

Show Me the Money: Funding ECM Technologies

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High level decision

- Budget reductions force managers to look for efficiencies
- Imaging is the direction decided
- What are the steps needed to proceed?
 - Buy in from decision makers
 - Estimating costs
 - Securing outside funding

Buy in !

- Who should be the guinea pig?
- Why should you start with any particular department?
 - Prosecutor
 - Court
 - Clerk
 - Friend of the Court
- What are the available funding sources?
 - CGAP (State of Michigan)
 - Title IV-D (FOC and PA Family Support)
 - Edward Byrne JAG (PA and Law Enforcement)

If you start with the Friend of the Court - Requirements

- Buy in from the Judge(s)
- Buy in from the Administration
- Buy in from the IT
- Buy in from the State of Michigan – Office of Child Support

Once you have buy-in

- Develop budget
 - Value proposition*
 - Benchmark current cost elements*
- Develop specification for Request for Proposals
 - *“Piggy-back” options are available leveraging RFPs issued by other MI Counties/Cities*
- Secure proposals
- Evaluate proposals
- Select vendor

Imaging Budget Process

- Initial budget considerations
- On going budget issues
- Securing approval of funding from State
- Securing funding from local sources

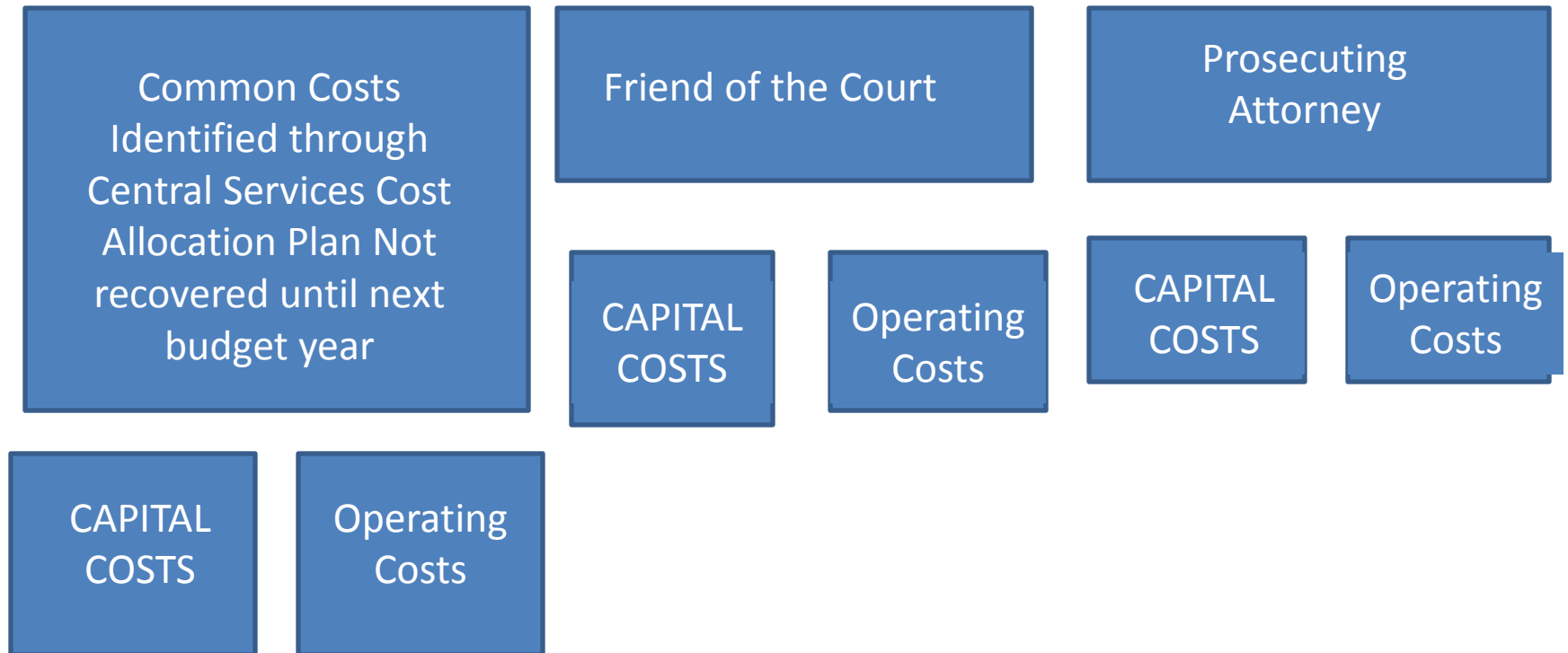
Initial Budget Considerations

- Cost of Imaging (scanning and indexing)
- Cost of backfile conversion – policy issue**
 - Point forward?
 - Pulled files?
 - Prepare document catalog
 - All active files
 - Hard file retention
- Categorizing Costs

Categorizing Costs

- Common costs
 - Capital costs – depreciated 3-5 year useful life
 - Current year operating costs
- Department Specific Costs
 - Capital costs – depreciation 3-5 year useful life
 - Current year operating costs
- Annual Maintenance Costs
- Infrastructure costs

Budget Process – Segregation Of Costs



ANY COUNTY, MICHIGAN

		COMMON COSTS		FRIEND OF THE COURT		PROSECUTOR		
	COST	Capital	Operating Costs	Capital	Operating Costs	Capital	Operating Costs	TOTAL
COMMON								
System	\$ 100,000	\$ 20,000						
Training	\$ 10,000		\$ 10,000					
Installation	\$ 12,000		\$ 12,000					
Travel	\$ 4,000		\$ 4,000					
Server	\$ 15,000	\$ 3,000						
FOC								
Workflow	\$ 80,000			\$ 16,000				
Hardware - Scanner	\$ 3,600				\$ 3,600			
Licenses	\$ 15,000				\$ 15,000			
PROSECUTOR								
Workflow	\$ 80,000					\$ 16,000		
Hardware-Scanner	\$ 3,600						\$ 3,600	
Licenses	\$ 15,000						\$ 15,000	
Sub-Total	<u>\$ 338,200</u>	\$ 23,000	\$ 26,000	\$ 16,000	\$ 18,600	\$ 16,000	\$ 18,600	
Child Support %			58%	58%	95%	95%	20%	20%
FFP Reimbursement Rate			66%	66%	66%	66%	66%	66%
First Year				\$ 10,032	\$ 11,662	\$ 2,112	\$ 2,455	\$ 26,261
Second Year				\$ 10,032	\$ 9,405	\$ 2,112	\$ 1,980	\$ 23,529
Third Year		\$ 8,729	\$ 9,867	\$ 10,032	\$ 9,405	\$ 2,112	\$ 1,980	\$ 42,125

On-Going Budget Issues

- Cash flow
- Operating Expenses
- Adding users
- Back file conversion
- IT Labor distribution – time study

Cost Benefit

- Examining cost benefit
- Unrecognized benefit – data image security
- Savings
 - File space
 - Time
 - Data retrieval
 - Data sharing
- Adapting to Attrition*
 - Fewer staff with no reduction in service levels

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- Document Management Implementation
 - Identified document types/catalogue
 - Purging and scanning new and old files
 - Evaluation of current practices and job functions
 - Staff training
 - Workflow management

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- Flexibility to incorporate new processes
- Simplified SCAO Form 41 report
- Reduced time frames
 - Order entry
 - Appointments
 - Rev/Mods
 - Bench Warrants

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- Cost Analysis
 - Initial cost of system/implementation = \$548,000
 - FOC lost 21 positions in 2009
 - Projected total cost savings \$1,680,000 in personnel costs
 - \$571,200 in county expenditures
 - Additional savings in paper and copying expenses

Conclusion

- No one ever goes back

Thank You

Please remember to fill out your survey to receive two complimentary drink tickets for the post Summit afterglow.