

# ESS

Electronic Services System – Coordinating Committee Meeting

## Agenda

### Hybrid Meeting and Web Conference

8711 Windsor Parkway, Suite 2

Johnston, Iowa

February 15, 2024

10:00 A.M. to 2:00 P.M.

---

- Welcome and Introductions
- December 12, 2023 – ESS Coordinating Committee Meeting Summary – Approval
- ESS Election of Officers – Approval
- Treasury Management Update
  - 2024 BT Banking Resolution
- Financial Reports – Approval
  - BT 2023 4th Quarter and YTD Reports
  - Operating Cost Updates
- CY 2024 Budget Amendment – Approval
- Assignment of Credits for E-Submission – Approval
  - 2023 Metrics Review
- Contracts and Agreements
  - Audit Engagement – Denman– Approval
  - POS System Agreement - Approval
  - ILR Staff Appointment - Approval
  - ILR Staff Compensation – Approval
  - Employee Handbook Update – PTO for Part-Time Staff – Approval
- Policies and Procedures
  - Review Summary – 331.606B
  - Data Normalization – Chapter 2
  - Associated Reference Update – Chapter 3– Approval
  - Parcel Identification Number Update – Chapter 3– Approval
  -
- Legislative Update
- Fee Policy and Modernization Update
  - Initiative Review
- Project Updates
  - Admin2 Application Update
  - Search Application Transition Update
  - E-Submission API
  - County Upload API
  - ILR Cloud Migration – Firewall
  - External Submitter API
- PRIA Update
- Adjourn - Next Regular Meeting May 15, 2024

## **ESS Coordinating Committee Web Conference Meeting Summary December 12, 2023**

### **Participants**

Nancy Booten, Lee County Recorder  
Lindsay Laufersweiler, Webster County Recorder  
Natalie Steffener, Des Moines County Recorder  
Dillon Malone, Iowa Title Guaranty

Jolynn Goodchild, Plymouth County Recorder  
Melissa Bahnsen, Cedar County Recorder  
Julie Haggerty, Polk County Recorder  
Eric Sloan, IT Boone County

### **Other Participants**

Sheri Jones, Jones County Recorder  
Sue Meyer, Clayton County Recorder  
Caroline Siebrecht, Linn County Recorder  
Jayne Schultz, Winneshiek County Recorder  
Phil Dunshee, Iowa Land Records  
Kay Kelleher, Iowa Land Records  
Jeff Short, LightEdge

Stacie Herridge, Story County Recorder  
Amy Assink, Floyd County Recorder  
Lisa Kent, Wapello County Recorder  
Lisa Long, Iowa Land Records  
Census Lo-liyong, Iowa Land Records  
Kelly Wallace, Iowa Land Records

### **Welcome**

A meeting of the ESS Coordinating Committee was held via web conference. The meeting was called to order by Nancy Booten and introductions were made.

### **November 9, Meeting Summary**

The meeting summary from November 9 was reviewed by the committee. Melissa Bahnsen made a motion to approve the meeting summary as presented. Lindsay Laufersweiler seconded, and the motion was approved.

### **Contracts and Agreements**

#### **Agreement for Enterprise Cloud Services**

A recommendation was presented to the Coordinating Committee for a transition from physical computing equipment owned and managed by ESS to a hosted cloud service managed by LightEdge. The proposed monthly fee of \$7,981.25 includes equipment, virtual machines, firewall and switching, storage, backup storage, and internet bandwidth.

LightEdge would take on the primary operational role, with Kelly Wallace (ESS Technical Lead) serving as the main administrator, overseeing activity monitoring, license maintenance, patching, and ensuring redundancy in case of equipment failure. This proposal represents a departure from owning and managing equipment, marking a significant stride in reshaping the organization's technology infrastructure approach.

A request was made to the Coordinating Committee to approve the 36-month agreement with LightEdge. Lindsay Laufersweiler made a motion to approve the LightEdge agreement. Julie Haggerty seconded the motion, and it was approved.

### **Agreement for Office IT Services**

The Project Manager presented a recommendation to select Iowa Solutions to provide office IT Services to the ESS team. ESS completed a review of proposals for office IT support services (supporting the desktop devices, office 365 software, file storage, backup, and security). A Request for Qualifications (RFQ) process resulted in the identification of two vendors, Iowa Solutions and Dymin as the best fit for ESS IT support needs. Iowa Solutions was selected as the vendor at an initial onboard cost of \$1,555.00 with a recurring monthly amount of up to \$415.00.

A request was made to approve a 12-month agreement with Iowa Solutions. Julie Haggarty made a motion to approve the agreement. Jolyn Goodchild seconded the motion, and it was approved.

### **ESS/Enterprise Iowa MOU Update**

An amendment to a memorandum of understanding between ESS and Enterprise Iowa was presented for consideration. The amendment relates to the operation of the office environment and a clarification of responsibilities assigned to Enterprise Iowa and not to ESS. Specifically, Enterprise Iowa will be financially responsible for providing the firewall, switch and wireless access infrastructure and any support services required for that infrastructure.

Lindsay Laufersweiler made a motion to approve the ESS/Enterprise Iowa MOU amendment concerning the office technology infrastructure. Julie Haggarty seconded the motion, and it was approved.

### **ESS Alternative Office Space Update**

ESS staff had been assigned the task of researching alternative office space. The ESS Coordinating Committee received an interim update and report on the review of 6 office locations thus far. The staff was encouraged to continue their research and report back at the February 2024 ESS Coordinating Committee meeting. No action was taken.

### **Point of Sales System Review**

The ESS Coordinating Committee was informed that staff is currently reviewing payment costs for gateway and point-of-sale credit/debit card payments. The review will include options for securing alternative, updated payment terminal equipment. It was noted that discussions were occurring with Professional Solutions, the credit card payment provider for E-Submission services. The research will continue with a potential recommendation at the February 2024 meeting.

The meeting was adjourned. The next regular meeting will be **February 15, 2024**.

## ICRA Executive Board 1/1/2024

Nancy Booten - President

Lisa Kent - Vice-President

Melissa Bahnsen - Treasurer

Ann Ditsworth - Secretary

Sheri Jones - Past President

Megan Clyman - Legislative Rep.

Stacie Herridge - Legislative Rep.

Mary Ward - ISAC Rep.

## ESS COMMITTEE

District I	Lindsay Laufersweiler	Webster	1/01/23 -12/31/24
District II	Denise Baker	Wright	1/01/24 -12/31/25
District III	Jolynn Goodchild	Plymouth	1/01/23 -12/31/24
District IV	Jamie Stargell	Adams	1/01/24 -12/31/25
District V	Natalie Steffener	Des Moines	1/01/23 -12/31/24
District VI	Melissa Bahnsen, Sec/Trea	Cedar	1/01/24 -12/31/25
Large Co.	Julie Haggerty, Vice Chair	Polk	1/01/23 -12/31/24
Exec. Bd.	Lisa Kent	Wapello	1/01/24 -12/31/24
ICIT	Eric Sloan	Boone	1/01/24 -12/31/25
Stakeholder	David Erickson	Real Estate Attorney	1/01/23 -12/31/24
Stakeholder	Dillon Malone	Title Companies	1/01/24 -12/31/25
Stakeholder	Vacant	Financial Institutions	1/01/23 -12/31/24
2023 Officer			

## EXECUTIVE Committee

Nancy Booten

Julie Haggerty

Melissa Bahnsen

Lisa Kent

Melissa Bahnsen

Ann Ditsworth

## Position

President of the Iowa County Records Association

Chair of the ESS Coordinating Committee

Vice Chair of the ESS Coordinating Committee

Secretary/Treasurer of the ESS Coordinating Committee

Vice President of the Iowa County Records Association

Treasurer of the Iowa County Records Association

Secretary of the Iowa County Records Association

<b>FINANCE SUBCOMMITTEE</b>	<b>County</b>	<b>Term</b>	<b>District</b>
Stacie Herridge	Story	1/01/24-12/31/25	1
Amy Assink	Floyd	1/01/23 -12/31/24	2
Laura McKeever	Sac	1/01/23 -12/31/24	3
Geralyn Greer	Shelby County	1/01/23 -12/31/24	4
Kelly Spees	Jefferson	1/01/24-12/31/25	5
Melissa Bahnsen*	Wapello	1/01/24 -12/31/24	5
Sheri Jones	Jones	1/01/24-12/31/25	6

\*ICRA Treasurer

#### **STANDARDS SUBCOMMITTEE**

Ashten Wittrock	Carroll	1/01/24 -12/31/24	1
Cathy Voith	Calhoun	1/01/24-12/31/25	1
Jayne Schultz	Winneshiek	1/01/24 -12/31/25	2
Jolynn Goodchild	Plymouth	1/01/23 -12/31/24	3
Katie Carlton	Union	1/01/23 -12/31/24	4
Naomi Ellis	Marion	1/01/23 -12/31/24	5
Carolyn Siebrecht	Linn	1/01/24 -12/31/25	6

#### **MARKETING AND COMMUNICATIONS SUBCOMMITTEE (Inactive)**

**Electronic Services System**  
**Profit & Loss**  
**January through December 2023**

	New File -Dec 23		Old File - Aug 23		Combined-Dec 23
Income		Income		Income	
Total Budgeted Income	530,190.84	Total Budgeted Income	1,218,798.20	Total Budgeted Income	1,748,989.04
Total Revolving Income	11,860,236.32	Total Revolving Income	20,400,126.55	Total Revolving Income	32,260,362.87
Total Income	12,390,427.16	Total Income	21,618,924.75	Total Income	34,009,351.91
Gross Profit	12,390,427.16	Gross Profit	21,618,924.75	Gross Profit	34,009,351.91
Expense		Expense		Expense	
Total Budgeted Expense	472,554.90	Total Budgeted Expense	1,306,889.76	Total Budgeted Expense	1,779,444.66
Total Planned Reserve Expense	6,176.85	Total Planned Reserve Expense	298,688.21	Total Planned Reserve Expense	304,866.06
Total Revolving Expense	11,434,135.95	Total Revolving Expense	20,805,284.49	Total Revolving Expense	32,239,404.44
Total Expense	11,912,867.70	Total Expense	22,410,862.46	Total Expense	34,323,730.16
Net Income	477,559.46	Net Income	(791,937.71)	Net Income	(314,378.25)

Electronic Services System  
Profit & Loss  
December 31, 2023

	New File	YTD
Income		
BudgetedIncome		
40100 · Bad Payment Fee		
41000 · Event Income		
41100 · ILR Conference Registration		1,000.00
Total 41000 · Event Income		1,000.00
42000 · POSSERVICEFEE		36,710.85
42500 · ODSERVICEFEE		720.29
43000 · SERVICEFEE		
43100 · ACH		268,617.00
43200 · CC		35,223.09
43300 · DRAWDOWN		31,218.97
43000 · SERVICEFEE - Other		-19.55
Total 43000 · SERVICEFEE		335,039.51
44000 · MOU Services		
44100 · Policy		6,352.70
44200 · Communications		889.88
Total 44000 · MOU Services		7,242.58
47000 · Fund 255 Reimbursement		149,477.61
48200 · Local Serv. Prov. Maint. Acct.		
48100 · Cost Sharing Credit		
48200 · Local Serv. Prov. Maint. Acct. - Other		
Total 48200 · Local Serv. Prov. Maint. Acct.		
48900 · Misc. Income		
BudgetedIncome - Other		
Total BudgetedIncome		530,190.84
49000 · RevolvingIncome		
49300 · ERECORDING		
49100 · AUDITORFEE		160,250.00
49200 · TRANSFERTAX		7,811,758.40
49300 · ERECORDING - Other		2,640,975.65
Total 49300 · ERECORDING		10,612,984.05
49600 · POSPAYMENT		1,208,747.98
49700 · ODPAYMENT		23,185.51
49900 Misc Revolving Income		805.40
49000 · RevolvingIncome - Other		14,513.38
Total 49000 · RevolvingIncome		11,860,236.32
Total Income		12,390,427.16
Gross Profit		12,390,427.16
Expense		
Budgeted Expenses		
60000 · Administration		
60100 · Annual Audit		1,500.00
60200 · Accounting Software-Services		790.00
60300 · Bookkeeping-CPA-990		33,378.38
60305 · Accounting Computer Equipment		
60300 · Bookkeeping-CPA-990 - Other		
Total 60300 · Bookkeeping-CPA-990		33,378.38
60400 · Project Manager		48,175.00
60500 · Professional Fees		
60510 · Legal		11,250.00
60520 · Government Relations		5,000.00
60530 · Human Resources-Oasis		4,938.25
Total 60500 · Professional Fees		69,363.25
60700 · Ess Meetings		1,307.44
60800 · Office Operations		
60810 · Office Space Lease		12,200.00
60820 · Office Supplies		27.80
60830 · Official Publication Expense		195.47
60840 · Postage		13.2
60850 · Teleconference		122.27
60860 · Telephone		1,050.70
60865 · Internet		1000
60870 · Office Tech Support		3790.33
60880 · Printing and Copying (Color-BW)		1708.62
60890 · Miscellaneous		50
Total 60800 · Office Operations		20,158.39
Total Administration		126,497.46
61000 · Marketing-Communications		

	Old	YTD
Income		
BudgetedIncome		
40100 · Bad Payment Fee		50.00
41000 · Event Income		
41100 · ILR Conference Registration		5,800.00
Total 41000 · Event Income		5,800.00
42000 · POSSERVICEFEE		76,980.63
42500 · ODSERVICEFEE		1.54
43000 · SERVICEFEE		
43100 · ACH		465,462.00
43200 · CC		65,650.48
43300 · DRAWDOWN		49,224.00
43000 · SERVICEFEE - Other		6.00
Total 43000 · SERVICEFEE		580,342.48
44000 · MOU Services		
44100 · Policy		19,370.31
44200 · Communications		1,183.20
Total 44000 · MOU Services		20,553.51
47000 · Fund 255 Reimbursement		400,442.30
48200 · Local Serv. Prov. Maint. Acct.		
48100 · Cost Sharing Credit		-168,940.86
48200 · Local Serv. Prov. Maint. Acct. - Other		302,319.59
Total 48200 · Local Serv. Prov. Maint. Acct.		133,378.73
48900 · Misc. Income		1,150.01
BudgetedIncome - Other		99.00
Total BudgetedIncome		1,218,798.20
49000 · RevolvingIncome		
49300 · ERECORDING		
49100 · AUDITORFEE		262,330.00
49200 · TRANSFERTAX		12,893,520.40
49300 · ERECORDING - Other		4,677,881.00
Total 49300 · ERECORDING		17,833,731.40
49600 · POSPAYMENT		2,565,230.93
49700 · ODPAYMENT		51.00
49900 Misc Revolving Income		
49000 · RevolvingIncome - Other		1,113.22
Total 49000 · RevolvingIncome		20,400,126.55
Total Income		21,618,924.75
Gross Profit		21,618,924.75
Expense		
Budgeted Expenses		
60000 · Administration		
60100 · Annual Audit		6,850.00
60200 · Accounting Software-Services		5,325.14
60300 · Bookkeeping-CPA-990		56,058.85
60305 · Accounting Computer Equipment		7,173.88
60300 · Bookkeeping-CPA-990 - Other		
Total 60300 · Bookkeeping-CPA-990		63,232.73
60400 · Project Manager		98,700.00
60500 · Professional Fees		
60510 · Legal		15,750.00
60520 · Government Relations		15,000.00
60530 · Human Resources-Oasis		8,543.70
Total 60500 · Professional Fees		39,293.70
60600 · Insurance Expense		45,802.00
60700 · Ess Meetings		3,310.03
60800 · Office Operations		
60810 · Office Space Lease		24,300.00
60820 · Office Supplies		466.08
60830 · Official Publication Expense		262.57
60840 · Postage		9.31
60850 · Teleconference		300.78
60860 · Telephone		2,763.68
60865 · Internet		1,750.00
60870 · Office Tech Support		6,980.17
60880 · Printing and Copying (Color-BW)		2,772.01
60890 · Miscellaneous		198.46
Total 60800 · Office Operations		39,803.06
Total 60000 · Administration		302,316.66
61000 · Marketing-Communications		

	Combined	Dec 23
Income		
BudgetedIncome		
40100 · Bad Payment Fee		50.00
41000 · Event Income		
41100 · ILR Conference Registration		6,800.00
Total 41000 · Event Income		6,800.00
42000 · POSSERVICEFEE		113,691.48
42500 · ODSERVICEFEE		721.83
43000 · SERVICEFEE		0.00
43100 · ACH		734,079.00
43200 · CC		100,873.57
43300 · DRAWDOWN		80,442.97
43000 · SERVICEFEE - Other		-13.55
Total 43000 · SERVICEFEE		915,381.99
44000 · MOU Services		0.00
44100 · Policy		25,723.01
44200 · Communications		2,073.08
Total 44000 · MOU Services		27,796.09
47000 · Fund 255 Reimbursement		549,919.91
48200 · Local Serv. Prov. Maint. Acct.		
48100 · Cost Sharing Credit		-168,940.86
48200 · Local Serv. Prov. Maint. Acct. - Other		302,319.59
Total 48200 · Local Serv. Prov. Maint. Acct.		133,378.73
48900 · Misc. Income		1,150.01
BudgetedIncome - Other		99.00
Total BudgetedIncome		1,748,989.04
49000 · RevolvingIncome		
49300 · ERECORDING		
49100 · AUDITORFEE		422,580.00
49200 · TRANSFERTAX		20,705,278.80
49300 · ERECORDING - Other		7,318,856.65
Total 49300 · ERECORDING		28,446,715.45
49600 · POSPAYMENT		3,773,978.91
49700 · ODPAYMENT		23,236.51
49900 Misc Revolving Income		805.40
49000 · RevolvingIncome - Other		15,626.60
Total 49000 · RevolvingIncome		32,260,362.87
Total Income		34,009,351.91
Gross Profit		34,009,351.91
Expense		
Budgeted Expenses		
60000 · Administration		
60100 · Annual Audit		8,350.00
60200 · Accounting Software-Services		6,115.14
60300 · Bookkeeping-CPA-990		89,437.23
60305 · Accounting Computer Equipment		7,173.88
60300 · Bookkeeping-CPA-990 - Other		0.00
Total 60300 · Bookkeeping-CPA-990		96,611.11
60400 · Project Manager		146,875.00
60500 · Professional Fees		
60510 · Legal		27,000.00
60520 · Government Relations		20,000.00
60530 · Human Resources-Oasis		13,481.95
Total 60500 · Professional Fees		108,656.95
60600 · Insurance Expense		45,802.00
60700 · Ess Meetings		4,617.47
60800 · Office Operations		
60810 · Office Space Lease		36,500.00
60820 · Office Supplies		493.88
60830 · Official Publication Expense		458.04
60840 · Postage		22.51
60850 · Teleconference		423.05
60860 · Telephone		3,814.38
60865 · Internet		2,750.00
60870 · Office Tech Support		10,770.50
60880 · Printing and Copying (Color-BW)		4,480.63
60890 · Miscellaneous		248.46
Total 60800 · Office Operations		59,961.45
Total 60000 · Administration		428,814.12
61000 · Marketing-Communications		

Electronic Services System  
Profit & Loss  
December 31, 2023

New File	YTD
61200 · Administrative/Marketing Coord	23,726.72
61300 · Education and Outreach	
61310 · ILR Annual Conference	5,585.13
61320 · Tradeshows/Exhibits/Sponsorship	
61340 · Memberships	625
61350 · Conferences & Meetings	1,168.82
61360 · Campaigns	
61370 · Software & Hosted Services	4,214.68
Total 61300 · Education and Outreach	11,593.63
Total 61000 · Marketing-Communications	35,320.35
62000 · Customer Support	
62100 · Account Manager	35,909.78
62130 · Customer Support Coordinator	13,436.25
Total 62000 · Customer Support	49,346.03
63000 · Policy Coordination	
63100 · Policy Coordinator	28,618.93
Total 63000 · Policy Coordination	28,618.93
64000 · ILR System Operations	
64100 · Development Team	
64110 · Technical Lead	52,513.35
64120 · Senior Developer	28,273.98
64130 · Technical Support & Development	44,272.96
Total 64100 · Development Team	125,060.29
64200 · External Development & Services	
64210 · FF Redaction Services	24,143.98
64225 · Technical Consulting	
64240 · Data Center & Hosting Services	15,264.50
64250 · Domain Registration	
Total 64200 · External Development & Services	39,408.48
Software License-Maintenance	
64305 · Jetbrains	
64307 · DB2	
64309 · Nessus	3575
64310 · Certificates- Digicert	
64311 · Browser Stack	
64312 · Duo- Security	30
64319 · AWS	4,254.87
64322 · Slack	837.81
64325 · Maytech	
64326 · Atlassian	562.94
64327 · ZOOM	889.90
64328 · Microsoft	658.50
64329 · LoopUp	
Total 64300 · Software License-Maintenance	10,809.02
64500 · Computing & Equip (CAP)	
64520 · System Equipment	
Total 64500 · Computing & Equip (CAP)	0.00
Total 64000 · ILR System Operations	175,277.79
65000 · Local Maint. Expense	
66000 · Payment Expenses	
66100 · Bank Account Analysis Fee	1786.69
66300 · Gateway Transaction Fees	
66315 · ProfSolOnlineTransFees	16617.13
66310 · Vericheck OnlineTransactionFees	10630.57
66320 · POSTransactionsFees	28459.95
Total 66300 · Gateway Transaction Fees	55707.65
Total 66000 · Payment Expenses	57494.34
Total Budgeted Expenses	472,554.90
Planned Reserve Expenses	
BF Redaction	1196.85
Software Development-Consulting	980.00
Software License Expense	4000
Total Planned Reserve Expenses	6,176.85
61600 · Bad Debt Expense	
70000 · RevolvingExpenses	
Education and Outreach-Rev	
ESSPayments	
70100 · COUNTYDISTRIBUTION	10,209,938.40

Old	YTD
61200 · Administrative/Marketing Coord	53,111.97
61300 · Education and Outreach	
61310 · ILR Annual Conference	210.00
61320 · Tradeshows/Exhibits/Sponsorship	100.54
61340 · Memberships	200.00
61350 · Conferences & Meetings	3,913.63
61360 · Campaigns	62.63
61370 · Software & Hosted Services	4,815.99
Total 61300 · Education and Outreach	9,302.79
Total 61000 · Marketing-Communications	62,414.76
62000 · Customer Support	
62100 · Account Manager	67,804.24
62130 · Customer Support Coordinator	24,359.45
Total 62000 · Customer Support	92,163.69
63000 · Policy Coordination	
63100 · Policy Coordinator	52,243.70
Total 63000 · Policy Coordination	52,243.70
64000 · ILR System Operations	
64100 · Development Team	
64110 · Technical Lead	106,367.57
64120 · Senior Developer	91,137.22
64130 · Technical Support & Development	80,450.45
Total 64100 · Development Team	277,955.24
64200 · External Development & Services	
64210 · FF Redaction Services	35,225.83
64225 · Technical Consulting	0.00
64240 · Data Center & Hosting Services	21,370.30
64250 · Domain Registration	71.90
Total 64200 · External Development & Services	56,668.03
64300 · Software License-Maintenance	
64305 · Jetbrains	1,868.00
64307 · DB2	9,484.42
64309 · Nessus	
64310 · Certificates- Digicert	297.00
64311 · Browser Stack	372.36
64312 · Duo- Security	
64319 · AWS	5,352.29
64322 · Slack	13.84
64325 · Maytech	1,123.12
64326 · Atlassian	1,466.40
64327 · ZOOM	70.00
64328 · Microsoft	753.22
64329 · LoopUp	61.51
Total 64300 · Software License-Maintenance	20,862.16
64500 · Computing & Equip (CAP)	
64520 · System Equipment	21,965.17
Total 64500 · Computing & Equip (CAP)	21,965.17
Total 64000 · ILR System Operations	377,450.60
65000 · Local Maint. Expense	297,597.29
66000 · Payment Expenses	
66100 · Bank Account Analysis Fee	5,242.75
66300 · Gateway Transaction Fees	
66315 · ProfSolOnlineTransFees	35,846.05
66310 · Vericheck OnlineTransactionFees	20,478.08
66320 · POSTransactionsFees	61,136.18
Total 66300 · Gateway Transaction Fees	117,460.31
Total 66000 · Payment Expenses	122,703.06
Total Budgeted Expenses	1,306,889.76
Planned Reserve Expenses	
BF Redaction	7,098.21
Software Development-Consulting	270,590.00
Software License Expense	21,000.00
Total Planned Reserve Expenses	298,688.21
61600 · Bad Debt Expense	16.00
70000 · RevolvingExpenses	
Education and Outreach-Rev	737.84
ESSPayments	
70100 · COUNTYDISTRIBUTION	18,237,610.40

Combined	Dec 23
61200 · Administrative/Marketing Coord	76,838.69
61300 · Education and Outreach	0.00
61310 · ILR Annual Conference	5,795.13
61320 · Tradeshows/Exhibits/Sponsorship	100.54
61340 · Memberships	825.00
61350 · Conferences & Meetings	5,082.45
61360 · Campaigns	62.63
61370 · Software & Hosted Services	9,030.67
Total 61300 · Education and Outreach	20,896.42
Total 61000 · Marketing-Communications	97,735.11
62000 · Customer Support	
62100 · Account Manager	103,714.02
62130 · Customer Support Coordinator	37,795.70
Total 62000 · Customer Support	141,509.72
63000 · Policy Coordination	
63100 · Policy Coordinator	80,862.63
Total 63000 · Policy Coordination	80,862.63
64000 · ILR System Operations	
64100 · Development Team	
64110 · Technical Lead	158,880.92
64120 · Senior Developer	119,411.20
64130 · Technical Support & Development	124,723.41
Total 64100 · Development Team	403,015.53
64200 · External Development & Services	
64210 · FF Redaction Services	59,369.81
64225 · Technical Consulting	
64240 · Data Center & Hosting Services	36,634.80
64250 · Domain Registration	71.90
Total 64200 · External Development & Services	96,076.51
Software License-Maintenance	
64305 · Jetbrains	1,868.00
64307 · DB2	9,484.42
64309 · Nessus	3,575.00
64310 · Certificates- Digicert	297.00
64311 · Browser Stack	372.36
64312 · Duo- Security	30.00
64319 · AWS	9,607.16
64322 · Slack	851.65
64325 · Maytech	1,123.12
64326 · Atlassian	2,029.34
64327 · ZOOM	959.90
64328 · Microsoft	1,411.72
64329 · LoopUp	61.51
Total Software License-Maintenance	31,671.18
64500 · Computing & Equip (CAP)	
64520 · System Equipment	21,965.17
Total 64500 · Computing & Equip (CAP)	21,965.17
Total 64000 · ILR System Operations	552,728.39
65000 · Local Maint. Expense	297,597.29
66000 · Payment Expenses	0.00
66100 · Bank Account Analysis Fee	7,029.44
	0.00
66300 · Gateway Transaction Fees	
66315 · ProfSolOnlineTransFees	52,463.18
66310 · Vericheck OnlineTransactionFees	31,108.65
66320 · POS' 66320 · POSTransactionsFees	89,596.13
Total 66300 · Gateway Transaction Fees	173,167.96
Total 66000 · Payment Expenses	180,197.40
Total Budgeted Expenses	1,779,444.66
Planned Reserve Expenses	
BF Redaction	8,295.06
Software Development-Consulting	271,570.00
Software License Expense	25,000.00
Total Planned Reserve Expenses	304,865.06
61600 · Bad Debt Expense	16.00
70000 · RevolvingExpenses	
Education and Outreach-Rev	737.84
ESSPayments	
70100 · COUNTYDISTRIBUTION	28,447,548.80



Electronic Services System  
Profit & Loss  
December 31, 2023

New File	YTD
70200 · POSDISTRIBUTION	1,200,991.55
70300 · ODDISTRIBUTION	23,206.00
Total ESSPayments	11,434,135.95
Total 70000 · RevolvingExpenses	11,434,135.95
Total Expense	11,912,867.70
Net Ordinary Income	477,559.46
Net Income	477,559.46

Old
70200 · POSDISTRIBUTION
70300 · ODDISTRIBUTION
Total ESSPayments
Total 70000 · RevolvingExpenses
Total Expense
Net Ordinary Income
Net Income

YTD
2,566,869.25
51.00
20,804,530.65
20,805,284.49
22,410,862.46
-791,937.71
-791,937.71

Combined
70200 · POSDISTRIBUTION
70300 · ODDISTRIBUTION
Total ESSPayments
Total 70000 · RevolvingExpenses
Total Expense
Net Ordinary Income
Net Income

Dec 23
3,767,860.80
23,257.00
32,238,666.60
32,239,420.44
34,323,730.16
-314,378.25
-314,378.25

BUDGETED INCOME AND EXPENSES  
CY 2023  
Final

2023 Final 2023			
BudgetedIncome			
	Bad Payment Fee		50.00
	Misc. Income		1249.01
	Event Income	ILR Conferences Registration	6800.00
		Sponsorships	0.00
	ODSERVICEFEE		721.83
	POSSERVICEFEE		113691.48
	ERECORDING SERVICEFEE		
		ACH	
		CC	
		DRAWDOWN	
	Total SERVICEFEE		915381.99
	MOU Services		
		Policy	25723.01
		Communications	2073.08
		Events	0.00
	Expense Reimbursement - 255		549919.91
	Local Service Provider Maint.	Cost Sharing Credit	-168940.86
		Local Maintenance Share	302319.59
Total BudgetedIncome			1748989.04
Budgeted Expenses			
	Administration		
		Annual Audits	8350.00
		Accounting Software-Services	6115.14
		Bookkeeping-CPA-990	89437.23
		Acct Computer Equip.	7173.88
		Professional Fees	
		Legal Fees	27000.00
		Government Relations	20000.00
		Human Resources-Oasis	13481.95
		Project Manager	146875.00
		Insurance	45802.00
		ESS Meetings	4617.47
		Office Operations	
		Office Space Lease	36500.00
		Office Supplies	493.88
		Official Publication Expense	458.04
		Postage	22.51
		Teleconference	423.05
		Telephone	3814.38
		Internet	2750.00
		Office Tech Support	10770.50
		Printing and Copying (Color-BW)	4480.63
		Miscellaneous Expenses	248.46
	Total Administration		
	Marketing-Communications		
		Marketing Director	76838.69
		Administrative/Marketing Support	0.00
		Computing Equipment	0.00
		Education & Outreach	
		ILR Conferences	5795.13
		Tradeshows/Exhibits/Sponsorshi	100.54
		Seminars & Workshops	0.00
		Memberships	825.00
		Conferences and Meetings	5082.45
		Campaigns	62.63
		Software, Equipment and Hosted	9030.67
		Marketing Supplies	0.00
		Promotional Expenses	0.00
	Total Marketing-Communications		
	Customer Support		
		Account Manager	103714.02
		Coordinator	37795.70
		Computing Equipment	0.00
		Professional Development	0.00
	Total Customer Support		
	Policy Coordination		
		Policy Coordinator	80862.63
		Computing Equipment	0.00
		Professional Development	0.00
	Total Policy Coordination		

BUDGETED INCOME AND EXPENSES

CY 2023

Final

2023 Final 2023				
ILR System Operations	Development Team	Technical Lead	158880.92	
		Senior Developer	119411.20	
		Technical Support & Developmer	124723.41	
		Developer	0.00	
		Professional Development	0.00	
	External Development & Services	FF Redaction Services	59369.81	
		BF Redaction Services	0.00	
		Software Development Services	0.00	
		Technical Consulting	0.00	
		Data Center & Hosting Services	36634.80	
		Domain Registration	71.90	
		Software-License-Maintenance	Accusoft-PRIZM	0.00
	AWS		9607.16	
	Browser Stack		372.36	
	Certificates - Digicert		297.00	
	Cisco URL/Malware		0.00	
	City-State-Zip		0.00	
	DB2		9484.42	
	Duo-Security		30.00	
	FTP		1123.12	
	GEO-IP		0.00	
	JetBrains		1868.00	
	JIRA		2029.34	
	Nessus		3575.00	
	Security Monitoring (formerly Ali		0.00	
	Server Support		0.00	
	Slack		851.65	
	SmartNet - firewall		0.00	
	SUSE		0.00	
	VMWare		0.00	
	VPN (Anyconnect)		0.00	
	Zoom		959.90	
	Microsoft		1411.72	
	LoopUp		61.51	
	Computing and Equipment (Cap.)		Developer Equipment	0.00
			System Equipment	21965.17
		Local CC Equipment	0.00	
	Total ILR System Operations			
	Local Maint. Expense		297597.29	
	Payment Expenses			
	Bank Account Analysis Fee	7029.44		
	Bank Service Charges	0.00		
	Gateway Transaction Fees			
	OnlineTransactionFees - PS	52463.18		
	OnlineTransactionFees - Verichec	31108.65		
	POSTransactionsFees	89596.13		
	Total Gateway Transaction Fees			
Total Payment Expenses				
Total Budgeted Expenses		1779444.66		
Net Budgeted Income		-30455.62		

## Electronic Services System

## Balance Sheet

As of December 31, 2023

	Dec 31, 23
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
107000 · BT-Settlement	
107100 · Unrestricted Reserve Account	38,399.40
107200 · Software Dev & Equip Maint Rsrv	406,270.52
107300 · Redaction Reserve	53,875.79
107400 · Restricted Operating Reserve	100,000.00
107000 · BT-Settlement - Other	1,020,575.66
Total 107000 · BT-Settlement	1,619,121.37
10800 · BOA-Settlement	-41.32
Total Checking/Savings	1,619,080.05
Accounts Receivable	
12000 · Accounts Receivable	62,591.86
Total Accounts Receivable	62,591.86
Other Current Assets	
13000 · Due from State	103,446.16
14000 · Prepaid Expenses	155,817.97
Total Other Current Assets	259,264.13
Total Current Assets	1,940,936.04
Fixed Assets	
Computer Equipment	718,246.95
17001 · Developed Software	633,302.00
17900 · Asset in Process	200,910.01
18000 · Accumulated Depreciation	-1,072,079.02
Total Fixed Assets	480,379.94
<b>TOTAL ASSETS</b>	<b>2,421,315.98</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	-4,241.12
Total Accounts Payable	-4,241.12
Credit Cards	
21100 · BT Credit Card	3,713.28
Total Credit Cards	3,713.28
Other Current Liabilities	
DRAWDOWN	72,508.40
22000 · Accrued Compensation	35,257.21
22500 · Deferred Revenues	138,702.28
Total Other Current Liabilities	246,467.89
Total Current Liabilities	245,940.05
Total Liabilities	245,940.05
Equity	
30000 · Opening Balance Equity	1,697,816.47
Net Income	477,559.46
Total Equity	2,175,375.93
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,421,315.98</b>

Local Government Electronic Transaction Fund (0255)

12/01/2023-12/31/2023

Beginning Balance	\$ 179,921.80
Plus Receipts	\$ 40,533.30
Less Disbursements	\$ -
Ending Balance	<u>\$ 220,455.10</u>

RECEIPTS

Recorder Fees Received	39,896.69
Interest	<u>636.61</u>

Total Receipts	40,533.30
----------------	-----------

DISBURSEMENTS

Invoice #	Date Paid	Amt Paid
-----------	-----------	----------

Iowa County Recorders

Total Disbursements	<u>-</u>
---------------------	----------

# Electronic Services System

8711 Windsor Parkway, Suite 2  
Johnston, Iowa 50131

February 15, 2024

To: ESS Committee

From: Lisa Long, Account Manager  
Corrie Strausser, Customer Support Coordinator  
Kay Kelleher, Accounting Coordinator

Re: Office Space Recommendation

As part of the review of all office expenses, in October 2023 a Request for Information was distributed to local area real estate brokers inquiring about the availability and cost of office space comparable to the space we currently occupy.

After follow-up correspondence with brokers and visiting eight sites, our conclusion is currently there is no cost benefit to moving from the Windsor location. The attached summary breaks down per-square-foot costs and additional costs needed for each space.

We received many responses from brokers with a wide variety of office space available. Although there are a few spaces that are comparable in cost to what we are currently paying monthly in rent, a large outlay of cash would be needed for the purchase of office furniture and moving expenses. We researched used office furniture and estimated it would cost \$5,000 to \$8,000 to minimally provide the furniture needed for staff. Moving and relocation expenses were estimated to be between \$2,000 and \$3,000.

Contact our team with any questions. More detailed information is available upon request.

Windsor Current Offices	Monthly Rent	\$3,050.00	\$ 2,287.50					includes utilities, janitorial, taxes, common area maintenance
	Add'l Op Exp	\$ 250.00	\$ 250.00					Internet
		\$ 210.00	\$ 210.00					Phones
	Monthly Total	\$3,510.00	\$ 2,747.50					
Highlighted in Yellow - not a space that works well for us - too large, too small								
Regus Foxboro 6165 NW 86th St Johnston, Iowa		Option #1	Option #2					
	Monthly Rent	\$3,093.18	\$ 3,227.10					
	Add'l Op Exp	\$ 250.00	\$ 250.00	If needed	Internet			
		\$ 210.00	\$ 210.00	If needed	Phones			
	Monthly Total	\$3,553.18	\$ 3,687.10					Conference space available - most free some with additional costs
Merle Hay Centre NAI Realty 6200 Aurora, Urbandale	Suite #	205E	206E	302W	407E	609E	608W	
	Sq Feet	1,915	2,329	1,591	1,300	1,487	985	
	Monthly	\$ 2,481.52	\$ 3,018.00	\$ 2,061.67	\$ 1,792.92	\$ 2,050.82	\$ 1,358.48	Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration
	Estimated Op*	\$ 485.00	\$ 485.00	\$ 485.00	\$ 485.00	\$ 485.00	\$ 485.00	Hire movers
	Phone & Internet	\$ 460.00	\$ 460.00	\$ 460.00	\$ 460.00	\$ 460.00	\$ 460.00	Conference room available at no additional cost
	Total Mo Estimate	3,426.52	3,963.00	3,006.67	2,737.92	2,995.82	2,303.48	
5000 Westown Pkwy, Clive, Iowa Knapp	Suite #	250	300	2nd Floor				
	Sq Feet	6,492	8,897	2,558				Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration
	Monthly	\$ 6,221.50	\$ 8,526.29	\$ 2,451.42				Hire movers
	Estimated Op*	\$ 5,399.18	\$ 7,399.34	\$ 2,127.40				Conference room available at no additional cost
	Phone & Internet	\$ 460.00	\$ 460.00	\$ 460.00				
	Total Mo Estimate	12,080.68	16,385.63	5,038.82				
One Corporate Place Knapp 1501 42nd Street West Des Moines, Iowa	Suite #	210	465	471	474			
	Sq Feet	1,851	2,484	1,001	550			Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration
	Monthly	\$ 925.50	\$ 1,242.00	\$ 500.50	\$ 275.00			Hire movers
	Est Op Ex	\$ 1,619.63	\$ 2,173.50	\$ 875.88	\$ 481.25			Conference room available at no additional cost
	Phone & Internet	\$ 460.00	\$ 460.00	\$ 460.00	\$ 460.00			
	Est Mo Total	\$ 3,005.13	\$ 3,875.50	\$ 1,836.38	\$ 1,216.25			
Deerwood Office Knapp 1700 118th St Clive, Iowa	Suite #	105	110	*110	250	*110 potentially divisible to 2100 sq ft		Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration
	Sq Feet	2000	*5071	2,100.00	2,241.00			Hire movers
	Monthly Rent	\$ 1,500.00	\$ 3,803.25	\$ 1,575.00	\$ 1,680.75			Potential build out costs
	Monthly OP Exp	\$ 1,535.00	\$ 3,891.99	\$ 1,611.75	\$ 1,719.97			Limited conference room availability
	Phone & Internet	\$ 460.00	\$ 460.00	\$ 460.00	\$ 460.00			
	Estimated Monthly Total	\$ 3,495.00	\$ 8,155.24	\$ 3,646.75	\$ 3,860.72			
Ridgemont JLL 12012 Ridgemont Dr Urbandale, Iowa	Suite #	12012						The broker offered funding part of relocation expense & free rent
	Sq Feet	2000						
	Monthly Rent	\$ 1,658.33						
	Monthly OP Exp	\$ 900.00						Conference room available at no additional cost
	Phone & Internet	\$ 460.00						Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration
	Estimated Monthly Total	\$ 3,018.33						
West Park JLL 5435 NW 100th St Johnston, Iowa	Suite #	1st Fl -A	1st Fl-B	2nd Fl				
	Sq Feet	1696	1,704	3,500				Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration
	Monthly Rent	\$ 1,978.67	\$ 1,988.00	\$ 4,334.17				Hire movers
	Monthly OP Exp	\$ 1,936.27	\$ 1,945.40	\$ 3,995.83				

Phone & Internet	\$ 460.00	\$ 460.00	\$ 460.00
Estimated Monthly Total	\$ 4,374.93	\$ 4,393.40	\$ 8,790.00

9550 Hickman  
Clive, Iowa  
Landmark Brokerage

Suite #	105
Sq Feet	5,575
Monthly	\$ 4,297.40
Estimated Op*	\$ 4,158.02
Phone & Internet	\$ 460.00
Total Mo Estimate	\$ 8,915.42

Purchase furniture, approximately \$5,000.00 - \$8,000 depending on configuration  
Hire movers



BUDGETED INCOME AND EXPENSES  
CY 2024  
Proposed Amendment

		2024	January	February	March	April	May	June	July	August	September	October	November	December	Proposed
Income	BudgetedIncome														
	Bad Payment Fee		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Misc. Income		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Event Income		0.00	0.00	0.00	0.00	0.00	0.00	0.00	7000.00	0.00	0.00	0.00	0.00	7000.00
	ILR Conferences Registration Sponsorships		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	ODSERVICEFEE		54.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	300.00	150.00	150.00	150.00	804.40
	POSSERVICEFEE		8557.99	6500.00	8500.00	9500.00	10000.00	10000.00	10000.00	12000.00	10000.00	7500.00	7000.00	9500.00	109057.99
	ERECORDING SERVICEFEE														
	ACH														
	CC														
	DRAWDOWN														
	Total SERVICEFEE		64728.05	57000.00	75000.00	71000.00	86000.00	91000.00	76500.00	87000.00	76000.00	72500.00	72500.00	72500.00	901728.05
	MOU Services														
	Policy		2500.00	4500.00	4500.00	4500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	36000.00
	Communications		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Events		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Expense Reimbursement - 255		42868.58	42500.00	42500.00	42500.00	42500.00	42500.00	42500.00	42500.00	42500.00	42500.00	42500.00	42500.00	510368.58
	Local Service Provider Maint.		0.00	0.00	0.00	0.00	-115000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-115000.00
	Local Maintenance Share		0.00	0.00	0.00	0.00	311845.05	0.00	0.00	0.03	0.00	0.00	0.00	0.00	311845.08
	Total BudgetedIncome		118709.02	110500.00	130500.00	127500.00	337845.05	146000.00	131500.00	151000.03	131300.00	125150.00	124650.00	127150.00	1761804.10
Expense															
Budgeted Expenses															
	Administration														
	Annual Audits		0.00	0.00	0.00	0.00	11200.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	12050.00
	Accounting Software-Services		4820.92	166.00	166.00	166.00	166.00	166.00	166.00	166.00	166.00	166.00	166.00	166.00	6646.92
	Bookkeeping-CPA-990		7088.83	7024.48	7024.48	7024.48	9726.48	7024.48	7024.48	7024.48	7024.48	7024.48	9726.48	7024.48	89762.11
	Acct Computer Equip.		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Professional Fees														
	Legal Fees		2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	2500.00	30000.00
	Government Relations		1000.00	2000.00	2000.00	2000.00	2000.00	2000.00	2000.00	2000.00	2000.00	2000.00	2000.00	2000.00	23000.00
	Human Resources-Oasis		1059.06	1120.00	1120.00	1120.00	1680.00	1120.00	1120.00	1120.00	1120.00	1120.00	1680.00	1120.00	14499.06
	Project Manager		12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	12400.00	148800.00
	Insurance		0.00	0.00	0.00	0.00	0.00	7500.00		45,000.00	0.00	0.00	0.00	0.00	52500.00
	ESS Meetings		0.00	0.00	850.00	0.00	0.00	850.00	0.00	850.00	850.00	0.00	0.00	850.00	4250.00
	Office Operations														
	Office Space Lease		3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	3050.00	36600.00
	Office Supplies		0.00	0.00	75.00	0.00	0.00	75.00	0.00	0.00	75.00	0.00	0.00	75.00	300.00
	Official Publication Expense		48.30	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	543.30
	Postage		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Teleconference		50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
	Telephone		210.83	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	2630.83
	Internet		250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3000.00
	Office Tech Support		731.59	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	7881.59
	Printing and Copying (Color-BW)		335.02	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	4075.02
	Miscellaneous Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	200.00	200.00
	Total Administration														
	Marketing-Communications														
	Communications Coordinator		2827.65	3010.00	3010.00	3010.00	4515.00	3010.00	3010.00	3010.00	3010.00	3010.00	4515.00	3010.00	38947.65
	Administrative/Marketing Support		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Computing Equipment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Education & Outreach														
	ILR Conferences		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7000.00	0.00	0.00	7000.00
	Tradeshows/Exhibits/Sponsorship		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Seminars & Workshops		0.00	275.00	0.00	275.00	0.00	0.00	275.00	0.00	275.00	275.00	0.00	0.00	1375.00
	Memberships		200.00	0.00	0.00	0.00	0.00	0.00	0.00	625.00	0.00	0.00	0.00	0.00	825.00
	Conferences and Meetings		0.00	0.00	1750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1750.00
	Campaigns		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

BUDGETED INCOME AND EXPENSES  
CY 2024  
Proposed Amendment

		2024	January	February	March	April	May	June	July	August	September	October	November	December	Proposed
Total Marketing-Communications	Software, Equipment and Hosted Services		804.74	585.29	585.29	585.29	585.29	585.29	585.29	585.29	585.29	585.29	1600.00	585.29	8257.64
	Marketing Supplies		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Promotional Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Marketing-Communications															
Customer Support	Account Manager		8297.17	8215.22	8215.22	8215.22	11418.34	8215.22	8215.22	8215.22	8215.22	8215.22	11418.34	8215.22	105070.83
	Coordinator		2791.14	3372.10	3372.10	3372.10	5058.15	3372.10	3372.10	3372.10	3372.10	3372.10	5058.15	3372.10	43256.34
	Computing Equipment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Professional Development		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Customer Support															
Policy Coordination	Policy Coordinator		6374.54	5966.74	5966.74	5966.74	8854.16	5966.74	5966.74	5966.74	5966.74	5966.74	8854.16	5966.74	77783.52
	Computing Equipment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Professional Development		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Policy Coordination															
ILR System Operations															
Development Team	Technical Lead		11539.29	11418.54	11418.54	11418.54	16953.90	11418.54	11418.54	11418.54	11418.54	11418.54	16953.90	11418.54	148213.95
	Senior Developer		5780.32	5780.32	5780.32	5780.32	8670.48	5780.32	5780.32	5780.32	5780.32	5780.32	8670.48	5780.32	75144.16
	Technical Support & Development		10224.61	10630.64	10630.64	10630.64	14890.21	10630.64	10630.64	10630.64	10630.64	10630.64	14890.21	10630.64	135680.79
	Developer		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Professional Development		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
External Development & Services	FF Redaction Services		4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	4600.00	55200.00
	BF Redaction Services		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Software Development Services		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Technical Consulting		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Data Center & Hosting Services		3052.90	3100.00	7981.25	7981.25	7981.25	7981.25	7981.25	7981.25	7981.25	7981.25	7981.25	7981.25	85965.40
Software-License-Maintenance	Domain Registration		16.09	0.00	35.00	0.00	0.00	0.00	35.00	0.00	0.00	0.00	0.00	0.00	86.09
	Accusoft-PRIZM		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	AWS		653.90	1100.00	1200.00	1300.00	1400.00	1500.00	1600.00	1700.00	1800.00	1900.00	2000.00	2100.00	18253.90
	Browser Stack		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Certificates - Digicert		0.00	125.00	0.00	0.00	250.00	0.00	0.00	0.00	0.00	0.00	300.00	0.00	675.00
Computing and Equipment (Cap.)	Lightedge Firewall		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	City-State-Zip		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	DB2		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Duo-Security		30.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
	FTP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GEO-IP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	JetBrains		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	JIRA		40.66	41.00	41.00	41.00	220.00	220.00	41.00	41.00	41.00	41.00	41.00	41.00	849.66
	Nessus		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4100.00	0.00	0.00	4100.00
	Security Monitoring (formerly AlienVault)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Server Support		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Slack		0.00	0.00	0.00	0.00	0.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	900.00
	SmartNet - firewall		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUSE		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VMWare		0.00	0.00	0.00	1976.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1976.00
	VPN (Anyconnect)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Zoom		10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	1000.00	1110.00
	Microsoft		112.50	112.50	112.50	112.50	112.50	112.50	112.50	112.50	112.50	112.50	112.50	112.50	1350.00
	LoopUp		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total ILR System Operations	Developer Equipment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	500.00
	System Equipment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	5000.00	0.00	0.00	0.00	0.00	5000.00
	Local CC Equipment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

BUDGETED INCOME AND EXPENSES  
CY 2024  
Proposed Amendment

		2024	January	February	March	April	May	June	July	August	September	October	November	December	Proposed
Local Maint. Expense			0.00	0.00	0.00	0.00	0.00	0.00	311845.05	0.00	0.00	0.00	0.00	0.00	311845.05
Payment Expenses															
	Bank Account Analysis Fee		503.75	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6003.75
	Bank Service Charges		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Gateway Transaction Fees														
		OnlineTransactionFees - PS	6183.79	4900.00	4900.00	4900.00	4900.00	4900.00	4900.00	4900.00	4900.00	4900.00	4900.00	4900.00	60083.79
		OnlineTransactionFees - Verichec	2519.95	2630.64	2136.71	2424.07	2425.79	3056.18	2840.56	2483.69	2878.37	2600.00	2600.00	2600.00	31195.96
		POSTransactionsFees	8061.01	6500.00	6500.00	6500.00	6500.00	6500.00	6500.00	6500.00	6500.00	6500.00	6500.00	6500.00	79561.01
	Total Gateway Transaction Fees														
Total Payment Expenses															
Total Budgeted Expenses			108168.56	102688.47	109485.79	109414.15	144122.55	116599.26	420034.69	160847.77	109317.45	119314.08	134582.47	110754.08	1745329.32
Net Budgeted Income			10540.46	7811.53	21014.21	18085.85	193722.50	29400.74	-288534.69	-9847.74	21982.55	5835.92	-9932.47	16395.92	16474.78

## Electronic Services System

8711 Windsor Parkway, Suite 2  
Johnston, Iowa 50131

February 5, 2023

To: ESS Coordinating Committee &  
ESS Finance Subcommittee

From: Phil Dunshee, Project Manager

Re: Calendar Year 2024 Maintenance Credits

In Fiscal Year 2015 the ESS Coordinating Committee established the County Project Assessment Cost Sharing Program which is codified in Chapter 9 of the ESS Policies and Procedures. Prior to the creation of the program, counties were fully responsible for the cost of annual maintenance agreements with their local land records management system vendors. As E-Submission grew, it was proposed that a portion of the net income from E-Submission be used to help pay for these maintenance costs. The program was also intended to provide an incentive for counties to promote electronic filing. Since the inception of the program, the amount of cost sharing with each county has been tied to the ratio of E-Submission documents to the total number of documents recorded by a county in the previous calendar year. Counties with E-Submission ratios higher than the state average received more, and counties with E-Submission ratios lower than the state average received less. In calendar year 2019 an exception was made to the cost sharing formula such that no county would receive less than in the prior year. This policy was continued in 2020, 2021, 2022 and 2023.

Due to budget constraints the total amount of funds allocated for the Cost Sharing Program was reduced to \$115,000.00 for calendar year 2024. As a result, provisions which ensure that no county will receive less than they did in previous years are no longer possible. We have completed the calculations based on the base formula used in prior years, and the results are displayed in the attached table.

Based on the formula and the budgeted amount, it continues to be feasible to increase the credit granted to all counties by an equal amount. The amount of \$110.00 is recommended. The total amount of credits granted would remain within the \$115,000.00 budget amount.

**Recommendation:** Approval of the suggested credit amounts for calendar year 2024 (fiscal year 2025). This may be reviewed at the May meetings as any budget amendments are considered.

**2024**  
**Maintenance Cost Share**  
**Proposed**

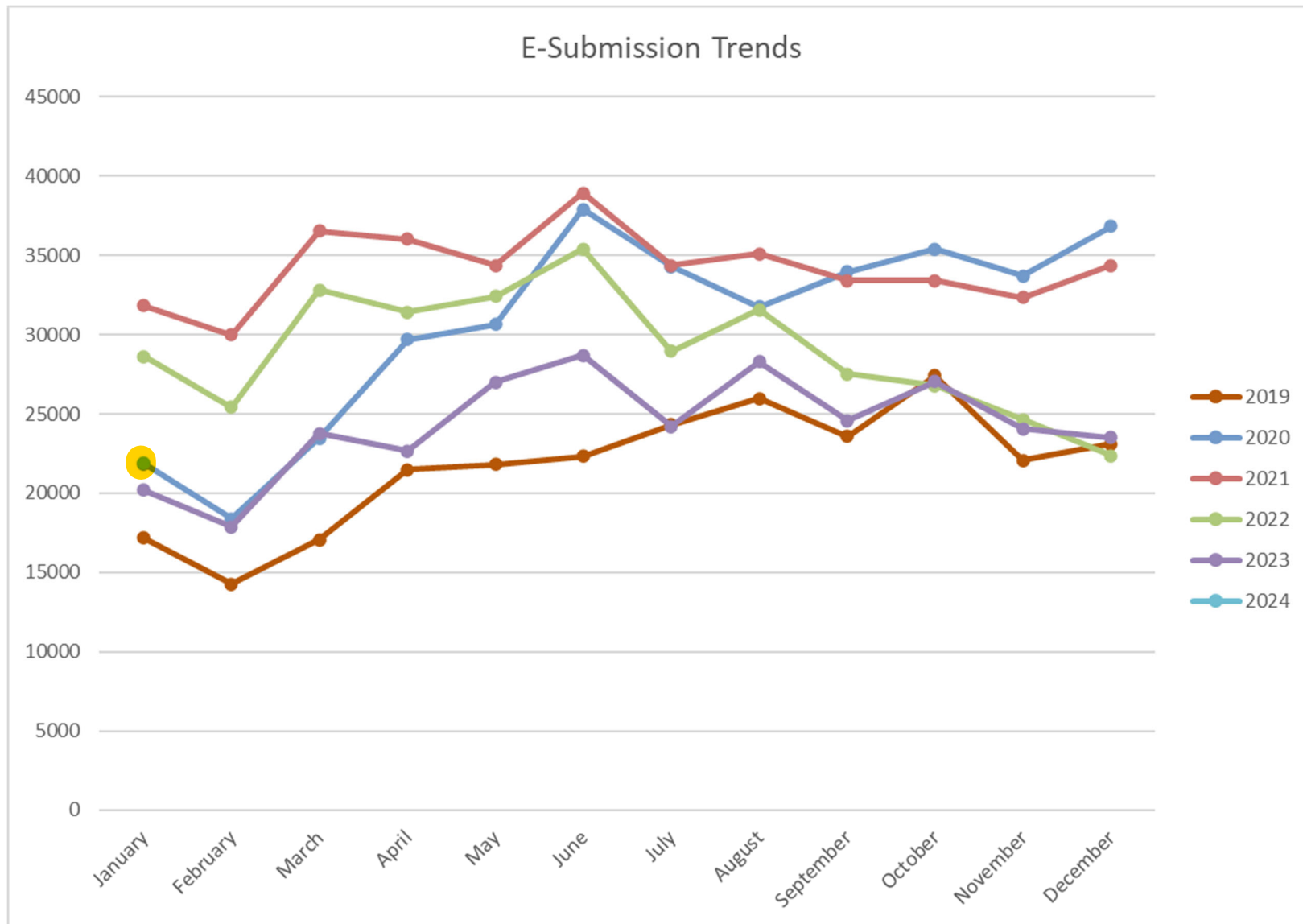
	<b>County Name</b>	<b>County E-Sub Ratio</b>	<b>2024 Formula Cost Share Amount</b>	<b>2024 Cost Share + \$110</b>
	ADAIR	51.36%	\$960.37	\$1,070.37
	ADAMS	50.47%	\$943.83	\$1,053.83
	ALLAMAKEE	24.90%	\$465.71	\$575.71
	APPANOOSE	27.49%	\$513.99	\$623.99
	AUDUBON	63.64%	\$1,190.13	\$1,300.13
	BENTON	62.02%	\$1,159.83	\$1,269.83
	BLACK HAWK	56.40%	\$1,054.61	\$1,164.61
	BOONE	58.72%	\$1,098.02	\$1,208.02
	BREMER	63.52%	\$1,187.90	\$1,297.90
	BUCHANAN	68.01%	\$1,271.70	\$1,381.70
	BUENA VISTA	50.83%	\$950.45	\$1,060.45
	BUTLER	58.36%	\$1,091.32	\$1,201.32
	CALHOUN	51.89%	\$970.27	\$1,080.27
	CARROLL	44.92%	\$840.08	\$950.08
	CASS	46.43%	\$868.31	\$978.31
	CEDAR	67.95%	\$1,270.58	\$1,380.58
	CERRO GORDO	73.38%	\$1,141.75	\$1,141.75
	CHEROKEE	44.25%	\$827.54	\$937.54
	CHICKASAW	49.75%	\$930.41	\$1,040.41
	CLARKE	49.58%	\$927.22	\$1,037.22
	CLAY	57.30%	\$1,071.59	\$1,181.59
	CLAYTON	49.41%	\$924.04	\$1,034.04
	CLINTON	55.39%	\$1,035.81	\$1,145.81
	CRAWFORD	55.37%	\$1,035.36	\$1,145.36
	DALLAS	65.13%	\$1,217.94	\$1,327.94
	DAVIS	19.18%	\$358.73	\$468.73
	DECATUR	40.65%	\$760.17	\$870.17
	DELAWARE	62.93%	\$1,176.74	\$1,286.74
	DES MOINES	70.72%	\$1,322.42	\$1,432.42
	DICKINSON	50.72%	\$948.49	\$1,058.49
	DUBUQUE	68.19%	\$1,275.09	\$1,385.09
	EMMET	37.73%	\$705.57	\$815.57
	FAYETTE	52.28%	\$977.59	\$1,087.59
	FLOYD	72.73%	\$1,360.06	\$1,470.06
	FRANKLIN	59.29%	\$1,108.67	\$1,218.67
	FREMONT	57.95%	\$1,083.75	\$1,193.75
	GREENE	61.38%	\$1,147.78	\$1,257.78
	GRUNDY	63.85%	\$1,193.90	\$1,303.90

**2024**  
**Maintenance Cost Share**  
**Proposed**

	<b>County Name</b>	<b>County E-Sub Ratio</b>	<b>2024 Formula Cost Share Amount</b>	<b>2024 Cost Share + \$110</b>
	GUTHRIE	71.64%	\$1,339.64	\$1,449.64
	HAMILTON	66.48%	\$1,243.08	\$1,353.08
	HANCOCK	67.18%	\$1,256.20	\$1,366.20
	HARDIN	70.31%	\$1,314.72	\$1,424.72
	HARRISON	60.56%	\$1,132.41	\$1,242.41
	HENRY	55.79%	\$1,043.27	\$1,153.27
	HOWARD	30.54%	\$571.12	\$681.12
	HUMBOLDT	50.88%	\$951.54	\$1,061.54
	IDA	76.70%	\$1,434.34	\$1,544.34
	IOWA	72.54%	\$1,356.47	\$1,466.47
	JACKSON	58.19%	\$1,088.20	\$1,198.20
	JASPER	58.63%	\$1,096.36	\$1,206.36
	JEFFERSON	39.58%	\$740.08	\$850.08
	JOHNSON	78.80%	\$1,473.54	\$1,583.54
	JONES	66.23%	\$1,238.54	\$1,348.54
	KEOKUK	58.91%	\$1,101.58	\$1,211.58
	KOSSUTH	44.69%	\$835.74	\$945.74
	LEE	66.75%	\$1,248.15	\$1,358.15
	LINN	76.71%	\$1,434.54	\$1,544.54
	LOUISA	67.69%	\$1,265.84	\$1,375.84
	LUCAS	66.56%	\$1,244.73	\$1,354.73
	LYON	40.41%	\$755.73	\$865.73
	MADISON	52.97%	\$990.48	\$1,100.48
	MAHASKA	56.49%	\$1,056.45	\$1,166.45
	MARION	69.74%	\$1,304.21	\$1,414.21
	MARSHALL	73.80%	\$1,379.98	\$1,489.98
	MILLS	63.05%	\$1,179.04	\$1,289.04
	MITCHELL	42.22%	\$789.57	\$899.57
	MONONA	66.17%	\$1,237.42	\$1,347.42
	MONROE	34.60%	\$647.10	\$757.10
	MONTGOMERY	39.26%	\$734.11	\$844.11
	MUSCATINE	73.84%	\$1,380.78	\$1,490.78
	O'BRIEN	41.44%	\$774.91	\$884.91
	OSCEOLA	39.15%	\$732.07	\$842.07
	PAGE	44.17%	\$826.03	\$936.03
	PALO ALTO	48.34%	\$904.00	\$1,014.00
	PLYMOUTH	48.44%	\$905.78	\$1,015.78
	POCAHONTAS	42.42%	\$793.27	\$903.27

**2024**  
**Maintenance Cost Share**  
**Proposed**

	<b>County Name</b>	<b>County E-Sub Ratio</b>	<b>2024 Formula Cost Share Amount</b>	<b>2024 Cost Share + \$110</b>
	POLK	64.87%	\$1,213.16	\$1,323.16
	POTTAWATTAMIE	79.91%	\$1,494.29	\$1,604.29
	POWESHIEK	69.74%	\$1,304.11	\$1,414.11
	RINGGOLD	48.47%	\$906.42	\$1,016.42
	SAC	45.06%	\$842.60	\$952.60
	SCOTT	59.02%	\$1,103.58	\$1,213.58
	SHELBY	42.11%	\$787.51	\$897.51
	SIOUX	50.44%	\$943.25	\$1,053.25
	STORY	79.32%	\$1,483.24	\$1,593.24
	TAMA	69.31%	\$1,296.09	\$1,406.09
	TAYLOR	51.99%	\$972.29	\$1,082.29
	UNION	51.05%	\$954.65	\$1,064.65
	VAN BUREN	39.05%	\$730.22	\$840.22
	WAPELLO	32.85%	\$614.37	\$724.37
	WARREN	62.46%	\$1,168.02	\$1,278.02
	WASHINGTON	61.15%	\$1,143.51	\$1,253.51
	WAYNE	35.65%	\$666.65	\$776.65
	WEBSTER	61.81%	\$1,155.78	\$1,265.78
	WINNEBAGO	74.56%	\$1,394.24	\$1,504.24
	WINNESHIEK	30.73%	\$574.72	\$684.72
	WOODBURY	75.71%	\$1,415.68	\$1,525.68
	WORTH	58.70%	\$1,097.76	\$1,207.76
	WRIGHT	71.16%	\$1,330.67	\$1,440.67
	<b>State Average</b>	62.12%	\$103,761.53	\$114,651.53





February 4, 2024

Mr. Phil Dunshee  
Project Manager  
Electronic Services System  
8711 Windsor Pkwy, Suite 2  
Johnston, Iowa 50131

We are pleased to confirm our understanding of the services we are to provide for Electronic Services System for the year ended December 31, 2023.

## **Audit Scope and Objectives**

We will audit the financial statements of Electronic Services System, which comprise the special-purpose statement of net position as of December 31, 2023, and the related special-purpose statement of activities and special-purpose statement of cash flows for the year then ended, and the disclosures (collectively, the “financial statements”). Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement Electronic Service System’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Electronic Service System’s RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

### **1. Management’s Discussion and Analysis.**

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and issue an auditor’s report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with the financial reporting requirements of the County Electronic Services System 28E Agreement. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Electronic Services System and other procedures we consider necessary to enable us to express an opinion. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of internal control

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the entity and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Electronic Services System's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

As part of our engagement, we will also prepare the federal information return which Iowa County Records Association will be required to file based on information provided by you. We will not prepare additional returns unless specifically instructed by you to do so. We will also assist in preparing the financial statements and related notes of Electronic Services System in conformity with the financial reporting requirements of the County Electronic Services System 28E Agreement and will assist in the maintenance of the System's schedule of subscription-based IT agreements based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the tax preparation and financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

You agree to assume all management responsibilities relating to the financial statements and related notes, tax preparation and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

## **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with the financial reporting requirements of the County Electronic Services System 28E Agreement, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

## Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Electronic Services System; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of our Firm and constitutes confidential information. However, subject to applicable laws or regulations, we may be requested to make certain audit documentation available to the applicable oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of our Firm personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by regulators. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

During the course of our engagement, we may accumulate records containing data which should be reflected in your books and records. You will determine that all such data, if necessary, will be so reflected. Accordingly, you will not expect us to maintain copies of such records in our possession.

Robert Endriss is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in April 2024 and issue our reports no later than June 30, 2024.

Our fees are based on the time required by the individuals assigned to the engagement, plus direct expenses. Individual hourly rates vary according to the degree of responsibility involved and the skill required. Interim billings will be submitted as work progresses and as expenses are incurred. Based on the preceding, we propose to complete the engagement for amounts not to exceed the following:

Audit of Electronic Services System	\$9,200
Preparation of IRS Form 990 for Iowa County Recorders Association	<u>2,000</u>
	<u>\$11,200</u>

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

## Reporting

We will issue a written report upon completion of our audit of Electronic Services System's financial statements. Our report will be addressed to the Electronic Services System Coordinating Committee. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Electronic Services System is subject to an audit requirement that is not encompassed in the terms of the engagement, we will communicate to management and those charged with governance that an audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* may not satisfy relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Electronic Services System and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Denman CPA LLP

RESPONSE:

This letter correctly sets forth the understanding of Electronic Services System.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## AMENDMENT TO MERCHANT AGREEMENT

This Amendment to the **MERCHANT AGREEMENT** (this "Amendment") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2024 between NCMIC Finance Corporation ("NFC"), also doing business as Professional Solutions Financial Services with offices at 14001 University Avenue, Clive, IA 50325, and \_\_\_\_\_ ("Merchant").

### RECITALS

NFC and Merchant entered into a **MERCHANT AGREEMENT** (the "Agreement")

NFC and Merchant now desire to amend the Agreement set forth herein.

In consideration of the foregoing, NFC and Merchant hereby agree as follows:

1. Professional Solutions agrees to provide credit card processing services for the Iowa counties serviced by the ESS and utilize the same pricing program provided to the ESS in the Agreement executed 12/21/2022.
  - a. Interchange, Dues and Assessments, fees – Pass-Through
  - b. Additional Basis Points + Transaction fee = 25bp + \$0.10/transaction
2. Professional Solutions agrees to provide one credit card terminal at no charge (Free Use) for each county location. These terminals may be utilized for as long as the county has an active merchant processing account with Professional Solutions and is in good standing. Upon termination of services equipment must be returned to Professional Solutions. Full Terms and Conditions regarding Processing Equipment can be found in Appendix A.
3. In the event of a conflict between this Amendment and the Agreement, the terms of this Amendment will control. Otherwise, all terms and provisions of the Agreement shall remain in full force and effect. On and after the date listed above, each reference in the Agreement to "this Agreement," "herein," or words of like import will mean and be a reference to the Agreement as amended by this Amendment.

**Merchant has executed this Amendment effective as of the date first set forth above.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Appendix A

### PROCESSING EQUIPMENT AMENDMENT

NCMIC Finance Corporation (NCMIC) and Merchant have entered into an Agreement (defined as the Merchant Credit Card Processing Application, the Merchant Agreement Additional Terms and Conditions, and any amendments, addenda, or schedules thereto). NCMIC and Merchant now desire to amend the Agreement as provided herein. In exchange for the use of NCMIC-owned equipment at no additional cost to Merchant, Merchant agrees to the following amendments to the Agreement:

Section 1.1 of the Agreement is hereby amended by inserting the following new definition:

(II) "Equipment" means the processing equipment listed in the equipment information section on the processing equipment form.

Section 25.1 of the Agreement is hereby amended by inserting the following:

Regardless of whether this Agreement is in the initial term or a renewal term and whether that two-year term has expired, a new two-year term shall commence on the date Merchant signs a processing equipment form.

The following new section is added to the Agreement between NCMIC and Merchant. However, if the Agreement contains a Section 25.3, then Section 25.3 of the Agreement is deleted in its entirety and is hereby amended to read in full as follows:

25.3. If Merchant terminates the Agreement prior to the end of the initial term or prior to the end of the two-year term that commenced when Merchant signed a processing equipment form, Merchant will immediately pay NCMIC, as liquidated damages, an amount equal to \$295 (if Merchant is located in Arkansas, the liquidated damages are limited to \$50). Merchant agrees that this charge is not a penalty, but rather is reasonable in light of the financial harm caused by Merchant's termination of this Agreement prior to the conclusion of its term.

The following new sections are added to the Agreement:

#### **Processing Equipment Terms and Conditions**

44.1. No Warranties by NCMIC. Merchant represents that Merchant has selected the Equipment for use and acknowledges that NCMIC has not made and makes no representations or warranties of any kind or nature, directly or indirectly, expressed or implied, as to any matter whatsoever, including the suitability of the Equipment or its durability. NCMIC also disclaims any warranty of merchantability or fitness for use or purpose whether arising by operation of law or otherwise. NCMIC and NCMIC's assignee shall not be liable to Merchant or others for any loss, damage, or expense of any kind or nature caused directly or indirectly by any Equipment however arising, or the use or maintenance thereof or the failure of operation thereof, or the repairs, services, or adjustments thereto. No representation of warranty as to the Equipment or any other matters by others shall be binding on NCMIC nor shall the breach of such relieve Merchant of or in any way affect, any of Merchant's obligations to NCMIC. Regardless of cause, Merchant will not assert any claim whatsoever against NCMIC for loss of anticipatory profits or any other indirect, special, or consequential damages.

44.2. No Agency. Merchant understands and agrees that third party sales organizations are not agents of NCMIC and are not authorized to waive or alter any term or condition of this Agreement.

44.3. Assignment. NCMIC may assign or transfer NCMIC's interest in the Equipment without notice to Merchant. Merchant agrees that it will not assert against any assignee of NCMIC any defense, counterclaim, or offset that Merchant may have against NCMIC. Merchant shall not assign any rights or obligations relating to the use of the Equipment. Merchant shall not create, incur, or assume any mortgage, lien, pledge, or other encumbrance or attachment of any kind whatsoever upon, affecting, or with respect to the Equipment.

44.4. Title. NCMIC shall at all times retain title to the Equipment.

44.5. Care, Use, and Location. Merchant shall maintain the Equipment in good operating condition, repair, and appearance and protect the Equipment from deterioration other than normal wear and tear. Merchant shall use the Equipment in the regular course of its business. Merchant shall comply with all laws, ordinances, regulations, and rules with respect to the use, maintenance, and operation of the Equipment. Merchant shall keep the Equipment at the location noted on the processing equipment form, and shall not remove the Equipment from the location without the prior written consent of NCMIC.

44.6. Insurance. Merchant shall carry property damage insurance covering the Equipment and shall pay the premiums for such insurance. Upon NCMIC's request, Merchant shall provide NCMIC with satisfactory evidence of insurance coverage.

44.7. Risk of Loss. Merchant shall bear all risks of loss of and damage to the Equipment from any cause, and the occurrence of such loss or damage shall not relieve Merchant of any obligation under this Agreement. In the event of loss or damage, Merchant shall, at its option: (1) place the damaged Equipment in good repair, condition, and working order, or (2) replace lost or damaged Equipment with new equipment and deliver to NCMIC documentation creating clear title thereto in NCMIC, or (3) pay to NCMIC the current market value of the Equipment.

44.8. Redelivery of Equipment. Upon expiration or termination of this Agreement, Merchant shall return the Equipment, freight prepaid, to NCMIC in good repair, condition, and working order, in a manner and to a location designated by NCMIC within ten (10) business days.



## Contract Terms and Conditions

### Amendment Number 2

This second amendment to the Agreement for Payment Services (Agreement) made and effective as of March 1, 2024 by and between the Electronic Services System (ESS) and NCMIC Finance Corporation (doing business as Professional Solution Financial Services with offices at 14001 University Avenue, Clive, IA 50325), a company organized under the laws of the State of Iowa (Service Provider). The parties agree to amend the Agreement, as provided in Section 4.3 to expand services to include point-of-sale (POS) payment services for ESS members.

**1. Documents Incorporated.** Section 2 is amended to update references to the merchant agreements with NCMIC and VeriCheck.

#### **Section 2. Documents Incorporated.**

Except as otherwise specified, the following documents are incorporated by reference as if fully set forth in this Agreement.

- Request For Proposals for Payment Gateway/Point of Sale Services – published 5.3.18
- The NCMIC Merchant Credit Card Processing Application and Special Processing Addendum – Control Number 192109
- The NCMIC Merchant Agreement Additional Terms and Conditions – Rev 12/2015
- The USA ePay Gateway License / User Agreement - Version 1. rev. 11
- The USAePay Software License Agreement - Version 1. rev. 18: Last revised 02/23/2012
- ~~The VeriCheck Agreement – Revised April 11, 2018~~
- The VeriCheck Agreement – Revised December 21, 2022
- The NCMIC/Professional Solutions Agreement – Revised December 21, 2022
- The NCMIC/Professional Solutions Merchant Agreement Amendment – February 15, 2024

**2. Scope of Work.** Section 4 is amended to insert a reference to Point-Of-Sale payment services and to add a new unnumbered paragraph to further describe Point-Of-Sale payment services.

#### **Section 4. Scope of Work**

Service Provider shall provide to ESS the following services:

- The merchant services as set forth in the NCMIC Merchant Agreement
- The payment gateway services through USA ePay as provided in the USA ePay Gateway License, User Agreement and License Agreement
- ACH services through VeriCheck as provided in the VeriCheck Services Agreement
- Technical Assistance and Advisory services with respect to the ESS integration with USA ePay gateway services and VeriCheck ACH services
- Point-Of-Sale (POS) payment services for ESS members
- Supplementary Services as specified in Section 4.1

The Scope of Work for Point-Of-Sale (POS) payment services shall include the following elements.

1. NCMIC/PSFS will provide the necessary POS terminals to each ESS member at no charge, including any replacement equipment related to malfunction or needed upgrades and considering normal wear and tear.
2. If an ESS member encounters a problem during the execution of a transaction and customer support is required, NCMIC/PSFS will provide customer support through a designated support telephone number or email address.
3. An online “merchant portal” to ESS and ESS member counties to monitor and review transactions and statements.
4. NCMIC/PSFS will provide ESS with a master PCI certification questionnaire applicable to ESS and ESS member counties.

**3. Fee Amounts.** Section 5.1 is amended by updating the unnumbered paragraph concerning Interchange Pass Through Fees.

Interchange Pass Through Fees. The fees charged by credit and debit card companies including MasterCard, Visa, Discover and American Express. These fees are set by the companies periodically and are passed through by the Service Provider to ESS without mark up or surcharges. The following components comprise the Interchange Fees:

- Interchange Rate – a percentage rate applied to the dollar value of each credit or debit card transaction. As an illustration, this fee may range between ~~.65% to 1.55%~~ 0.05% - 2.95% and is dictated by the interchange tables set forth by the card associations.
- Interchange Transaction Fee – a fee applied to each credit or debit card transaction. As an illustration, this fee may range between \$0.10 to ~~\$0.15~~ \$0.22 per transaction and is dictated by the interchange tables set forth by the card associations. The amount of the transaction does not affect this fee.
- Dues and Assessments - a percentage rate applied to the dollar value of each credit or debit card transaction. As an illustration, this fee may range between 0.13% to 0.14%

With respect to Interchange Pass Through Fees, the Service Provider shall assign the lowest possible government rates class to ESS based on qualification parameters dictated by industry codes and the interchange tables provided by the card associations. Service Provider shall proactively and timely inform ESS whenever the Interchange Fees are changed.

**4. Fee Amounts.** Section 5.1 is amended by adding a new unnumbered paragraph to specify the fees for Point-Of-Sale services.

#### **5.1. Fee Amounts**

Fees for Point-Of-Sale service fees shall be as specified herein for the Merchant Processor Charge, Merchant Transaction Charge, and Interchange Pass Through Fees.

**5. Transaction Processing Flow.** Section 5.3 is amended to clarify processes relating to Point-Of-Sale payment services by adding a new section for the payment type of Point-Of-Sale Payment under the general heading of TRANSACTIONS.

#### **5.3 Transaction Processing Flow**

The following is a description of the typical steps and flow of actions required in the payment process.

## TRANSACTIONS

1. ESS Customers perform transactions on the ESS web site.
2. Each transaction is assigned a Transaction number.
3. ESS accumulates the transactions for a business day.

### ACH Payments

- a. ESS pushes the ACH payment request through the USAePay Application Programming Interface (API)
- b. USAePay transmits the ACH request through VeriCheck
- c. VeriCheck processes the payments through its sending bank and the Federal Reserve, and an authorization number is assigned
- d. Federal Reserve presents the transaction to the receiving bank and the bank attempts to post the transaction; Federal Reserve settles with the sending bank and with the receiving bank; the sending bank posts credit to the VeriCheck account
- e. Funds may be held for possible returns
- f. VeriCheck creates net settlement transaction (credit for transactions entered, minus amount of any returns in the interim)
- g. The ESS account is credited and the VeriCheck account is debited
- h. Payment is deposited in the designated ESS account within 2-7 business days
- i. Each ACH deposit shall be equal to the transactions for one business day
- j. A daily report of transactions for each business day is provided by USAePay (see below)

### Point of Sale Credit/Debit Card Payments

- a. Customer presents Card for the payment of services
- b. ESS member provides a terminal (NCMIC/PSFS) to make payment. Terminal provides option for swiping, inserting or tapping the card to make payment
- c. Service Provider terminal adds a surcharge specified by ESS to the transaction amount
- d. NCMIC/PSFS transmits the Credit/Debit request through First Data
- e. First Data processes the payments and an authorization number is assigned
- f. Payment is deposited in the designated ESS account within 3 (three) business days
- g. Each credit/debit card deposit shall be equal to the transactions, plus the surcharge for one business day
- h. A daily report of transactions for each business day is provided by NCMIC/PSFS (see below)

In the case of Point of Sale Credit/Debit Card Payment failures, voids or refunds, the following procedures will apply.

- Failed Payments – ESS members will not render services for failed Point-Of Sale Payment attempts.
- Voids – ESS members may void transactions using the NCMIC/PSFS terminal prior to settlement
- Refunds – ESS members will be instructed to not use the terminal to make refunds. ESS members must make refunds through other methods, when applicable

### **Credit/Debit Card Payments**

- a. ESS pushes the Credit/Debit payment request through the USAePay API
- b. USAePay transmits the Credit/Debit request through First Data
- c. First Data processes the payments and an authorization number is assigned
- d. Payment is deposited in the designated ESS account within 3 (three) business days
- e. Each credit/debit card deposit shall be equal to the transactions for one business day
- f. A daily report of transactions for each business day is provided by USAePay (see below)

There may be other specific steps defined to handle various use cases for online transactions including but not limited to payment failures, voids and refunds. Procedures for the primary use cases are defined as follows.

### **FAILURES - ACH Payments**

1. ESS pushes the ACH payment request through the USAePay API
2. USAePay transmits the ACH request through VeriCheck. The transaction is in a pending status after batch upload
3. VeriCheck processes the payments
4. Payer's bank sends a confirmation receipt to VeriCheck that they received the payment request
5. Two days later, VeriCheck will initiate the ACH payment, which informs the payer's bank to transfer the money to the merchant's account

### **Pre-Settlement Failure**

- a. The Payment is rejected after the batch is uploaded, but prior to settlement
- b. VeriCheck notifies USAePay of the failure due to an incorrect routing number or other pre-settlement issue
- c. USAePay returns a failure message to ESS through the API.
- d. ESS suspends the customer account in E-Submission pending correction.
- e. Customer and ESS resolve the payment issue, and ESS notifies USAePay and VeriCheck to remove the restriction
- f. ESS retries the payment, including a failed payment fee.

### **Post-Settlement Failure**

- a. The Payment is rejected after settlement due to insufficient funds (NSF), account not found due to incorrect routing or account number (ANF), and Payer's bank notifies VeriCheck
- b. VeriCheck notifies USAePay of the failure. USAePay does not restrict the customer account
- c. USAePay returns a failure message to ESS through the API.
- d. ESS suspends the customer account in E-Submission pending correction.
- e. Customer and ESS resolve the payment issue, and ESS notifies USAePay and VeriCheck to remove the restriction
- f. ESS retries the payment, including a failed payment fee.

## **FAILURES – Credit/Debit Card Payments**

1. ESS pushes the Credit/Debit payment request through the USAePay API
2. USAePay transmits the ACH request through First Data
3. First Data attempts to process the payments, and the payment fails (expired, locked or other reason)
4. First Data notifies USAePay of the failure. USAePay does not restrict the customer account
5. USAePay returns a failure message to ESS through the API. The message may be in the form of an error code, which specifies the reason for the failure.
6. ESS suspends the customer account in E-Submission pending correction.
7. Customer and ESS resolve the payment issue, and ESS notifies USAePay to remove the restriction
8. ESS retries the payment, including a failed payment fee.

## **VOIDS**

For batch online ACH and Credit/Debit card transactions a mechanism for voiding transactions is not applicable. If a customer executes the “submit” function, the customer’s account will be charged when the transaction is completed. Payment must be made if the transaction is completed. Further, the nature of batch transactions is not suited for void functions. When payment is received (deposited in the ESS account) through USAePay, ESS will distribute the funds to each location.

## **REVERSE ACH**

For batch online ACH and Credit/Debit card transactions a mechanism for refunding transactions is desired although it is expected that it would be infrequently used. As described in the section on VOIDS, if a customer executes the “submit” function, the customer’s account will be charged when the transaction is completed. Payment must be made if the transaction is completed. Further the nature of batch transactions is not suited for void functions. When payment is received (deposited in the ESS account) through VeriCheck and USAePay, ESS will distribute the funds to each location. In most cases it will be up to the location to handle any refund.

When circumstances warrant, ESS may initiate refund through a Reverse ACH utilizing the USAePay console.

1. Reverse ACH transactions approved by ESS shall be withdrawn from the designated ESS financial account.
2. Reverse ACH transactions will exclude the ESS convenience fee.
3. Service Provider shall provide ESS with access to reports which document any Reverse ACH transaction activity.

## **SETTLEMENT TIME**

1. The settlement time shall be 5:00 PM Central Time each business day.

## **VELOCITY**

Service Provider shall ensure that the minimum Velocity, as defined in Section 5.1, for transactions under this agreement shall be as follows.

One Business Day – Not less than \$100,000.00 per customer

One Week - Not less than \$500,000.00 per customer

One Month – Not less than \$1,000,000.00 per customer

Annual – There has be no defined annual limit for Velocity

As circumstances and customer activities warrant, ESS may request Service Provider to increase Velocity. Service Provider shall work in good faith with other parties to the payment process to conform to such requests. Changes to Velocity shall be reflected in an amendment to this Agreement as provided in Section 4.3.

**6. Payment Reports.** Section 5.4 is amended to provide for a Point-Of-Sale Debit/Credit Charge Report.

#### **5.4. Payment Reports.**

Service Provider shall prepare daily cumulative financial reports to ESS for all daily transactions which occur prior to the settlement time. These reports are in addition to the reporting services available to ESS through the [Reporting System Name] (or successor). These reports shall represent all transactions which occur after the previously day's settlement time and until the current day's settlement time. The required reports include the following.

##### **CHARGE REPORTS**

1. ACH Charge Report - Service Provider shall provide ESS with a report which documents each ACH transaction for a business day (as represented in a daily batch of transactions submitted by ESS through the USAePay API). The report shall specify the following information.
  - a. The customer account number (provided by ESS)
  - b. The Authorization Number assigned by VeriCheck for each item in a batch file
  - c. The Transaction Date
  - d. The Transaction Amount
  - e. The Transaction Time
  - f. The Account Type (Checking or Savings)

The report shall have a report title and a report date, the number of payments (items in the batch) and the total dollar amount for all transactions in the report

2. Debit/Credit Charge Report - Service Provider shall provide ESS with a report which documents each debit/credit transaction for a business day (as represented in a daily batch of transactions submitted by ESS through the USAePay API). The report shall specify the following information.
  - a. The customer account number (provided by ESS)
  - b. The Authorization Number assigned by First Data for each item in a batch file
  - c. The Transaction Date
  - d. The Transaction Amount
  - e. The Transaction Time
  - f. The Credit/Debit Account Type (Visa, Mastercard, Discover, AMEX)

The report shall have a report title and a report date, the number of payments (items in the batch) and the total dollar amount for all transactions in the report

3. Card Pre-Authorization Report - Service Provider shall provide ESS with a report which documents each new debit/credit pre-authorization transaction for each month.
  - a. The customer account number (provided by ESS)
  - b. The Credit/Debit Account Type (Visa, Mastercard, Discover, AMEX)
  - c. A truncated (last four digits only) Card Number
  - d. The Authorization Number (is there a different term?) assigned by First Data for each pre-authorization
  - e. The pre-authorization date
  - f. The pre-authorization time

The report shall have a report title and a report date, the number of payments (items in the batch) and the total dollar amount for all transactions in the report

4. Card Pre-Authorization Decline Report - Service Provider shall provide ESS with a report which documents each declined debit/credit pre-authorization transaction for each month.
  - a. The customer account number (provided by ESS)
  - b. The Credit/Debit Account Type (Visa, Mastercard, Discover, AMEX)
  - c. A truncated (last four digits only) Card Number
  - d. The card expiration date
  - e. The Authorization Number (is there a different term?) assigned by First Data for each pre-authorization
  - f. The pre-authorization decline date
  - g. The pre-authorization decline time

The report shall have a report title and a report date, the number of payments (items in the batch) and the total dollar amount for all transactions in the report

5. ACH Post-Settlement Return Report - Service Provider shall provide ESS with a report which documents each post-settlement failed ACH transaction for a business day (as represented by a USAePay failure message returned to ESS through the API.) The report shall specify the following information.
  - a. The customer account number (provided by ESS)
  - b. The Authorization Number (is there a different term?) assigned by VeriCheck for each failed payment item
  - c. The Transaction Amount
  - d. The Transaction Date
  - e. The Return Amount
  - f. The Return Reason
  - g. The Return Type

The report shall have a report title and a report date, the number of returns and the total dollar amount for all returned transactions in the report

6. Credit/Debit Card Expiration Data - Service Provider shall provide ESS with the means to look up customer information which includes the expiration date for each authorized customer credit/debit card. The look up method shall include the following information.
  - a. The customer account number (provided by ESS)
  - b. The Credit/Debit Account Type (Visa, Mastercard, Discover, AMEX)
  - c. A truncated (last four digits only) Card Number
  - d. The card expiration date
7. Point of Sale Debit/Credit Charge Report - Service Provider shall provide ESS with a report which documents each Point-Of-Sale debit/credit transaction for a business day (as represented in a daily batch of transactions submitted by ESS through the NCMIC/PSFS point-of-sale system). The report shall specify the following information for each transaction.
  - a. The Transaction Date (DATE)
  - b. The Transaction Amount (AMOUNT)
  - c. The Surcharge Amount (SURCHARGE)
  - d. A Unique Authorization Number assigned by First Data or NCMIC/PSFS for each daily transaction (AUTHORIZATION NUMBER)
  - e. A Memo Field (MEMO)
  - f. The name of the ESS member county (CLASS)

The file name shall include the date on which the report was generated and sent. The report shall be delivered via email to [support@clris.com](mailto:support@clris.com). A total is not required.

All reports referenced in this section, except the Point of Sale Debit/Credit Charge Report, shall be accessible to ESS through one of two channels.

1. A report call through USAePay API and web service, and
2. A report which may be executed and downloaded through the USAePay Console

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment to the Agreement and have caused their duly authorized representatives to execute this Amendment to the Agreement.

ESS

Service Provider

By: \_\_\_\_\_  
Name: Phil Dunshee  
Title: Project Manager

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_



February 15, 2024

To: ESS Coordinating Committee

From: Phil Dunshee, ILR Project Manager

Re: ILR Staff Actions and Employee Handbook Amendment

Included in the ESS agenda there are items under the heading "Contracts and Agreements" labeled ILR Staff Compensation and ILR Staff Appointment. There are two recommended human resources actions associated with the budget amendment. Your action on the budget will precede consideration of these topics. Specifically, IF you approve of the proposed budget amendment line items for the Communications Coordinator position and for the Senior Developer position, then the following actions are requested.

1. Authorize an increase of 5 hours per week for the part-time Communications Coordinator position (up to 25 hours per week). The hourly rate remains unchanged at \$31.25. Other changes in the budget allow for this adjustment. If the economy improves and project income increases, then further adjustments may be considered in the future.
2. In November, 2023 a pay adjustment for Merna Addison was recommended. The ESS Coordinating Committee declined to approve of this change due to the imposition of a wage freeze on other members of the staff. The wage freeze remains in place until the economy and project income improves.

Notwithstanding the general wage freeze, I am again recommending a five percent compensation increase for Merna. She has been the principal developer for the creation of the updated E-Submission API, and she is leading the development of the new County Upload API. These are central and critical systems for the operation of Iowa Land Records. Additionally, her role has gained greater importance with the change of another developer position from full-time to part-time. Resources for this change are included in the base budget.

3. Authorize an offer of employment to Mansi Agarwal for a newly structured Software Developer position. The new structure provides that the position is part-time. There would be no change in the hourly rate of compensation: an hourly rate of \$ 54.03. This is the same level of hourly compensation provided under the current structure. The position has been offered, subject to the approval of the ESS Coordinating Committee.
4. Assuming other recommended actions are approved, ESS will now have three part-time professional positions: Communications Coordinator, Software Developer, and Customer Service Coordinator. Part-time positions are currently not eligible for PTO. Given the changes in position structure, and the importance of the services performed for ESS, it is recommended that the Employee Handbook and ESS policy be amended to provide for accrued PTO on the basis of hours worked. The rate of accrual would be equivalent to the accrual rate for full-time employees, except that it would be based on hours worked instead of pay period. No substantive impact on the budget is expected.

**Action Requested**

- Approval of an increase in the allowed hours worked by Kristen Delaney-Cole.
- Approval of a 5% compensation adjustment for Merna Addison.
- Approval of the hiring of Mansi Agarwal for a part-time software developer position.
- Approval of the proposed modification of PTO policy for part-time ESS employees

## Amendment to Benefits, Time Off and Leave of Absence Policies

Provisions relating to Benefits, Time Off and Leave of Absence Policies found on pages 27 and 28 of the ESS Employee Handbook published on August 9, 2022 are amended to provide certain Paid Time Off (PTO) benefits to part-time employees.

## BENEFITS, TIME OFF, AND LEAVE OF ABSENCE POLICIES

### Employee Benefits

An extensive benefits program, including medical, dental, vision, disability and life insurance, flexible spending accounts, and many other benefits, is available for full-time employees through Paychex. Part-time employees are also eligible for a voluntary benefits package through Paychex. You may become eligible for some or all of these benefits. A more detailed description of these benefits will be provided by Paychex at the time you become eligible. More information is available at My Employee Single Sign On (<https://portal.Paychexassistant.com>).

If you have any questions regarding our benefit plans, please contact the Paychex Employee Service Center at (800) 822-8704. Benefit plans are subject to change from time to time at the discretion of management.

### Paid Time Off

Full-time employees will accrue paid time off (PTO) each pay period **and** based on years of service.

	<b><u>Full Time Employees</u></b>	
<b>Completed Years of Service</b>	<b>Days Earned Per Year</b>	<b>Hours Accrued Per Pay Period Worked</b>
0 – 3 Years (Less than 36 months)	15 days (120 hours)	4.62
3 years (36 months)	20 days (160 hours)	6.15

**Part-time employees will accrue paid time off (PTO) for each hour worked during a pay period and based on years of service.**

	<b><u>Part Time Employees</u></b>	
<b>Completed Years of Service</b>	<b>Days Earned Per Year</b>	<b>Hours Accrued Per Hour Worked Per Pay Period</b>
0 – 3 Years (Less than 36 months)	Up to 11 days (88.5 hours)	0.05775
3 years (36 months)	Up to 14.75 days (118 hours)	0.076875

PTO will roll over from one anniversary year to the next. Full-time employees may accumulate up to 30 days of PTO (240 hours). **Part-time employees may accumulate up to 22 days of PTO (176 hours).** Upon reaching this maximum amount, an employee will stop accruing PTO until he or she has used time and once again falls below the **Full-time or Part-time maximum.**

## **Amendment to Benefits, Time Off and Leave of Absence Policies**

Time Off pay is based upon normal hours (40 hours per week, in most cases) and will be based on an employee's regular rate of pay excluding overtime, commissions and discretionary bonuses, if any. The Company may pro-rate PTO hours for employees working 30-39 hours per week accordingly.

Consistent with work requirements, every effort will be made to give you the time off you prefer. In the event that you and another employee select the same time for your vacation and both of you cannot be off at the same time, length of service will be the determining factor. Vacation scheduling is performed at least 30 days in advance and approval is at the sole discretion, and is the responsibility, of the Company. You are encouraged to request time off early. The Company reserves the right to schedule employees' time off based on business necessity.

In order to receive PTO, you must take your time off. Payment in lieu of using PTO will not be made.

### ***Payment of PTO upon Separation From Employment***

Full-time employees will be paid for up to 80 hours of accrued and available (unused) Paid Time Off (PTO) upon separation from employment, whether voluntary or involuntary, except in the case of termination for serious misconduct.

Part-time employees will be paid for up to 40 hours of accrued and available (unused) Paid Time Off (PTO) upon separation from employment, whether voluntary or involuntary, except in the case of termination for serious misconduct.

Employees terminated for serious misconduct will not be paid for accrued and available PTO upon separation from employment. Serious misconduct includes, but is not limited to: theft or embezzlement, unlawful acts, harassment, workplace violence or threats, and breaching Company or customer confidentiality.

## Current Policy

### Holidays

The Company observes 10 paid holidays per year:

New Year's Day  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Friday after Thanksgiving  
Day before Christmas  
Christmas  
Two floating holidays

Floating holidays will be designated by the ESS Administrator. However, an employee may request that they be allowed to utilize a floating holiday on another workday, or in conjunction with another day associated with a celebration of their culture or heritage. Use of a floating holiday is subject to the approval of the ESS Administrator.

An employee who is a veteran will be permitted to take the Veterans Day Holiday off if they would normally be scheduled to work, provided they submit a request at least 30 days in advance. The day will be granted without pay, or available PTO may be used.

*Regular full-time employees receive holiday pay based on their normally scheduled straight time hours. Regular part-time employees receive holiday pay based on their normally scheduled part time hours. Persons in temporary assignments do not receive holiday pay.*

### Proposed Amended Policy

**Regular full-time employees receive holiday pay based on their normal straight time compensation for one full workday (eight hours) ~~normally scheduled straight time hours~~. Regular part-time employees receive holiday pay based on their normal straight time compensation for one-half work day (four hours) ~~normally scheduled part time hours~~. Persons in temporary assignments do not receive holiday pay.**

1. Section 331.606B, Section 1, introductory statement, is amended to read as follows.

1. ~~Except as otherwise provided in subsection 7, the county recorder shall refuse any document or instrument presented for recording that does not meet the following requirements:~~ The purpose of document or document formatting standards is to ensure that the documents and their associated images are legible and contain the necessary information for the county recorder to perform their duty to create a permanent, unaltered archive and index of information that is accessible and searchable by the citizens of Iowa and commercial and government organizations. If the form or content of a document or instrument prevents or inhibits the county recorder from performing this duty, the county recorder may decline to record a document or instrument.

The standards may relate to the processing or handling of a physical document, the processing of an electronic document, or the content of a document, and they are enumerated as follows.


#### EXPLANATION

331.606B (1) - Clarifies that purpose and intent of document or document formatting standards is to facilitate the recording process, provide the information necessary for record indexing and for the benefit of the users of the public land registry. The changes are also intended to set a more positive tone – instead of “shall refuse” it says “may decline” if necessary

## GENERAL DOCUMENT FORMATTING REQUIREMENTS

Section 331.606B, Subsection 1 is amended to read as follows.

### 331.606B Document or document formatting standards.

1. Except as otherwise provided in subsection 7, the county recorder shall ~~refuse~~ decline any document or instrument presented for recording that does not meet the following requirements:
  - a. Each document or instrument shall consist of one or more individual pages, ~~not permanently bound or~~ in a continuous form. For the purposes of this section, continuous form shall mean individual one-sided pages. The A document or instrument in a physical form shall not be permanently bound, have any attachment stapled, ~~taped~~, or otherwise affixed to any page ~~except as necessary to comply with statutory requirements~~, or contain text or graphics on the back side of a page. However, the individual pages of a document or instrument in a physical form may be ~~stapled~~ clipped together for presentation for recording. A label that is firmly attached to a document or instrument in a physical form with a bar code or return address may be accepted for recording.
  - b. All ~~preprinted~~ text shall be in a legible font of at least ~~eight~~ ten point in size and ~~no more than twenty characters and spaces per inch~~. All other text typed or computer generated, including but not limited to all names of parties to an agreement, shall be at least ~~ten~~ point in size and ~~no more than sixteen characters and spaces per inch~~. If a document or instrument, other than a plat or survey or a drawing related to a plat or survey, presented for recording contains type smaller than eight point type for the preprinted text and ten point type for all other text, the document or instrument shall be accompanied by an exact typewritten or printed copy that meets the requirements of this section. However, a plat or survey or a drawing related to a plat or survey may contain text in a legible font of at least eight point in size.
  - c. Each document shall be of sufficient legibility to produce a clear reproduction. If all or a portion of a document or instrument, other than a plat or survey or a drawing related to a plat or survey, is not sufficiently legible to produce a clear reproduction, the illegible portion of the document or instrument shall be accompanied by a legible copy as an attachment ~~an exact typewritten or printed copy~~ that meets the type size requirements of paragraph "b" ~~and which~~ shall be recorded contemporaneously as additional pages of the document or instrument.
  - d. Each physical document or instrument, other than a plat or survey or a  drawing related to a plat or survey, shall be on standard white paper of not less than twenty-pound weight without watermarks or other visible ~~inclusions~~ markings. All text within the document or instrument shall be of sufficient ~~color and clarity~~ legibility to ensure that the text is readable when reproduced from the record.
  - e. All signatures on a document or instrument shall be in black or dark blue ink and of sufficient color and clarity to ensure that the signatures are ~~readable~~ clear and discernable when the document or instrument is reproduced from the record. The corresponding name shall be ~~typed~~, printed, or stamped beneath the original signature. The ~~typing or~~ printing of a name or the application of an embossed or inked stamp shall not cover or otherwise materially interfere with any part of the document or instrument except where provided by law. Failure to print ~~or type~~ signatures as provided in this paragraph does not invalidate the document or instrument.
  - f. The first page of each document or instrument, other than a plat or survey or a drawing related to a plat or survey, shall have a top margin of at least three inches of vertical space from left to right which shall be reserved for the recorder's use. All other margins on the document or instrument shall be a minimum of three-fourths of one inch. Nonessential information including but not limited to form numbers, page numbers, or customer notations may be placed in a margin except the top margin. The recorder shall not incur any liability for not showing a seal or information that extends beyond the margin of the permanent archival record.

## GENERAL DOCUMENT FORMATTING REQUIREMENTS

- g. Each document or instrument presented for recording shall meet the requirements of section 331.606A, subsection 2.

### EXPLANATION

331.606B (1) - Substitutes the term “decline” for the term “refuse”.

331.606B (1a) - Clarifies the meaning of the following document characteristics.

- Defines “continuous” form to mean individual one-sided pages, and further clarifies that the back side of a page should not contain text or graphics
- Clarifies terms that can apply only to “physical” documents
- Clarifies that a document in a physical form cannot be “permanently bound” (the intention to be that submitted documents must be individual pages that could be processed through a scanning device)
- Affirms that attachments cannot be stapled or affixed to any page, and clarifies that attachments should also not be “taped”
- Clarifies that physical pages should not be stapled together when submitted for recording, but the use of a binder type “clip” is permissible
- Clarifies that a document in a physical form may have a label that is “firmly attached” if it displays a bar code or a return address
- The phrase “except as necessary to comply with statutory requirements” when referencing permanent binding or attachments was removed as the purpose of it was unclear. It is expected that anyone aware of its purpose or origin will speak to it as stakeholder discussions proceed.

331.606B (1b) - Addresses legibility and font size

- The reference to and exception for “preprinted” text is removed
- Adds the adjective “legible” to the font requirement for both plats and all other document types
- Specifies that all text (except text in a plat, or survey or drawing) must be at least 10 point in size. “Legible” is in part defined by the 10 point size requirement for fonts.
- Removes the requirement for no more than sixteen characters and spaces per inch.
- For a plat or survey or drawing, the minimum font size would continue as eight point in size; Section 354,18 provides that the recorder must keep a “reproducible” copy of a plat “from which legible copies can be made”

331.606B (1c) - Further emphasizes the importance of legibility

- Continues to require each document to be “of sufficient legibility to produce a clear reproduction”
- Requires that a legible copy of all or a portion of a document must accompany an illegible document and be recorded as additional pages
- The reference to “an exact typewritten or printed copy” is removed, meaning that the legibility requirement applies not just to physical documents but also to electronic documents



## GENERAL DOCUMENT FORMATTING REQUIREMENTS

331.606B (1d) - Clarifies current “paper” requirements for recording and further emphasizes the importance of legibility

- Removes the reference to paper which is not less than twenty-pound weight and clarifies that any physical document must use standard white paper; typical copy paper has a twenty-pound weight
- Substitutes the term “markings” for the term “inclusions.”
- Substitutes the term “legibility” for the term “color and clarity” – the section references “readable” text, which is generally associated with the term legible
- Removes references to surveys, the effect being that the requirements would be the same as for any other document type; standard white paper, no watermarks, and no “markings”. [Refer for review by surveyors]

331.606B (1e) - Clarifies requirements for signatures and removes antiquated references (typing)

- Retains the term “color and clarity” but changes the term “readable” to be “clear and discernable” - acknowledging that often signatures literally cannot be “read” with clear spelling
- Retains the requirement that that names be “printed” beneath the signature.
- The terms type, typed, and typing have been removed.

Note: Except where noted, these revisions are intended to reflect the consensus of the working group at their meeting on April 20, 2023. Working group members are asked to give further review.

Note: Suggested amendments to paragraphs f and g have been proposed separately and follow.

DRAFT  
FOR DISCUSSION

**Section 331.606B, Subsection 1 subsection f, is amended to read as follows.**

- f. The first page of each document or instrument, other than a plat or survey or a drawing related to a plat or survey, shall have a top margin of at least ~~three inches~~ one half inch of vertical space from left to right and with a space at the top of the first page which shall be of sufficient size to accommodate the area required for a recorder's stamp as specified in subsection 4b reserved for the recorder's use. The stamp area shall be adjacent to the top margin. All other margins on the document or instrument shall be a minimum of three-fourths of one inch. Nonessential information including but not limited to form numbers, page numbers, or customer notations may be placed in a margin except the top margin. The recorder shall not incur any liability for not showing a seal or information that extends beyond the margin of the permanent archival record.

EXPLANATION

Item f in Section 331.606B, Subsection 1 currently reads as follows.

- f. The first page of each document or instrument, other than a plat or survey or a drawing related to a plat or survey, shall have a top margin of at least three inches of vertical space from left to right which shall be reserved for the recorder's use. All other margins on the document or instrument shall be a minimum of three-fourths of one inch. Nonessential information including but not limited to form numbers, page numbers, or customer notations may be placed in a margin except the top margin. The recorder shall not incur any liability for not showing a seal or information that extends beyond the margin of the permanent archival record.

Since 2016 the provision allowing for a stamp area for surveys and plats has been implemented with success. The minimum stamp area is sufficient for the recorders' purposes, and provides some additional flexibility in the preparation of documents. It is proposed that this same flexibility be extended to other document types.

**Section 331.606B, Subsection 1g is amended to read as follows.**

g. Each document or instrument presented for recording shall meet the requirements of section 331.606A, subsection 2. However, a document which includes personally identifiable information shall be recorded provided that the document is subjected to a redaction process as specified in Section 331.606A, section 3.

**EXPLANATION**

331.606B (1g) - Clarifies that a document submitted with PII may be recorded, if it is processed to redact PII.

For reference, see Section 331.606A, sections 2 and 3.

2. Inclusion of personally identifiable information. The preparer of a document shall not include an individual's personally identifiable information in a document that is prepared and presented for recording in the office of the recorder. This subsection shall not apply to documents that were executed by an individual prior to July 1, 2007.

3. Redaction from electronic documents. Personally identifiable information that is contained in electronic documents that are displayed for public access on an internet site, or which are transferred to any person, shall be redacted prior to displaying or transferring the documents. Each recorder that displays electronic documents and the county land record information system that displays electronic documents on behalf of a county shall implement a system for redacting personally identifiable information. The recorder and the governing board of the county land record information system shall establish a procedure by which individuals may request that personally identifiable information contained in an electronic document displayed on an internet site be redacted, at no fee to the requesting individual. The requirements of this subsection shall be fully implemented not later than December 31, 2011.

1. Section 331.606B, Section 2, introductory statement, is amended to read as follows.
2. Each document or instrument, other than a plat or survey or a drawing related to a plat or survey, that is presented for recording shall contain on the first page of a document or instrument submitted for recording the following information necessary for a county recorder to archive and index the document or instrument for public access or for other statutory requirements on the first page below the three-inch margin:

#### EXPLANATION



331.606B (2) - Clarifies that the effect of this section of 331.606B is to specify the information required of submitters for the purposes of recording and indexing a document or instrument. The responsibility of providing the information is with the submitter. Inclusion of the specified information is necessary for recording and indexing, and it is more efficient if the information is presented in a complete but succinct form on the first page, in a cover sheet or an alternative format such as index legend. Complete and accurate index information provides a substantial benefit to citizens and the real estate industry. The revision also would remove the reference to the top "three inch margin".

Note: An alternative version of this language could more explicitly reference the terms Index Legend and Cover Sheet as follows.

2. Each document or instrument, other than a plat or survey or a drawing related to a plat or survey, that is presented for recording shall contain the following information necessary for a county recorder to archive and index the document or instrument for public access. on the first page below the three-inch margin: The information may be provided on the first page of a document or instrument submitted for recording or alternatively as a cover sheet or Index Legend as specified in Subsection 3.




**Section 331.606B, Subsection 2, paragraphs a-i is amended by striking the paragraphs and inserting in lieu thereof the following.**

- a. The title of the document or instrument, sometimes referenced as a document type.
- b. All grantors' names.
- c. All grantees' names.
- d. The parsed location information  if applicable, including the quarter section, section, township, and range, and the lot, block, subdivision name and city or town, if platted.
- e. The date on which the document was executed by the parties, a.k.a. instrument date, if applicable.
- f. For any instrument of conveyance, or for any survey or similar documents related to a property, the parcel identification number .
- g. A recording reference number of an associated, recorded document or instrument including references between conveyance documents for the same property, references between mortgage and satisfaction or mortgage documents, references between liens and lien releases, references between an originally recorded document and a re-recorded or corrected document, references between conveyance documents and any recorded companion documents such as groundwater hazard statements, and references between surveys and similar documents related to the same property, or for other statutory requirements, if applicable.
- h. For any instrument of conveyance, the name of the taxpayer and a complete mailing address.
- i. A full legal description of the property, if required.
- j. A page reference within the document if there is insufficient space for the placement of any information as required by this section.

**Section 331.606B, Subsection 2, paragraphs a-j is amended by inserting the following unnumbered paragraphs after lettered paragraphs a-j.**

In addition to the information required for archiving and indexing, a document or instrument that is presented for recording shall contain any address required by statute.

A document or instrument shall also contain the name, mailing address and phone number of either the person who prepared  the document or instrument or if the document is in a physical form, the person best able to address any issue affecting the recordability of the document or instrument. If a document or instrument is presented in electronic form, the information about the person may be submitted as metadata which accompanies a document or instrument.

The information specified in this section is for the purpose of providing the information necessary for recording and indexing a document or instrument and to facilitate public access to information. Document information necessary to execute a transaction or to have legal effect shall be included in a document as determined by the parties in accordance with established legal standards.

**Section 331.606B, Subsection 3 is amended by striking the subsection.**

**EXPLANATION**

331.606B (2 a-j) – Modifies the enumerated requirements that submitters must specify on the first page of a document, a cover sheet or other approved format to facilitate the work of the recorder to archive and index a record. Two new items are added: instrument date and parsed legal descriptions. Note, all required information specified in the current statute are retained, but they may be reordered or reworded in some fashion as described below.

- a. document title – similar to item d in the current statute
- b. all grantors' names – identical to item e in the current statute
- c. all grantees' names – identical to item f in the current statute
- d. parsed legal description – new, and intended to aid recorders with indexing – similar to current ESS policies (legal descriptions – 3.8(3) and surveyor index legends – 3.13(6))
- e. instrument date – new; the date the document was executed and/or notarized
- f. parcel identification number – similar to item h in the current statute
- g. associated reference numbers – similar to item i in the current statute – and consistent with the proposed ESS policy regarding associated references – approved by the Standards subcommittee and pending action by the ESS committee
- h. name of taxpayer for conveyances – identical to item b in the current statute
- i. full legal description – similar to item h in the current statute
- j. page references – similar to section 331.606B, subsection 3 of the code

**First unnumbered paragraph,** The enumerated list in the current statute (item g) specifies that a submitted document must include any address required by statute. The purpose and origin of these is unclear. Rather than remove it and risk unintended consequences, it is proposed to remove it from the enumerated list, but still include it as an unnumbered paragraph. As the overall amendment is reviewed by stakeholders and policy makers, this requirement may be reexamined.

**Second unnumbered paragraph.** The enumerated list in the current statute (item a) specifies that a submitted document must include the name, address, and telephone number of the individual who prepared the document. Note: this is also intended to address the current statutory requirement for a return address (item c). There are some different opinions on this requirement. Some have said that the preparer may be an important historical reference (the identify of the attorney who authored the document, for example). But in today's world, so many documents are not authored, they are auto-generated. Does the "preparer" have the same meaning that it used to?

Another view is that the contact information of the person who can best respond to a recording question is more valuable. The language in the second unnumbered paragraph provides the submitter with the option to provide either. If a document is electronically submitted through ILR, provisions are being made to facilitate communications with the submitter – the “metadata” about the submitter is included in the E-Submission process, and as written the information need not be included in the document itself.

In the context of modernization, it is recommended that opting for the person best able to address any issue affecting the recordability of the document or instrument as the better choice, and the term might be changed from “preparer” to something like “submitter administrator”

Note: 331.606A defines preparer to be “the person or entity who creates, drafts, edits, revises, or last changes the documents that are recorded with the recorder.”

One last question – for surveys and plats, the surveyor provides their personal name, which is indexed. In a very real sense they are the “preparer”. If a submitter identifies the name of the preparer – someone who literally created the document and stands behind it – should that name be indexed as well? Just food for thought.

**Third unnumbered paragraph.** A recommendation has been made to modify the introductory paragraph of 331.606B, section 2, to clarify that the purpose of the section is to specify what a submitter should include in the document – primarily for the purpose aiding the recorder with indexing the document. The introduction also states that this is done to aid with “public access.” Key information at the beginning of a document is certainly helpful to the future reader of the document.

This new paragraph is intended to reinforce this purpose. But it is also intended to clarify that, otherwise, the document information necessary to execute a transaction or to have legal effect is the responsibility of the parties (the grantors and grantees). In a way, this helps underscore the idea that “recorders record” and are not engaged in any legal interpretation.

**Section 331.606B, Subsection 3, is amended is amended by striking the Section and inserting in lieu thereof the following.**

3. In lieu of providing the information specified in Section 2 on the first page of a document or instrument, the information may be provided in one of the following alternative forms. The purpose of these alternatives is to provide the preparer with the means to effectively communicate information required by a recorder to fulfill their recording duties.
  - a. Cover Sheet. A cover page or sheet may be used to accompany a document being submitted to a county recorder for recording. A Cover Sheet shall be included as the initial page of a document or instrument and recorded contemporaneously as an additional page of the document or instrument. The Cover Sheet may include a page reference for the document or instrument where information is located. An attestation statement, or any information intended to have legal effect shall not be included on the Cover Sheet.
  - b. Index Legend. An Index Legend may be incorporated with the first page of a document or instrument or with a Cover Sheet. An Index Legend, if utilized, shall be configured in a compact grid format to provide the information specified in Section 2, which may include the page reference of the document or instrument where information is located. An Index Legend, if included on the first page of a document or instrument other than a plat or survey or a drawing related to a plat or survey, shall be placed at the top of the page.

A Cover Sheet or Index Legend shall conform to the formatting standards specified in this section and other specifications established by the county land record information system.

#### EXPLANATION

Subsection 3 currently reads as follows.

3. If insufficient space exists on the first page for all of the information described in subsection 2, the page reference of the document or instrument where the information is located shall be noted on the first page.

This page reference would now be included in the enumerated list of information in Subsection 2, providing the opportunity to repurpose the subsection for enabling and clarify the options for a Cover Sheet and Index Legend.



## **DOCUMENT INDEXING REQUIREMENTS – Required Document-Instrument Information**

**Section 331.606, Subsections 1 AND 2 are amended by striking the subsections and inserting in lieu thereof the following.**

331.606 General filing requirements.

1. The recorder shall note in the county index system the information required by Section 558.49 and Section 331.606B, subsection 2, paragraphs a-g.

In numbering the instruments, each calendar year the recorder may start with the number one and continue to number them consecutively until the beginning of next calendar year. In addition to the sequential number of each recorded document, a county may also assign reference numbers using book and page numbers. The time of filing shall at a minimum be indexed with the following elements: year, month, day, hour, minute and second. If electronically filed, the index shall also specify the millisecond.

**Section 558.49 is amended to read as follows:**

558.49 Index records.

The recorder must shall keep index records to show the following:

1. Each grantor.
2. Each grantee.
3. The date and time when the instrument was ~~filed with~~ recorded by the recorder.
4. The date ~~of the~~ on which the document or instrument was executed by the parties.
5. The nature of the instrument, as indicated by the title of the document or instrument.
6. The document reference number where the record of the instrument may be found.
7. The description of the real estate affected by the document or instrument, as indicated by the parsed location information, including the quarter section, section, township, and range, or the lot, block, subdivision name and city or town, if platted.

### EXPLANATION

This amendment aligns the indexing requirements with the proposed updates to 331.606B, subsection 2, of the Iowa Code, and an updated reference to index records in Chapter 558 regarding conveyances. This is intended to assure consistent and complete indexing practices.

Question. Do all county index numbering systems begin January 1?

Section 558.49 currently reads as follows.

558.49 Index records.

The recorder must keep index records to show the following:

1. Each grantor.
2. Each grantee.
3. The date and time when the instrument was filed with the recorder.
4. The date of the instrument.
5. The nature of the instrument.
6. The document reference number where the record of the instrument may be found.
7. The description of the real estate affected by the instrument.

See also 2001 Acts, ch 44, §23, 24; 2006 Acts, ch 1031, §8; 2010 Acts, ch 1023, §2 for recent historical references

## **Section 331.606B, Subsection 4, paragraphs a and b**

### **First lettered paragraph a – Index Legend.**

a. Each document or certificate prepared by a licensed professional land surveyor and presented for recording, including a plat of survey or a drawing related to a plat of survey, shall contain an index legend. However, this requirement shall not apply to a United States public land survey corner certificate described in section 355.11.

### **Second lettered paragraph b – Stamp Area.**

b. Each document or certificate prepared by a licensed professional land surveyor and presented for recording, including a plat of survey or a drawing related to a plat of survey, shall include a blank rectangular space three and three-fourth inches in width and two and one-half inches in height reserved and delineated for the county recorder's use, unless the document is attached to a cover sheet approved by the governing board of the county land record information system.

### **EXPLANATION**

These practices were enabled through legislation enacted in 2016. Senate File 2276, 2016 Acts, ch 1064, §1.

No change is suggested at this time. However, a special joint SLSI and ICRA subcommittee will be reviewing these practices, along with other possible policy changes and initiatives. In some respects, these policies provide a model for what could be possible for other document types.

**Section 331.606B, Subsection 5, paragraph i**

5. The recorder may record the following documents or instruments which are exempt from the format requirements of this section:

- a. A document or instrument that was signed before July 1, 2005.
- b. A military separation document or instrument.
- c. A document or instrument executed outside the United States.
- d. A certified copy of a document or instrument issued by a governmental agency, including a vital record.
- e. A document or instrument where one of the original parties is deceased or otherwise incapacitated.
- f. A document or instrument formatted to meet court requirements.
- g. A federal tax lien.
- h. A filing under the uniform commercial code, chapter 554.
- i. A groundwater hazard statement pursuant to section 558.69.

**EXPLANATION**

With the exception of identifying the preparer and a return address, the groundwater hazard form published by the Department of Natural resources appears to conform to the current and proposed document formatting requirements. Should this document type be removed from the exemption list in subsection 5?

Are there other changes that should be considered for the exemption list? Should certain documents and instruments which are currently exempt be required to use a cover sheet or an index legend?

**1. Section 331.606B, Section 6, declined documents, is amended to read as follows.**

6. A physical document or instrument ~~rejected~~ declined for recording by a recorder shall be returned to the submitter ~~preparer or presenter~~ accompanied by an explanation of the reason for ~~rejection~~ the action to decline the document. When an electronic document or instrument submitted through the county land record information system is declined for recording by a recorder, the recorder shall notify the submitter of the reason for the action to decline the document. Whenever practicable, the recorder shall also advise the submitter of any steps necessary to correct the document or instrument.

When a recording fee is adjusted by a recorder to correct an error in the calculation of a fee, such as an error in the number of parcels being conveyed, or an error in the number of additional transactions, the recorder shall notify the submitter of the reason and basis for adjusting the recording fee.

#### EXPLANATION

In recent years recorders and Iowa Land Records have moved away from the use of terse terms such as “refuse” or “reject”. Instead, a polite “decline” is favored as efforts have been made to become more customer focused.

In addition to this change in terminology, an opportunity is presented to distinguish between physical and electronic documents. Physical documents submitted for recording are still literally returned to submitters. However, electronic documents are not returned, but the submitters are notified of the action and provided with the means to easily make corrections. Electronic documents which are recorded are also not returned in physical form. Submitters have the ability to download a stamped electronic document to their device.

Further when a fee adjustment is made to an electronic document, the payment amount is adjusted electronically. Fee errors which occur with physical documents may require the return of the document to the submitter.

**1. Section 331.606B, Section 7a, non-conforming fee, is repealed.**

The current statute reads as follows.

7. a. On and after July 1, 2005, a document or instrument that does not conform to the format standards specified in subsections 1 through 3 shall not be accepted for recording except upon payment of an additional recording fee of ten dollars per document or instrument. The requirement applies only to documents or instruments dated on or after July 1, 2005, and does not apply to those documents or instruments specifically exempted in subsection 5.

An alternative to the repeal would be to align the statute with current practice, which is to apply the non-standard fee only to physical documents and instruments – not electronic documents or instruments. This approach would read as follows.

**Alternative - 1. Section 331.606B, Section 7a, non-conforming fee, is amended to read as follows.**

7. a. ~~On and after July 1, 2005, a~~ A physical document or instrument that does not conform to the format standards specified in subsections 1 through 3 shall not be accepted for recording except upon payment of an additional recording fee of ten dollars per document or instrument. The requirement applies only to physical documents or instruments dated on or after July 1, 2005, and does not apply to those documents or instruments specifically exempted in subsection 5.

This provision is effective July 1, 2025

**EXPLANATION**

Since 2006 Iowa counties have implemented a statewide electronic recording system. The system and county recorders are very efficient, usually recording documents the same day they are submitted. When a document must be declined due to a formatting error, the submitter is notified immediately, and the error can be corrected within hours or even minutes. For this reason, the electronic recording system is not even set up to accept a non-standard fee. There is no longer any basis for extra effort to record something that is incorrectly formatted when the error can be corrected so easily.

Further, the application of the non-standard fee for errors in physical documents or instruments is generally infrequent, and the non-standard fee is not a significant source of revenue for the operation of the recording office.

When a document does not conform to the formatting requirements of this section, it should simply be declined. If submitters wish to timely resolve formatting errors, they should make use of the electronic filing service.

**1. Section 331.606B, Section 7b, No-Acceptance, is repealed.**

The current statute reads as follows.

b. On and after July 1, 2009, a document or instrument that does not conform to the format standards specified in subsection 1, paragraphs “c” and “e”, or subsection 2, paragraph “b”, shall not be accepted for recording. This paragraph applies only to documents or instruments dated on or after July 1, 2009, and does not apply to those documents or instruments specifically exempted in subsection 5.

**EXPLANATION**

In the current statute this provision applies to the following formatting requirements:

Subsection 1, paragraph c – text must be legible

Subsection 1, paragraph e – signatures must be readable

Subsection 2, paragraph b – documents must include required information

The mandate in 7b does not apply to documents which are exempted from the formatting requirements.

Essentially, subsection 7b provides that a recorder must not record a document that fails these three important formatting requirements. This provision is redundant and unnecessary. The current opening sentence of 331.606B, subsection 1 clearly states that the county recorder shall refuse any document or instrument presented for recording that does not meet the following requirements (including subsections 1c, 1e and 2b).

Further, the proposed amendment to the opening statement in 331.606B, subsection 1 clearly states that “the county recorder may decline to record a document or instrument” if it doesn’t conform to any of the formatting requirements. The suggested transition to “may” instead of “shall” is due to the subjective nature of determining what is legible or readable.

And as noted in other formatting amendments, since 2006 Iowa counties have implemented a statewide electronic recording system. When a document must be declined due to a formatting error, the submitter is notified immediately, and the error can be corrected within hours or even minutes.

When a document does not conform to the formatting requirements of this section, it should be declined. If submitters wish to timely resolve formatting errors, they should make use of the electronic filing service.

**Section 331.606, Subsections 1 as if amended by amending the subsection as follows.**

331.606 General filing requirements.

1. The recorder shall note in the county index system the information required by Section 558.49 and Section 331.606B, subsection 2, paragraphs a-g.

Additionally, if a document or instrument involves the conveyance of a property, the recorder shall note in the index the commission number and state of commission for the notary, and the consideration amount for the transaction.

In numbering the instruments, each calendar year the recorder may start with the number one and continue to number them consecutively until the beginning of next calendar year. In addition to the sequential number of each recorded document, a county may also assign reference numbers using book and page numbers. The time of filing shall at a minimum be indexed with the following elements: year, month, day, hour, minute and second. If electronically filed, the index shall also specify the millisecond.

EXPLANATION

The Property Records Industry Association (PRIA) has been examining the potential benefits and feasibility of indexing notary and consideration information. Because inappropriate notarial activity can be a source of property fraud, building a data trail for notary activity could possibly deter property fraud.

Indexing consideration information for property sales, mortgages, and liens could potentially be a valuable service to many parties in the property industry.

These opportunities raise the question of whether this information should be indexed in a standard form.

## Transaction Definition

**Section 331.601A, Subsection 9, is amended to read as follows.**

Section 331.601A 9 Definitions



9. “Transaction” means a specific legal action in the form of or evidenced by one of the following:

- a. A title or caption including but not limited to a deed, deed of trust, mortgage, or power of attorney representing an action such as the conveyance of property, the provision of financing, or the power to act on behalf of another person.
- b. A subsequent action reference referring to an original action as represented by a document or instrument including but not limited to an assignment or release or satisfaction of mortgage. A simple reference to a previous action which itself takes no subsequent action is not a transaction.

### EXPLANATION

Clarifies the definition of Transaction by stating that it must be an “action” and not just a reference to a previous action.

Section 331.601A 9 currently reads as follows.

9. “Transaction” means a specific legal action in the form of or evidenced by one of the following:

- a. A title or caption including but not limited to a deed, deed of trust, mortgage, or power of attorney.
- b. A subsequent reference to an original document or instrument including but not limited to an assignment or release or satisfaction of mortgage.



ESS – 3.7 Document Reference Numbers.  
(Iowa Code Section 331.604, 3(a))

3.7(1) The purpose of establishing standards, policies and procedures for document reference numbers is to ensure that a unique reference number, code value or other identifier is assigned to each recorded document in Iowa. A document reference number should enable a citizen or customer to find a document without regard to the County in which the document is recorded. Document reference numbers should not be duplicated within a County or among multiple counties.

3.7(2) Document reference numbers assigned by a County should conform to generally accepted database management practices and conform to the objectives of Section 3.7(1) as soon as practicable.

3.7(3) Each County, County Recorder and County indexing system shall uniquely identify each document recorded. Reference numbers, book and page numbers or other unique identifiers shall be determined by the County Recorder.

3.7(4) Each County, County Recorder and County indexing system shall assign a Unique Code Value to each recorded document mapped to a PRIA document type as specified in Section 3.6. The Unique Code Value shall be used to identify each document transferred to the county land record information system, and the Unique Code Value shall conform to the specifications established by the county land record information system. If a County is served by separate indexing and imaging service provider, the County and County Recorder shall ensure that the same Unique Code Value for a document shall be assigned to both the index information and the document image.

3.7(5) The county land record information system shall encourage the adoption of specifications for Unique Code Values which incorporate the following elements: County number, year of recording, and a document reference number assigned to each document in the County document indexing system.

3.7(6) If recorded or filed, a Groundwater Hazard Statement shall be assigned a unique document reference number.

3.7(7) If recorded or filed, a Declaration of Value document shall be assigned a unique document reference number.

3.7(8) When recorded, or when indexed and filed, the instrument date of a document shall be specified in the County indexing system.

3.7(9) In the event that a County changes the indexing or imaging service, as applicable, the County and the new service provider shall retain any previously assigned Unique Code Value for each document and any Unique Code Value for associated documents. A County shall notify the county land record information system concerning any service provider changes.

Section 3.7(5) revised 7.11.12.

Section 3.7(5-7) amended 8.12.15. Revisions to be effective 1.1.16

#### SAMPLE CONCEPT

- a. The two-digit number assigned to each county
- b. the four-digit year in which the document is recorded
- c. An eight-digit sequential document reference number assigned to each document in the County document indexing system (00000001) or without leading zeros 1 or 11 or 111 or 1111, continuing to 11111111.

For reference, the last reference number in 2023 for Polk County was 202300068475.  
Following the pattern described here it would be: 77202300068475.

DRAFT  
FOR DISCUSSION

February 15, 2024

To: ESS Coordinating Committee

From: Phil Dunshee, ILR Project Manager

Re: ILR Data Completeness and Normalization Initiative

When development work on the updated ILR search application started two summers ago, we examined the frequency of search types to make sure we were putting emphasis on the types that were most frequently used. Names searches were at the top of this list. Location searches were the least used. One of the likely reasons is that searching based on location (legal description information) is more difficult due to the variability of indexing practices among counties. A significant amount of location information is unparsed and is often in a freeform text description field. For this reason, we looked to the future and built the location search on the “best practice” of using parsed location information (section, township, range, quarter section (un-platted) and lot, block, subdivision name and city/town (platted)). For the same reasons we did not include a search using parcel identification number at this time (it can be added later when it is more useful).

As we have moved forward with the new search application and as steps have been taken to retire the legacy application, we have observed that some users learned how to use the summary text description field to search for records in counties with little, if any, parsed location information to search. In the absence of a method to enable a successful parsed location search in some counties, we have permitted some organizations, including the Department of Transportation, to temporarily continue to use the legacy search application. But we need to fully retire the legacy application.

We believe the best approach to resolving this issue is to modify the ILR database wherever possible to “fill in” the missing parsed location information. There appear to be two feasible approaches to doing this. The first is to observe the freeform text location information in applicable counties and to extract the parsed information and place it in the correct data elements in the ILR system. A second approach would be to work with partner organizations who have already extracted the information for their own purposes, and, with their permission, copy and insert it into the ILR database. Either (or both) approaches would make parsed location searches possible. The document summarizing possible ICRA-ESS Modernization Initiatives includes the following project description.

“Normalize” County Location and PIN Information; Iowa Land Records provides access to more than 23 million records. However, the formatting of certain data may not be consistent across all counties, making searching more difficult. For example, in prior years counties may not have parsed location information such as section, township and range into separate fields. A special project to fill in and “normalize” the electronically indexed data is proposed. A primary focus would be on the following data elements: section, township, range, quarter section, and lot, block, subdivision, city/town and the applicable parcel identification number(s).

“Normalization” can also include changes to the format of numeric data to create more consistency, such as establishing common rules for the use of leading zeros (or not), and document type mapping. All of these changes would be made in the ESS/ILR database – NOT local indexing systems.

Making these changes is a substantive, nontrivial project and therefore it is included in the list of possible “Modernization” initiatives. More resources will be needed to make it happen. The following is a description of the primary steps for implementation.

### **Data Analysis**

The indexing data for each county in the ILR system would be analyzed to identify missing data or data in a format that deviates from established standards. This review would be coordinated with each county recorder and their local LRMS service provider.

The data review would also examine any data the county may have not yet transferred to ILR for whatever reason. This might include parcel identification numbers, and other requested data elements, or perhaps index data and images from prior years.

### **Data Review and Modification**

Where present, either in the county system or within Iowa Land Records, unparsed data or missing county data would be isolated, extracted, parsed or re-formatted – whatever was necessary – to make it complete and formatted to established standards. At this stage, no changes to the ILR database have yet been made. The “normalized” data would be reviewed with the county recorder and their local LRMS service provider.

### **Data Insertion**

Once reviewed and verified, the data would be inserted into the appropriate elements of the ILR system. Test searches would be performed to verify that systems were working, and that data was being displayed correctly.

### **Option for County Updates**

Given the investment that would have been made in the “normalization” and parsing of the data elements, it seems appropriate to provide each county with the option to insert the updated information into their local indexing systems. We envision this being a function of the updated County Upload API (CUAPI) which we hope to move into production in 2025. Generally, if authorized or directed by the county, the local LRMS service provider would make a “call” to receive the updated data from ILR. In doing so that county indexing data could also be enhanced. This would be OPTIONAL for the county.

### **Time Line**

Updates to the CUAPI to enable the new transfer functions could be completed by December, 2024 and the process of working with each county would require an effort that would extend from July, 2025 through December, 2026.

### **Updated County Error Correction Process**

In the normal course of business, county recorders may identify indexing errors, e.g., spelling, that need to be corrected. County recorders sometimes append new information to an older electronic index record, such as an associated reference to a related and recently recorded document. It is suggested that these updates be received by ILR through the CUAPI, and then placed in a queue for review by a member of the ILR customer support team. Routine updates would be quickly approved, but the updated process would provide a “failsafe” against erroneous or unintentional changes in data. This control would be applied well after the normal time required for a county to complete indexing, such as 30 days following the recording date.

### **Priority ILR Steps**

While a systematic county by county process will take time and resources to implement, in the near term the ILR team would focus on counties with limited parsed location information. This action is needed to facilitate needed location searches that will allow for the full retirement of the legacy search application. Additionally, it would be appropriate to update ESS policies – primarily with respect to Chapter 2 of the ESS Policies and Procedures. These topics will be addressed in upcoming meetings of the ESS Standards Subcommittee.

**Requested Action:** No action is requested. Comments and guidance from the ESS Coordinating Committee are desired at this time.

## Chapter 3 Policy and Procedures Associated References

Chapter 3 of the Electronic Services System (ESS) Policies and Procedures is amended to clarify requirements for Associated Document References.

1. Section 3.1 of the ESS Policies and Procedures is amended by striking the definition of an Associated Document Reference and inserting in lieu thereof the following.

### **ESS – 3.1 Definitions.**

(Iowa Code Section 331.604, 3(a))

Associated Document Reference – The Document Reference Number assigned to related documents by a county, which may be represented as a book and page or as a reference number, coupled with the recording date of the document.

2. Section 3.1 of the ESS Policies and Procedures is amended by inserting the following new definition.

### **ESS – 3.1 Definitions.**

(Iowa Code Section 331.604, 3(a))

Bilateral Reference – Associated Document References between recently recorded documents and any antecedent document, when electronically indexed. When a recently recorded document and an antecedent document each include an Associated Document Reference to the other, it is a Bilateral Reference.

3. Section 3.9 of the ESS Policies and Procedures is amended by striking the section and inserting in lieu of the following.

### **ESS – 3.9 Associated Document References.**

(Iowa Code Section 331.604, 3(a))

3.9(1) The purpose of establishing standards, policies and procedures for Associated Document References is to ensure that the information is accurate, complete, consistent, and accessible through the county land record information system, and to ensure that information about associated documents including index information and document images can be retrieved. In some cases, the retrieval of associated document information will be implemented through a search link using the document reference information for the associated document or documents. Therefore, associated document reference information must be maintained in a format which is identical to the original document reference number and the Unique Code Value, as provided in section 3.9(3), for the associated document.

3.9(2) Each County shall include in its electronic index an Associated Document Reference to an antecedent document, if the reference is present in a document when submitted for recording. When electronically indexed, each County shall include in its electronic index for associated antecedent documents an Associated Document Reference to a recently recorded associated document.

Required Associated Document References in a County electronic index include the following.

- a. Index references between conveyance documents, e.g., deeds, contracts or bills of sale. The index information for a recently recorded conveyance document shall include an Associated Document Reference with the previous conveyance document for a property, and the index information for a previous conveyance document, if electronically indexed, shall include an associated reference to the recently recorded conveyance document.
- b. Index references between mortgage and satisfaction of mortgage documents. The index information for a recently recorded satisfaction or partial satisfaction document shall include an Associated Document Reference with the mortgage, and the index information for a mortgage document, if electronically indexed, shall include an associated reference to any recently recorded satisfaction or partial satisfaction document(s).
- c. Index references between state and federal tax liens and releases of federal and state tax liens. The index information for a recently recorded lien release or partial lien release document shall include an Associated Document Reference with the lien, and the index information for a lien document shall include an associated reference to any recently recorded lien release or partial lien release(s).
- d. Index references between other associated documents such as original documents, re-recorded documents, or corrected documents. The index information for a recently recorded corrected document or re-recording shall include an Associated Document Reference with the document originally recorded, and the index information for a document originally recorded shall include an associated reference to any newly recorded corrected document(s) or re-recording(s).
- e. Index references between conveyance documents, e.g., deeds, contracts or bills of sale and any recorded and required companion document such as a Groundwater Hazard Statement. The index information for a recently recorded conveyance document shall include an Associated Document Reference with any recorded and required companion document such as a Groundwater Hazard Statement, and the index information for a recorded and required companion document such as a Groundwater Hazard Statement shall include an associated reference to the associated and recorded conveyance document.
- f. Index references between a survey or plat, corner certificate, monument preservation certificate, or easement and any similar documents related to the same property. The index information for a recently recorded survey and plat, corner certificate, monument preservation certificate, or easement shall include an Associated Document Reference with a previously recorded survey and plat, corner certificate, monument preservation certificate, or easement for a property, and, if electronically indexed, the index information for a previously recorded and associated survey and plat, corner certificate, monument preservation certificate, or easement document shall include an associated reference to the recently recorded survey and plat, corner certificate, monument preservation certificate, or easement document.

3.9(3) For the purpose of enabling links between associated documents, the Unique Code Values assigned to related documents shall be utilized by the county land records management system. The Unique Code Values are used to quickly retrieve information about related or associated documents.

3.9(4) Each associated document reference shall be transferred to the county land record

information system when the reference is created in the County indexing system as specified in Chapter 4.

3.9(5) A County shall not decline a document submitted for recording if an associated reference is missing from a document which is contemporaneously submitted for recording, such as a groundwater hazard statement, or from a document which does not modify or have a legal effect on a previous transaction, such as a survey or plat, corner certificate, monument preservation certificate.

This amendment shall be effective January 1, 2025.

\*\*\*\*\*

PROPOSED ACTION

Chapter 3  
Policy and Procedures County Data and Information Standards

1. Section 3.1 of the ESS Policies and Procedures is amended correct a spelling error in the definition for the term “Public”.

Public – The term used to reference the citizens of a County in the land record index by a County Recorder with respect to the document type Corner ~~Certificates~~ Certificates.

2. Section 3.10 of the ESS Policies and Procedures is amended to require the indexing of parcel identification numbers.

**ESS – 3.10 Parcel Identification Numbers.**

(Iowa Code Section 331.604, 3(a))

3.10(1) The purpose of establishing standards, policies and procedures for Parcel Identification Numbers is to ensure that the information is accurate, complete, consistent and accessible through the county land record information system, and to ensure that information about Parcel Identification Numbers can be used as link or reference to other property information systems. Parcel Identification Numbers can be used as a search criteria data element when searching for information in the county land record information system. ~~In some cases, the retrieval of document or property information will be implemented through a search link using the parcel identification number. Therefore, the~~ The format of Parcel Identification Number information must be maintained in a format which is identical to the format used in other County systems which assign or maintain Parcel Identification Number information.

3.10(2) ~~When practicable, each~~ Each County indexing system shall provide for archiving parcel identification numbers as specified herein. All parcel identification numbers associated with a property which is described in a recorded conveyance document shall be archived. The parcel identification number shall be the number assigned by the County or City Assessor to the property ~~at the time of recording.~~ Parcel identification number(s) shall be added to the appropriate document index as soon as possible.

3.10(3) ~~Parcel identification numbers shall be archived in exactly the same format as the parcel identification numbers archived in the applicable County or City Assessor database.~~



3.10(4) In the event that parcel identification numbers associated with a property are subsequently changed by a County or City Assessor, the County Recorder shall not modify the indexed parcel identification number associated with ~~the recording of a recorded conveyance~~ document. The indexed parcel identification number is intended to be a historical reference concerning the property at the time of recording.

3.10(5) This section shall be effective ~~January 1, 2016~~: January 1, 2025.

Section 3.10(5) amended 12.11.13.

Section 3.10(2) amended 8.12.15.

PROPOSED ACTION

# Central States

Mortgage Recording Fee Central U.S. State

1 PAGE RATE	4 PAGE RATE
\$7 1985	\$22 1985
\$20.02 2023	\$62.91 2023



# Reform & Modernization

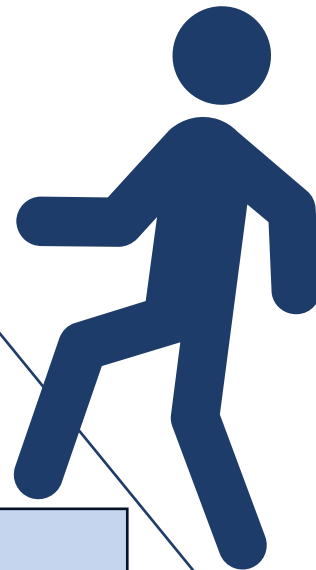
A Path To

# SUCCESS

Advocacy

Fee Creativity

Customer Benefits



# ICRA-ESS MODERNIZATION INITIATIVES

A core proposition of the proposal to update recording fees is that it will provide a return on investment and benefits for citizens and the real estate industry. The following is an abstract of modernization initiatives. Some changes may simply require a change in policy. Others will require greater investment beyond the recording fees that fund the operation of county recorder offices. The next steps will require the development of a project scope of work and cost estimate. The initiatives are listed in no particular order or priority.

**Modernize Document Formatting;** Document formatting requirements were last updated in 2007. Since then electronic recording has become ubiquitous and document preparation has become more automated. Iowa recorders have been exploring changes in formatting requirements and are engaging with stakeholders to review them and to gather additional ideas. Potential changes include modifying margin requirements, specifying requirements for a “stamp area”, permitting the use of an Index Legend for required recording information, required parsed location information in addition to a full legal description for conveyance documents, requiring counties to index parcel identification numbers for conveyance documents, clarifying the meaning of “prepared by and return to”, clarifying the roles of recorders and document preparers, better aligning the requirements of sections 331.606, 331.606bB, and 558.49, the possible indexing of notary information, clarifying the definition of a “transaction” in 331.601A(9), and other changes such as normalizing future recording reference numbers, and the indexing of data elements such as considerations, instrument dates, time of recording (millisecond).

**Declaration of Value (DOV);** Declaration of Value documents contain information of interest to the real estate industry and citizens generally. Current law requires that preparers submit DOV documents along with conveyance documents (associated with the payment of real estate transfer taxes), but recorders are prohibited from recording them (428A.1(3)). It would be possible to record and make the documents available through Iowa Land Records. This could be an associated document with the conveyance document for easy reference, and the cost of adding this function could be incorporated with any recording fee policy change.

**Expand Document Types for Searching;** When Iowa Land Records was first created the design was based on standards that had been adopted by the national Property Records Industry Association (PRIA). The PRIA model encourage the use of a consolidated list of document types, because they were focused on developing and promoting electronic recording. Fewer document types would make it easier for submitters. Twenty years later it can be observed that this assumption turned out to be mostly true for E-Submission.

But an unintended consequence was that searching by document type – particularly for subsets of document types like deeds or documents that were classified as “other” – became more difficult than it needed to be. There is a case to be made for creating an expanded and consistent list of document types for the ILR database and the ILR search application. In summary, ILR would use a shorter list for E-Submission and a longer list for searching. This would require a substantive effort to normalize document type data in the ILR databases and remapping local county data to a new ILR standard document type list. Potentially this could include a discussion about normalizing county document types as well.

# ICRA-ESS MODERNIZATION INITIATIVES

**BTB Redaction Program Reforms;** In 2021 the Iowa General Assembly adopted legislation to allow for the redaction of a peace officer's name from an electronic document displayed for public access through an internet site. The policy was implemented in July 2021. However, the structure and terms of the legislation may not provide as much protection as intended. The program is administered by Iowa Land Records. There may be better methods for shielding the personal information of peace officers while enabling professionals in certain professions to continue provide important financial services to them.

**"Normalize" County Location and PIN Information;** Iowa Land Records provides access to more than 23 million records. However, the formatting of certain data may not be consistent across all counties, making searching more difficult. For example, in prior years counties may not have parsed location information such as section, township and range into separate fields. A special project to fill in and "normalize" the electronically indexed data is proposed. A primary focus would be on the following data elements: section, township, range, quarter section, and lot, block, subdivision, city/town and the applicable parcel identification number(s).

**Internalize Redaction Processes;** In 2009 Iowa Land Records established a centralized process for redacting personal identification information (PII) from all electronic documents posted on the public website. An external service provider was selected through a competitive process, and that provider has been used to redact both historical records and recently recorded documents. OCR technology and artificial intelligence software has significantly in the past 15 years, and Iowa Land Records believes that these processes could be effectively internalized. Software development is required to integrate these tools into ILR systems.

**Index External Registry References;** Alternative private registries for certain real estate business functions such as mortgage registrations, remote notarial systems, and distributed ledgers for business transactions are growing, but there is no common method for tracking where this information resides. A land records system such as ILR could be a repository for this registry information - making it accessible to the public. Incorporating this information into the recorders index would require additional work and investment by recorders, their local technology service providers and by ILR.

**Create an ILR Blockchain;** Blockchain has been identified as one of the top five transformative technologies of this time (along with artificial intelligence and several others). One of the main benefits of blockchain is that once information is saved on the blockchain it can't be undone – providing additional certainty and security. Iowa Land Records, operating under a 28E agreement with all 99 counties, is uniquely situated to establish a distributed ledger system for maintaining a permanent official record of ownership for properties throughout Iowa. Once established, any legitimate, authorized, real estate professional could access information recorded on the chain. Software development and collaborative work with stakeholders and other technical service providers are required to create such a system – which would be the first in the nation.

# ICRA-ESS MODERNIZATION INITIATIVES

**Integrate with Local “Look Up” Tables and Establish ILR Look Ups;** County electronic indexing systems incorporate standard “Look Up” tables to establish consistency in spelling and abbreviations for certain data points such as subdivision names and abbreviations and city names and abbreviations. Iowa Land Records is integrated with each county land records management system through an application programming interface (API). Modifications to the API would permit Iowa Land Records to use the standard lookup tables for the ILR land record search application and the ILR E-Submission service. This would make searching and E-Submission easier for the user and potentially increase efficiency with county indexing processes. Planning and software development work is required.

**Modernize the External Submitter API;** Iowa Land Records provides an API for national electronic recording service providers. There are many companies in the real estate industry who transact business in all fifty states. For this reason, those companies work with electronic recording service providers so they can reach every state through one system. However, there are some inefficient steps in this process – recorders have difficulty communicating with the original submitter, and the service providers abandon recording packages if they are declined by recorders instead of making corrections in the same package. ILR wishes to update the External Submitter API to address these issues.

**Create a Statewide Fraud Alert Notification System;** Legislation has been introduced to require Iowa counties to implement a property fraud notification system. Such a system would notify a property owner if there was any recording activity associated with their property or surname. Iowa Land Records is developing a plan to establish a notification system which would serve property owners in all 99 counties. A statewide system will be more efficient than 99 separate (and varied) systems, and the intention is to leverage the recently created “citizen search” to submit their alert requests. Planning and software development work is required.

**Digitize and Index Historical Surveys and Plats (including unrecorded surveys);** Discussions with the Society of Land Surveyors of Iowa indicate that there would be substantial benefit to surveyors and the consumer if more historical surveys were digitized and made available through the Iowa Land Records website. Work to build associated references between recently recorded surveys and plats and prior historical documents would also be valuable. A coordinated process to digitize surveys in each county, enter index information and associated references, and to post the information on Iowa Land Records is required.

**Create A Multi-Jurisdiction Plat Approval Process;** Discussions with the Society of Land Surveyors of Iowa indicate that there would be substantial benefit to creating a system to support the electronic review of plats and surveys by city and county officials. Once approved by the city or county, it would be available to electronically submit the county recorder for recording. A secure “approval” stamp could be provided to each jurisdiction to signify completion of a review process. The intent is to create a smooth and seamless workflow from surveyor/engineer to the city/county. Within the same “package” errors could be identified, then corrected by the submitter, and returned to the city/county (similar to the current ILR E-Submission service). Software development and collaborative work are required to create such a system.

# ICRA-ESS MODERNIZATION INITIATIVES

**Re-establish Integration with Beacon and Integrate with Other GIS Systems;** For many years Iowa Land Records has had an integration with Schneider Corporation's "Beacon" system. Users could search for a property address and when found, a link to the conveyance document posted on the Iowa Land Records website would be presented. With the creation of a new ILR search application and the retirement of the ILR legacy search system, that link has been broken. ILR wishes to work with Schneider Corporation to create a new API that would permit authorized Beacon users to access information about a property on the ILR website, and conversely for ILR users to access property information from the Beacon system. The ability to access information from both systems would provide substantial benefits to real estate professionals. An updated API could also be made available to other geographic information systems to provide reciprocal access.

**Create a new special purpose "text" search for indexed legal description information;** Text search is a process by which textual data is consumed, parsed, and those pieces are mapped/indexed to documents for faster searching. Many times the maps/indexes are cached for even faster reference times. This would be particularly useful for searching longer, historical legal description information indexed in some counties before location information became parsed and indexed separately. There are open-source products that offer text search functionality which can be tied into Iowa Land Records applications.

DRAFT  
FOR DISCUSSION

**Index Legend Survey  
County Recorders  
February 10, 2024**

	<i><b>A joint working group of recorders and surveyors has been formed. The next topic that they will be discussing is "Index Legends". Please share your comments about how surveyors are using the index legend and provide any suggestions for improving the practice of using Index Legends.</b></i>	
Response Number		
1	While the index legend is a great place for us to find most relevant information for a survey, often times the legal description is either not listed correctly, or not complete enough compared to the amount we would normally index. We are then having to go to the area of the survey for the legal description and index from there. Aside from the legal description discrepancies, the index legend is a great idea for this doc type.	
2	NO issues with the index legend	
3	Working fine for us as of now	
4	I haven't had any problems with index legends. The legends have all been completed and easy to read.	Legal
5	I feel most of the surveyors in my area do a good job on the index legends. The only I would recommend is more space to put Zonning admin information.	Space/ Font
6	We are not having issues with the index legend	ILR Stamp
7	Don't abbreviate proprietor names - list names as how they hold title.	Consistency
8	Sorry, no advice here. I'm only 1 year into this position so not much input.	
9	It would be helpful to have the (blue shaded) label tool on ILR e-sub be more rectangular to match the space most commonly open space atop surveys submitted -- the current label tool is square, so many times my label overlaps their exterior line of the survey map, making it unreadable.	
10	We appreciate the legends and don't really have any complaints. They are easy to read and are providing necessary information.	
11	Our surveyors that we file plats for always have their legend box completed for us to easily index. Benton County has no problems.	
12	Larger print	
13	I like the index legend, but it is not consistent with information. Codify if possible, creates more consistency and legitimacy.	
14	we have not had any problems	
15	I would say most of the surveyors we deal with are pretty good about using the index legend. One or two complain but its not the norm.	
16	Seems to be working well.	
17	Seems to be working well.	
18	For the most part it is satisfactory. Legal Description more complete.	
19	I think the surveyors use the index legend and put in the necessary information that is required on the index legend. My only concern if we use the index legend for other documents is that I don't want to see the index legend box any smaller or the font size any smaller than it is on surveys, especially, if there is a lot of information the preparer is trying to put in the index legend. I just want to make sure it is legible.	
20	Consistency with all surveyors legends being similiar would be helpful.	
21	We would like to see the Parcel Letter designation included in the Index Legend when applicable. Some surveyors add it and some do not. We can always look at the plat to find it, but it would be nice to have it right with the rest of information in the Index Legend. It's not a really big deal, just a thought.	
22	Our local surveyors do a great job with their legends.	Legal
23	We have no concerns with our index legends when working with plats of survey.	Space/ Font
24	We have no issues with the Index Legends. We do use this for indexing.	ILR Stamp
25	When we started the legend, it was my understanding we were to index from that legend. Often times they are just doing section-township-range, no quarters or parcel letters. If we are to index from it, I feel like the legal needs more information.	Consistency
26	We find the Index Legend very useful when indexing as all of the information is in one spot.	
27	Double check that the legal in the legend, is the same as the legal in the body of the plat. Mainly T-S-R	



**Index Legend Survey  
County Recorders  
February 10, 2024**

	<b><i>A joint working group of recorders and surveyors has been formed. The next topic that they will be discussing is "Index Legends". Please share your comments about how surveyors are using the index legend and provide any suggestions for improving the practice of using Index Legends.</i></b>	
Response Number		
28	Sometimes the legal description in the index legend has different quarter sections listed from the legal description and we end up indexing both in order not miss anything. Otherwise, overall, I feel that the index legend has been helpful.	
29	I do like the Index Legend. I will say that we also do read the document to do our indexing to make sure the legend legal agrees with the document because sometimes it does not agree with how we index.	
30	The biggest asset index legends have been for me that I can quickly find the proprietor and the requestor - both of which need to be indexed, but were previously not in a standard, easy-to-find area of the survey.	
31	Silly question but not sure what it means when you say using index Legends?	Legal
32	I really like how our local surveyor office has their legend. All the information is always there and correct. They follow the guidelines that were set up. Some others don't always have it complete. I like the size of the legend, the information it contains and where it is placed.	Space/ Font
33	I don't know what "Index Legends" is.	ILR Stamp
34	I think the index legends are great. If they could keep their preparer information inside the legend and not all over the document, that would be great. There is such a variety of different surveyors and every one does everything differently. Consistency would be great.	Consistency
35	Our surveyors are using index legends correctly	
36	We typically don't use it. We index from the actual legal description shown on the plat.	
37	I think the legend is working great.	
38	We haven't had anything brought to our attention in Decatur County with index legend problems	
39	I like the index as is, unless of course our surveyor friends have suggestions. I really hope recorders are making use of this to index plats.	
40	We do like having the index legend. It gives a lot of needed information in an easy format to read.	
41	Most surveyors use the index legend and do a great job. My only complaint is font size and legibility when they squeeze all of that information into the legend.	
42	In Pottawattamie County, neither us nor our GIS really pay much attention to the Index Legend. I feel like the legend contains a lot of redundant information or info that we don't really care about and is another place for an error or typo to occur. Our Auditor finds the legend useful but really more for the legal.	
43	I don't have anything to discuss at this time	
44	While the index legend is a great place for us to find most relevant information for a survey, often times the legal description is either not listed correctly, or not complete enough compared to the amount we would normally index. We are then having to go to the area of the survey for the legal description and index from there. Aside from the legal description discrepancies, the index legend is a great idea for this doc type.	
45	We find the index legend information helpful in our document processing and all is going well. No complaints or suggestions at this time.	Legal
46	We are fine with the legends.	Space/ Font
47	I wish the surveyors would use the parcel letter assigned to them in the index legend.	ILR Stamp
48	Most, if not all, of the surveyors in our area include an index legend.	Consistency
49	We have not gotten much feed back from the surveyors on the index legend(when searching our records)	
50	I find the Index Legends to be super helpful. Having the most pertinent information for Recorder's to index all in one area makes sense! Maybe monitoring the consistency of where this index legend is located would be an improvement. I know it's not always practical to have it in the same area, but I find it helpful to be in the same location as often as possible.	
51	i guess i don't have any issues with the index box	

**Index Legend Survey  
County Recorders  
February 10, 2024**

	<i><b>A joint working group of recorders and surveyors has been formed. The next topic that they will be discussing is "Index Legends". Please share your comments about how surveyors are using the index legend and provide any suggestions for improving the practice of using Index Legends.</b></i>	
Response Number		
	I think the Surveys are pretty good. I would like to see them do the same with corner certificates.	
52	Sometimes they are hard to figure out.	
53	I feel most are using as they should. Providing us with the correct information to index.	Legal
54	We don't have any complaints or suggestions.	Space/ Font
55	We have no opinion on the Index Legend. I would leave it up to the Surveyor since they are the licensed professional.	ILR Stamp
56	Indexing should be the same state wide.	Consistency
	Honestly, I'm not a fan of the legends at all. There have been so many times surveyors forget to change their template to match the actual legal, or they not putting all of the quarter quarters up there. More often than not, they are not putting parcel letters up there. If we are to index from the legend, I like to index as much detail as possible because it is helpful for title searchers. If Parcel A is in SW SW and they are only putting SW, a detailed search may not pull it up. I would much rather index from the full legal description within the survey. Just my opinion.	
57		
58	complete legal	
59	include the full new description	
60	I feel like things are working well as is.	
	Some surveys being e-submitted are not giving us enough room to put on our stamp on at the top of the survey in Eagle.	
61		
62	We think they are doing great with it. The information they are providing helps immensely.	
63	Don't know	
	I feel the legends have been a large improvement, however we struggle finding all of the associated document numbers in the body of the document. Could those be added to the legend?	Associated References
64		
65	The surveyors we work with are providing the information as requested on the survey document. At this time we have no further suggestions.	

February 15, 2024

To: ESS Coordinating Committee

From: Lisa Long, Customer Service and Account Manager  
Corrie Strasser, Customer Service Coordinator

Re: Search Transition

In May 2023 we began the process of converting existing Esubmission accounts to Search 2.0. In September when most existing E-Submission accounts were converted, the Organization Application was opened to allow all businesses to register to use E-Submission and/or Search 2.0. To date over 1,800 new organizations have been added, 29% of the new accounts are E-Submission + Search accounts, and 71% are Search Only accounts. Eleven accounts haven't been converted yet, and we are working to get them moved along in the process.

On December 9, 2023, access to legacy search was disabled for all users. Approximately 2,650 new Individual Users have been approved to use Search 2.0 to date. December and January were application-review focused. While both Organization and Individual applications have slowed considerably, much of the day is still spent reviewing applications, and providing password resets and search tips.

New organizations are authenticated through a multi-step process. The access being requested is reviewed, search or submit? Both? Many people have requested access to both E-Submission and Search 2.0 without realizing what they are asking. If their business doesn't make sense as being an E-Submitter, we confirm what their needs are before approving the account and providing login and account setup information.

Applicants often fill in their Secretary of State Business number, and we do check that when it is provided. Some applicants don't fill it in, but we can find it as a validation point on our own. In some cases, we've asked for proof of the business's existence when we can find no proof online. Some applicants reply and provide their business certification information from another state, and others never reply in any way. After at least two attempts to contact them for more information over at least two weeks, we deny their application for not providing the information needed. Additionally, if we can't find proof of a business's existence, we sometimes contact the Recorder's office in the appropriate Iowa county to see if the party is known to them.

Validation of out-of-state businesses can be a challenge, and we've had some interesting experiences. Here are a few:

1: We had one business that seemed suspicious at first, but we were able to use Google Maps to look at the office building they noted as their address and confirm that their name is on the physical building. Approved!

2: We've had a business that was blacklisted in the legacy system re-apply repeatedly and try to claim they are a U.S. business. They've gone so far as to have a street address listed on their website and an inviting note about how visitors are welcome to stop by the office. Carrie did some very light digging on the address, found it was a home, and contacted the homeowner. He's never heard of the business. Denied!

3: We denied one applicant as they provided a fake phone number (something like 888-000-0000), and we invited them to re-apply with a valid phone number. They've reapplied two more times with fake phone numbers. Denied!

4: People are a bit too honest when requesting usernames. Some are funny, some not so much. Ask us for examples!

Individual users are validated by checking the address provided, confirming an application has not been approved previously, and determining whether the email address is complete. Does the applicant have access through a business account?

Individual Users are allowed 10 document views per day, and Organization users are allowed 120 document views per day. Users may complete a request for a temporary (10-day maximum) extension (up to 200 document views per day) when they are working on special projects. We've used this about 10 times so far in appropriate situations. Sometimes when we get feedback from users that 10 document views are too few, we discover that they are business-level users and encourage them to complete the Organization application. This provides them with expanded access under their registered business name. All users have unlimited searches and index views.

In general, E-Submission support has remained consistent during this transition, but Search support requests are up considerably (as expected). As we hear recurring questions from users, we make note of the issues and queue the topics for newsletter content and other training channels.

**From:** Cody Dykstra  
**Sent:** Monday, February 12, 2024 12:39 PM  
**To:** Phil Dunshee  
**Subject:** RE: Weekly Update

Hi Phil and Kelly,

The Cloud environment is almost deployed and will sit behind the new FortiGate device. I am still working on translating firewall rules from the config Kelly provided me, but it is coming along. All objects such as addresses have been configured on the new firewall.

I hope to have the firewall complete by mid-late next week so we can move your colo over to the new device. Then, we will tag an additional temporary VLAN to your colo to attach temporary iSCSI storage to. We will then work together to move your VMs to that storage, which will also be attached to our cloud infrastructure. We will then power down your VMs, register them from your vCenter, register them in ours, compute and storage vMotion them to our compute cluster and the VSAN storage, and then power them back on and test. We will complete this in as many batches and maintenance windows that you deem necessary, at the times that work best for you and your team. These windows can more or less be whenever you like, as I am perfectly amenable to working after hours or on weekends if need be.

Thank you,



**Cody Dykstra**  
Implementations Specialist



110 Horizon Drive, Suite 210, Raleigh, NC 27615  
919.459.2081

## **Name of Publication (# draft, Date of Issue)**

[www.pria.us](http://www.pria.us)

**DATE Disclaimer:** *This is a proposed-for-adoption draft.*

*There are still known deficiencies in format which PRIA's Style Committee will clean up following final approval.)*

DRAFT  
FOR DISCUSSION  
NOT FOR DISTRIBUTION

PROPERTY RECORDS INDUSTRY ASSOCIATION

Copyright Notice, License, Disclaimer  
For  
Incomplete Work

2024

A. **COPYRIGHT NOTICE:** Copyright © 2024 – Property Records Industry Association (“PRIA”). All rights reserved.

B. **LICENSE:** This draft document (the “Incomplete Work”) is made available by PRIA to members and the general public for review, evaluation and comment only. This document is under development and not a final version.

PRIA grants any user (“Licensee”) of the Incomplete Work a worldwide, royalty-free, non-exclusive license (“License”) to reproduce the Incomplete Work in copies, and to use the Incomplete Work and all such reproductions solely for purposes of reviewing, evaluating and commenting upon the Incomplete Work. NO OTHER RIGHTS ARE GRANTED UNDER THIS LICENSE AND ALL OTHER RIGHTS ARE EXPRESSLY RESERVED TO PRIA. Without limiting the generality of the foregoing, PRIA does not grant any right to: (i) prepare proprietary derivative works based upon the Incomplete Work, (ii) distribute copies of the Incomplete Work to the public by sale or other transfer of ownership, or (iii) display the Incomplete Work publicly. Comments on the Incomplete Work must be sent to PRIA.

Any reproduction of the Incomplete Work shall reproduce verbatim the above copyright notice, the entire text of this License and the entire disclaimer below under the following header:

This document includes Incomplete Works developed by PRIA and some of its contributors, subject to PRIA License. “PRIA” is a trade name of the “Property Records Industry Association.” No reference to PRIA or any of its trademarks by Licensee shall imply endorsement of Licensee's activities and products.

C. **DISCLAIMER:** THIS INCOMPLETE WORK IS PROVIDED “AS IS.” PRIA AND THE AUTHORS OF THIS INCOMPLETE WORK MAKE NO REPRESENTATIONS OR WARRANTIES (i) EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT; (ii) THAT THE CONTENTS OF SUCH INCOMPLETE WORK ARE FREE FROM ERROR OR SUITABLE FOR ANY PURPOSE; AND, (iii) THAT IMPLEMENTATION OF SUCH CONTENTS WILL NOT INFRINGE ANY THIRD-PARTY PATENTS, COPYRIGHTS, TRADEMARKS OR OTHER RIGHTS. IN NO EVENT WILL PRIA OR ANY AUTHOR OF THIS INCOMPLETE WORK BE LIABLE TO ANY PARTY FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES FOR ANY USE OF THIS INCOMPLETE WORK, INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS, BUSINESS INTERRUPTION, LOSS OF PROGRAMS OR OTHER DATA ON ANY INFORMATION HANDLING SYSTEM OR OTHERWISE, EVEN IF PRIA OR THE AUTHORS, OR ANY STANDARD-SETTING BODY CONTRIBUTORS TO THIS INCOMPLETE WORK ARE EXPRESSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## Table of Contents

Introduction .....	4
Blockchain Digest .....	5
Blockchain and the Public Land Registry – The Key Issues .....	5
Blockchain – What Is It? .....	5
Blockchain – Is It Important? .....	5
Blockchain – What Is Important? .....	6
Speaking The Same Language? .....	6
How Much Data Is “On Chain”? .....	7
Bypassing Intermediaries .....	7
Are Tokens Real? .....	7
Parallel Systems .....	8
Integrating Blockchain with Traditional Systems .....	8
Blockchain, Cryptocurrency And Fraud .....	9
Blockchain Uses – Public .....	9
Blockchain Uses – Private .....	9
Blockchain Policy and Legislation .....	11
What to Watch For – Future Applications and Policy .....	11
Conclusions and Next Steps .....	11
Appendix A – Blockchain BASICS paper including the Blockchain Glossary .....	12
Appendix B – Blockchain Uses – Public – Meeting Summaries .....	12
Appendix C – Blockchain Uses – Private – Meeting Summaries .....	12
Appendix D – Policy References and Legislation (specific and notable statutes and bills) .....	13



## Introduction

Over several years and at numerous conferences and meetings, the members of the Property Records Industry Association (PRIA) have heard that “blockchain is coming” and may transform many aspects of the real estate industry. Naturally, PRIA members are asking questions.

- What does this mean to me?
- How will it affect the public land registry?
- What should I be doing to prepare for these changes?
- Should I support these changes, or should I resist?

The PRIA membership is comprised of public officials who record and maintain the public record of real property transactions in the United States, private service provider organizations which help those public officials manage the systems used for the recording and archiving of records, and private for-profit and non-profit organizations which serve the segments of the real estate and mortgage industry which prepare and submit those records for processing.

Depending on the specific application, the use of blockchain technology could affect property record professions beyond the PRIA membership including real estate agents and brokers, buyers and sellers, lenders and closing agents, title professionals and insurers, appraisers and more.

Champions of blockchain technology sometimes view themselves as innovators and market disruptors who will help bring greater efficiency and productivity to the property industry, in part by using software and systems to eliminate the middlemen who, they say, create inefficiencies. Some claim that blockchain, eventually, will be used to eliminate the need for title insurance and perhaps the public land registry itself.

In January 2023, the PRIA Board of Directors approved a formal work group charged with gathering information to educate and inform members and the industry about the blockchain. Four sub-groups were formed to address the following topics:

- Blockchain Basics – To compile information to foster a common understanding of blockchain technology terms often used by the industry, and explore the “pros” and “cons” of using blockchain
- Blockchain Uses – Public – To explore current uses of blockchain in the public sector with a focus on applications related to operations in the recorder’s office
- Blockchain Uses – Private – To explore current uses of blockchain in the private sector with a focus on applications related to real property
- Blockchain Legislation – To review public policy including legislation to authorize the use of distributed ledger technology for transactions, pilot projects and initiatives using blockchain technology, and policies concerning the interoperability of blockchain

systems with the public land registry and existing legal requirements for real property transactions.

The efforts of the four sub-groups have been a journey. Each has dedicated significant time to understanding the technical workings of the blockchain and how both public and private entities are using or hoping to use it for the delivery of services and benefits to stakeholders, customers, and citizens. And each work group would acknowledge there is much more to learn because the development and implementation of applications, particularly in the real property industry, are still in their infancy. The full story of blockchain is yet to be determined in the marketplace and in part by the public policies that are adopted.

What follows is a description of the key ideas that emerged from the work each sub-group conducted throughout 2023. Supplemental information and additional details can be found in the Appendices which include summaries of the meetings and interviews that were conducted. Links to resources are embedded in those summaries.

## Blockchain Digest

[Basics Narrative to Be Inserted]

### Blockchain and the Public Land Registry – The Key Issues

#### Blockchain – What Is It?

Essentially, blockchain is a database, which is used to store **limited but very** important information required for various business processes. What differentiates it from other databases is that the information, once saved, can't be edited. Changes or corrections must be appended. For some uses, this feature provides more security and certainty that the information is accurate and unchanged. Generally, this security is accomplished through a combination of encryption and storage on a network of computers, also known as "nodes," rather than on one central computer. **Both blockchain and traditional database systems share some weaknesses, such as receiving and storing incorrect information.**

The technical description **of blockchain** is more complicated, and more information about the mechanics of blockchain can be gleaned from the glossary **and the "pros and cons" information** prepared by the Blockchain Basics sub-group (see [insert reference]). **Technology consumers should thoughtfully evaluate a blockchain platform and review the costs and benefits as they would any technology. Immutable does not equal infallible.**

#### Blockchain – Is It Important?

Yes, it deserves attention. Some futurists have identified blockchain (and artificial intelligence – AI) as transformative technologies that will have a large impact on the global economy, affecting how business is transacted. Entrepreneurs, corporations, and governments are

investing significant resources in this technology. Some of the investments can be characterized as speculative, but some are focused on solving specific problems to improve business processes, enhance the customer experience, and generally to reduce costs and increase profitability.

### Blockchain – What Is Important?

The specific elements of blockchain which merit attention may depend on the role of the individual or organization who will be asked to use them. Blockchain will be represented to consumers (everyone!) as a safety or security feature of products and services. Perhaps the best approach to answering the question of importance is simply to try to be a smart consumer. What benefits does it provide? Is it needed? What are the alternatives? How do the costs weigh against the expected benefits? For some business purposes the use of blockchain can be a very important solution, but it may be unnecessary or provide little return on investment for other purposes.

### Speaking The Same Language?

Apart from the technical terms (see [insert reference]), champions of blockchain will often use terminology that sounds familiar, but the actual meaning is different from the common understanding. Astute consumers must be aware of these differences.

- Public Blockchain – Blockchains are not really public. Neither a public nor a private blockchain is “public” in the same sense that a record archived by a recorder is a public record and accessible to anyone. The product or service using blockchain may have an interface which provides access to certain information, but only to people who are parties to a transaction and who have been granted permission to access it. If you want access to information on the chain, you need to be a customer or an authorized user. Blockchain advocates have said, “A public blockchain is one where anyone is free to join and participate in the core activities of the blockchain network.” [See Investopedia.com, for example.] What they are describing is different from being able to look up a document in a county land registry or a land records website.
- Transparency – In the context of a blockchain application, “transparency” means that a node in a blockchain is visible to authorized parties or systems. Not every node in a blockchain can access all information in the blockchain, and it is certainly not transparent to the public in the same way a public record or an action by a public body is. When blockchain advocates claim that the system is “public” or “transparent” – it usually involves only the parties to a transaction and the developer of the blockchain network.
- Immutability, Trust, and Truth – Champions of blockchain use these terms to highlight that information on the blockchain cannot be changed, only appended. This feature provides the parties to a transaction some surety that the information is correct and has not been deleted or changed. This is especially beneficial when the parties to a transaction have low trust in each other. Blockchain proponents believe that a decentralized system is better. This does not mean that other databases are

**Commented [SK1]:** Confusing. Different from how Basics describes a public blockchain.

**Commented [PD2R1]:** Agree that we should review it then

untrustworthy. The public land registry is generally considered to be a trustworthy data source, and there is value in having a central, trusted authority.

- Decentralization - Champions of blockchain use this term to demonstrate the trustworthiness of their systems. Having no central authority, decentralized nodes verify that certain information is correct and unchanged and, thus, there is evidence of trustworthiness. It should be noted that blockchains can be structured as highly centralized systems that utilize a private network of computers and software and store limited, selected information. Centralized data systems, including public land registries, public geographic information systems and many other data sources can provide substantial benefits. When properly secured, backed up and well-managed they are also very trustworthy.

**Commented [SK3]:** What “substantial benefits?”

**Commented [PD4R3]:** Easy access to useful information can be linked to other data sources. This is made possible by the cooperation of trusted, central sources of information. A library with an index of its books and records is an example of a centralized data system that is VERY useful.

#### How Much Data Is “On Chain”?

A review of current uses of blockchain technology suggests that organizations are not using blockchain to operate entire applications or business processes. Usage instead is focused on segments of a business process, those that are deemed to justify the need for immutability, and a high degree of trustworthiness. Because implementing a blockchain is not a trivial or inexpensive investment, the data saved on a blockchain is likely to be related to the most important elements of a business process. Further, storage of images is not a primary use of blockchain technology because.... Associated or ancillary data may be archived on a more traditional database and information system, and the blockchain may only include a reference to this information. The reference could be a hash value indexed to the more detailed information on the external system. A hash is a unique numerical value generated by a cryptographic algorithm which identifies the contents of the file. See Appendix A.

#### Bypassing Intermediaries

A heralded benefit of products which incorporate blockchain technology is that it can create efficiencies, reduce costs, and increase profits. This is accomplished by eliminating wasteful intermediaries that are costly and time-consuming. It is asserted that if a fact is on the blockchain, the intermediaries who have the function of validating, underwriting, evaluating, or verifying anything would no longer be needed (because the data is said to be immutable). Advocates of blockchain and products which incorporate blockchain make these claims. Some assert that it is the future of real property titling – using digital tokens. However, the review of current uses indicates that the legal structures that have been established, particularly in the United States, have been created for an important purpose and may not be easily bypassed.

#### Are Tokens Real?

Yes. In the context of blockchain a “token” is an asset that allows information and value to be transferred, stored, and verified, including the tokenization of real estate. In theory, if someone owns and controls the token representing a property, they own the property. The token is secured by storing it on a blockchain. In some cases, investors can then purchase security tokens representing a fractional ownership stake in the property. Some tokenization models are associated with the economic activity for a property, not the ownership of the

property itself. Put simply, a token is a form of money, a medium of exchange that is accepted by people for the payment of goods and services. If two people agree on a token and its value, it is real. The question is whether other parties accept it. The use of a token does not necessarily mean that the steps legally required for a real estate transaction, steps designed to protect the interests of both the buyer and seller, can be bypassed.

#### Parallel Systems

The review of current uses suggests that emerging blockchain applications, when intersecting with the public land registry, are operating parallel processes. When property is being exchanged (or leveraged in the form of a mortgage or HELOC, for example), companies are capturing efficiencies with blockchain where they can, while still conforming to traditional requirements like recording documents for conveyance or loans. With or without blockchain, there is precedent for the private sector to leverage information created by the land registry by setting up independent structures to better fulfill their business purposes. This is what traditional title plants, and what businesses like ICE (MERS), CoreLogic, and LexisNexis do. This will continue and as technology evolves external entities will use blockchain when it makes business sense to do so. It is natural for markets to seek greater efficiency, reduced costs, and increased profitability where they can.

There are steps in the process of exchanging real property that could potentially be streamlined, and blockchain technology may play a role. There are various organizations setting up systems to do these things, as shown by the research conducted by the PRIA Blockchain work groups. Some private sector projects appear to be having some success, while other private and public projects have not sustained. What may emerge is a network of platforms that leverage blockchain technology to bring some efficiency to real property transactions. This is why MISMO (Mortgage Industry Standards Maintenance Organization) is exploring interoperability standards. It is not clear if a network of systems will thrive or whether the end result will be characterized by merger, acquisition, and consolidation.

The public land registry is one of the intermediaries in the process, but it is not the costliest one. Blockchain champions have clearly suggested that, at some point, there should be and will be alternatives to the systems in place today.

#### Integrating Blockchain with Traditional Systems

The economic benefit of having a public land registry has been well documented. Property ownership is the foundation for building wealth. Having a legal record of ownership which is openly available to the public and which records every transaction of that ownership is something that should not be easily displaced. The public land registry and related public systems and services are the central source of truth for property ownership. The creation of parallel systems to create more efficiencies in the marketplace will continue to occur, but the consequences of creating multiple systems of private, blockchain based land registries, with limited, truly public, access to information is questionable.

Experts in blockchain observed with the work groups that setting up a blockchain in a single recording jurisdiction would not be sensible (only one node?), and the public pilot projects attempted thus far show limited benefits of a county system that is not maintained or updated. There may be some potential bridges to the future that might provide the desired benefits without requiring the abandonment of the public land registry. Options might include the following.

- Modernizing the methods for exchanging information with the public land registry by establishing an API used by multiple recording jurisdictions in a region or state (following a mutually agreeable set of data standards). Private (or other public) systems would use the API to access information about the conveyance of properties.
- Amplifying the creation of associated references between conveyance documents within the existing public land registry systems. While not a true “blockchain,” such references would allow the industry to follow the chain of title more easily through openly accessible public records.
- Exploring the feasibility of creating a multi-jurisdictional system within a state to create a conveyance/title only blockchain database, accessible to authorized professionals in the real estate industry. The system would be open to any legitimate real estate professional including underwriters, lenders, title professionals, real estate attorneys, etc.

#### Blockchain, Cryptocurrency and Fraud

Champions of the use of blockchain in the real estate industry express some quiet frustration about how fraud and corruption in the world of crypto reflects on perceptions of the trustworthiness of blockchain. The sub-groups understand and accept that they are related but not the same. That said, the fact that the crypto world has been damaged, and that the only winners seem to be the first ones in – not the investors who follow – is cause to question claims for immutability, truth, and trustworthiness at face value. Some elements of fintech want to avoid the capital requirements that banks must meet and claim that blockchain and “truth” were sufficient to secure their lending, servicing, and money transmission activities. Backing financial transactions through revenue growth and margin improvement with no capital requirements doesn’t seem to be a sustainable platform.

#### Blockchain Uses – Public

[Insert a narrative of the conversations of this sub-group followed by a bulleted abstract, and accompanied by written meeting summaries in the appendix]

#### Blockchain Uses – Private

[Insert a narrative of the conversations of this sub-group followed by this bulleted abstract, and accompanied by written meeting summaries in the appendix]

- Kristina Gould - Medici – Reported on their work to use blockchain technology for titles in jurisdictions outside the U.S., but they have also been engaged with some pilot projects in the U.S.
- John Pomaranski, et al - MISMO – Their Community of Practice is working on interoperability standards (primarily mortgage lending). They work with the presumption that blockchain is a “settled” technology. They are not working on any specific private sector blockchain projects.
- Kevin Cook - Computer Systems Inc. – A land records management system (LRMS) vendor who provided some perspectives on what a blockchain is and isn’t, and challenged some representations about the security and immutability of blockchain.
- Valerie Wagner, et al – Figure Technologies – Figure using blockchain in their loan origination and trading platform (and AI in underwriting).
- Par Yahya – Tyler Technologies – Shared perspectives on the use of blockchain for specific elements in a workflow, but not necessarily the entire business process; using blockchain where it makes the most sense.
- Eric Cruz, Anna Atencio, and Ned Vatev – Propy – The company is seeking to use blockchain and web3 to facilitate real estate transactions, secure title, and support transactions using cryptocurrencies.
- Peter Merc and Denis Petrovic – Blocksquare – The organization described how they were tokenizing the uses and income from a property without transferring ownership; operating within existing legal conventions.
- David Fitzgerald – Bloqable - Established a work force development project for college students to teach land abstraction with a goal to put the abstracts on an immutable ledger, using cryptography and hashing to keep data safe. The project started with residential properties that had a reasonable chance of being sold in the next 10-15 years, at which point searchers would be able to see an abstract of the property on a blockchain.
- Marco Aniballi – Block Box – Emphasized the point that blockchain works best when there is quite a bit of data that needs to be distributed, and that the benefit would come from distributing the data over many nodes and should involve multiple recording jurisdictions not just one. Including images of documents would not be needed – only the data.
- Charles Okochu – AWS – (Blockchain Technology Current Uses – Public Sector working group) Amazon Quantum Ledger Database maintains an immutable, cryptographically verifiable log of data changes. If two parties or more want to transact business but do not have trust, blockchain is a good solution. Traditional databases can’t guarantee immutability.
- Justin Early – First American Title – Provided personal insights about why the legal framework for real estate ownership in the United States would limit the tokenization of property.

## Blockchain Policy and Legislation

- Enabling legislation making the use of blockchain for transactions legal
- Legislation creating or sponsoring blockchain pilot projects
- Legislation enabling specific business or government activities, with a focus on the real estate/property industry, if possible, and
- Other unique or novel legislative initiatives involving blockchain or distributed ledger activities that might not fit into one of the 3 previous categories

A narrative of those 4 things and an appendix with the specific state code language adopted for each would be very instructive.

## What to Watch For – Future Applications and Policy

### Conclusions and Next Steps

There are many unanswered questions about the interaction between blockchain solutions and the public land registry, and there is a need for more straightforward dialogue between the principals in both groups.

Blockchain usage for the public land registry has not advanced beyond a few pilot projects, and recording jurisdictions considering a blockchain application should carefully evaluate the costs and benefits before proceeding. The land registry itself has not been subjected to fraud and being the “central source of authority” has provided many benefits to citizens and the real estate industry. The public land registry should not be discarded.

Recorders and everyone responsible for the care and maintenance of the public land registry should expect the financial services and mortgage industry to continue developing products and services using blockchain technology, and efforts to help the industry better utilize the public land registry should be explored. At a minimum, the public land registry should collectively work to improve services, standardize information and data, and explore methods to provide better and more efficient access to information.

As the private sector efforts to appropriately “tokenize” real estate uses expand, the public land registry should explore ways to represent this information in the public land registry. Perhaps a new document type or other convention should be created to publicly memorialize these transactions. Concurrently, the private sector and recorders may wish to consider establishing data references between the public land registry and any private land transaction or registration system. References may be required for the registration systems and the “block” on the chain which documents a transaction. Standards should be developed to ensure consistency and interoperability across platforms, and among recording jurisdictions.



Communications with developers of products and services planning to use blockchain or to “tokenize” real estate should be undertaken so they will understand that existing legal requirements for the transfer of property are not negated by legislation to authorize the use of distributed ledger technology and smart contracts for real estate transactions. Blockchain workarounds to bypass intermediaries will face challenges, and certain legacy requirements will remain in force. Joint planning and communication with recording jurisdictions and their stakeholders must occur to prepare for the future.

Blockchain is here to stay. Those responsible for the public land registry must remain alert and stay involved in the conversation. Currently, there is no compelling reason, either operationally or legally, to consider replacing the public land registry. For now, we say “no” to the proposition that the public land registry be replaced with a network of private blockchains; however, the ultimate goal should always be to continue working with the private sector to explore ways to improve the efficacy of the land registry in the best interest of the public.

Appendix A – Blockchain BASICS paper including the Blockchain Glossary

Appendix B – Blockchain Uses – Public – Meeting Summaries

Appendix C – Blockchain Uses – Private – Meeting Summaries

- Kristina Gould - Medici – Reported on their work to use blockchain technology for titles in jurisdictions outside the U.S., but they have also been engaged with some pilot projects in the U.S.
- John Pomaranski, et al - MISMO – Their Community of Practice is working on interoperability standards (primarily mortgage lending). They work with the presumption that blockchain is a “settled” technology. They are not working on any specific private sector blockchain projects.
- Kevin Cook - Computer Systems Inc. – A land records management system (LRMS) provider who provided some perspectives on what a blockchain is and isn’t, and challenged some representations about the security and immutability of blockchain.
- Valerie Wagner, et al – Figure Technologies – Figure using blockchain in their loan origination and trading platform (and AI in underwriting).
- Par Yahya – Tyler Technologies – Par shared perspectives on the use of blockchain for specific elements in a workflow, but not necessarily the entire business process; using blockchain where it makes the most sense.
- Eric Cruz, Anna Atencio, and Ned Vatev – Propy – The company is seeking to use blockchain and web3 to facilitate real estate transactions, secure title, and support transactions using cryptocurrencies.
- Peter Merc and Denis Petrovic – Blocksquare – The organization described how they were tokenizing the uses and income from a property without transferring ownership; operating within existing legal conventions.

Commented [SK5]: Same as above. In which area should this go?

- David Fitzgerald - Bloqable
- Marco Anibaldi – Block Box – Emphasized the point that blockchain works best when there is quite a bit of data that needs to be distributed, and that the benefit would come from distributing the data over multiple nodes, and should involve multiple recording jurisdictions not just one. Including images of documents would not be needed – only the data.
- Charles Okochu – AWS – (Blockchain Technology Current Uses – Public Sector working group) Amazon Quantum Ledger Database maintains an immutable, cryptographically verifiable log of data changes. If two parties or more want to transact business but do not have trust, blockchain is a good solution. Traditional databases can't guarantee immutability.
- Justin Early – First American Title – Justin provided insights about why the legal framework for real estate ownership in the United States would limit the tokenization of property.

Appendix D – Policy References and Legislation (specific and notable statutes and bills)