



The Florida Courts E-Filing Authority Minutes

Florida Courts E-Filing Authority Board of Directors met on June 27, 2016, at 1:00 p.m. at the Rosen Shingle Creek, Orlando, Florida. The following members were present: Hon. Tim Smith, Putnam County Clerk, Chair; Hon. Jeff Smith, Indian River County Clerk, Vice Chair; Hon. Tara Green, Clay County Clerk, Secretary/Treasurer; Hon. John Tomasino, Clerk, Supreme Court, by WebEx; Hon. JD Peacock, Okaloosa County Clerk; Hon. Bob Inzer, Leon County Clerk; Hon. Todd Newton, Gilchrist County Clerk, Hon. Sharon R. Bock, Esq., Palm Beach County Clerk; Hon. Karen E. Rushing, Sarasota County Clerk; and Lynn Hoshihara, Esq., Authority General Counsel, were in attendance. A quorum was present.

- I. The Hon. Tim Smith, Chair, opened the Annual meeting at 1:05 p.m. He welcomed those on the WebEx and those in the room.

The Hon. Tim Smith asked for a roll call. All members were present.

- II. Adoption of the Agenda

The Hon. Tim Smith asked for a motion to adopt the agenda. The Hon. Sharon Bock moved adoption of the agenda. The Hon. Bob Inzer seconded the motion. All voted to accept the agenda as presented.

- III. Annual Meeting

- III. The Hon. Tim Smith opened the Annual meeting of the Authority and provided an overview of the year's activities. The Hon. Tim Smith's remarks are attached at the end of these minutes.

The Hon. Tim Smith welcomed the new members:

The Hon. JD Peacock, Clerk of Okaloosa County and the District I representative, stepped in to fill the Walton County Clerk, Hon. Alex Alford's, place on the Board.

The Hon. Todd Newton, Clerk of Gilchrist County and the District IV representative, was voted in at his district caucus meeting to take the place of the Hon. Don Barbee, Hernando Clerk.

The Hon. Bob Inzer, Leon County Clerk and District II representative, is retiring, so this is his last meeting. As of July 1, replacement is the Hon. Kathy Brown, Liberty County Clerk.

Mr. Tim Smith moved into the election of the Vice Chair and Secretary/Treasurer. Mr. Tim Smith thanked Mr. Jeff Smith, for his service as Vice Chair the past several months. Ms. Tara Green nominated Mr. Jeff Smith as Vice Chair for the next year. Mr. Inzer seconded the nomination and all voted favorably.

Mr. Tim Smith thanked Ms. Green for her service the past year as Secretary/Treasurer and asked for nominations from the floor for that position. Mr. Inzer nominated Ms. Green to serve again as the Secretary/Treasurer. Ms. Bock seconded the motion and all voted favorably.

Mr. Tim Smith then concluded the Annual Meeting and opened the Annual Meeting of the Board.

Annual Meeting of the Board

IV. Adoption of the Minutes

Mr. Tim Smith recognized Ms. Green to present the April 7 and April 28, 2016, minutes. Hearing no suggested changes, Mr. Inzer moved adoption of both sets of minutes. Mr. Jeff Smith seconded the motion. All voted favorably to accept the minutes.

V. Treasurer's Report

a. Review of the Monthly Financial Statements

Mr. Tim Smith recognized Ms. Green to present the May financial statements. She presented that assets at the end of May stood at \$1M, \$0.6M in cash and \$ 0.4 M in accounts receivable. Liabilities stood at \$ 0.3M. This figure represented \$ 0.3 M in accounts payable. Equity stood at \$0.7 M.

Through the month of May 2016, she told the board that total revenues were \$ 3.9M and total expenses were \$3.7 M. The change in net assets year to date were \$ 0.2 M.

Ms. Green moved approval of the financial reports. Mr. Inzer seconded the motion and noted that the revenue leftover was that which was given in-kind by the Association. He commented that the Authority have sufficient revenue to support itself. All voted in favor.

b. Approval of the 2016-2107 Budget

Mr. Tim recognized Ms. Green to represent the budget, reminding everyone that there had been a motion at the last meeting to look at the revenues. Ms. Green reviewed the proposed 2016-2017 Authority budget by presenting four options to consider. She noted that the Authority was required to pass an annual budget at this meeting. The budget is an estimate of receipts by source and an itemized estimation of anticipated

expenditures. She explained that the board needed to make some decisions and plan for the next two years.

She provided the following background for the budget document presented:

- The budget proposal is an estimate and is one that would have to be revisited after the first quarter of data. Merchant fees are based on the card type and, if users choose business credit cards over debit cards, the proposal may not be as cost efficient as projected. Our current card utilization is 25% MasterCard™ and 75% American Express™. The overall use of credit cards is approximately 33%, while the vast majority utilize the ACH checking process.
- The budget options before you represent the following:
 - Column 1 The final draft proposal prepared for the purpose of finalizing the budgets in April and contingent upon changes to card mix and the FCCC and CiviTek Boards approving the revenue in-kind contribution.
 - Column 2 The Proposed Budget if American Express is left in place and no other actions are taken. (current operating scenario)
 - Column 3 A proposed budget with the fee increases to 3.5% for credit cards and \$5 for checks.
 - Column 4 A proposed budget fully funded with no contribution from the FCCC.

Ms. Green asked Peggy Ball, Director of Management Services, FCCC, to discuss the options and how the credit cards fees were shown. Ms. Ball explained that column one showed lower fees if Visa was included as an accepted credit card. She discussed each column and showed the board how the options impacted the needed budget amounts and could create a deficit budget or a balanced budget. Columns three and four showed slightly increased convenience fees. The fourth column would provide for a fully funded budget with a small amount leftover for contingencies. That column also shows no in-kind funding from another entity. She commented that these fees were all projections as it could not be determined what card a user may choose to use. Mr. Inzer remarked that if the right option is chosen, the Authority will become self-sufficient.

There was a general discussion about taking VISA and raising the convenience fees, or a combination of both.

Ms. Green asked staff come back to the board after a quarter with a full report on revenues and costs and re-address the budget.

Ms. Bock asked if addressing the \$671K and revisiting the Interlocal Agreement was a policy decision for the board at this meeting. Ms. Green replied that it was; in order to assist the Association, the Board should revisit this number and meet with the courts. It is felt that not paying for the first 5 million filings would require a change to the Interlocal Agreement.

Ms. Lynn Hoshihara, Esq., stated that the Interlocal Agreement contemplates that the Association support the first 5 million filings through the portal. If the Authority wishes to revisit the funding under the Interlocal Agreement, we can meet with the courts. She recognized that the Agreement was entered into long before the portal was operational, so it makes sense to revisit it now that we have seen the volume.

Mr. John Tomasino agreed that it would need to go back to the Court for discussion and would like more history on the issue. He suggested a meeting of association staff and Tad David, Supreme Court General Counsel, to review the issue. He spoke to the specific sections of two documents that referenced the Association being required to bear all expenses for the functionality of the first 5 million filing. He spoke favorably in regard to the increased convenience fees as being the same as those charged by MyFloridaCounty.com, but would like to look more at this policy change and to take it to the Court and OSCA.

Mr. Inzer suggesting adopt column three, the increased convenience fees, and add VISA.

Ms. Green made a motion to adopt a budget that included VISA and then asked the board which of the increased convenience fees would be necessary to cover the cost to reduce or eliminate the FCCC contribution? A general discussion of the options ensued.

In clarification, Mr. Inzer commented that any monies in excess of the budget would stay with the Authority to assist them in being a self-supporting entity.

Mr. Jeff Smith seconded the motion and commented that until the renegotiation of the Interlocal Agreement, the \$671K in-kind contribution from FCCC should stay in the budget.

Mr. Tim Smith restated the motion: “Adopt the third column that shows the convenience fees increased to 3.5% for credit cards and \$5 ACH, and look into adding VISA, and move forward talking with the courts about the Interlocal Agreement and the cost of the first 5 million cases.” Mr. Jeff Smith seconded the motion.

There was no further discussion. The motion passed unanimously approving a proposed 2016-2017 budget with the increased convenience fees and a review of adding VISA.

Mr. Smith asked Mr. Tom Hall, Ms. Peggy Ball, or any other Association staff, and Ms. Lynn Hoshihara to go talk to the courts and report back at the next E-Filing Authority meeting.

Ms. Green commented to the board that the New Hampshire study showed that a Westlaw cost benefit analysis showed a \$25 savings per case to a filer, far more than the new e-check fee just passed.

c. Approval to Expend Funds for the Annual Audit

Ms. Green presented the audit letters for approval. A brief discussion ensued regarding the cost. Mr. Inzer moved to approve the expense. Mr. Jeff Smith seconded the motion. All voted favorably.

VI. Progress Reports

Monthly Report

Mr. Smith recognized Mr. Kyle Reichert, FCCC Portal Program team member, to review the May status report. Mr. Reichert reported that the number of filings have been stable throughout the year, at about 1.8 million documents per month, representing about 1.1 million filings. Throughout the year, it has been the same—taking slightly less than one day to docket a filing and the number of filings going to the pending queue is now just under 1.9%. Work on criminal batch filing continues to get the last few state attorneys’ and public defenders’ office connected. There were 41 proposed orders sent through the portal in May.

Mr. Inzer asked what was the process for continued marketing? He asked for a process for getting out the word.

Mr. Tim Smith asked Mr. Melvin Cox to talk with Mr. Tomasino to move forward with education for judges. He would like a plan on how to move forward with that initiative.

Ms. Bock told the board she would like to take this issue to the Florida Courts Technology Commission with a deadline date.

Mr. Hall remarked that RJA, FCTC and the Technical Standards Committee met the week prior and discussed how to encourage judges to use the portal.

Mr. Inzer spoke to the judiciary wanting consistency.

Ms. Rushing commented that in her circuit there was an administrative order directing judges not to use the portal for proposed orders; she explained that they believe it is more cumbersome than filing directly into the local systems.

There was general discussion about the various systems and judges’ willingness to use it. Mr. Cox reminded the board that when it was surveyed by FCTC some time ago, it was shown that only 14 of the circuits were interested in using the system.

There was brief discussion about the term “filed for judicial review” being changed to abandoned filing” and how long the abandoned filings should be kept.

Portal Change Advisory Board Report:

Mr. Tim Smith recognized Ms. Rose Blaha, St. Lucie County Clerk's Office and head of the Association Change Advisory Board, to present the technical changes that have been presented for approval by the board for the fall release.

There was no discussion. Mr. Inzer moved approval of the issues presented. Ms. Bock seconded the motion. All voted favorably.

Release 2016.06

Mr. Reichert was recognized to present the detail on the next scheduled release, October 2016. He asked for approval of the release. Mr. Inzer moved to accept the issues for the schedule release. Mr. Todd Newton seconded the motion. All voted favorably.

Mr. Tim Smith asked that staff transmit the release details to the FCTC and Judge Munyon.

Service Desk Report:

Ms. Brenda Standish was recognized to present the service desk report. She reported to the board that the customer service calls were about the same over the past few months, although slightly higher in March and April, taking slightly longer to resolve. Technical calls were increased as well but resolution time was about the same. She reported that most of the questions from month to month were about account set-up and other general case questions. There were no questions.

Status Report on Third Party Batch Filing

Mr. Tom Hall was recognized to present the report on the status of the third party batch filing project. He explained that staff was preparing to open up the process beginning August 1, 2016 to take applications and close that window on August 15. That group will comprise the test group Staff will work with that group until November 1, 2016, and hope to begin testing during that time. After that the group members will apply for certification. Those certified will all be able to start batch filing at the same time. Those who apply are first come – first served, but all will have to go through the process. As soon as an entity applies, they will get access to the specs.

Mr. Inzer asked how the fees would be processed. Mr. Cox said that all the fees paid for filing a document would be programmed into the system.

Mr. Jeff Smith asked how staff derived the fees? Ms. Ball said it was based on the New Hampshire study state comparisons (National Center for State Courts, 2011) and a review of the filers with the highest volumes. She also commented that the fees are low in comparison. Mr. Hall reminded the board that this is a voluntary/value-added service.

Joel Rosenthal, JJI Process, asked how the application information will be transmitted? Mr. Hall suggested it would be on the website by August 1, 2016, once the authority passed the documentation and allowed the Authority attorney to make technical changes, if needed.

Mr. Dario Diaz, E-FileMadeEasy, asked if the batch system was going to assess charges by filing or by document? Ms. Ball clarified it was by document.

Mr. Jeff Smith moved to approve the Application, License Agreement and Fees documents subject to Authority counsel's review and modification. Ms. Green seconded the motion..

Mr. Diaz asked, if a third party chose not to batch, would they be excluded from using the portal? Ms. Hoshihara explained that a third party would have to be certified to use the portal for batch e-filing. Mr. Hall commented that it would need some review, but would not exclude a party from single filing.

All voted favorably

VII. Florida Courts Technology Issues:

It was noted that the next Florida Courts Technology Commission (FCTC) meeting would be held August 17-18.

VIII. New Business

Domestic Violence Injunctions

Mr. Tim Smith told the board about a section of law that is ready to sunset that requires the association, if funding was available, to offer an automated process for notifying victims of domestic violence when a respondent has been served with an injunction for protection. He suggested the portal might be able to help with this public service and asked for a motion to authorize staff to assess the viability of the issue and report back to the board at the next meeting.

Mr. Jeff Smith moved to authorize staff to look into this as a potential future project. Ms. Karen Rushing seconded the motion. All voted favorably.

Public Comment

Mr. Philip Duvalsaint, Selastech, asked if documents could be viewed online through the portal. Mr. Hall and Mr. Cox responded that the feature was still being looked at but was not yet available.

IX. Adjourn

Mr. Smith once again thanked everyone who attended and noted the schedule of meetings for the next year would be posted soon.

The meeting was adjourned at 2:45 p.m.

**Annual Report of the Florida Courts E-Filing Authority to the
Membership
June 2016**

I welcome you all to the Annual meeting of the Florida Courts E-Filing Authority.

I have been privileged to give this annual report to you over the past several years.

All 67 Clerks of the Circuit Court and the Clerk of the Supreme Court are members of this interlocal agency and I would like to report to you the business we have undertaken this year.

First let me tell you – the Florida Courts E-Filing Portal is a great success. The services offered to filers saves them untold thousands of dollars—dollars spent on paper, printing, stamps, runners, and other services.

While this may not mean as much in savings to your offices, it means a lot to the users of the court system and to your constituents.

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During this year we have seen continued growth, growth that wouldn't be possible if we didn't have a strong, stable e-filing portal and the staff to support it.

Let me put it in perspective. At this point last year, there were about 90,000 registered users. Today we have over 116,000—almost 70,000 attorneys, close to 40,000 Pro Se Filers and just over 600 Judges. That is in addition to local and state government agency users, law enforcement, insurance agencies, creditors, and the media.

This number is still growing.

Over the past year we have seen a month-to-month average of 1.1 to 1.2 Million filings a month, a high of 56,000 filings per weekday, representing well over 1.7 to 1.8 Million documents monthly. One day during this program year, there were over 8,000 filings during one hour.

In one month alone, we saw over 8 Million pages being sent through this system.

The Florida Courts E-Filing Authority's Portal has the highest volume of any e-filing system in the country.

Think about the magnitude of that— how much different that would be if those documents were still being filed in paper.

Over the past year, we have seen improvements to the system and what it could offer the users.

More than a year ago, we developed a secure log-in for judges to use for sending orders to the file and receiving e-service. It has caught on -- currently, hundreds of judges use the portal for this process.

Last year, we added a secure communication route between the Florida Department of Corrections and Clerk's Office using the portal to insure that sentence modifications can be sent quickly and securely from your offices to this state agency.

The Department of Corrections is talking about sending the commitment package through the portal. Because it is secure. Because it works. Because it makes their job easier.

This past year, the Civil document descriptions were streamlined and provided Clerks with a more standardized approach to case intake. The board adopted the Association Best Practices' Standard Civil Document Descriptions to provide a framework. An added search feature also created ease of selection within the portal when adding a document.

A workbench feature was added to allow filers to save their work part way through a filing and come back to it at a later time.

We passed records retention and debt recovery policies to keep our business organized.

We worked with the Supreme Court to increase the filing size and e-service size.

We are looking at adding Visa to help increase growth and benefit our users. We are working on the technical specifications to be able to connect law firms or vendors with the portal so they can connect to transmit Civil filings in bulk in a single session. We are getting very close to establishing and publicizing this process.

On our business side, each year, Lanigan & Associates, the Authority auditors, do an annual audit of the Authority financial statements and an SSAE 16 operational audit on our operations and technical systems.

This year, once again, the Authority received an unqualified, or “clean,” audit.

The Rules Committee has built a very good working relationship with The Florida Bar. Clerks’ attorneys serve as liaisons to each of The Florida Bar Rules Committees. They attend the rules committee meetings during the year and are able to make sure that the rules being revised take into account e-filing. Having a formal relationship with The Florida Bar means a lot to us and we are proud that the liaisons have chosen to take on this role.

We still handle thousands of calls monthly from Clerks, judges, pro se filers, lawyers and law firms, and many other users.

We handle a number of public records requests—from attorneys checking on filings and service, to requests for filer activity, to law enforcement looking for sovereign citizen or fraudulent activity.

And, our work is not complete.

We are still adding filers.

We are still adding services.

We still have new ideas of how the portal can be used to benefit the users.

We still believe that many agencies could benefit from using the portal to send to or receive information from Clerks.

You are the members of this interlocal government and should be proud of your board of Directors, but more so, proud that the staff of this agency and its partners, all Clerks' Offices, the Association and the Courts, who make this happen on your behalf.

Thanks to all working together, the Florida Courts E-Filing Portal is considered a nationally recognized, premier e-filing system .

I thank you for your support and thank you for coming.
