

MEMORANDUM

May 29, 1985

TO : Assistant Directors & Branch Chiefs
Division of Corporation Finance

FROM : William C. Wood, Senior Associate Director
Division of Corporation Finance

REGARDING : Filing ACTivity T racking S ystem (FACTS)

Background

In order to assist the individual branches and the Division better manage and use the enormous amounts of statistical data and information which we receive daily, the Division has undertaken and is prepared to implement a computer-assisted file tracking program. This program has been developed in connection with the Division's Local Area Network System (LANS) and should be fully operational by October, 1985.

The Filing ACTivity T racking S ystem, or FACTS, will utilize the IBM Personal Computers (PCs) located in each branch. Its success will be a direct result of the active participation and support of the branch chiefs and ADs. The staff members involved to date on its design are confident that FACTS' abilities and its "user-friendly" design will minimize any startup or operational difficulties.

Local Area Networks

Local Area Networking (LAN) is a series of PCs linked to a central computer or data base. This configuration enables each individual PC to perform tasks which it could not as an individual unit.

Arthur Anderson, in conjunction with this Division, has been developing a LAN over the past several months. The PCs in each branch are be connected by cable to a central data base located on the 11th floor.

FACTS

The purpose of this memo is not to detail the operation of FACTS, but to inform the staff of the overall benefits of the system. FACTS is a management tool developed to assist the branches and the Division in realizing the maximum potential use of the data and information gathered daily. It is not intended to replace any members of the staff. It is only a computer assisted management tool.

Expected Benefits

The branches will interact with the system on a daily basis and be responsible for the accuracy, implementation and overall smooth operation of FACTS. Improved information management will be among the benefits to be realized at the branch, AD, and Division level. For example, the following applications will be available:

1. Monthly Report When FACTS becomes operational the ADs/branches will not have to prepare the monthly reports. These time consuming reports will be generated by the system at a terminal located in the front office. They can be generated at any time during the month at the branch, AD and Division levels;
2. “Bang For Bucks” FACTS will automatically prepare the bang for the buck report. It will calculate the dollar impact and provide the front office with the ability, at any time, to extract this information;
3. Workload Status Reports have been designed to keep the branch chiefs informed of pending and year-to-date 33 Act IPO's, other 33 Act filings, 10-Ks, 8-Ks, 14As, Form 10s and 20Fs. Manual logs (and white cards if used) may be eliminated and logs currently maintained on lotus can be replaced;
4. Tickler Reports FACTS will generate tickler reports to alert the staff of a file which requires some action. FACTS will notify the staff of those registrants which have not timely responded to staff requests for amendments, supplemental or other information;
5. Analytical Tool After identifying certain problem areas or concerns of a particular filing and entering this data into the system, FACTS will be able to categorize filings by novel and/or problem disclosure issues. The staff will be able use such information when similar issues arise in the future;
6. Profiles FACTS will be able to sort, categorize and profile types of filings and permit access to such information on an as needed basis;
7. “Custom” Reports The branch chiefs and ADs will be able to design reports, other than those already programmed, as needed. These reports can be designed for one time use or may be stored for future use. Further, the branches will have the ability to search the data base for specific statistical or profile information as requested for by the front office or other Divisions; and
8. Letters FACTS will have available forms of standard letters which the Division sends out on a regular basis. These letters may be retrieved on the PCs and, after entry of the proper name and address, printed out thereby saving branch time.

In addition to the direct benefits discussed above the Division should realize many others. In particular, a higher level of consistency should be achieved throughout the Division as the branches are able to locate and consult similar filings.

Training

A limited amount of training will be necessary to insure that staff members can use FACTS as efficiently as possible. The training will not involve any difficult computer programming or require an advanced knowledge of computers. It will focus on calling the system up, data entry and retrieval, printing the reports, and designing custom reports.

Attached is a tentative schedule of the branches entry into FACTS and related training to be conducted by the staff. We expect to have all the branches trained and using the FACTS by the start of the next fiscal year.