

DNR Document Management System**FY2008 Request: \$1,200,000****Reference No: 45269****AP/AL:** Appropriation**Project Type:** Information Systems**Category:** Natural Resources**Location:** Statewide**Contact:** Leta Simons**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-2400**Estimated Project Dates:** 05/01/2008 - 06/30/2010**Brief Summary and Statement of Need:**

This project automates DNR paper case files by converting them to digital format via scanning based upon state standards. DNR has over 100,000 active cases related to land use authorizations and property rights. Paper case files are expensive to maintain and slow the handling of authorization requests. Electronic document management systems have a high rate of return because of cost elimination; a three year pay-back period is projected.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Gen Fund	\$1,200,000		\$1,200,000				\$2,400,000
Total:	\$1,200,000	\$0	\$1,200,000	\$0	\$0	\$0	\$2,400,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	0	
Totals:	0	0

Additional Information / Prior Funding History:

New Project - No Prior Funding History

Project Description/Justification:

This project addresses the need to automate DNR's existing case files by loading the contents to the document management system designed and implemented under the Unified Permit (UP) Project. The UP Project automates DNR documents on a 'this point forward' basis. To gain the benefits of streamlined search, document retrieval, and efficient adjudication, a plan is advanced to scan existing active casefiles. Testing and sampling completed under the UP Project indicates this represents about 12 labor years for a scanning team to prepare, scan, and index the extensive holding of paper casefiles used throughout the department. This work would be distributed among four full time staff members and contractors. Some major savings in this area have already been realized. Mining claim files (~44,000) are nearly complete because of the system integration completed with the state recorder's office and state status plats. This is a major savings and eliminates duplicate effort. Survey plats (~11,500) are also automated through the Recording process at considerable savings. Title patent documents are also recorded.

The document management system is designed for minimizing duplicate effort, minimizing the cost of document search and retrieval, and limiting the need for paper handling and copying. DNR has a successfully automated the case indexing system (Land Administration System, or LAS); the State Status Plat and GIS location data are automated; and Recorder's Office Indexing and Imaging System is complete. The large body of paper case files represents the last major system automation requirement in the department. All previous investments have demonstrated high rates of return on initial investments. For example, the State Platting automation cost just over \$2 million spread across almost 10 years. Formerly a staff of 17 maintained mylar, paper, and microfiche. Today a staff of 10 maintain the record, representing a long-term savings of about \$600,000 per year in labor; and over \$250,000 per year in savings from end user's search and retrieval time.

This project would scan and full-text index about 100,000 DNR active case files that contain the public record on the adjudication process used to reach decisions on resource authorization and land use. These are the most actively used files within the department and represent about a third of all DNR case files, excluding mining claims which are already automated. This represents a cost of about \$25.00 per case file. The potential return on investment is quite high because of the efficiencies gained for daily routine tasks of locating a file, locating a document within a file, and drafting correspondence with applicants. Industry standards show document management systems as having one of the highest return on investments for the business; DNR will be no exception.

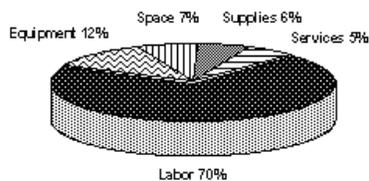
Document Management Overview *

- ? +90% of DNR information is in manila folders; most 'intellectual capital' stored on paper; slow to retrieve
- ? The state software for automated document management is mature and installed at DNR; lowers risk
- ? Document management is typically the largest cost in organizations; opportunity for savings
- ? Expands public access to public documents
- ? Average worker has a 34 hour paper backlog;

Estimated by Document Management Magazine Staggering Costs of Documents

- ? 4 trillion documents are stored in US files
- ? US paper files are doubling every 3.5 years
- ? Average document is copied 19 times
- ? Each day, almost one billion photocopies are made
- ? 70% of an office worker's time is spent handling paper or data entry

- ? Source: Association for Information and Image Management (AIIM), Forrester, Star Securities, US Dept of Labor.

Paper Costs

Source: U.S.
Department of Labor

DNR has automated one sample case type; RS2477 and now has document full-text search and retrieval available for these documents and cases. Under the Unified Permit Project, DNR has completed the design of a department metadata model and is in the process of implementing this. The metadata model is used to provide additional search and reporting information for individual documents. A test plan on best methods (lowest cost for highest performance) is being developed and will be completed in FY08 assuring a speedy implementation of this CIP.

Why is this Project Needed Now?:

To meet the governor's and department's goals of direct, efficient, and transparent government, DNR needs to digitize paper documents associated with the full range of department authorizations for permit, lease, sale, and extraction of resources; and those records associated with the management of land title.

DNR also needs to complete the long term goal of fully automating the information processing sequences of the department, paper-based case files are the last remaining target.

Specific Spending Detail:

FY08 Plan:

<u>LINE ITEM</u>	<u>DOLLAR AMOUNT</u>	<u>DESCRIPTION (text)</u>
Personal Services	\$ 380,000	DNR staff to prep files and oversee contractors; control overall process
Travel	\$ 12,000	Coordinate work in Juneau and Fairbanks
Services	\$ 670,000	File prep, scanning, QC, indexing, training; integration programming
Commodities	\$ 138,000	Hardware and software to assure incoming documents to DNR Offices are scanned; indexed, and loaded to the document management system.

Project Support:

All Divisions in DNR benefit, Division of Mining, Land and Water is lead division.

Project Opposition:

None known.