



PROCEDURAL LEAFLET

July 2003

MAKING A CASE FOR A RECORDS MANAGEMENT PROGRAM

Records Management - A Daily Responsibility

Alabama government agencies, both state and local, create and store a wide variety of records each day in carrying out the business of their offices. These records exist in a variety of formats, but the most common ones for government agencies are paper and electronic records. The accumulated volume of agency records grows each day. Unless attention is paid to managing them on a routine basis, their volume can quickly balloon out of control. The Government Records Division of the Alabama Department of Archives and History (ADAH) offers records management assistance to state and local government agencies by providing records disposition authorities, technical publications, onsite visits, and consultation by telephone or email.

In difficult financial times, however, agency officials may not see the value of establishing a records management program or may target an existing program for budget cuts. The purpose of this leaflet is to show that a good records management program is an integral component of an overall agency cost effectiveness strategy and can result in savings that more than balance the expense of operating it.

Goals of a Records Management Program

An effective records management program serves the following goals:

- **Providing better service to constituents.** Taxpayers reasonably expect to receive a timely and efficient response to their requests for records and information. A disorganized office in which routine records management does not play an important role is in no position to provide such a response. Offering efficient public service enhances a state or local agency's reputation beyond the walls of the office, extending a favorable image into the community.
- **Promoting office productivity.** In an office where records management is a priority, employees can spend their time carrying out the vital functions of the agency and providing service to constituents. They do not need to waste time searching for lost paper materials or trying to reconstruct vital information that was lost or inadvertently deleted from agency

computers before its retention period was satisfied.

- **Saving money on storage.** With an efficient records management program in operation, agency records are destroyed routinely and in a timely manner based on the legal records retention requirements set by the State and Local Government Records Commissions. Obsolete records do not occupy expensive office space, and there is less need for off-site records storage facilities or for storage of records in inappropriate situations like basements and attics.
- **Avoiding adverse legal consequences.** An established records management program ensures that an agency creates accurate records of its transactions in a timely manner and can produce them upon request. Such practices decrease an agency's risk of being sued and the likelihood that it will not be able to produce the documents needed for any court case that may occur.

Risk Assessment

When a government agency is making a decision about whether or not to establish a new program or to re-vamp a current one, it may be helpful to consider the risks of not doing so. Risks may include:

- **Loss of records by carelessness, damage, and theft.** There are many ways to lose important government records; most of them result from having a poor records management program or no program at all. Records that are not used frequently are often moved into storage areas in distant parts of the building. If no inventory is kept to indicate their whereabouts, they may be forgotten or inadvertently thrown away. Records stored in areas that are not environmentally controlled may soon begin to deteriorate. This can lead to the loss of records that have permanent legal, administrative, or historical value.

As many state and local government agencies have learned, records are not only lost; they are also stolen. Poor records management practices, including the lack of inventories and the failure to supervise access to public records, make it easy for records thieves to remove records from an agency. Some individuals believe that government records pertaining to their family are rightfully their property. More sophisticated thieves recognize the commercial value of historic records. Stolen government records may wind up for sale in flea markets or on the internet.

- **Waste of staff time.** Having to carry out lengthy searches to locate records for the public or for office use wastes staff time and creates a climate of inefficiency in the agency. If the time an employee spends each week searching for records is calculated and multiplied by his/her hourly wage, it quickly becomes clear that not only time but money is being wasted.
- **Waste of money.** Government agencies can waste money on records in other ways as well. If an agency does not destroy obsolete records routinely as part of a records management program, it will continue to have to spend money to store the records, whether in expensive office space, in offsite storage facilities, or, in the case of electronic records, on an agency

server. Some government agencies store their records in private storage facilities that charge by the volume of records stored, so any records that remain there after their legal disposition date contribute to a larger monthly bill.

Some government agencies create such a large volume of temporary records that they decide to microfilm or digitize them, even when the retention period for the records is very short. It is seldom cost-effective to microfilm records with a retention period of less than 15 to 20 years or digitize records with a retention of less than four or five years, unless they need to be accessed very frequently. An effective records management program can save the agency this expense by ensuring that all records eligible for destruction are disposed of immediately.

- **Litigation.** Litigation may result from poor records management in a number of different ways. Failure to provide access to public records in a timely manner can ultimately result in litigation, but even if it does not, it can cause public embarrassment to a state or local government agency. Failure to respond to a subpoena because the required records are missing and cannot be shown to have been legally destroyed may also lead to legal consequences. Finally, maintaining obsolete records that could have been legally destroyed years ago can sometimes provide damaging evidence to the other party in a lawsuit.
- **Audit problems.** Auditors of state and local government agencies have become more conscious of records management issues in the past few years in the wake of corporate scandals and cases of state and local government mismanagement of funds. In most cases, auditors will issue a finding if an agency cannot produce necessary records, and in some instances the Examiners of Public Accounts will issue one if a state agency does not have a records disposition authority (RDA). Representatives from the Examiners work with the State and Local Government Records Commissions to create agency RDAs and are aware of records requirements for state and local governments.
- **Inadmissible records.** Occasionally state and local government agency records must be used as evidence in court proceedings. In order for records to be admissible in court they must meet certain criteria, according to Rule 44 of the Alabama Rules of Civil Procedure with District Court Modifications and the Code of Alabama 1975, Section 12-21. In order to be admissible, records must be created in a timely manner; created as part of a regularly conducted business activity; be maintained for an appropriate length of time; and be accurate. Staff must be fully trained in records systems procedures and must regularly evaluate and assess these systems. Recordkeeping systems must also be fully documented. It would be difficult for records to meet these legal admissibility criteria unless there is a records management program in place in the agency. *(For more information about the legal admissibility of records, see the ADAH publication “Legal Admissibility of Public Records” available on our website, www.archives.state.al.us.)*
- **Inappropriate use of new technologies.** Many state and local government agencies have looked to digital imaging systems as the overall solution to their records management problems. They may decide to image “everything,” including records that are already legally

disposable. Such systems, however, are only one component of a good records management program, and agencies can waste money implementing a computer system without taking records retention requirements into consideration.

- **Poorly designed computer systems.** Records managers need to take an active role in the design of an agency's computer systems. If an agency decides to maintain long-term or permanent records only in digitized format, valuable records may be lost, unless certain considerations are taken into account. Electronic systems are not designed for records preservation, and problems will almost surely arise without the establishment of detailed records backup and migration policies at the outset. *(For more information about maintaining records only in electronic form, see the ADAH technical leaflet "What Public Officials Need to Know about Records Maintained on Digital Imaging Systems, available on our website, www.archives.state.al.us.)*
- **Public Relations Problems.** Ultimately, government agencies exist to serve the taxpayers of the state, county, and municipality, and public records are created to meet their needs. Not being able to provide necessary records or information to taxpayers in a timely, efficient manner creates disappointed customers and complaints that may lead to a negative public perception of the agency.
- **Disasters.** No one expects records disasters to occur in a government agency, but they do happen and can take many forms, from a terrorist act, to a flood, to a major computer malfunction, to vandalism by a disgruntled employee. An effective records management program takes into account that disasters may happen and makes contingency plans to preserve vital records so that an agency can continue to function in an emergency. Without such a plan, it may take an agency weeks or months to function normally again, and some important records may never be recovered.
- **Loss of agency or community history.** Sometimes government agencies do not realize that the records they are creating today will provide vital documentation of the history of the state and local communities in the future. While the loss of history may seem a less tangible, and perhaps less important, consequence of poor records management than the others listed above, it has perhaps the greatest long-term impact on our culture.

How to Make a Case for Establishing a Records Management Program

The most important single factor in establishing a records management program is to gain the active support of senior management officials in the agency. Most often, this is a process of education. Since upper-level officials are generally pressed for time, it is best to approach them with a proposal already set out in writing. Developing a brief (one-page) concept paper setting forth the reasons why a records management program is needed and the proposed solution. Such a proposal may be presented in modified business-case form and may include the following information:

- **Statement of Problem.** Begin with a brief summary of the current situation of records in the agency. Include a list of all current areas in which records are stored and the current

estimated cost of records storage. Include also a description of how electronic records are currently stored and backed up.

- **Risks.** Based on the list of potential risks included in this leaflet, assess the current risks to the agency by not having an effective records management program. Be sure to include an estimate of the costs to the agency caused by inefficient handling of records and by maintaining unnecessary storage space.
- **Cost Analysis for Establishing a Records Management Program.** The basic costs to the agency are the hiring or designating of an agency records manager whose primary responsibility is creating and maintaining an effective records management program; staff training time to demonstrate to employees how to carry out procedures for the management of their own records; adjustments or upgrades to the agency computer system to ensure that all records, including email records, are maintained for their legal retention period; storage space (with the assumption that temporary records are destroyed when their disposition requirements are met); and basic supplies, such as storage boxes, file folders, and, perhaps, metal shelving. These items should be listed with their approximate annual cost. Take into account that although some expenses are ongoing, such as employee salary and benefits, others, such as training time, computer upgrades, and shelving, may not be necessary each year.
- **Conclusion.** The conclusion should weigh the risks of poor records management and the actual costs to the agency of maintaining obsolete records against the costs of establishing and maintaining a records management program. The most effective case for a records management program will show actual financial benefits to the agency and reduction of legal liability, as well as intangible values like customer satisfaction and the preservation of state or local history. It should also demonstrate that a good records management program is integral to the efficient discharge of the agency's mission, not a peripheral or "luxury" activity.

For additional information on developing and maintaining an effective records management program, please contact the Government Records Division at (334) 242-4452. Current copies of ADAH publications, RDAs, training opportunities, and other information are available on the department's web site at www.archives.state.al.us.

For further assistance, please contact:

**Alabama Department of Archives and History
Government Records Division
P. O. Box 300100
Montgomery, AL 36130-0100
Telephone: (334) 242-4452 FAX: (334) 240-3433
ADAH web site: <http://www.archives.state.al.us>
E-mail address: Records@archives.state.al.us**