effective anti-counterfeiting operations statewide.
- The Secretary of State collaborates with the NC National Guard as part of the NC-Moldova Bilateral Partnership on important educational, health, governmental, and humanitarian projects.
- Anti-Counterfeiting collaboration with Department of Revenue.

Priority Questions

(Insert 3-5 priority questions to answer. Consider adding a brief explanation for why the answers would be important and what decisions or actions they will inform).

The agency has not identified priority questions at this time.