

RECORDS
MANAGEMENT
PROGRAMS
Annual Report
1999-2000



California
Department of General Services
Barry Keene, Director

ANNUAL REPORT

RECORDS MANAGEMENT PROGRAMS

Major Activities
Fiscal Year 1999-2000
&
Summary of Previous
Non-Reported Fiscal Years



California
Department of General Services

Barry D. Keene
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Prepared by



Empowering Government with Services, Solutions and Customer Success

EXECUTIVE SUMMARY

This report documents total savings and cost avoidance for fiscal year 1999-2000 and gauges the state records program throughout the State of California. It provides data on record holdings and reports significant program accomplishments by state agencies and the centralized programs. The State Records Program (SRP) and the State Forms Management Program assisted the efforts of agencies. Some of the highlights of this report are listed below.

The total savings and cost avoidance during fiscal year 1999-2000 were **\$49.5 million**. This does not include savings/cost avoidance from approximately 40 imaging and records management contracts that could not be quantified but are expected to average additional **millions of dollars per contract**. Estimates are conservative and include some “soft” cost avoidance. For example removing records from office space into the Department of General Services’ (DGS) State Records Center (SRC) does not always avoid costs of office space since some space may not be reused.

The \$49.5 million is illustrated on the graph on the following page and was comprised of:

- \$22.6 million savings and cost avoidance through the use of micrographic and document management technologies. Of this total, more than \$17.3 million is from the efficiencies and reduction of paper from source document microfilming and source document scanning. “Source document microfilming” is putting paper records on microfilm. “Source document scanning” is scanning paper documents into electronic format. Both technologies make information easier to use, protect records, create efficiencies of speed and multiple use, and save space by destruction of paper. These figures were provided by agencies and some figures were calculated from Master Service Agreement contracts for Conversion (i.e., source document microfilming and scanning). Of the total, more than \$5.2 million is from use of computer output to microfilm (COM) in place of paper. COM results in mainframe reports on microfilm instead of paper. This causes efficiencies in storage, printing, and dispersing. Other document management technologies include enterprise report management (ERM), which is the output of computer reports to laser disk and various other automated formats in place of paper. Workflow changes allowed by document management systems are also part of the document management technologies;
- \$15.2 million total cost avoidance for new office space and filing equipment was achieved through the use of the SRC or departmental storage instead of expensive office space. Some of this is soft cost avoidance, for example, the office space freed up may not be used for anything else. However, cost avoidance figures do not include clerical costs, which in the past have been higher in the office than in the SRC;
- \$6.2 million total cost avoidance in space and filing equipment by timely destruction of obsolete records. Destruction from office and departmental storage sometimes does not result in a cost avoidance because the space and filing equipment is not used for anything else. However, costs are conservative in that clerical costs are not included;
- \$5 million cost avoidance by development and use of electronic standard state forms in lieu of duplicative state agency forms; and
- \$0.5 million income to the state came from the sale of bales of shredded paper for recycling resulting from destruction of confidential paper records by the SRC.

- The (SRP) helped agencies achieve the cost savings described above by providing leadership to establish and maintain an active, economical and efficient program. Services to customer agencies include:
 - 1) Leadership in implementing strong records management systems, including imaging technology, by providing consultations, presentations, and one-on-one assistance by staff;
 - 2) Customer training, including quarterly customer meetings and an annual Imaging and Records Management Forum featuring a Governor's Executive Proclamation celebrating National Records and Information Management Week in California. In the formal training all of the previously described cost avoidance/saving techniques are covered. Featured speakers at the Forum address many ways to manage records, including electronic records;
 - 3) Participation in the development of Master Service Agreements (MSAs) to streamline contracting for records management, imaging and document conversion equipment and consulting services; and
 - 4) Development of guidelines to manage electronic records, creation of consistent records retention standards for common records, and initiation of a Web-site to assist customers.

Figure 1. 1999-2000 Cost Avoidance and Savings

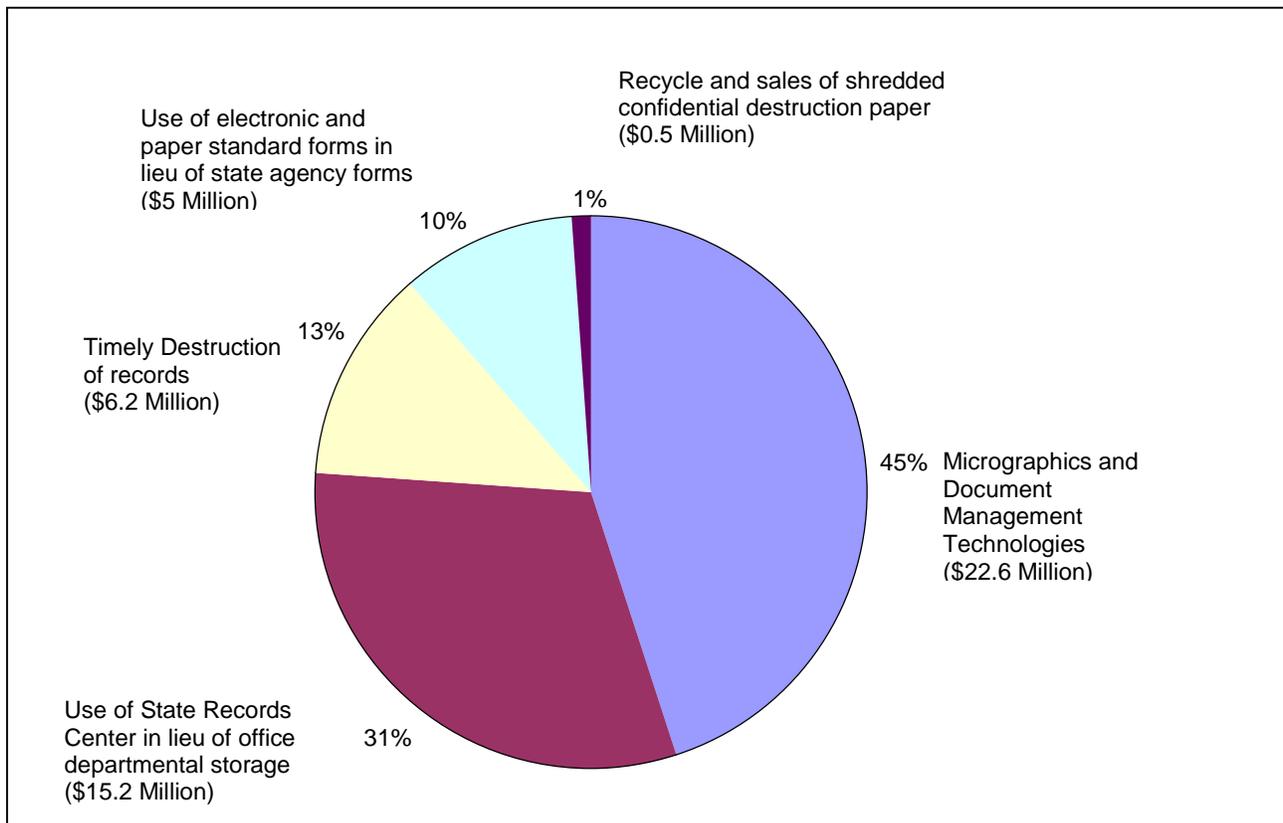


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LIST OF ACRONYMS

ARMA	Association of Records Managers and Administrators
BOE	Board of Equalization
CalRIM	California Records and Information Management
CalSTRS	California State Teachers' Retirement System
CALTRANS	California Department of Transportation
CAMMI	California Acquisition and Materials Management Institute
CAPPO	California Association of Public Purchasing Officials
CDC	California Department of Corrections
CD-ROM	Computer Disk – Read Only Memory
CHP	California Highway Patrol
CMAS	California Multiple Award Schedule
COLD	Computer Output to Laser Disk
COM	Computer Output to Microfilm
DDS	Department of Developmental Services
DGS	Department of General Services
DHS	Department of Health Services
DIR	Department of Industrial Relations
DMV	Department of Motor Vehicles
DOI	Department of Insurance
DOIT	Department of Information Technology
DOJ	Department of Justice
DSA	Division of State Architect
ERM	Enterprise Report Management
FMC	Forms Management Center
FSR	Feasibility Study Report
FTB	Franchise Tax Board
GC	Government Code
ITEC	Information Technology Exposition and Conference
IWMB	Integrated Waste Management Board
MSA	Master Service Agreement
OAH	Office of Administrative Hearings
OLS	Office of Legal Services
OSP	Office of State Publishing
PD	Procurement Division
PUC	Public Utilities Commission
RESD	Real Estate Services Division
RRS	Records Retention Schedule
SFMP	State Forms Management Program
SRC	State Records Center
SRP	State Records Program
STD.	Standard (forms)
UIF	Unemployment Insurance Fund (Department of Industrial Relations)

INTRODUCTION

The State of California Records Management Program is statutorily mandated by the “Records Management Act” contained in Government Code (GC) Sections 14740-14774. Records are key to implementing the vision and mission of each agency. With advances in technology, state agencies have greater responsibilities than ever before. A “records management and information technology” business approach integrates Governor Gray Davis’ recent “eGovernment” initiative while successfully managing essential business records and information of government. Effective employment of records and information management systems can support the basic mechanisms for making electronic government work smoothly.

Government Code Section 14750 requires the head of each agency, in part, to: “Establish and maintain an active, continuing program for the economical and efficient management of the records and information collection practices of the agency.” The California Records and Information Management program (CalRIM), in the Department of General Services (DGS) Procurement Division (PD), assists all executive state agencies in the Executive Branch with records creation, retention and disposal to ensure, in part, that records are not destroyed until they have “no further administrative, legal or fiscal value...” (Section 14755 of the State Records Management Act). The CalRIM is responsible for developing and coordinating the statewide program.

This report is provided to the Governor’s Office each fiscal year in conformance with the Records Management Act. The State Forms Management Program (SFMP) is included in this report as it is part of the Act. Because of the length of time since the last publication, the report contains not only significant accomplishments for the year, but also significant detail about California’s Records Management programs and accomplishments in the interim.

PROGRAM RESPONSIBILITIES

The State of California Records Management Program

Decentralized Structure

The records management program uses a distributed structure. The front line work is done by state agencies and they deserve credit for the successes of their programs. The staff of the state records management programs (inclusive of the SFMP) guide and counsel agencies in their efforts in addition to providing the policy, training, and tools to accomplish good records management. Below is a description of the vision, mission, and responsibilities of the program:

Vision -- Streamline the business of government. Strive to develop the full potential of staff, gain the respect of our customers through quality, timely, effective and efficient services for records and information management, and lead the way for other states to challenge the status quo.

Mission -- Provide solutions that assist state agencies to solve their records management problems; enhance program awareness and services; and streamline their business processes through development and employment of successful document imaging and information management redesign projects and services.

Program Responsibilities

The SRP has delegated responsibility by the DGS director to implement the State Records Management Act (GC Sections 14740-14774) by establishing and administering a “records management program” for all executive branch agencies. Key program organizational elements include CalRIM and the SRC. One component of the Act, SFMP is within the OSP and delegated its responsibility separately by the DGS director.

California Records and Information Management (CalRIM)

The **CalRIM** is responsible for all state policy on records management. This includes creating standards, procedures and processing requirements. It provides records training and consultation to all agencies. The CalRIM develops guidelines and handbooks for state agencies to manage their records programs, including the management and standards for electronic records and employment of imaging technology. The program reviews, approves and maintains all agency RRSs.

The **CalRIM** assists agencies in implementing effective records management programs, including the development of workflow redesign projects and document imaging capabilities. It provides subject matter experts to create MSAs that streamline the contracting process for records and imaging technologies, FSR development and consultation. It provides on-site consultations, classroom and on-the-job training, formal presentations, and conferences.

CalRIM imaging experts assist government agencies with their document management technologies. The program helps to improve business processes, ensure efficient reengineering changes via technology, and apply economical management methods for

the creation, maintenance, retention, preservation, and disposal of records. They provide information to customers through training, assistance, and presentations that encourage the use of COM, source document filming and other document management technologies. The program works closely with state and other local government agencies by providing information on document management technology solutions to understand and deploy emerging technologies.

State Records Center (SRC)

The SRC provides low-cost storage, security, protection, processing, and servicing of semi-active and inactive records. It is located in two facilities in West Sacramento with the potential for one million cubic feet of storage capacity. The SRC manages and provides confidential document destruction services, including plastic (e.g., computer tapes and disks, video and audio tapes, microfilm and microfiche, etc.), which helps facilitate the Paperwork Reduction Act. A vital records vault is provided by contract with a private firm and serves as a microfilm and essential record storage facility to be used in case of operational recovery after a major disaster.

State Forms Management Program (SFMP)

Management of state forms is done by the FMC, within the DGS OSP. This function was transferred from the former Office of Information Services, SRP to be managed by the OSP in July 1997. The FMC manages this mandated statewide centralized program for state author agencies as required by GC Sections 14770-14772. Responsibilities include consulting, designing, revising, printing, programming, and deploying of paper and electronic STD. forms. The STD. forms are those forms used in common by state agencies for day-to-day administrative purposes. This program is also responsible for the reduction of state forms used by business.*

Total State Records Holdings (Paper Only)

The SRP responsibility covers the entire scope of records held throughout all state agencies. The following figure shows all reportable paper records. It exhibits the extent and growth of records in the last four years (See [Appendix A](#) for individual agency holdings).

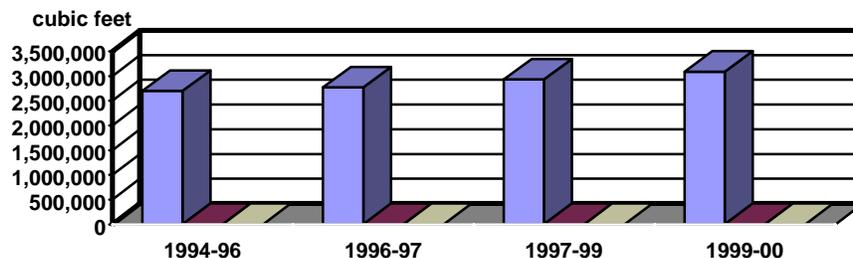


Figure 2. Total State Paper Records Holdings

* All information in this report concerning the SFMP was developed by the OSP.

AGENCY PROGRAM ACCOMPLISHMENTS

Document Management

Document management includes all methods described below that eliminate paper and streamline workflow, including imaging. The term “imaging” involves a variety of document management technologies. “Micrographics” using microfilm and microfiche, is still a viable option to paper records systems. Microfilm falls into two general categories: (1) “source document” is the filming of existing paper documents (source document also includes digital scanning of documents for an optical disk, compact disk, or other electronic medium) and (2) COM is an option instead of computer paper printouts. Another use of imaging is computer output to laser disk (COLD) also referred to as Enterprise Report Management (ERM). Imaging also involves digitally scanning documents.

Although not strictly “imaging”, CalRIM Imaging specialists are also knowledgeable about automating workflow and business processes as part of the larger definition of “document management” or “knowledge management”. These technologies are tools for managing documents through their lifecycle from inception through creation, review, storage and dissemination, all the way through destruction. CalRIM assists agencies in using these technologies as well.

Government remains one of the largest segments of the document management technologies market. According to recent studies, the government sector is expected to spend nearly \$3 billion on document management technologies and related services in 2001.

Computer Output to Microfilm (COM)

The CalRIM estimates agencies **avoided \$5,237,000 of cost** from use of COM. This figure is lower than in prior years as it only includes COM produced by Stephen P. Teale Data Center and Health and Human Services Agency Data Center. The amount is calculated based on \$0.0284 per image. The cost avoidance is achieved by printing on microfilm instead of paper and has two aspects: (1) *storage* on microform takes less space than storing data on paper and (2) it costs less to *print* on microfilm than paper. It was determined that the cost to *store* microfilm is \$0.0014 per image. This is based on the difference in cost of storage in the SRC of a page of printout vs. an image on microfilm. The cost of *printing* on microfilm of \$0.005 vs. on paper of \$0.032 equates to a cost savings of \$0.027 per image. See [Appendix B](#) for details of the cost avoidance by agency.

Source Document Imaging

On top of COM savings is the agencies’ **cost avoidance of \$17,339,000** for source document imaging. This imaging method stores information on optical disk, microfilm or in automated systems in lieu of paper. The cost avoidance is achieved because (1) using the images instead of paper documents allows destruction of paper thereby lowering storage costs; (2) less time spent searching through paper files lowers personnel costs; and (3) access by more than one person enhances customer service.

To derive the total cost avoidance, the last reported cost avoidance of \$.06 per image was used. This was determined as the average cost from a review of FSRs in the last reporting period. Since FSRs are no longer reviewed by the CalRIM, the estimate is the best available.

Many agencies perform their own imaging, workflow, document management, data capture/text retrieval. Some also contract for these services from other agencies or contract for it separately. Other agencies use the MSAs as described later in this report.

The cost avoidance for source document imaging identified above, was determined by calculating the savings of: (1) **\$14,550,000** from conversion projects done in-house by state agency staff or using competitive bids (not under the MSAs) for approximately 253,532,000 images (as shown in Figure 3); and (2) **\$2,789,000** from contracts awarded to suppliers with conversion project MSAs (see Figure 6 for details).

Figure 3. Source Document Imaging (Non-MSA) Reported by State Agencies

Department	No. of Images
Motor Vehicles, Department of	137,995,271
Controllers, State	38,810,400
Corrections, Department of	22,063,252
Health Services, Department of	12,250,000
Employment Development Department	12,025,531
Student Aid Commission, California	4,619,534
Secretary of State	3,282,791
Equalization, State Board of	2,412,199
Consumer Affairs, Department of	2,357,358
Personnel Administration, Department of	1,600,000
Developmental Services, Department of	1,360,000
Real Estate, Department of	1,204,413
Toxics Substances Control, Department of	1,017,218
Teachers Retirement System, State	666,240
Corporations, Department of	240,000
Conservation, Oil Gas & Geothermal R. Div	169,579
Water Resources, Department of	168,619
California Highway Patrol	81,814
Franchise Tax Board	62,559
Public Utilities Commission	40,000
Mental Health, Department of	24,000
Military Department	16,000
Education, Department of	12,490
Parks & Recreation, Department of	11,000
Water Resources Control Board, State	10,200
Prison Terms, Board of	334
Justice, Department of	200
Total Images	253,532,628

Note: Cost avoidance above equates to \$0.06/image x total images to equal \$14,550,060

Document Imaging and Workflow Sample Projects

Cost avoidance by use of other imaging and workflow technologies were unavailable. The CalRIM was unable to estimate the total cost avoidance from the activity on the MSA for Imaging and Records Management shown on Figure 4. Available documentation was only able to uncover the total activity and cost of contracts issued using the MSA. However, potential savings are expected to be in excess of \$30 million per year, based on the following examples that are known and the volume of use of the general imaging MSA. (For more information on MSAs, see the following section of this report.) These examples are not part of any cost avoidance summaries in this report:

- CalSTRS - For over two years, the CalRIM imaging staff consulted with CalSTRS on the development of their imaging requirements. Staff assisted in evaluating MSA suppliers for implementing a document imaging and automated workflow technology from the inception of the project.

The expected cost of the system is approximately \$5 million over the next two years. The benefits that will accrue to CalSTRS from implementation of this technology include:

- Increased processing efficiency and availability of documents within CalSTRS;
 - Improved customer service and disaster recovery;
 - Personnel cost avoidance;
 - Reduction of lost files and documents;
 - Increased management and control over work processes; and
 - Improved infrastructure for CalSTRS future.
- The Department of Industrial Relations, Unemployment Insurance Fund (UIF), needed a FSR to evaluate their records for imaging and electronic records management. The CalRIM assisted UIF to use a MSA contractor to develop the FSR. The FSR is awaiting approval and shows an accumulative potential cost savings of over \$40 million spread over a ten-year period from avoiding new hiring, disaster recovery, reduced postage, and copying.
 - Department of Industrial Relations - Workers' Compensation Claims Group – CalRIM staff consulted with the agency on a new imaging application. Staff assisted in recruitment of a consultant to develop the FSR.
 - Department of Corrections – This department avoided approximately \$660,000 in costs through source document microfilming.
 - The Division of the State Architect used CalRIM's draft records software guidelines to develop a FSR that allowed review and approval of architectural drawings over the Web. They also wanted to manage their electronic and physical records. Cost avoidance is expected but cannot be quantified at this time.

Source Document Imaging Using Master Service Agreements

The DGS assists government agencies to streamline the contracting process by implementing imaging services through MSAs, CMAS, and use of certified small business contractors. The electronic and document management MSAs were specifically developed by the DGS PD at the request of the CalRIM Program based on customer demand. These MSAs allow agencies to choose from pre-qualified solution providers.

The DGS offers three MSAs that provide a wide variety of services that may be utilized by state and local agencies, as follows:

- Imaging and Workflow FSR Consulting Services & Records Management Consulting Services. This MSA provides state and local agencies with consulting services for imaging and workflow FSRs and consulting services for defining and implementing records management projects.
- Imaging and Workflow Project Implementation Services & Software. This MSA provides software and implementation services for imaging, workflow, document management, COLD-ERM, database, and data capture projects.
- Document Conversion Services. This MSA provides document conversion services to convert paper documents to electronic format, paper documents to micrographic form, and micrographic images to electronic format.

Using the MSAs, CalRIM reports an estimated annual state-wide savings of **18 months** of time required (lapse time) **to place contracts** for records management services. This savings was determined using an average of three to six months for a typical competitive contract, with a large imaging project taking a year or more. The MSA ordering process takes from one to two days to award simple contracts to one to two weeks up to a few months for a large project.

Results of the MSA Business Activity

The limited CalRIM staff available for detailed consultations led to the development and implementation of the MSAs. Subsequently, a business inter-relationship composed of staff members and MSA suppliers has been formed. Aside from the low cost and high quality services provided, a new and highly competitive business strategy has evolved. The original MSA pricing now serves as a baseline for even more aggressive competition among suppliers.

CalRIM's evolving customer business practice is to monitor the MSA projects and assist the state agency customer where appropriate. This forges a healthy business relationship between the state agency customer and CalRIM. Consequently, the CalRIM is recognized as a leader in records management in state government that adds value to the business planning activities and helps solve the business problems of customers throughout government.

Figure 4 shows the activity for **state agencies** on the MSAs for imaging and records management services for fiscal year 1999-2000 **totaling \$1,687,265**. The values were developed from the Purchasing Information Network (PIN) system and contractor reports. The actual activity is expected to be higher since some contracts had not been recorded in the system at the time the data was collected.

Figure 4. State Agency Activity on Imaging and Records Management MSA

State Agency	Number of Contracts	Contract Value
CalTrans	13	\$286,734
Corrections	8	\$178,828
Food and Agriculture	2	\$177,794
General Services	3	\$155,903
Industrial Relations	2	\$147,772
Insurance	2	\$122,745
Justice	5	\$112,235
Water Resources Control Bd.	1	\$91,282
Health Services	2	\$81,039
Toxic Substance Control	1	\$79,928
State Library	1	\$54,210
Water Resources	5	\$51,628
Youth Authority	4	\$43,934
Board of Prison Terms	5	\$25,273
Parks and Recreation	1	\$25,000
Consumer Affairs	2	\$19,859
State Lands Commission	1	\$17,200
Conservation	1	\$12,136
Pesticide Regulation	1	\$2,332
Housing and Community Dept.	1	\$1,433
Total Cost	61	\$1,687,265

Figure 5 shows a sampling of the activity of **local jurisdictions** on the same two MSAs during fiscal year 1999-2000.

Figure 5. Local Agency Activity on Imaging and Records Management MSA

Local Agency	Number of Contracts	Contract Value
San Joaquin Area Flood Control Agency	1	\$19,000
Contra Costa Water District	1	\$9,926
Total Cost	2	\$28,926

Figure 6 shows at least **\$1,241,019** was *spent* by state agencies in 1999-2000 using the MSA for conversion services. No data was available for local governments. In this case, cost avoidance can be determined using the same methodology for source document conversion described in the Source Document Imaging subsection of this report of \$.06 per image. The images were calculated by dividing the price of the contract by \$0.0267. (This is the cost per image found in the supplier, BMI Imaging's, catalog. BMI is a typical and heavily used supplier.). At the rate of \$.06, the **cost avoidance from use of the MSA is estimated at \$2,789,000.**

Figure 6. Conversion MSA Contracts

Agency	Contract Values (Costs)	Number of Images
Justice	\$635,536	23,802,846
Mental Health	199,333	7,465,655
Water Resources	132,750	4,971,910
General Services	100,000	3,745,318
AG Labor Relations Board	55,537	2,080,037
Water Resources Control Board	36,149	1,353,895
Education	35,000	1,310,861
Health Services	23,900	895,131
Pesticide Regulation	21,876	819,326
Alcohol and Drug Abuse	500	18,727
Parks and Recreation	438	16,404
TOTAL	\$1,241,019	46,480,110

Cost Avoidance by Use of the SRC and Destruction of Paper Records

All state agencies in California are charged with the responsibility to avoid and/or eliminate unnecessary program management costs where and whenever possible. When properly administered, the records and information management programs of state agencies provide the judicious and effective use of sound records management practices, procedures, and services that provide significant cost avoidance.

A total of over **\$21 million** in costs were avoided by: (1) use of the SRC in place of more costly office storage; and (2) timely destruction of records in accordance with Records Retention Schedules (RRS) (see [Appendix C](#) for a further description of RRSs). Although the SRC is available and some transfer to this storage does not free up space and filing equipment, this estimate is conservative as it does not include the cost of clerical support that makes the storage in the SRC even more cost effective. Furthermore, destruction from offices or departmental space may not result in hard savings, but destruction from the SRC will result in such savings to the agency. Figure 7 shows the top 10 departments in cost avoidance from these two sources. For a full listing of agencies' paper holdings, see [Appendix A](#).

Figure 7. Top ten State Agencies in cost avoidance

Top 10 Savings from Storage in SRC *		Top 10 Savings from Destruction **	
AGENCY	SAVINGS	AGENCY	SAVINGS
1. Industrial Relations	\$2,719,769	1. Corrections	\$1,540,259
2. Justice	\$2,010,800	2. Health Services	\$797,525
3. General Services	\$1,391,299	3. California Highway Patrol	\$695,262
4. Health Services	\$750,272	4. Industrial Relations	\$570,163
5. Employment Development	\$723,362	5. Board of Equalization	\$302,349
6. State Controller	\$654,649	6. Franchise Tax Board	\$286,158
7. Social Services	\$604,043	7. Dept. of Education	\$176,283
8. Public Utilities Commission	\$509,297	8. State Controller	\$154,694
9. Corrections	\$437,518	9. Water Resources Control Board	\$146,585
10. Consumer Affairs	\$365,363	10. Dept. of Motor Vehicles	\$120,678

*Office storage costs are estimated at \$24.36/cu. ft. based on figures provided by the DGS RESD. Storage in the SRC costs \$0.99/cu. ft. without staffing support. This is a savings of \$23.37/cu. ft. In prior reports, the cost of clerical support was factored into the cost but is not shown here.

**This amount includes three categories of records: (1) records destroyed which were previously held in office space; (2) records destroyed by a few agencies from their departmental storage; and (3) records stored by agencies at the SRC. The amount shown for (1) destroying records that were held in office space was based on the same cost of office storage of \$24.36/cu. ft. calculated from the RESD's space costs and an estimate by CalRIM for filing equipment costs from going prices (excluding clerical support). For (2), where agencies destroy records that were in their departmental storage (other than office space), that amount is based on \$2.62/cu. ft. and was calculated from the RESD's space costs and the CalRIM filing equipment costs. For (3), the amount was determined using SRC's billing rate of \$3.50/cu. ft. for destruction for those records, which were stored there, and this amount includes overhead costs.

Examples of Cost Avoidance by Agencies

The DMV reported a total cost avoidance of \$11,707,000. This major effort by DMV was a result of the conversion to an upgraded electronic imaging (optical disk) system for scanning occupational licensing records that eliminates the retention of the paper records, thereby reducing storage space. The DMV also executed a new driver license contract, that provides an on-line feature that significantly reduces the amount of photo file cartridges maintained on-site. The DMV continued the use of in-house produced microfilm which are stored in the department's information services unit. The department has increased its emphasis on the destruction of non-current records thus greatly reducing their records storage costs while at the same time decreasing access time for locating customer records. The DMV's cost avoidance from source document imaging and computer output to microfilm totaled almost \$9.5 million.

The FTB reported a total cost avoidance of \$7,381,000. This effort was largely due to storage of records at its off-site center versus on-site storage. In addition, FTB has continued the use of electronically filed tax returns. Over 846,100 tax returns were filed electronically in 1999. The FTB also issued 162,600 direct deposit refunds and processed 381,000 electronic fund transfers. All these processes eliminated the need for paper documents. The FTB E-Data Retention Team established an agencywide policy for e-mail and is working on establishing records retention policies and procedures for all E-Data created by the FTB.

The DOJ reported a total cost avoidance of \$3,856,000. One of the top 10 agencies in the category of cost avoidance, this major effort by the DOJ was the result of its use of the SRC for storage of its records versus on-site storage. In addition, the DOJ Criminal Justice Statistical Center developed the Electronic Crime and Arrest Reporting System (E-CARS). The E-CARS encourages local law enforcement agencies to eliminate hard copy reports and to provide monthly statistics by either tape or diskette. Currently, there are approximately 100 agencies reporting information electronically versus paper reporting.

The DIR reported a total cost avoidance of \$3,646,000, attained largely from storage in the SRC. It also avoided costs from destruction and use of document management technologies. It is also noteworthy that in 1997, the DIR reduced their retention period from 25 to 15 years on select records which resulted in over 49,000 boxes of records being pulled and destroyed, **saving DIR \$221,000** in annual storage costs.

The CDC reported a total cost avoidance of \$3,286,000. This major effort by CDC was a result of the increased and efficient use of CDC operated COM equipment. The CDC continues to employ microfilm technology for converting inmate/parolee paper records upon discharge. Approximately 3,200 cubic feet of hard copy records were converted to microfilm. In addition, the I.D. Warrants Unit implemented the conversion of confidential records.

The CDC updated and/or created new RRS for existing and new offices located throughout the state. About 1.5 million cubic feet of records were destroyed in accordance with the RRS, avoiding nearly \$1.5 million in costs. A total of 1,955 cubic feet of inactive records were transferred from departmental filing locations to the SRC. This equated to a cost avoidance of \$37,868.

A CDC Records Retention Handbook was effectively employed to ensure CDC records management needs are properly implemented to ensure processing procedures and

requirements are simplified and standardized. The Handbook has been instrumental in ensuring that CDC applies realistic and reduced retention periods.

The CALTRANS reported a total cost avoidance of \$3,050,000. The CALTRANS' Accounting Service Center, Aeronautics Program, Construction Program, Legal Division, and Mass Transportation reported special efforts to improve microfilm storage, overall reduction of stored records by updating their RRS, and making information more accessible and available. Most noteworthy was the use by the Legal Division of a new system called LinCS (Legal Information and Calendar System) that enabled upper management to monitor attorneys' caseload status. This led to a significant closure of outstanding cases. CALTRANS is a heavy COM user, accounting for almost \$1.5 million cost savings and avoidance.

The DHS reported a total cost avoidance of approximately \$1,903,000. Of this, \$840,000 was from its storage of records in the SRC. The DHS also initiated an Electronic Workflow Pilot project to increase efficiency in ordering form-printing services. The project included updating and streamlining the forms database. The forms management accomplishments have been the result of using the Intranet and Internet.

The DGS reported a total cost avoidance of \$1,009,000. Efforts by the DGS included the following records and information technology initiatives:

- The OSP trained all responsible staff in RRS requirements and processing procedures. The OSP's vital records were identified and safeguards implemented in the event of potential disaster. Schematics and blueprints of the OSP building structure, electrical, and mechanical systems were converted to CD-ROM and hard copied by CALTRANS.
- The OAH Administrative Procedure Act case files were purged and dispatched to the SRC for storage every six months. Most of the forms have been converted to electronic formats saving storage space and paper.
- The OLS implemented a new pilot program to reduce the amount of paper records required to be included in contracts filed with the office. The pilot process involved incorporating by reference certain standard language clauses that now reside on the Internet, thereby eliminating the need to include the paper versions of the same records in the actual paper contract. This pilot process has become the current standard process.
- The DSA avoided over half a million dollars in storage cost by storing over 25,000 cubic feet of mostly blueprints, plans and specifications at the SRC.

The CHP reported a total cost avoidance of \$937,000. The conversion of over 217 cubic feet of records, destruction of records, and the transfer of records to the SRC generated these savings. Also, a total of 4,032 cubic feet of records were recycled and diverted from landfills, and 21 departmental printed forms were converted to electronic forms, which eliminated 24 cubic feet of stored forms.

The PUC reported a total cost avoidance of \$687,000. Of this, \$570,000 was from its use of the SRC for its storage of records and another \$35,000 from its timely and proper records management destruction practices. A key storage and destruction initiative included the PUC Central Files Unit efforts to transfer 130 cubic feet of records earmarked for destruction and the timely transfer of 180 cubic feet of records to the SRC.

In addition, the PUC Resolutions and Cancelled Tariffs records were scanned from hard copy to Portable Document Format on CD-ROM to allow staff and eventually the public, to more easily access these important and frequently referenced and viewed records. This initiative also resulted in critical space cost savings and freed-up valuable space for other management uses.

The BOE reported a total cost avoidance of \$561,000. This effort was accomplished through its use of records stored in a less costly storage facility and records destroyed. In addition, the BOE Property Department successfully completed the imaging of Roll Year changes 1994-1998 (maps and documents) for all counties. The Timber Taxes Division continued its employment of document imaging technology, allowing records to be destroyed rather than stored. The BOE saved \$3,000 using the DGS MSA program, employing the use of its Imaging Consultants and Suppliers.

The DDS reported a total cost avoidance of over \$265,000. The DDS' efforts were the direct result of its appropriate use of departmental and SRC storage versus on-site storage and its effective records management destruction practices.

ACCOMPLISHMENTS OF CENTRAL RECORDS MANAGEMENT PROGRAMS

California Information and Records Management Program Highlights

The CalRIM Program staff have responsibility for establishing guidelines and standards so that all state agencies can implement sound records management strategy. Within the profession, the term “records management” encompasses techniques to manage documents and information in any form. It includes technologies such as micrographics, automation of business processes and workflow and other forms of imaging such as scanning documents. The methods used to meet these responsibilities are highlighted below. [Appendix C](#) contains a definition of records management and further describes the CalRIM accomplishments and the benefits of an effective records management program.

Leadership through Outreach and Partnering

The CalRIM staff participated in over 50 conferences and engagements in 1999-2000 fiscal year. Staff served on the Board of Directors for the ITEC and made presentations for various ARMA meetings; presentations to City Clerks Association; CAPPO conferences; and, individual presentations to state and local governments. The presentations provided information on document management and/or records management. Participation in these events demonstrated the leadership role that the DGS plays in the areas of records management and imaging nationally.

In the document management field, CalRIM provides leadership on individual imaging projects by information sharing and assistance to state agencies and local government to minimize risk of failure. The CalRIM’s role is to help agencies define their requirements and to serve as an intermediary between the state agencies and private firms that provide imaging solutions. Agencies become more familiar with the technology and how to implement it. They are also made aware of other solutions by referral to different suppliers that can meet their needs.

Another outreach effort was the creation of the **Records Management Customer Council**. See [Appendix C](#) for more information on the Council.

Training, Consultation and Assistance

Records Management staff providing training, consultations and assistance, coupled with current, accurate and complete RRSs contributed to agencies avoiding over \$21 million (already described under the Agency Program Accomplishments of this report). This was achieved by proper identification of records, use of limited retention periods, proper use of the SRC and planned destruction of records. The cost avoidance results are at the end of [Appendix A](#).

The CalRIM program offers two **formal training** classes on records management: one for staff that covers the entire life cycle of records, including electronic records, and one for supervisors and managers. Less formal training is received in the **All Agency Records Management**

Quarterly meeting, the **Imaging and Records Management Annual Forum**. The Executive Proclamation by Governor Davis acknowledged “Records and Information Week in California” was highlighted at this year’s Forum. The proclamation significantly enhanced the overall importance and effectiveness of the records management programs.

The CalRIM program provides **specialized management consultations** that include agency visits, on-site training, and follow-up. The consultations are proven strategies for establishing and managing successful records management programs. Following are two examples of successful partnering with agencies:

- The DIR - Coordinated reduction of retention periods to reduce 40,000 cu. ft. of records for a cost avoidance of approximately \$140,000.
- The DOI - Avoided loss of 50,000 cu. ft. of records by keeping records per CalRIM guidance under control of the Commissioner in compliance with legal requirements.

The Management of Electronic Records

Electronic records are more often becoming the “*official record*” of many agencies and paper documents are not even generated. Electronic records must be maintained in a manner that preserves their integrity as a record and their potential archival purpose. With the proliferation of automated systems, properly accounting for the official electronic record has become increasingly challenging. During this reporting period, CalRIM initiated a major project to revise the Electronic Records Management Handbook to update the management of electronic records, such as e-mail and migration of legacy systems to current (and future) technology.

The CalRIM began developing standards for the use of new electronic recordskeeping systems. No other state has done this. This technology can semi-automatically assign an electronic record to the appropriate “*records series*” and assist with other records management functions. Use of records management software will ensure that the legal, regulatory, operational, and archival requirements are properly covered and handling instructions such as “retention” are tied to the record. The revised handbook and standards will be completed in 2001.

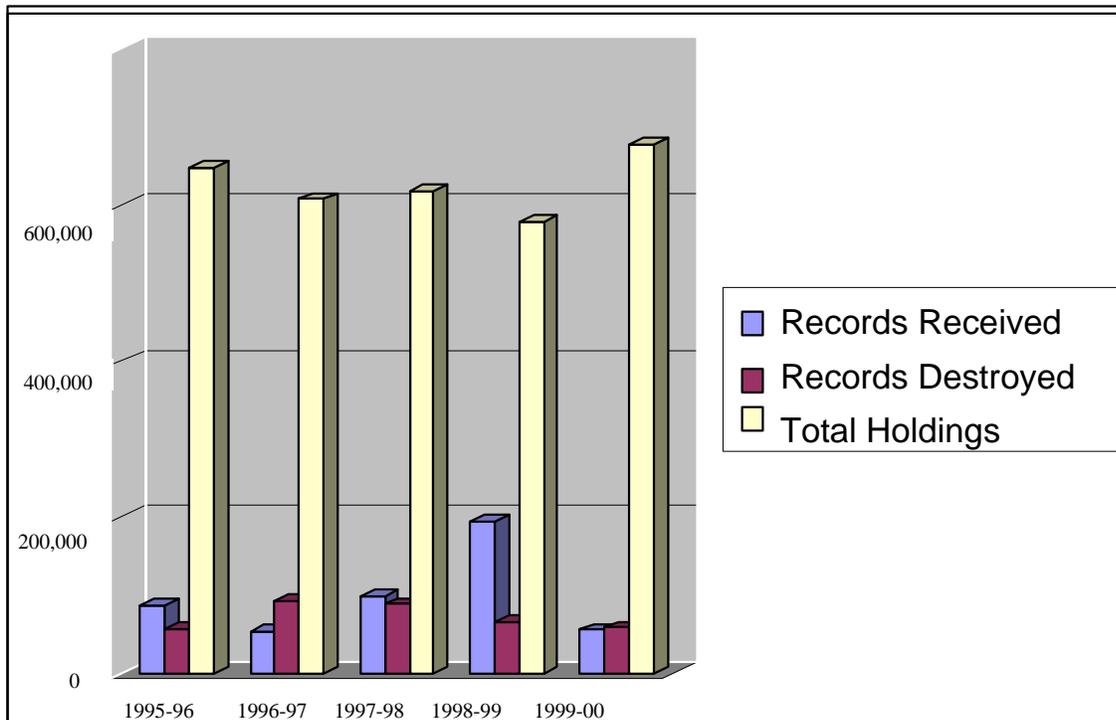
Effective records management programs address the growing concern of media longevity and technology obsolescence when assessing long-term reference needs. Records management professionals counsel that the enterprise keep only what is required, and assure that any new system has the mechanisms in place to purge data when it is time.

All of these issues will impact the maintenance, migration, disposition and preservation of electronic records. The CalRIM is working with the DOIT and the Secretary of State, State Archives, and other agencies to raise awareness of the needs of records management issues inherent in implementing information technology solutions throughout state government.

State Records Center (SRC)

Although agencies may choose to use commercial records storage, they usually select the SRC because of its outstanding customer service and competitive cost. Figure 8 shows the SRC activity in recent years.

Figure 8. SRC Records Holdings (1995-1999)



Document Destruction Center

The Document Destruction Center staff shred confidential material, including paper of all types and plastic (e.g., computer tapes and diskettes, microfiche and microfilm and videos). This is done under agreement with the IWMB (who has statutory authority for recycling). The staff of the California State Archives also reviews any material slated for shredding before it is destroyed to determine if it has archival, historical, or research value. Bales of shredded material are sold to recyclers if the paper is computer or office quality paper. **Selling the bales produced \$508,430 income** in fiscal year 1999-2000 from materials that otherwise would have been lost in landfill. The program is exploring markets for other waste products such as shredded plastics, hanging files, and binders.

State Forms Management Program*

The Forms Management Program is currently the responsibility of the DGS OSP. At the time of the last report, it was part of the Records Management Program.

State Standard (STD.) Forms Program

The FMC statutory responsibilities are consultation, designing, revising, printing, and distributing paper and electronic standard forms. Standard forms are those forms used in common by state agencies for day-to-day administration. The FMC is a cost avoidance activity for the state. If state agencies were creating forms on a decentralized basis, it would cost the state approximately \$5,000,000 more each year.

Paper STD. Forms

The FMC manages 225 standard forms; the usage volume by state agencies is estimated at 10 million completed documents. In addition to its statutory responsibilities, the FMC also manages the fulfillment of these forms. In fiscal year 1998-99, the FMC assumed fulfillment (publishing, replenishing, storing, ordering, shipping and billing) for paper STD. forms.

Electronic Forms

The FMC continues to embrace the ever-changing technology for development, programming, and distribution of electronic forms. Electronic forms include fill and print forms, database saving forms, and electronic form templates. Offering STD. forms in several electronic formats have expanded FMC's form services to state customers and resulted in their demand. As the demand for electronic forms continues to grow, FMC continues to become state experts in electronic form services, while decreasing paper forms thereby saving money.

Internet Forms

The FMC created a website in 1997. The website was enhanced to offer user-friendlier format and additional valuable information to state agencies. To date, over 80 percent of the standard forms collection is offered in "fill and print" format. Additionally, the website includes various form searches, form training class information, listing of products and services, program and marketing information, and a listing of Departmental Forms Coordinators. The program website is <http://www.osp.dgs.ca.gov/fmc>.

Business-Use Forms

The Business-Use Program (Government Code Section 14775) was enacted as law in 1994 as a statewide mandate. This program requires all state agencies to generate, maintain, and annually update a master listing of all business forms the private sector (excluding governmental entities) is given to complete and return to state agencies for business purposes. Additionally, it requires agencies to eliminate unnecessary forms to relieve the business community's administrative responsibilities. The FMC is charged with the overall responsibility, management, and oversight of this program.

* Prepared by the State Forms Management Program

RECOMMENDATIONS

The advent of electronic records makes the records management program even more critical than in the paper environment. Electronic records need to be identified. Their creation and maintenance is most often spread throughout the organization. Even if the electronic record is identified on a RRS (as policy requires), information processing systems of maintenance are so new that they are not yet used universally and in some cases may not properly dispose of or handle the records.

Therefore, the records management analysts/managers in state agencies have to apply records management techniques in new ways. This requires additional skills in information technology that were always valuable. The increasingly complex task of assessing records, including electronic records, requires knowledge of professional standards and interfacing with all levels of the organization, including information technology professionals. It is important that appropriate classification levels and highly skilled individuals be selected. It is also helpful to reduce turnover in organizations to improve continuity and allow programs to mature and improve.

New state-wide initiatives are necessary to address the situation of the changing environment. While the primary responsibility for carrying out these recommendations rests with the SRP, the recommendations require the coordination with or cooperation of other agencies to achieve success.

1. Establish a stronger inter-relationship with the Governor's E-Government initiatives and those from the DOIT. Coordinate with the Governor's Office of Innovation.
2. Obtain assistance from the Department of Personnel Administration to modify the records management series classifications to emphasize information technology skill sets and experience/expertise.
3. Modify the records management policy and its description in the State Administrative Manual to emphasize electronic records. Coordinate this with affected agencies.
4. Update the Electronic Records Handbook and establish Electronic Records Management Standards. Note: These will be complete in 2001 and will be coordinated with the Secretary of State, Archives, DOIT and affected agencies.
5. Enhance electronic records management awareness throughout state government. This includes migration methodology from current electronic records to the format of the future for records with archival value. The Program will partner with other agencies involved in information technology strategies to perform outreach activities.

It is also important to maintain the integrity of the historical program. Continued support by the Governor and increased awareness throughout agency management to support the staff assigned to carry out records management activities is needed. Central to efficient management of records is a statewide effort to bring all agencies' RRS to current status, including identification of electronic records.

APPENDICES

Appendix A, State Records Paper Holdings

This chart represents the total records holdings as reported by state agencies. At the end are shown the calculated cost avoidance from storage of records in the SRC as opposed to storage in office space; and from the timely destruction of records held in the office, departmental storage and at the SRC. Holdings are in cubic feet. A cubic foot holds about 2500 sheets of paper.

Agency	Total Holdings 1994/95&95/96	Total Holdings 1996-97	Total Holdings 1997/98& 98/99	Total Holdings 1999-00
Administrative Law, Office of	318	338	358	389
Aging, California Commission on	69	69	79	79
Aging, Department of	1,426	1,576	1,482	1,539
Agricultural Labor Relations Board	2,638	2,517	1,960	4,682
Air Resources Board	7,866	8,427	11,627	11,160
Alcohol & Drug Programs, Dept.	2,450	2,861	3,289	3,439
Alcoholic Beverage Control Appeals Bd.	133	148	117	114
Alcoholic Beverage Control, Dept. of	10,547	9,809	11,280	11,320
Arts Council, California	755	1,103	1,267	1,268
Boating & Waterways, Department of	876	876	895	1,007
Business, Transportation & Housing	538	571	579	546
Cal. Environmental Protection Agency	131	131	201	201
California Auctioneers	70	70	No Report	No Report
California Energy Commission	5,341	5,341	5,412	5,519
California Exposition & State Fair	1,674	1,855	2,133	2,133
California Trade & Commerce Agency	1,187	632	1,422	1,704
Chiropractic Examiners, Board of	481	535	677	693
Coastal Commission, California	17,171	19,390	24,092	24,215
Coastal Conservancy, State	3,469	2,390	2,740	2,094
Colorado River Board of California	561	589	677	628
Community Colleges, California	2,690	2,655	2,748	3,244
Conservation Corps, California	4,942	3,340	3,814	3,841
Conservation, Department of	12,770	13,246	12,078	12,199
Consumer Affairs, Department of	19,349	20,948	24,969	24,490
Controllers, State	63,113	58,101	58,728	59,139
Corporations, Department of	15,614	22,508	13,930	7,977
Corrections, Board of	861	838	607	845
Corrections, Department of	278,995	318,386	316,520	346,549
Criminal Justice Planning, Office of	2,154	2,264	1,825	2,654
Debt Advisory Commission, California	292	292	488	485
Debt. Limit Allocation Committee, Calif.	82	82	94	94
Developmental Services, Department of	43,381	40,595	30,121	27,173
Economic Opportunity, Department of	5,576	5,440	2,257	2,636
Education, Department of	30,932	35,133	34,426	36,072

Agency	Total Holdings 1994/95&95/96	Total Holdings 1996-97	Total Holdings 1997/98& 98/99	Total Holdings 1999-00
Educational Facilities Authority, Calif.	59	111	123	123
Emergency Medical Services Authority	249	334	399	388
Emergency Services, Office of	3,475	3,659	3,939	4,781
Employment Development Department	156,481	140,359	96,877	100,323
Environmental Health Hazard Assessment	17,617	20,263	23,233	23,233
Equalization, State Board of	58,354	63,840	62,401	64,369
Fair Employment & Housing Commission	320	359	403	343
Fair Employment & Housing, Depart.of	3,686	4,181	4,874	5,314
Fair Political Practices Commission	1,134	1,304	1,308	1,427
Finance, Department of	3,050	4,308	5,182	8,229
Financial Institutions, Department of	5,786	4,583	5,203	5,925
Fish & Game, Department of	17,768	16,384	19,259	16,558
Fish & Game Commission	237	249	285	286
Fish & Game-Wildlife Conservation Board	180	180	180	180
Food and Agriculture, Dept. of	9,770	9,568	11,269	11,542
Forestry, Department of	19,052	14,627	16,520	25,582
Franchise Tax Board	297,438	325,319	332,763	348,132
General Services	56,642	69,653	69,079	79,802
Governor's Office	661	742	736	714
Health & Welfare Agency	501	576	662	662
Health & Welfare Agency Data Center	47	54	61	62
Health Fac. Finance Auth., Calif.	467	313	359	360
Health Services, Department of	94,496	106,299	114,844	146,019
Highway Patrol, California Dept.	32,488	32,443	37,296	37,663
Horse Racing Board, California	441	341	406	341
Housing & Community Development, Dept.	8,796	10,777	12,541	12,195
Housing & Finance Agency, California	5,713	6,758	7,921	7,307
Indust. Develop. Financ. Adv. Comm., Cal.	86	90	118	112
Industrial Relations, Department of	305,417	300,510	348,745	340,314
Information Technology	-	10,632	12,210	694
Insurance, Department of	86,803	35,359	25,875	40,142
Justice, Department of	163,888	196,034	222,139	196,063
Law Revision Commission, Calif.	89	87	99	100
Library, California State	2,454	2,200	2,515	2,515
Lieutenant Governor, Office of the	163	186	216	216
Lottery Commission, Calif. State	28,599	19,223	22,106	13,253
Managed Risk Medical Insurance Board	273	270	515	321
Mandates, Commission on State	131	152	174	175
Medical Assistance Commission, Calif.	202	302	316	306
Mental Health, Department of	28,505	46,626	41,728	50,913
Military Department	9,914	9,303	10,434	7,056
Mortgage Bond Allocation Committee	657	711	1,368	1,568

Agency	Total Holdings 1994/95&95/96	Total Holdings 1996-97	Total Holdings 1997/98& 98/99	Total Holdings 1999-00
Motor Vehicles, Department of	100,366	106,542	141,191	140,593
Museum of Science & Industry, Calif.	1,233	1,417	1,629	1,630
Native American Heritage Commission	65	65	76	74
New Motor Vehicle Board	343	339	342	390
Office of Statewide Health Planning & Dev.	18,402	18,564	18,689	27,203
Organiz. & Econ. Comm. on Calif. St. Gov't.	106	120	136	136
Osteopathic Examiners, Board of	210	234	266	283
Parks & Recreation, Department of	20,358	19,201	22,308	22,418
Peace Officers Stds. & Train, Commission	1,191	1,222	1,419	1,433
Personnel Administration, Department of	2,843	4,098	4,746	4,790
Personnel Board, State	2,079	2,334	2,642	2,580
Pesticide Regulations, Department of	7,090	8,105	9,811	6,239
Pilot Commissioners, Board of	40	40	46	46
Planning & Research, Office of	1,346	1,544	1,749	1,772
Pollution Control Financing Authority	192	182	200	201
Postsecondary Education Commission	362	411	458	471
Prison Industry Authority	731	771	874	874
Prison Terms, Board of	1,526	1,744	1,949	780
Priv. Postsecondary Educ. Counc. for	1,525	1,751	2,001	2,002
Public Defender, State	2,943	3,163	5,491	6,285
Public Employees Retirement System	24,020	26,161	30,039	29,677
Public Employment Relations Board	1,835	1,737	1,435	1,443
Public Utilities Commission	30,500	43,427	49,115	47,782
Real Estate Appraisers, Office of	432	793	1,328	1,248
Real Estate, Department of	25,065	23,546	19,196	23,104
Rehabilitation, Department of	36,723	22,084	25,386	23,862
Resources Agency	375	416	506	540
San Francisco Bay Cons. & Dev. Comm.	1,024	1,024	1,024	1,178
Santa Monica Mountains Conservancy	289	330	376	377
Savings & Loan	435	437	-	-
Secretary of State	9,656	10,574	11,287	12,131
Seismic Safety Commission	230	108	124	193
Social Services, Department of	54,696	49,759	53,998	52,503
State & Consumer Services Agency	160	293	310	269
State Lands Commission	16,356	3,329	16,450	16,579
Status of Women, Commission on the	210	242	278	278
Student Aid Commission, California	5,321	6,338	6,156	5,298
Teacher Credentialing, Commission on	2,128	2,245	4,830	4,162
Teacher's Retirement System, State	5,108	4,880	4,367	4,208
Teale Data Center, Stephen P.	1,279	1,400	1,653	1,610
Toxics Substances Control, Department of	15,750	19,774	23,932	26,887

Agency	Total Holdings 1994/95&95/96	Total Holdings 1996-97	Total Holdings 1997/98& 98/99	Total Holdings 1999-00
Transportation, Department of	215,118	200,774	220,211	288,821
Treasurer, State	8,773	9,070	11,707	13,389
Veteran Affairs, Department of	19,256	21,801	25,797	26,471
Veterans Home of California	3,751	4,315	5,047	4,962
Victim Compensation & Gov't. Claims Bd.	9,505	10,401	11,709	13,067
Waste Management Board, California	3,346	3,413	4,204	4,295
Water Resources Control Board, State	21,602	19,551	24,034	34,567
Water Resources, Department of	40,257	41,818	42,084	43,740
World Trade Commission, Calif. State	71	82	94	94
Youth & Adult Correctional Agency	112	129	91	99
Youth Authority, Department of the	21,214	20,129	23,583	26,347
Youthful Offender Parole Board	25	30	34	35
TOTAL CU. FT. OF PAPER RECORDS	2,698,114	2,764,582	2,925,981	3,085,152
Cost avoidance from SRC storage in lieu of office ¹				\$15,247,688 ²
Cost avoidance from all destruction ³ .				\$6,227,036
TOTAL Cost Avoidance from SRC Storage & Timely Destruction	\$ 20,653,437	\$ 18,359,253	\$ 25,550,553	\$ 21,474,742

¹ Office storage costs are estimated at \$24.36/cu. ft. based on figures provided by the DGS RESD. Storage in the SRC costs \$0.99/cu. ft. without staffing. This is a savings of \$23.37/cu. ft. In prior reports, the cost of clerical support was factored into the cost but is not shown here.

² Cost avoidance from SRC storage in lieu of office was \$15,247,688 based upon storage of 652,168 cu. ft.

³ This amount includes three categories of records: (1) records destroyed which were held in office space; (2) records stored by a few agencies in their departmental storage; and (3) records stored by agencies at the SRC. The amount shown for (1) was based on the same cost of office storage of \$24.36/cu. ft. calculated from the RESD's space costs and the CalRIM's equipment costs as shown above (excluding clerical support). For (2), where agencies destroy records that were in their departmental storage (other than office space), that amount is based on \$2.62/cu. ft. and was calculated from the RESD's space costs and the CalRIM's equipment costs. For (3), the amount was determined using SRC's billing rate of \$3.50/cu. ft. for destruction for those records that were stored there, and this amount includes overhead costs.

Appendix B, Computer Output to Microfilm (COM)

This chart represents the amount of the COM produced and reported by the agencies for data from the two data centers.⁴ Amounts shown are the number of images.

Agency	Totals 1998-1999	Totals 1999-2000
Air Resources Board	25,233	0
Board of Equalization	4,987,265	1,981,563
Consumer Affairs	16,995,415	29,127,532
Controllors	31,636,792	10,472,920
Corrections	1,921,708	1,228,859
Education	1,559,247	259,294
Finance	320	Unknown
Food and Agriculture	57,757	Unknown
Forestry	48,764	39,673
General Services	3,135,215	1,339,679
Industrial Relations	249,763	219,788
Insurance	8,082	3,075,577
Justice	4,324,263	2,396,004
Lottery	26,304,433	26,511,507
Motor Vehicles	42,343,519	42,224,218
Parks and Recreation	30,869	35,219
Public Employees Retirement System	5,867,975	6,955,081
Secretary of State	1,498,190	1,072,262
State Personnel Board	2,677,213	2,077,064
State Teachers' Retirement System	1,029,352	951,062
State Treasurer	2,563,148	1,225,637
Transportation	49,610,918	52,269,658
Veterans Affairs	202,521	26,487
Water Resources	874,768	281,693
Youth Authority	326,191	285,796
Health & Human Services Data Center ⁵	Unknown	315,905
Health Services-Berkeley-Genetic Disease	Unknown	26,841
Total Images	198,278,921	184,399,321
Cost Avoidance/Savings	\$5,631,121	\$5,236,941

NOTE: The total cost avoidance amount is calculated based on .0284 per image. The cost avoidance is achieved by printing on microfilm instead of paper and has two aspects: (1) *storage* on microform takes less space than storing data on paper and (2) it costs less to *print* on microfilm than paper. It was determined that the cost to *store* microfilm is \$0.0014 per image. This is based upon the difference in cost of storage in the State Records Center of a page of printout vs. an image on microfilm. The cost avoidance of *printing* was determined to be \$0.027 per image (Paper printing cost \$0.032 vs. microfilm printing cost of \$0.005).

⁴ COM was also produced by MSA contracts for other agencies but not reported. The data is part of the expenditure shown on Figure 4, but not broken out from other imaging MSA contract expenditures and cost avoidance is not included in any figure in this report.

⁵ Includes Franchise Tax Board, Employment Development Department, Health Services and Social Services and CalSTARS reports.

Appendix C, California Records and Information Management Program (CalRIM)

What is Records Management?

It is the professional management of information in the physical or electronic form of records from the time records are created or received, through their processing, distribution, and use, to placement in a storage and retrieval system, until either their eventual elimination or identification for permanent archival retention.

A well-designed, well-supported records management program provides numerous benefits to each agency's ability to perform its primary function. These include:

- Executive & operational effectiveness
- Improved revenues
- Vital records protection
- Reduced records volume
- Cost savings and avoidance
- Increased staff productivity
- Enhanced public trust and confidence
- Desired customer service and responsiveness
- Regulatory and legal compliance and protection
- Improved accessibility to information & knowledge
- Preservation and protection of California's rich heritage

Managing Records Retention Schedules

The foundation of a sound records management program is its plan for the organization's records through the implementation and use of RRS. The RRS are the "official record" that documents the action to be taken with respect to all records produced or maintained by the state agency. Effective planning using properly prepared RRS' followed by conformance to that plan, saves space, time, and money.

The law requires the use of RRS to assure:

- proper inventorying, appraising and scheduling of records owned by an agency;
- systematic transfer of records from expensive office space to less expensive storage in the departments or the SRC; and
- appropriate disposition of records, whether destroying or transferring to the State Archives for permanent archival retention.

CalRIM's efforts to manage the records retention process have included the following:

- Disseminated and trained on procedural guidelines, manuals, and fact sheets relating to RRS use.

- Approved RRS to allow agencies to destroy records. (Authorization is required by GC Section 14755 from the DGS before the records of an agency may be destroyed. This responsibility is implemented by CalRIM through the RRS). Approval by CalRIM constitutes a five-year authorization to dispose of records. This approval process ensures records retention schedules are properly appraised, reasonable retention periods are established, and business and program values considered.
- Established a program in 1997, for agencies to request a waiver of the requirement that a current RRS exist before storage in the SRC was allowed. With the waiver, storage will be accepted if the RRS is updated within six months. As a result of this, 50 percent more RRS were received annually and valuable office space was more available. Movement of records to the SRC eliminated many safety and fire hazards of records stacked in aisles and work places. Another result was that most or all revised RRS were accomplished either on time, or much earlier than projected.
- Developed recommended general records retention or recordskeeping requirements. In prior years, standards were developed for personnel and payroll, delegated testing, and fiscal records. Working with the Council, as described on the following page, new series were added for Records Management Records, and additional administrative records categories and/or Common Use Records Series were developed. This avoided improperly co-mingling records and has helped agencies save records that were either prematurely destroyed, or kept beyond their proper retention period. It further results in cost savings and avoidance benefits for agencies involved in the discovery process and litigation. The CalRIM web site contains the standards. See <http://www.pd.dgs.ca.gov/materials/calrim.asp>

Leadership through Outreach and Partnering

Program responsibilities also include: providing outreach and partnering to deliver solutions to help customers meet their business needs and developing solutions to help agencies contract for records management services and systems:

Web Site

Aiding our outreach and training efforts, the first State of California Records Management Program web site was established. The CalRIM web site offers a full range of offerings—from the program’s historic establishment to conference information, policy, guidelines, manuals, training dates, and much more. The site address is shown above.

Handbooks

Publications include, but are not limited to: the Records Retention Handbook; Micrographics Manual; Vital Records Protection and Disaster Recovery Handbook; State Administrative Manual, Chapter 1600; and Records Management and Electronic Records Management Handbooks.

Outreach Efforts

The CalRIM staff presented information on document management and/or records management in scores of conferences. As a result of the presentations, approximately 125 phone calls requesting assistance or information are received monthly.

Developing Solutions

Other ways in which the program performs outreach and consultation is through emphasis in imaging technologies and developing MSAs to streamline the contracting process for services related to records management. Guidance on managing electronic records is in urgent demand and being provided with updates of the Electronic Records Handbook and new records management software standards expected in 2001.

Another technique in outreach efforts was the creation of the **Records Management Customer Council**. The Council is composed of CalRIM management and staff members, California State Archives, and state agency records management representatives. The primary purpose of the Council is to assist CalRIM to improve its services and products, thereby helping CalRIM achieve DGS' strategic direction to become more "customer focused and results driven." One primary example of the Council's efforts working in tandem with CalRIM is the "Recommended General Retention Schedule for Administrative and/or Common Use Records Series for Statewide Use".

These common use records series provide state agencies with an easy reference to use when creating records retention schedules. These records series relate to a particular subject or function, resulting from the same activity, having a particular form, or because of some other relationship arising out of their creation, receipt or use. By establishing recommended retention periods for these common records, agencies do not have to "reinvent the wheel".

Training, Consultation and Assistance

Formal Training

The program focused efforts to expand and improve the quality of records management training. At the heart of the statewide information and records management training program, is an improved "**Introduction to Records Management**" course. It provides an overview of the Records Management Program and all aspects of RRS development and preparation. It includes an expanded segment on electronic records management, and covers the complete life cycle of records, from creation and maintenance, to storage and disposition that includes the use of the SRC or State Archives. Methods to save costs are emphasized. Classes are offered twice a month via the California Acquisition and Materials Management Institute (CAMMI) at: www.pd.dgs.ca.gov/org/cammi/

Understanding the role and importance that managers and supervisors have in the success or failure of their respective record programs, a course was developed, entitled "Records Management Training for Supervisors and Managers". This training, designed especially for first-line supervisors and managers, covers the importance of records management, benefits, statutory requirements, and the implications of the supervisors' and managers' role.

Informal Training, Conferences and Seminars

Primarily conducted for all state agency records management representatives and interested state staff, the **All Agency Records Management Quarterly Meeting** shares information about records and information management and provides on-the-job-training. These meetings also address concerns and questions, clarify policy, make recommendations, announce program updates, and seek input on how to improve customer service. Guest panelists, industry experts, and suppliers present the latest information on records and information management technologies.

Conferences

The DGS sponsored the **2000 Imaging and Records Management Annual Forum**. It was a two-day event where customers discovered the many benefits of emerging technologies and how they affect the business of government. The Forum presented world-renowned leaders in the field. It showcased the latest technology in information management strategies, customer portals, electronic records, document imaging, leveraging state data into information by design, and knowledge management.

The Forum is the only governmental educational event to combine imaging and records management. It is open to all state agencies, local government, state universities, and colleges, private entities, federal officials and staff. The Forum offers the opportunity to interface with technology suppliers and experts at the convergence of the imaging and records management fields.

A highlight of the Forum was Governor Davis' **Executive Proclamation** on "*Records and Information Management Week in California*" as the first week in April 2000. For the fifth consecutive year in state government history, the Governor acknowledged the importance of records management and encouraged citizens to recognize the valuable efforts of records and information management professionals. The proclamations significantly enhance the overall importance and effectiveness of the Program. They emphasize the need for effective records management programs in compliance with existing laws, policies, rules, and regulations.

Consultation and Assistance

The CalRIM program provides **specialized management consultations** that include agency visits, on-site training, and follow-up. The consultations are proven strategies for establishing and managing successful records management programs. For example, CalRIM partnered with Department of Social Services. It had no records management program in 1997 and came to CalRIM for assistance. The CalRIM briefed the Director on the value of a records management program and suggested an approach for bringing their program into the current century. The Social Services' program is now successful.

CalRIM developed and established a records management assistance function. Internal operating procedures were developed. Efforts consist of assessing agencies' current program, providing technical training, consultations with suggestions for improvement and follow-up. The results were identification of the weaknesses of the programs, leading mainly to updating of records retention schedules. After implementing suggestions, agencies' programs improved. The CalRIM imaging staff also often recommend pilot projects to minimize risk instead of larger initiatives. Agencies are advised of legal issues related to imaging of source documents.

Summary

The CalRIM's goal is to pursue the benefits of records management programs in all agencies. The first step is managing the program through RRS. Beyond that, CalRIM provides leadership through establishing guidelines and standards, and following the guidelines with information on the Internet, Handbooks, Master Service Agreements, and formal and informal training. The CalRIM staff partner with other entities and join agencies by offering specialized training.

Appendix D, The State Records Center (SRC)

While CalRIM is one branch of the SRP, the other is the SRC, including the Document Destruction Center.

Despite computer generated electronic documents, e-mail, document imaging, and optical storage discs, most people still prefer paper documents. Efforts to eliminate paper with “paperless systems” have been found to create more paper than previously existed.

The United States generates one billion paper documents daily and over 1.6 trillion annually—and the figures are increasing. The DGS SRC serves California government by storing the equivalent of 1.7 billion pieces of paper records.

The SRC is the largest state records center in the nation. Two operational facilities in West Sacramento currently house these records in 259,000 square feet of floor space (this equates to over a million cubic feet of storage space). In 1996, the SRC was out of space. Records storage demand was so brisk, that the Legislature approved an expansion wing of 71,000 square feet (which equates to an additional 355,536 cubic feet of records). Groundbreaking took place in 1997 and the wing was completed in 1998.

The SRC contains records ranging from Spanish land grants to canceled welfare checks, in addition to computer printouts, office documents, tape recordings and the plans for all the state’s bridges and many other state buildings. Records are maintained for specific periods of time according to federal or state law or program requirements, depending on their importance. This time period is approved by official policy reflected on the agency’s current RRS.

In an effort to reduce the volume of records stored in the SRC, and bring the retention of records to realistic periods, in 1997, the DIR reduced their retention period on a majority of their records from 25 to 15 years. This resulted in over 49,000 boxes of records being destroyed, **saving DIR \$221,000** in annual storage costs. This also freed up valuable space for other state agency customers. Such reduction in retention periods is a key part of the CalRIM Records Retention program in working with SRC and agencies.

The SRC pulls records upon customer request within one business day, sends them to the agency and refiles them upon return with no additional charge. The cost for storage includes all handling. Commercial storage firms charge for all those individual services.

Shown below are some of the SRC’s successes in the reporting period:

New warehousing equipment. Among new equipment purchases, a “wire guided picker system” was installed to automate and minimize the labor-intensive aspect of initial storage of records and retrieving them on request. The new equipment is safer and more efficient for the SRC staff.

One of the First Governmental E-Business Applications. In January 1997, the SRC identified a need to increase turnaround time for customers using the mail system to request documents. This mail time was estimated to be two days when the agency requested their documents through the mail; an additional three days was added when the SRC staff pulled the document and used the mail system to deliver the document, a total of five days. The CalRIM and SRC developed an Internet process that reduced total time by 40 percent. The web site

provided an immediate request to the SRC to pull the record(s), thereby reducing the time to receive the document by two days. The effect of this effort is the departments have a total reduction of 130,000 days of delay time per year to receive their records stored in the SRC. Additionally requests for “rushes” are only 33 percent of what they were before the implementation, which eliminated the need for the customer to assign someone to travel to the SRC and wait for the SRC Specialist to retrieve the request.

Cost Reduction for Vital Microfilm Storage. In a program cost savings and avoidance effort, the SRC researched and negotiated a new records vault contract for its “vital records function” that resulted in savings of approximately \$50,000 per year.

Disaster Preparedness. In late 1998, the SRC implemented a comprehensive “Disaster Preparedness and Recovery Plan” for all state records under its custody.

Improved customer service through the following:

- Initiated SRC Customer Service Quarterly Meeting with client agencies to discuss records storage issues and client services.
- Performed “on-site visits” by the SRC Manager to promote an on-going relationship of trust. Efforts have resulted in commitments from state agencies to store their records at the SRC, versus commercial facilities.
- Assisted state agencies to evaluate their program management needs to promote program compliance, awareness of benefits, and record program cost savings.
- Provided an open invitation to all current and potential customers to tour the SRC to give a first-hand view of the center in full operation and offer other services.



Gray Davis, Governor, **State of California**

Aileen Adams, Secretary, **State & Consumer Services Agency**

Barry D. Keene, Director, **Department of General Services**