ERER Task Force Pilot Phase 1 - Project Status Reports

\<Example\> County - Report No. 1

6/20/2003

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Submitted by:

1. Deliverables Summary:

Deliverable	Status Notes	% Complete	Target Date	Completion Date
Baseline Measurements				
Pilot Measurements Matrix				
Cost Benefit Table				

1.1 Deliverables Details: (Update as you have the answers)

1.1.1 Baseline Measurements:

Phase 1 – Satisfaction	Pre-Pilot Measurement	Measures for an Electronic Filing Only
Number of Satisfaction Documents Processed (1 year)		
Number of Steps Involved in Processing Satisfaction Document (From receipt of Satisfaction until it is returned to submitter) (Provide narrative explaining this process and what is the flow of this process in your department) (ASSUMPTION: This is the process associated with a recordable satisfaction)		
Staff Hours Spend Processing Satisfaction – Per Document (This is following a single document through the steps outlined in the previous measurement. Estimate		

	Pre-Pilot Cost/Measurement	Measures for Electronic Filings Only
minutes or fractions of an hour based on recordable satisfaction)		
Number of Satisfaction Documents Rejected (in 30 consecutive calendar days)		
Average Number of Days From Date of Receipt to Date Indexed for Satisfaction Average for a year		
% of recorded satisfaction documents mailed back to submitter Estimate for one year		
% of All Satisfactions Filed Electronically	0	
Phase 1 – Certificate of Release	**Pre-Pilot Cost/Measurement**	**Measures for Electronic Filings Only**
Number of Certificate of Release Documents (COR) Processed (1 year)		
Number of Steps Involved in Processing COR Document (From receipt of COR until it is returned to submitter) (Provide narrative explaining this process and what is the flow of this process in your department) (ASSUMPTION: This is the process		

associated with a recordable COR)		
Staff Hours Spend Processing COR – Per Document (This is following a single document through the steps outlined in the previous measurement. Estimate minutes or fractions of an hour based on recordable COR)		
Number of COR Documents Rejected (in 30 consecutive calendar days)		
Average Number of Days From Date of Receipt to Date Indexed for Certificate of Release Average for a year		
% of recorded COR documents mailed back to submitter Estimate for one year		
% of all COR documents filed electronically	0	

1.1.2 Pilot Measurement Matrix

ERER Task Force Consideration	Standards Recommendation	Measurement Question	Findings
1.	**Included in interviews and surveys**		
2. Consider estimating the extent to which existing systems will require modification or replacement to accommodate any changes that the ERER Task Force recommends.	Model 3: Fully electronic – At this level the entire recording process can be completed without manual intervention. The submitter creates an XML based electronic document that includes both data and presentation information. This document is wrapped with a digital signature and may also include digitized signatures. Once received, the county systems will validate document integrity and proceed with automated indexing. Business rules will be used to validate recordability and an image of the document will be generated which becomes the document of record. Receipt and recording information is returned to the submitter electronically. This level provides the greatest efficiency improvement since no	**County:** What model of e-recording did your county pilot test with Trusted Submitters? How much system re-use did you experience? As a result of decreased data entry responsibilities at the county, has elapsed recording time been affected? Did your current system require significant modifications or replacements to	_____ _____ _____ _____

	manual intervention is required and processing time is greatly reduced.	accommodate e-recording?	
	Model 3 **Pro:** • Model 3 allows for the greatest reduction in work effort by eliminating data entry at the county. Because of this, elapsed recording time is also significantly reduced. • Since robust validation rules can be implemented, the document rejection rate should be greatly improved. • The private sector should realize a reduced work effort because of process flow efficiencies provided by model 3. • This model should promote more business-to-business integration throughout the Real Estate industry as electronic processing pushes further upstream. • Because of digital signatures and encryption, document	How much manual intervention was needed in the automated process? What is the rejection rate? What are the top 3 reasons for rejection? **Trusted Submitter:** What modifications did you need to make or plan to make to accommodate e-recording? Do you think these modifications will be beneficial in your work with counties? How much manual	_____ _____ _____ _____

		integrity improves over model 1 or 2. **Con:** • With automation comes complexity. Additional business rules and processing steps must be encapsulated within the system. • Both the private sector and counties will need to implement systems more complex than those required at model 1 or 2. Because of the additional complexity, model 3 applications are more costly to develop and implement. • Because of the complexity of implementation, full model 3 integration may not be practical for many counties.	intervention was needed in the automated process? What is the rejection rate? What are the top 3 reasons for rejection? _____ _____	
3.	**Determined as out-of-scope for project**		NA
4.	**Included in interviews and surveys**		NA
5.	**Complete**		NA
6.	**Pilot Testing Phase**		NA
7.	**Current State Model**		NA
8.	**Out-State Interviews/ Summary & Matrix**		NA

9.	**Completed**		NA
10.	**Completed**		NA
E-Recording Standards			
11. Consider emphasizing the overriding importance of identifying features that will both (i) facilitate or enhance county recorders' numbering, indexing, recording, payment, verification of receipt, certification, return of documents, and on- and off-site customer access services, and (ii) foster procedures and policies that promote uniform, secure, accessible, and user-friendly electronic creation, transmission, recording, storage, retrieval, and preservation of, as well as payment for, real estate documents. <u>Payment Method</u>	Recommended Standards: **1. Implement escrow accounts with business partners for payment of taxes and fees.**	**County:** What kind of payment account is used at your county? Was it convenient? What issues have you encountered? **Trusted Submitter:** Were you already set up to sue the same payment method as the county? If no, was it convenient to setup? Did you need to modify your system to perform financial transactions with the county for pilot testing? If yes, please explain.	_____ _____ _____ _____

		_____ Are you using this payment method for more than just e-recording?	
11. Consider emphasizing the overriding importance of identifying features that will both (i) facilitate or enhance county recorders' numbering, indexing, recording, payment, verification of receipt, certification, return of documents, and on- and off-site customer access services, and (ii) foster procedures and policies that promote uniform, secure, accessible, and user-friendly electronic creation, transmission, recording, storage, retrieval, and preservation of, as well	**Recommended Standards:** • Adopt the satisfaction, certificate of release, and closing package use cases as Minnesota standards.	**County**: Was the Use Case useful for designing new processes? What issues have you encountered in complying with the adoption of these Use Cases? What specifically did you adopt or change? **Trusted Submitter:** Was the Use Case useful for designing new processes?	_____ _____ _____ _____

as payment for, real estate documents. Use Case		What issues have you encountered in complying with the adoption of these Use Cases? What specifically did you adopt or change?	_____ _____ _____
11. Consider emphasizing the overriding importance of identifying features that will both (i) facilitate or enhance county recorders' numbering, indexing, recording, payment, verification of receipt, certification, return of documents, and on- and off-site customer access services, and (ii) foster procedures and policies that promote uniform, secure, accessible, and user-friendly electronic	**Recommended Standards:** • The best practice workflow should be used as a starting point for counties as they refine their document recording process.	**County**: Was the workflow useful for designing your processes? What issues have you encountered in complying to the adoption of this work flow? What specifically did you adopt or change?	_____ _____ _____ _____

creation, transmission, recording, storage, retrieval, and preservation of, as well as payment for, real estate documents. Workflow		**Trusted Submitter: NA**	
11. Consider emphasizing the overriding importance of identifying features that will both (i) facilitate or enhance county recorders' numbering, indexing, recording, payment, verification of receipt, certification, return of documents, and on- and off-site customer access services, and (ii) foster procedures and policies that promote uniform, secure, accessible, and user-friendly electronic	**Recommended Standards:** • Images created or submitted as part of electronic recording should be archived with existing document images.	Has compliance to storing images been an issue? Do you provide data and image retrieval? Have people wanted the data portion along with images? **Trusted Submitter:** NA	_____ _____ _____

creation, transmission, recording, storage, retrieval, and preservation of, as well as payment for, real estate documents. Storage / Retrieval			
12. Consider requiring that any technology-based improvements to existing systems that it recommends provide for long-term maintenance and development of electronic real estate recording, including the migration, conversion, and preservation of data over time. 15. Consider the implications of integrating existing paper, microfilm, microfiche, and optical methods of storing real estate documents with any digital, encrypted, or other document	**Recommended Standards:** • Images created or submitted as part of electronic recording should be archived with existing document images.	**County**: Have you experienced any issues archiving images sent with electronic filings? How do you provide access to existing documents and to e-recorded documents? Is there a difference in accessibility or processes to access these records? Are all images sent electronically being archived? Do you archive XML data along with the	_____ _____ _____

formats that the ERER Task Force recommends, to help make access to and searches of the real estate recording system as seamless and uniform as possible.		archived image? **Trusted Submitter: NA**	_____
13. Consider how to build a framework for sharing and communicating information that would rely on existing, recognized policies and standards for technology, metadata, or data, and that would best support and improve procedures for recording, gaining access to, searching, preserving and retrieving real estate records.	**Recommended Standards:** • Adopt the best practice workflows as Minnesota standards. • Adopt the satisfaction and closing package use cases as Minnesota standards. • Adopt the satisfaction, certificate of release, deed, assignment, certificate of real estate value, and affidavit of purchaser for Torrens property as Minnesota standards. • Adopt the data element list as Minnesota standards.	**County**: Did you find the schema useful? Did you have to make significant changes to the schema as presented? If yes what were those? What elements of the schema, workflow, data elements, use cases or standards have presented issues in your county and processes? **Trusted Submitter:**	_____ _____ _____

		Did you find the schema useful? Did you have to make significant changes to the schema as presented? If yes what were those? What elements of the schema, workflow, data elements, use cases or standards have presented issues in your county and processes?	_____ _____ _____ _____
14. Consider developing performance standards for electronic management of real estate records that do not specify particular hardware or software applications.	**Recommended Standards:** Document standards must be created using technology that is platform neutral.	**County**: Is your application free to accept filings from a Trusted Submitter using a different technology platform? From which Trusted Submitters and what platform do they use? Are there any issues with your	_____ _____ _____

		transmitions?	
		Trusted Submitter: Is your filing software able to submit to any county's technology?	_____
		What counties are you working with and what platform do they use?	_____
		Are there any issues with your transmittions?	_____
		What modifications did you have to make to transmit to another county once implemented?	_____
16. Consider the many ancillary functions that are part of the real estate recording	**Recommended Standards:** Implement escrow accounts with business partners for payment of	**Phase 2 Issues:** **County**: How does	**Phase 2 Issues:**

process, including for example (i) collection of deed and mortgage registry taxes; recording, well and conservation fees; special assessments and past-due real estate taxes; and Green Acres amounts, (ii) disclosure of information regarding wells and waste disposal systems, (iii) subdivision of land and lot-splitting, (iv) filing of Affidavits of Purchaser and Examiner's Directives in the Torrens system, and (v) with respect to real estate conveyances, verification of the tax parcel number; determination of the assessed value of the real estate; and disclosure of the name and address of the new taxpayer.	taxes and fees. **Recommended Standards:** Implement a process for identifying divisions or splits and removing them from the electronic recording process, so that they can be manually recorded.	your e-system flag a document as a split? Is this process working well? Does the manual recording process seem to be the best work around? Do the escrow accounts work for collecting funds in different departments? **Trusted Submitter:** Are the fees the same as what you had calculated? If not, why?	

17. Consider ensuring that any electronic real estate recording system that the ERER Task Force recommends accommodates citizens' statutory rights to privacy and confidentiality of sensitive data and information as well as lawful uses of the real estate record, and supports units of government that are authorized to (i) revise, supplement, or otherwise modify certificates of real estate value (CRVs) and other documents that part of the real estate recording process, (ii) search and compile such data for purposes unrelated to real estate recording, and (iii) require an audit trail of particular real estate transactions.	**Recommended Standards**: Social Security Number data element within the certificate of real estate value must be encrypted and viewable only by the Department of Revenue. Applications developed to support electronic recording must comply with Minnesota statute 13.	**County**: Is the vendor package providing a thorough audit trail of real estate transactions? Are there any issues working with this audit trail? In reference to Statute 13, is there free (no charge) access to data, and more specifically e-recorded data at the county? **Phase 2 Issue:** Does SS# appear encrypted upon receipt? **Trusted Submitter:** Does encrypting the SS# in an e-transaction present issues or concerns for	

		your clients?	
18.	Phase 1, SAT and COR--Phase 2, all others		NA
19. Consider whether a tract index should be mandatory in all counties, and if so, whether it should replace the grantor-grantee index as the official index.	**Recommended Standards:** Applications developed to support electronic recording should utilize the standards for PIN and legal description to create tract index entries, as soon as is practical.	**County**: What issues does the county experience or foresee in using standards for PIN and the use of legal description? **Trusted Submitter:** Does the use of standards around PIN and use of Legal Description affect the efficiency in filing documents with the county? Does e-recording provide better access to this information?	
20. Consider recommending the creation, evaluation, and revision of uniform	**Recommended Standards:** Adopt the PRIJTF indexing guidelines as a statewide	**County**: Did you implement the indexing guidelines? If so, how far back in	

indexing standards to facilitate computerized searches, for example, by clarifying whether "John Smith Truck Co." will be indexed as Smith, John, Truck Co. or as John Smith Truck Co., and whether a name that starts with "Saint" be indexed as Saint, St., or St.	standard. Maintain the indexing standards through the same maintenance organization responsible for Minnesota document standards.	the data did you go to adapt to this change? What major changes did you have to make? What percentage of data was changed? Did you have to print new reports, etc? **Trusted Submitter:** NA	_____ _____ _____ _____
21. Consider whether use of any uniform indexing standards should be mandatory; whether such use should be prospective only; and if indexing standards are to be used retrospectively as well as prospectively, how far back in time existing indexes should be amended.	**Recommended Standards:** Require adoption of uniform indexing standards as counties move to electronic recording. Implement uniform indexing standards prospectively only.	**County**: What issues do you experience or foresee in using a standardized indexing system? How has a standard indexing system affected your process? **Trusted Submitter:** How has a standard	_____ _____ _____ _____

		indexing system at counties affected your process? How has your data entry processes changed to comply with indexing standards?	_____
22.		NA	NA
23. Cost / Benefit - Consider studying the costs and benefits of linking real estate records with other layers of public data including, for example, data regarding transportation, hydrology, topography, and political boundaries, as part of the statewide geographic information system (GIS).	**Recommended Standards:** Counties that are planning on implementing GIS should plan for inclusion of PIN numbers in their recording systems so that integration with GIS will be supported.	**County**: Has PIN been a part of your system in the paper world? Has the inclusion of PIN in the e-filings created any issues? If so, please explain. **Trusted Submitter:** Has the inclusion of PIN affected your filing process with a county? If so, please explain.	_____ _____ _____
24	Determined Out of scope	NA	NA

25. Consider recommending the inclusion of parcel identification numbers (PINs), geographic information system (GIS) identifiers, or other unique labels in recordable instruments to foster cross-referencing among real estate records and other layers of public data such as city assessor's records and Minnesota Department of Revenue records.	**Recommended Standards:** A data element for PIN is included in the document standards as an optional field to accommodate entry into tract index and allow for future integration with GIS and other systems. The PIN number should have the following characteristics: • It should be unique • It should not be reused • It should be retained in perpetuity The application should support tracking a split property to the original property Counties should implement PINs on a prospective basis	**County**: How does the PIN standard affect your current process at the county? **Trusted Submitter:** Do standardized PIN numbers affect the processes at your office?	_____ _____
26.		NA	NA

27. Legal – Consider making user-friendly, reliable, and convenient on- and off-site public access to real estate records an important goal of any authentication, security, and recording-priority standards that it proposes. (Chapter 13 mandate)	**Legal Consideration #12 Definition of the Official Record (Access and Reproduction).** There is concurrence that a definition of what comprises the "official record" of an e-recorded document is needed and that such "official record" will be the image of the transaction rather than the entire transaction itself (for each document). Legislation will be necessary to create such a definition. This item is on the long-term "to do" list of the Legal Subcommittee.	**County**: Is access to both data and image provided? How has this access to data been provided? Is access provided on-line , in house or both ? Is access provided free of charge? What are the charges, if any? Do vendors provide access to the data? What are their charges? How has this access to data been provided? Are there any security issues involved that were not present in the paper process? Please explain. Does e-filing provide better or timelier access to data? Please explain.	_____ _____ _____ _____ _____ _____

		Trusted Submitter: NA	
28. Legal – Consider identifying the legal issues involved in determining the recording priority of instruments filed in person, by mail, and electronically.	**Legal Consideration #4** **Recording Priority vis-à-vis Delivery Method** There appears to be a consensus that the date and time of acceptance should govern priority, but that each county would or should have discretion to set its own policy in regard to the precise process of affixing such date and time to documents.	**County**: Does your county utilize date / time of acceptance as the priority for documents? Define your policy to affixing date and time to each process used to deliver filings to the county office. How did you integrate the acceptance of e-recorded documents into your current process? What are the hours of operation for e-recording? **Trusted Submitter:** NA	_____ _____ _____ _____
29.	**Legal Consideration**	NA	NA
30..	**Legal**	NA	NA

31. Cost / Benefit – Consider estimating the costs and benefits of (i) operating the real estate recording system in its current form, and (ii) implementing and maintaining any technology upgrades or other changes that the ERER Task Force recommends.	**See Cost / Benefit Chart, Attachment A.**		
32. Cost / Benefit – Consider the appropriateness and feasibility of making recording and similar fees, as well as copying and certification charges, uniform in all counties.	**Recommendation:** Mechanisms to improve access to county fee structures should be included in applications developed to support electronic recording.	**County**: How has your county provided it's fee structure information to Trusted Submitters? **Trusted Submitter:** Are the pilot county fee structures more easily accessible? Please explain.	_____ _____
33.	See E. Funding Sources.	NA	NA

34. Cost / Benefit – *36.*		NA	NA
			NA
35	Recommendation:	Cost / Benefit Chart	NA.
37 Cost / Benefit – Consider whether it is appropriate and feasible for counties to collect filing fees and other revenues associated with the real estate recording process electronically.	**Recommendation:** Implement escrow accounts with trusted submitters for payment of taxes and fees. Investigate alternative payment options as part of the pilot process or prior to standards implementation.		
Other Technical Considerations – Electronic Signatures	**Recommended Standards:** Parties should establish separate key pairs for digital signatures and encrypting data. Multiple parties should not sign the same data.	**Trusted Submitters:** Did your company utilize separate key pairs for digital signatures? If not, what did you do instead? Did you encrypt your data? If not, what did you do instead? Did parties sign separate pieces of	

		data? If not, what did you do instead? What issues did you experience as a result of this standard?	
Namespace	**Recommended Standards:** **The target namespace for standards should be** http://www.erertf.org/0.1/schema	NA	NA

1.1.3 Cost / Benefit

Implementation Costs	Analysis Phase	Design Phase	Development Phase	Testing Phase	Implementation Phase	Total	Pilot Testing On-Going Costs
Labor - Staff - Total Hours and Cost							
Labor - Contract - Total Hours and Cost							
Hardware - Description and Cost							
Software - Description and Cost							
Digital Certificate							
Infrastructure							
Training - Total Hours and Cost							
Maintenance Contract							
Transaction Fees							
Other							
Total							

Quantitative Benefits	Public	Private	Total Annual
Filing Fee (ERERTF portion only)			
Reduced Processing Time	Reduction in what function Reason for reduction Total time saved	Reduction in what function Reason for reduction Total time saved	
Productivity Savings	Savings in what function Reason for productivity saving Total time saved	Savings in what function Reason for productivity saving Total time saved	

Expense Reduction	In what function	In what function
	Reason for Cost Savings	Reason for Cost Savings
	Total Savings	Total Savings
Employee Reallocation	Removed from what function	Removed from what function
	Added to what new function	Added to what new function
Improved Customer Satisfaction	Explain experience / results	Explain experience / results

2. Ongoing Pilot Risks:

Risks Identified	Phase Risk Identified	Mitigation Strategy

3.   Implementation Findings:

Phase	Findings
Development	
Implementation	
Testing	

4.   Best Practices Identified:

Phase	Practices
Development	
Implementation	
Testing	