



REPORT ON COURT INFORMATION TECHNOLOGY FUND

G.S. 7A-343.2

PREPARED BY
NORTH CAROLINA ADMINISTRATIVE OFFICE OF THE COURTS
AUGUST 1, 2019



About the North Carolina Judicial Branch

The mission of the North Carolina Judicial Branch is to protect and preserve the rights and liberties of all the people as guaranteed by the Constitutions and laws of the United States and North Carolina by providing a fair, independent and accessible forum for the just, timely and economical resolution of their legal affairs.

About the North Carolina Administrative Office of the Courts

The mission of the North Carolina Administrative Office of the Courts is to provide services to help North Carolina's unified court system operate more efficiently and effectively, taking into account each courthouse's diverse needs, caseloads, and available resources.

Introduction

The North Carolina Administrative Office of the Courts (NCAOC) is required to report annually to the General Assembly on the Court Information Technology Fund (the “Fund”). Specifically, G.S. 7A-343.2 provides as follows:

§ 7A-343.2 Court Information Technology Fund

(c) Report. – The Director must report annually by August 1 of each year to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety and the Chairs of the Senate and House Appropriations Subcommittees on Justice and Public Safety. The report must include the following:

- (1) Amounts credited in the preceding fiscal year to the Fund.
- (2) Amounts expended in the preceding fiscal year from the Fund and the purposes of the expenditures.
- (3) Proposed expenditures of the monies in the Fund.

NCAOC respectfully submits this report in compliance with the statutory mandate.

Overview of the Fund

The Fund consists of fees for remote public access pursuant to G.S. 7A-109(d) and designated facilities fees generated from court costs pursuant to G.S. 7A-304(a)(2a), 7A-305(a3)(2), 7A-306(a)(1a), and 7A-307(a)(1a). Pursuant to G.S. 7A-343.2(b), money from the Fund is used to upgrade, maintain, and operate the judicial and county courthouse telecommunications and data connectivity, and to supplement funds otherwise available to the Judicial Branch for technology needs.

Section 18B.4.(a) of Session Law 2018-5, as amended by section 5.5 of Session Law 2018-97, allows other funds to be transferred to the Fund effective July 1, 2018. The language specifically provided as follows:

Notwithstanding G.S. 143C-1-2(b), for fiscal years 2018-2019, 2019-2020, and 2020-2021, the Judicial Department shall transfer any unexpended, unencumbered funds to Budget Code 22006-2006 to be used to implement an integrated information technology system (e-Courts) in accordance with G.S. 7A-343.2(b). The cumulative sum transferred shall not exceed three percent (3%) of the Judicial Department's certified budgets for Budget Code 12000, Administrative Office of the Courts, and Budget Code 12001, Office of Indigent Defense Services, for fiscal years 2018-2019, 2019-2020, and 2020-2021.

Pursuant to the special provision, NCAOC transferred an \$4 million from the General Fund to the Fund during FY 2018-19. The 2018 Money Report also provided a \$1.5 million appropriation for eCourts, which also was allocated to the Fund during the fiscal year.



Amounts Credited and Expended for FY 2018-19

During FY 2018-19, the Fund received \$23,836,076, and expended \$15,011,112. The tables below provide additional detail about the amounts credited and the amounts expended for FY 2018-2019.

Table 1. Amounts Credited to the Court Information Technology Fund (FY 2018-2019)

AMOUNTS CREDITED / SOURCE	AMOUNT
Remote public access – online access fees	\$11,690,450
Remote public access – extracts fees	\$559,485
Facilities fees for telephone system replacement and maintenance	\$5,605,903
Interest	\$383,655
Budget Appropriation (2018 Money Report)	\$1,500,000
Transfer from General Fund (§18.4 of S.L. 2018-5, as amended by 5.5 of 2018-97)	\$4,065,271
TOTAL	\$23,836,076

Table 2. Amounts Expended from the Court Information Technology Fund (FY 2018-2019)

EXPENDITURE	PURPOSE	AMOUNT
Personnel	Augment personnel to support ongoing technology programs and services	\$7,496,307
Purchased services	Provide services, including telephone services, required to ensure ongoing technology operations	\$3,771,490
Equipment, supplies, and other expenses	Replace obsolete computer equipment and software and purchase supplies	\$3,743,315
TOTAL		\$15,011,112

Proposed Expenditures from the Fund for FY 2019-20

On June 7, 2019, NCAOC signed a contract for the Integrated Case Management System (ICMS) with Tyler Technologies. NCAOC and Tyler are now in the process of configuring the system based on standardized rules and practices of North Carolina courts. After the configuration is complete, the system will be rolled out statewide. Statewide implementation is expected to occur over a five-year period.

The eCourts project, which will replace existing legacy systems such as ACIS and VCAP, will be a comprehensive, feature-rich integrated case management system (e-Courts system) that includes e-filing, financial management, and document management capabilities. This system will bring higher efficiencies to the justice system by providing electronic access to information,



reducing manual processes and reliance on paper, and increasing collaboration among court officials, lawyers, and law enforcement.

For FY 2019-2020, the Fund will be used to upgrade foundational infrastructure requirements to meet the needs of the eCourts initiative. Infrastructure upgrades will include increased network capacity and speed, enhanced web conferencing capabilities (meetings, presentations, file sharing, recording, etc.), fortified network and infrastructure security, and improved business continuity/disaster recovery capability. These upgrades are foundational components of the eCourts infrastructure and will facilitate support of cloud-based applications and storage.

In addition, NCAOC will continue to use money from the Fund to provide and maintain the basic technological infrastructure and applications necessary to serve the public in courthouses and other Judicial Branch locations throughout the State. The funds help facilitate lifecycle replacement of courthouse computing equipment including desktops, laptops, printers, scanners, servers, and network components.

Summary

The Fund continues to be used to upgrade, maintain, and operate the judicial and county courthouse telecommunications and data connectivity. As NCAOC implements automated processes, money in the Fund will be critical to building the necessary infrastructure to support the eCourts initiative. That infrastructure will include updated equipment, increased network capacity, and an automated case management system. The Fund, together with other appropriated funds, will allow NCAOC to continue building an automated technology structure that will streamline court processes and maximize judicial efficiency.



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