



# **CIRCULAR**

## **STATE OF NEW JERSEY**

### **DEPARTMENT OF THE TREASURY**

NO.: 10-02-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 4
EFFECTIVE DATE: 07-28-09	EXPIRATION DATE: INDEFINITE	SUPERSEDES: 07-11-OMB
SUBJECT: AUTOMATED RECORDS MANAGEMENT/STORAGE SYSTEMS AND RELATED SERVICES		
ATTENTION: DIRECTORS OF ADMINISTRATION		
FOR INFORMATION CONTACT: GARY J. BRUNE, ASSOCIATE DIRECTOR		PHONE: (609) 984-5234

#### **PURPOSE/SCOPE**

This letter establishes procedures for the review and approval of all proposals for new, or enhancements to existing, automated records management/storage systems and related services designed to supplement or replace paper-based records systems. All Executive Branch agencies are required to comply with these procedures effective immediately.

The procedures outlined in this letter apply to the purchase of automated records management/storage systems and services regardless of funding source.

Executive Branch agencies may not procure or obtain State funding for automated records management/storage systems/services without the approvals outlined herein.

Given the strategic importance and costs involved in the purchase of automated records management/storage systems and services, agencies are called upon to thoroughly document their needs and justifications for proposed purchases. Agencies will be required to demonstrate that their proposals conform to Statewide Information Technology Strategic Planning processes as outlined and administered by the Office of Information Technology (OIT), which will also include meeting the required Records Management practices and standards as approved by the State Records Committee. Agencies must also demonstrate that they have the project management and budgetary resources to deliver and maintain newly designed systems/services. For these reasons, agencies should contact the Automated Records Management System (ARMS) Committee as outlined below to begin discussions of plans for new or enhancements to existing automated records management/storage systems and related services as early as possible in the project life cycle. Early notification and dialogue about planned systems/services will greatly facilitate the review/approval process.

#### **DEFINITION OF AUTOMATED RECORD MANAGEMENT/STORAGE SYSTEMS AND SERVICES**

Automated records management/storage systems involve electronic scanning, photographic microfilming from scanned images or from digital sources, computerized indexing of record images, as well as the processing, maintenance, dissemination and disposition of record images in electronic formats such as bit-mapped facsimiles, character-coded data, and analog microforms. Automated records management/storage systems include, but are not

limited to, systems based on electronic work flow automation, on-line storage and retrieval of record images, Internet-based filing/record retrieval, electronic payment systems (i.e., electronic fund transfer (EFT), e-check, credit card, etc.), email archive systems and records management systems or combinations using technological platforms such as these. Services include mail processing, document screening/preparation, electronic scanning, index/application data capture, and hosting of electronic record images.

## REVIEW/APPROVAL OF AUTOMATED RECORD SYSTEM/SERVICE PROPOSALS

The ARMS Committee will administer the review/approval process. ARMS includes the following agencies:

**The Division of Archives and Records Management (DARM)** - DARM will focus on records management issues including compliance with retention rule-related issues and electronic image processing system certification pursuant to P.L. 1994, c.140 and N.J.A.C. 15:3-5.1 *et seq.* DARM will also ensure that all Executive Branch agencies incorporate their plans for records management systems and services into the Statewide Information Technology Strategic Plan administered by OIT. DARM staff will assist agencies in developing their records management plans and in securing the State Records Committee's (SRC) approval of the same<sup>1</sup>. Pursuant to State law (P.L. 1953, c. 404, NJSA 47: 3-15 through 32), the SRC establishes all records maintenance and disposition policies for State and local agencies in New Jersey. Finally, DARM will work in conjunction with the Division of Revenue's Strategic Document Services Office (SDSO) to review all proposed solutions focusing on the effectiveness and efficiency of proposed service arrangements.

**SDSO within the Division of Revenue (DOR)** - SDSO will work in conjunction with DARM to concentrate on the review of all proposed solutions focusing on the effectiveness and efficiency of proposed service arrangements, as well as work to identify opportunities for streamlining and consolidating record systems. SDSO will work with DARM to ascertain whether automated records services can be provided cost-effectively in-house or through contractual means. This will include mapping all proposals to the State of New Jersey's Automated Records Services Portfolio <<http://www.state.nj.us/treasury/revenue/ARMS/armshome.htm>> to identify potential opportunities for cost-effectively leveraging existing cross-agency automated records service facilities.

**Office of Information Technology (OIT)** - OIT will evaluate the technological and information management dimensions of the proposed systems, and will provide support to SDSO and DARM in pursuing streamlining and consolidation opportunities identified through the review process. OIT will also ensure that all proposals: conform with state technology standards; consider Garden State Network impacts; and sound and effective implementation strategies are employed to ensure successful project delivery. OIT will also ensure that all proposals conform to the agency's approved Information Technology Strategic Plan.

**Office of Management and Budget (OMB)** - OMB will monitor for compliance with the review/approval process, and work with the Division of Purchase and Property to ensure that appropriate compliance controls are incorporated in the State's budgetary and procurement systems and processes to prevent agencies from procuring or obtaining State or other funding for Automated Records Management/Storage Systems without the approval process contained herein.

## PROCEDURES FOR THE REVIEW/APPROVAL OF AUTOMATED RECORD SYSTEM/SERVICE PROPOSALS

All system/service proposals and related communications, such as early notifications of planned procurements must be forwarded directly to ARMS via the Chief Technology Officer (CTO) of OIT. The CTO will forward copies of all proposals to OMB, SDSO, and DARM. Proposals and related communications may be forwarded electronically to the CTO at [PMO@OIT.state.nj.us](mailto:PMO@OIT.state.nj.us) or mailed to OIT -- Project Management Office (PMO), PO Box 212 - Riverview Plaza Building 300, 1<sup>st</sup> Floor, Trenton, New Jersey 08625. The PMO under the state CTO's office will coordinate the

---

<sup>1</sup> The SRC may authorize the ARMS to invite experts on records and information technology to assist agencies with the development and review of needs assessments for records management, if necessary or appropriate and provided funding is available. Information generated pursuant to such assessments will be incorporated into the IT planning process. Based upon analysis of records management needs assessments, the SRC may call for the development of interdepartmental records management strategies that identify shared services opportunities.

review/approval cycle and act as the communications conduit to the agency throughout the cycle. The CTO will also ensure that all ARMS members are included in any discussions that precede the formal submission of system/service proposals.

Agency proposals must conform to the Statewide Information Technology Strategic Planning Process as outlined and administered by OIT and reference the relevant sections of the agency's records management plan as submitted to and approved by the State Records Committee. As noted previously, agencies should contact ARMS as early as possible in the system/service development life cycle. Early notification and dialogue about planned systems/services will greatly facilitate the review/approval process.

Proposals – The requesting agency must submit all necessary documents for the proposed project to the ARMS for approval.

Proposals must include the following:

- Designation of an agency project manager. Name, title, and a brief description of the designated project manager's education and experience qualifications must be included.
- A feasibility study that outlines the current record system/service and its deficiencies, summary of the system/service alternatives considered, and rationale for selection of the proposed alternative, including a cost/benefit analysis. For alternatives that involve cost savings/avoidance and/or revenue enhancements, the cost/benefit analysis must include a pay-back or return on investment section (ROI).
- The study must demonstrate clearly how the proposed implementation will address major information technology and records management goals as outlined in the agency's approved Information Technology Strategic Plans, and identify the funding source(s) for the initiative. It must also include a preliminary project schedule showing high level tasks, planned deliverables and associated time lines.
- A conceptual design or requirements statement that describes what the agency desires the proposed alternative to deliver.
- The anticipated duration, cost and funding source for the new system/service development project, along with estimates for annual costs associated with operating the system/service (minimum of three years). Included must be a detailed project work plan indicating milestones and delivery dates.

Proposals must contain the elements highlighted above, but may **not** be submitted with procurement documents such as purchase orders and requests for proposal. Proposals submitted with procurement documents will be returned rejected to the submitting agency.

DARM, SDSO, and OIT may approve, reject, or propose modifications to the agency's proposal. All three reviewing agencies must approve a proposal before it may progress to the funding or procurement stage.

Approvals, rejections, proposed modifications, questions, and requests for additional information will be communicated through the PMO under the CTO to the designated agency project manager. Incomplete or unsatisfactory submissions will be returned to the requesting agency with no action.

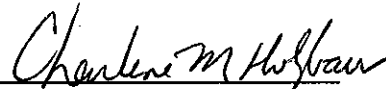
## **CERTIFICATION OF IMAGING SYSTEMS**

All Automated Records Management/Storage Systems including imaging or image processing of public records as defined in P.L. 1955, c. (N.J.S.A. 47:3-16) must be certified per P.L. 1994, c. 140 (N.J.S.A. 47:3-26 *et al.*) by the State Records Committee. Any proposed procurement for expansion or upgrade of such an existing system shall not be

approved until the system meets State standards as established in N.J.A. C. 15:3-5 and has been certified by the SRC. Following implementation of a new system, the agency shall contact DARM to review the system, prepare documentation, and assist in the submission of system for certification by the State Records Committee.

#### **ASSESSMENT OF AUTOMATED RECORDS SYSTEMS AND SERVICES**

Assessment Reports – For three years following a procurement approved under this circular, each agency shall submit an annual report to the ARMS assessing the success of the project, citing any obstacles or problems encountered, and addressing any future plans to improve or augment the system, including plans to expand to serve a larger group of offices or agencies within the department, or interdepartmental shared services opportunities.

  
\_\_\_\_\_  
Charlene M. Holzbaur  
Director