



## Judicial Council of California · Administrative Office of the Courts

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# REPORT TO THE JUDICIAL COUNCIL

For business meeting on: August 22, 2014

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Title

Judicial Branch Technology: Budget Change  
Proposal Update

Agenda Item Type

Action Required

Effective Date

August 22, 2014

Recommended by

Judicial Council Technology Committee  
Hon. James E. Herman, Chair  
Hon. David De Alba, Vice-Chair

Date of Report

August 8, 2014

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### Executive Summary

The Judicial Council Technology Committee recommends that the Judicial Council approve *Fiscal Year 2015–2016 Judicial Branch Budget Change Proposal: Supreme Court and Courts of Appeal Document Management System* so that this can be submitted to the Department of Finance in September. By acquiring a document management system (DMS), the Supreme Court and Courts of Appeal will capture, manage, store, share, and preserve essential case documents and administrative records. The DMS is necessary to improve efficiency, reduce costs associated with record storage/retrieval, and improve customer service to the bar and public.

### Recommendation

The Judicial Council Technology Committee recommends that the Judicial Council, effective August 22, 2014, approve *Fiscal Year 2015–2016 Judicial Branch Budget Change Proposal:*

*Supreme Court and Courts of Appeal Document Management System* so that this can be submitted to the Department of Finance in September.

### **Previous Council Action**

In October 2012 the Judicial Council Technology Committee hosted a Judicial Branch Technology Summit where branch stakeholders assembled for a collaborative discussion on branch technology governance, vision, and planning. The discussions and feedback from the summit reinforced the need for a new governance and funding model and a long-term strategic plan for branch technology.

In February 2013, the Chief Justice authorized the creation of the Technology Planning Task Force (TPTF). The task force was charged with working collaboratively to define judicial branch technology governance in terms of statewide versus local decision-making, to develop a strategic plan for technology across all court levels that provides a vision and direction for technology within the branch, and to develop recommendations for a stable, long-term funding source for supporting branch technology, as well as a delineation of technology funding sources.

In January 2014, the Judicial Council approved the concept of the court technology governance and strategic plans, prepared by the Technology Planning Task Force, based on the information provided in the executive summary for the governance and funding model and plans. The council also received an informational report on the Digital Court Budget Change Proposal for the superior courts at the January 2014 meeting. The Court Technology Governance and Strategic Plan is pending Judicial Council approval.

### **Rationale for Recommendation**

By transitioning to a DMS, the Supreme Court and Courts of Appeal (appellate courts) will capture, manage, store, share, and preserve essential case documents and administrative records. An appellate court DMS will improve efficiency, reduce costs associated with record storage and retrieval, and improve customer service to the public. Electronic record keeping will significantly improve the ability of the appellate courts to efficiently process, review, and analyze often voluminous trial court and appellate records; perform administrative tasks more efficiently; organize data; and improve the quality of justice rendered to the court and the public by providing increased access to case records. An appellate court DMS is a vital and necessary element of the courts' infrastructure in order for the judiciary to fully implement its e-filing and e-business programs statewide. A DMS is a critical component to the success of e-filing, and without one, much of the progress made toward modernizing the court system will be severely limited.

The recommended budget change proposal is in alignment with the Court Technology Governance and Strategic Plan.<sup>1</sup> The proposal would provide for a General Fund augmentation

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<sup>1</sup> This report presents the recommendation in concept form. If the council approves the recommendation, Judicial Council staff will prepare a specific Budget Change Proposal that implements that decision.

of \$2.348 million in one-time costs in Fiscal Year (FY) 2015-2016, \$ 1.471 million in one-time costs in FY 2016-2017, \$ 200,000 in one-time costs in FY 2017-2018, and ongoing costs thereafter will be \$817,000 per year to implement an electronic Document Management System (DMS). This proposal supports the strategic plan's goals for promoting the digital court and the tactical plan's initiative for document management system expansion. Pertinent segments highlighting the specific benefits have been taken from the BCP and are presented below.

### 1. RECORD STORAGE

In California, a vast amount of physical storage space is currently devoted to maintaining and preserving court records in paper files. In addition to physical storage, costs to increase electronic record storage (disc space) within the case management system are rising at a staggering rate. There was a 75% increase over last year's costs due to the increase in statewide e-filing and electronic document initiatives. Normal increases are approximately 3–5% per year, but the appellate courts will be seeing these numbers increase by 100% or more each year. As more courts implement e-filing and increase their acceptance of electronic documents, more storage will be required. A DMS will provide cost avoidance for the appellate courts on an ongoing basis.

The First District Court of Appeal successfully launched the first phase of a true e-filing solution in March 2014. The deployment to the Supreme Court and other Court of Appeal districts are to follow, but full deployment will be dependent on a DMS to store all of the documents that are and will be received electronically.

### 2. INCREASED PUBLIC ACCESS TO RECORDS

The branch has been attempting to increase accessibility to the courts to provide transparency in the adjudicative process, increase accountability by allowing access to budgetary records, and meet the demands of the public for increased access to case information and procedures. A DMS is a critical component in providing ready public access to court records; there is no alternative solution available other than a DMS to make this happen. This is critical for several reasons: (1) improved public access to the court system furthers the Chief Justice's goal of Access 3D modernization of the court; (2) members of the public, in particular indigent customers, will save significant time and expense by not being required to travel to court facilities, pass through security screening, and then wait in line for in-person service by limited court staff; and (3) the DMS will enhance the court's ability to provide current and modern services to the public.

### 3. DOCUMENT MANAGEMENT

Today, most appellate case records are stored on paper at the district courthouse and transferred to off-site storage after the case ends. With more filings each year, the sheer volume of paper stored requires vast amounts of physical space, and the case files themselves are stored in locations across the state. By moving from paper records to electronic records, the appellate courts' DMS will enable the significant reduction in the cost, and improve the quality, of records management. This effort will free up record storage space at the courthouses and will reduce

labor costs associated with managing paper records, which, in turn, reallocates staff resources to help reduce backlogs in other areas of court operations. A DMS also allows parties 24/7 access to electronic court records without court staff intervention.

The new DMS will support the Access 3D vision element of “remote access” by providing a foundation for expanding online services and opportunities to share data with other agencies and courts. The Chief Justice’s blueprint for a fully functioning judicial branch lists the fourth element as the directive to “modernize court technology.” A predominantly paper-based court system in California is costly and inefficient. It inhibits access to justice and thwarts the public and State Bar’s growing expectations for online access for filings, payments, and other court services.

### **Comments, Alternatives Considered, and Policy Implications**

This recommendation for a BCP is not required to be circulated for public comment, but it relates to the vision in the Court Technology Governance and Strategic Plan, which were circulated for comment within the branch and for public comment. The alternatives are discussed below with Alternative 1 being the recommended solution.

#### **Alternative 1**

##### *Description*

The recommended approach is to purchase software and maintenance from a third party vendor and to host the system at the California Courts Technology Center (CCTC). Judicial Council staff would assist the courts in vendor oversight. There are three key reasons why this solution with the CCTC as host is preferred: (1) the CCTC has historically supported all appellate courts’ applications and network, including the existing case management system with which the DMS will integrate; (2) the CCTC has specialized staff already in place to support this project, which will result in faster implementations; and (3) an internally hosted solution can provide a larger, faster transmission highway (bandwidth) than other hosted options due to the economies of scale.

##### *Pros*

- Requires up-front expenditures that may be larger than a third party–supplied solution.
- Allows the appellate courts to gain cost savings and operational efficiencies by storing and managing case documents within an internally hosted and fully integrated DMS.
- Provides the appellate courts with the necessary infrastructure to advance e-filing and e-business within the judiciary.
- Provides continuity of support. Since the CCTC provides existing support services to the branch, the CCTC is familiar with the existing judicial branch network and related systems, permitting quick implementation.
- Provides a single point-of-contact for user support.

- Implements the same disaster recovery process for all of the appellate courts' systems and applications.
- Provides enhanced public service through expanded e-filing and remote access to court records. Implementing a DMS is the only viable means for providing readily available public access to court records.
- Provides the courts with direct control over data security.
- Provides a faster data transfer mechanism for delivery of, and access to, larger sized documents common in trial records delivered in connection with an appeal.
- Allows for better customization of the system for the business needs of individual courts.
- Members of the public expect electronic document delivery as a global business standard.

### ***Cons***

- Requires up-front expenditures that may be larger than a third party-supplied solution.
- Requires hardware maintenance by Judicial Council staff.

### ***Risks***

The Data Center Services cost includes two environments: Production and Staging. The proposed costs do not include a redundant environment (failover), which increases the risk of less timely restoration should a system failure occur. During a disaster recovery effort, the staging environment would be unavailable for testing patches/changes, so production may be frozen while new versions are tested in the staging environment. Should a system failure occur, a failover plan for restoration includes using spare equipment to restore a single location failure or, for a widespread outage, redirecting the routers to another location within the CCTC environment. Not having to pay for a third environment (redundant/failover) will mean less overall system cost. Although this is a risk, it is mitigated by the fact that a disaster or system pertinent segments highlighting the specific benefits that would be included in the the BCP are presented below. Failure is very rare and there are equipment and alternate location options that would restore operations quickly.

## **Alternative 2**

### ***Description***

The second alternative is to obtain the DMS software using the Software-as-a-Service (SaaS) model, which eliminates the need to purchase hardware.

### ***Pros***

- Allows the appellate courts to gain cost savings and operational efficiencies by storing and managing case documents with a DMS.
- Provides the appellate courts with the necessary infrastructure to advance e-filing and e-business within the judiciary.

- Provides increased access to the justice system by improving customer service with public access to court records and the ability to advance e-filing programs.
- Implementing a DMS is the only viable means to provide readily available public access to court records.
- Provides a less expensive solution using a third party vendor vs. the costs associated with purchasing and maintaining an on-site system. SaaS requires no upfront capital investment, and a hosted solution reduces or eliminates the costs associated with maintaining a complex on-site infrastructure. By taking advantage of the economies of scale, a hosting provider can offer this service at a lower cost than most in-house solutions.
- Deployment can be faster with a third party–hosted solution, thus creating the return on investment sooner. Because the network infrastructure is already in place, users can begin using the software to increase productivity and improve customer service in a matter of days, instead of the weeks or months required to deploy on-site solutions.
- Administering this solution is easier because a hosted system is available to any authorized user with access to a Web browser, no matter how distributed or mobile the workforce. When software is upgraded or new functionality is added, it is immediately available to all users.
- Scalability will be more feasible with a SaaS solution. While the expansion of an in-house solution may be limited by infrastructure or the availability of IT resources, a SaaS solution can grow as fast as an organization requires.

### ***Cons***

- Cost of ownership may be greater due to the up-front investment in hardware.
- Customization of this system is limited for the individual courts. Certain features may involve add-on costs.
- Data transfers of large-sized files with a third party vendor system will be slower due to potential bandwidth constraints imposed by the vendor.
- Relying on a third party vendor to manage storage raises issues of security and robustness.

### ***Risks***

Risks with this alternative are reduced because a hosted solution prevents new software from disrupting an organization’s existing environment. A SaaS solution can adhere to the highest standards for uptime, security, and availability. By providing dependable Web-based access, a solution can support disaster recovery and business continuity initiatives and prevent new software from disrupting an organization’s existing environment. There is more risk using a vendor who may not remain in the hosted-solution business over a long period of time.

## **Alternative 3**

### ***Description***

The third alternative is to purchase the DMS software, maintenance, and hosting from a third party vendor (not with the California Courts Technology Center).

### ***Pros***

- Allows the appellate courts to gain cost savings and operational efficiencies by storing and managing case documents within an internally hosted DMS.
- Provides the appellate courts with the necessary infrastructure to advance e-filing and e-business within the judiciary.
- Provides increased access to the justice system by improving customer service with public access to court records and the ability to advance e-filing programs.
- Enables the ability to customize the system for the individual courts.
- Implementing a DMS is the only viable means for providing readily available public access to court records.
- Reduces cost because there is no hardware acquisition or equipment maintenance required.

### ***Cons***

- The potential cost of ownership may be more costly due to the up-front investment in hardware.
- This alternative limits the customization of the system for the individual courts.
- A third party vendor system will be slower with data transfers of large-sized files due to potential bandwidth constraints imposed by the vendor.
- Relying on a third party vendor to manage your storage raises issues of security and robustness.

### ***Risks***

Risks with this alternative are reduced because a hosted solution prevents new software from disrupting an organization's existing environment. By providing dependable Web-based access, a solution can support disaster recovery and business continuity initiatives and prevent new software from disrupting an organization's day-to-day environment. Additional considerations are potential unknown cost increases after five years and whether or not the vendor may still be in the hosted-solution business over a long period of time.

### **Implementation Requirements, Costs, and Operational Impacts**

The Court of Appeal, First Appellate District has embarked on a historical initiative of modernizing the court system by implementing the first e-filing pilot program in California. Its resounding success paves the way for the rest of the appellate courts to follow suit, and the acquisition of a document management system (DMS) is absolutely essential to expand on this success. The appellate courts must have a way to manage, store, share, and preserve electronic case documents and administrative records. A DMS will also improve efficiency, reduce record storage/retrieval costs dramatically, and provide public online access to appellate court records for the first time. The recommended solution is to purchase a DMS with a host to manage it, which will provide the courts with the greatest amount of security and control over the data plus more ability to customize the system for the individual courts. This is a critical component to the

success of e-filing, and without a DMS, much of the progress made toward modernizing the court system will be severely limited.

As previously stated, this budget change proposal is in alignment with another item on this meeting's agenda, the Court Technology Governance and Strategic Plan. Adoption of the Court Technology Governance and Strategic Plan is essential so that the executive branch of California state government can agree to fund initiatives like the one proposed in this BCP.

### **Relevant Strategic Plan Goals and Operational Plan Objectives**

The budget change proposal addresses several strategic goals:

- Goal I, Access, Fairness, and Diversity
- Goal III, Modernization of Management and Administration
- Goal IV, Quality of Justice and Service to the Public