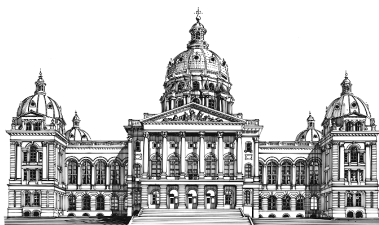


---

# Iowa Legislative Services Agency

## Fiscal Services

Holly M. Lyons  
(515) 281-5279  
FAX 281-8027



State Capitol  
Des Moines, IA 50319  
September 24, 2008

---

### Electronic Document Management System (EDMS)

#### ISSUE

This *Issue Review* provides an overview of the Electronic Document Management System (EDMS) project.

#### AFFECTED AGENCIES

Judicial Branch

#### CODE AUTHORITY

Chapter 602, Code of Iowa

#### BACKGROUND

The Electronic Document Management System (EDMS) will allow lawyers and citizens to electronically file court documents with the Judicial Branch using personal computers via the Internet. The EDMS will integrate with the Iowa Court Information System (ICIS), enabling public access via the Internet to the court docket and court documents 24 hours a day, seven days a week. In addition, court notices will be emailed to lawyers, litigants, and officials.

In 1999, the Judicial Branch released a feasibility study outlining the EDMS project. Funding from the Enhanced Court Collections Fund was to be used to fund the project. Under current law, the maximum annual deposit in the Enhanced Court Collections Fund is \$4.0 million. This is based on the Judicial Branch achieving the Revenue Estimating Conference's (REC) goal for court receipts deposited in the General Fund (Section 602.1304, Code of Iowa).

#### **Enhanced Court Collections Fund**

The Enhanced Court Collections Fund was created during the 1995 Legislative Session in SF 459 (FY 1996 Justice System Appropriations Act). The money was and continues to be used to further develop ICIS, which was implemented in 1991. The following is a history of the balance carryforward in the Fund by fiscal year:

<b>Enhanced Court Collections Fund Balance Carry Forward Amounts</b>		
<b>Fiscal Year</b>	<b>Amount</b>	<b>Comments</b>
1997	\$4,000,000	
1998	\$3,000,000	
1999	\$6,200,000	House File 2395 (FY 1998 Supplemental Appropriations Act) allowed the Judicial Branch to retain an additional \$2.0 million in court receipts for deposit in the Enhanced Court Collections Fund, increasing the maximum deposit in FY 1999 to \$6.0 million.
2000	\$8,600,000	
2001	\$7,900,000	Senate File 267 (FY 2001 Deappropriations Act) reduced the receipts deposited in the Enhanced Court Collections Fund in FY 2001 to zero by transferring revenues to the General Fund.
2002	\$4,300,000	
2003	\$4,600,000	
2004	\$6,400,000	
2005	\$7,300,000	
2006	\$8,400,000	
2007	\$8,300,000	
2008	\$9,700,000	

### **CURRENT SITUATION**

In the fall of 2007, the Judicial Branch rejected two vendor proposals for material breach related to limitation of liability. Under the new request for proposal (RFP), the limitation of liability is set at three-and-a-half times the value and applies to the costs for each subcontractor, not for the entire project.

The RFP was modified and re-issued on May 7, 2008. Nine vendors submitted proposals by the July 11, 2008, deadline. The Judicial Branch selected the Datamaxx Group, Inc. as the top finalist for the Electronic Document Management System project contract. The State Court Administrator is currently working through the appeals process and anticipates finalizing a contract by October 17, 2008.

The original timeline anticipated the pilot projects starting in the fall of 2007 with statewide implementation in the fall of 2008. Based on what appears to be the new timeline, the pilot projects are now expected to begin in the spring of 2009 with statewide implementation in the spring of 2010.

The pilot project counties remain Plymouth and Story, in addition to the Court of Appeals. Once the vendor is chosen, the pilot projects will begin. Once the pilot projects are completed, two counties will be brought on-line every month. Statewide implementation of the EDMS project will take approximately four years.

### **BUDGET IMPACT**

Based on presentations to the Justice System Appropriations Subcommittee, the EDMS project will be funded from the Enhanced Court Collections Fund with one-time money totaling \$18.0 million for statewide implementation. On-going operating costs will also be funded from the Fund, in addition

to the \$1.5 million in on-going operating costs currently funded for ICIS. As a result of the 2008 floods, the Judicial Branch will be using the Enhanced Court Collections Fund to cash flow flood damage repair projects until reimbursement from the Federal Emergency Management Agency (FEMA) is received.

However, based on the minutes from the EDMS vendor conference in May, the Judicial Branch estimates the current Enhanced Court Collections Fund balance will only cover approximately 15 to 20 counties, including the three pilot projects for the next two to three years. This creates a built-in expense for the General Fund in FY 2011 or FY 2012.

The 1999 Feasibility and Implementation Report recommended ICIS maintain sufficient staffing to install, configure, maintain and repair all components, as a risk management strategy in addition to vendor support. During the 2008 Legislative Session, the Judicial Branch requested \$431,000 in General Fund money and 7.0 FTE positions for additional staff to help implement the EDMS business plan. This request was not funded in the FY 2009 General Fund appropriation.

### **Cost Savings**

Once EDMS is operating in all 99 counties, the cost savings to the Judicial Branch will be both qualitative and quantitative. The need for document storage space will be reduced or eliminated, reducing rental expenses for outside storage spaces and freeing up internal storage space for conference rooms and office space. Staff time in the Clerks of Court offices will be better utilized and more efficient as a result of time savings from locating and delivering files, and minimized duplication of efforts. The Judicial Branch is currently operating with 75 Clerks of Court in 100 courthouses. This was accomplished through retirements and attrition. The EDMS will help the Judicial Branch maintain this number. In addition, judicial time will be reduced as a result of constant access to case files and documents.

The FY 2009 General Fund budget for the Judicial Branch is \$155.8 million. The current postage budget is approximately \$1.0 million and was as high as \$2.1 million in FY 2004. The current office supply budget is approximately \$1.3 million and was as high as \$3.1 million in FY 2000. The current rental budget is approximately \$326,000 and was as high as \$368,000 in FY 2000. At this time, projected cost saving figures are not available. There may be a built-in increase in expenditures for completing the project statewide in FY 2011 or FY 2012, depending on the revised implementation timeline.

### **ALTERNATIVES**

As the pilot projects are implemented, the General Assembly may wish to require the Judicial Branch to provide the following additional information for budgeting purposes:

- An updated implementation timeline
- Projected built-in expenses for statewide implementation
- Projected on-going operational costs
- Total estimated FTE positions dedicated solely to this project
- Total operating and capital budgets and proposed funding sources

STAFF CONTACT: Jennifer Acton (Ext. 17846)