

**Objective:** To evaluate the current costs associated with the NVR Mortgage Department's storage and retrieve system, and to research new ways to save NVR valuable time, and money.

**Purpose:** To equip NVR Mortgage Department with a system that will store and retrieve documents in an efficient and cost effective way.

**Current System:**

1. Who handles the current documents, and how many individuals are involved?

Currently there are four stages that a document must go through. When an investor wants to mortgage their home through NVR, the investor works directly with one of the NVR's mortgage branches. The mortgage branches develop a credit report for the investor. After the credit report is done, the branches might send the documents to the shipping department for them to do the underwriting, or branches might do the underwriting themselves. When the underwriting is finished and the document is close, the branch or the shipping department will then send the finished document to Iron Mountain for long term storage.

2. How are each document indexed and stored?

A document is indexed by the last and first name, and is stored at the branch and shipping department until the mortgage is closed. After the document is closed it is sent to Iron Mountain for long term storage.

3. How many documents get stored a month?

On an average month there are about 600 new document packages that are stored a month. In each document package there are 150 sheets, this means that there is about 90,000 pages that get stored a month.

4. Does each document package contain the same information?

Each document package can contain anywhere from 80 to 200 pages, some of the pages are standard, but each document is different.

5. How long do you need to store each package?

The law states that mortgage companies must store a document for at least 25 months.

6. Who has access to the documents?

When a branch wants to view a document it can only access their branch's documents. While the Shipping department can view all the documents.

7. How often does a branch or shipping need to retrieve a document?

On average about 35 files are pulled a month for add, and updating information.

8. What are the costs of the current system?

IRON MOUNTAIN PRICES		
\$2.15	TO RETRIEVE A FILE OR BOX ( Avg. per month 35 documents)	= \$75
\$1.15	TO REFILE IT (Avg. per month 600 docs)	= \$695
\$6.00	FOR TRANSPORTATION	= \$3600
.19	PER CUBIC FOOT FOR STORAGE (SMALL BOX IS 1.3)	= \$3900
\$2.70	TO DESTROY A BOX (ANY SIZE)	= \$1620
.80	TO UPDATE THEIR DATABASE	= \$480
\$13.09 (We spend on each doc.)	Total Ave per month	= \$10370

## **System Requirements:**

NVR's Mortgage Department is looking for a Document Imaging System (DIS) to implement, which will save the company valuable time and money. Currently NVR's Mortgage Department spends on average \$10,370 to store, and maintain these mortgage documents, off site using Iron Mountain. The Mortgage Department wants a system that will take all the mortgage documents, which are currently stored in boxes, and convert them into electronic form. After they are converted into electronic form, Mortgage Department would have the paper documents destroyed. To do the converting of paper documents to electronic form, NVR will need to purchase, or outsource a scanner that will have the capability to scan high volumes of documents, which come in an assortment of sizes (Front and Back). The average number of documents that the Mortgage Department is looking to scan is in the range of about 90,000 pages a month. After the documents are scanned, NVR will need to purchase, or outsource a system to store all of the documents. The documents must be stored and saved on the system for 25 months, by law. This system must be secure, easy to access, and have back up plans in case anything would happen to the system.

### **1. Scanner(in-house)**

- a. Self-feeder that can hold over 200 pages.
- b. Scan Black and White documents.
- c. Read bar-codes
- d. Ability to scan up to 90,000 pages per month or 4500 per day.
- e. Front and Back of pages.
- f. All sizes of pages.

### **2. System**

- a. Capability of indexing by bar codes.
- b. Ability to run query statements.
- c. Secure system where just the branches can see their data, but shipping can see everybody's.
- d. Must be able to add and delete documents.
- e. The system must have the capability to print, or email.
- f. Must have backup systems.

## **Findings:**

NVR's goal is to implement a Document Imaging System. After doing research on the DIS it would cost the company more money to develop a DIS in-house, than to outsource. Some of the reasons why it would cost NVR more money to do it in-house are. 1. Time, to develop a new system from the ground up. 2. Training personal to work on the system. 3. Money spent on backup systems in case something goes wrong. 4. Money to maintain, and keep up the system. With this all this taking in account NVR should outsource this system, and leave all these costs up to the outsource company.

**Research:**

After research many companies, and explain to them about NVR current system they all had about the same solution. Most of the companies were over priced, but there where two that fit NVR cost criteria, which was to save money. File-on-the-net.com and Doculogic, these are the names of the companies that will save NVR money, and time.

**Doculogic**

Doculogic is an Application Service Provider, which has been around for 6 years. They provide document management solutions for “paper-intensive businesses, choking on paper, and need instant access to documents in storage”. Doculogic is located out of Fairfield, NJ, this is where they store the scanned documents, which NVR will be able to access through the internet. By using the internet, or intranet is means that there will be no need for any special software or hardware, because all application will be found on Doculogic’s server. Doculogic provides system support, daily backups, and customized search screens.