



NORTH CAROLINA BOARD OF BARBER EXAMINERS

Memo

TO: Board members

FROM: Dennis Seavers

DATE: October 13, 2021

SUBJECT: Budget revisions for e-filing

At its October 19, 2021 meeting, the board will consider whether to revise its FY 2022 budget to authorize additional expenditures for an e-filing system. This memo explains the purpose the request, cost estimates, and the current-fiscal-year and long-term impacts of the costs.

E-filing system

The Department of Information Technology ("DIT") has an electronic document management ("EDM") service that allows agencies to store and manage documents electronically. The system has service desk support, and documents are securely housed in DIT-managed facilities. The application also allows for easy searching and retrieval of documents.

There are several benefits to EDM, some of which are listed below.

- Better approach to continuity of operations and disaster recovery;
- Easier access to documents, with overall time savings and increased productivity;
- Better management of files, consistent with the retention schedules published by the Department of Natural and Cultural Resources;
- Reduced need for physical storage space; and
- Options for document security by limiting files only to personnel who need access.

The only reason the board hasn't implemented EDM in previous years is because the board had other, more urgent financial priorities. Since the board has improved its financial situation over the past few years, I recommend authorizing additional expenditures as outlined in the next section of this memo.

Cost estimates and impact

The table below shows the cost estimates for services and desktop scanners. As indicated below, the desktop scanners are one-time costs and will only appear in future fiscal years when the hardware needs to be replaced. Overall, the board will experience an increase in recurring costs of about \$6,000 per year. According to DIT, there are efforts to reduce that cost, so there may be a reduction in future fiscal years.

The assumption in the proposed revisions below is that the board will begin using electronic files prospectively. That is, any new files that arrive in the board office after the implementation date would use EDM services; but existing files would remain in paper form or would be converted when they're retrieved. In the next section of this memo, I discuss the prospect of converting existing files.

FY 2022 Budget Revisions

Description	Cost	Unit	Qty	Total	Expend. type
EDM Service	\$ 168.58	Per user monthly	3	\$6,068.88	Ongoing
Desktop scanner	\$1,000.00	Per unit	3	\$3,000.00	One-time
Total cost FY 2022	\$7,045.92	(Assumes November 1 implementation)			
Total cost future FYs	\$6,068.88				

Potential future costs

Apart from the costs listed above, there are optional costs the board could consider at a later date. These costs would be to convert some of our existing paper documents into electronic files. The expenditures would represent one-time costs and not have a recurring impact on the board's budget. However, depending on the quantity of documents, converting files can be expensive.

After the new system is implemented, the board staff can seek price quotes from authorized vendors to convert existing document and return to the board with an additional cost proposal.