

Memorandum



CITY OF DALLAS

DATE: January 14, 2005

TO: Honorable Mayor and Members of the City Council

SUBJECT: Follow-up Audit on the August 1, 2003, *Audit of the Records Management Function of the City Secretary's Office*-- Report #388

We conducted this follow-up audit of the Records Management Function of the City Secretary's Office (CSO) under the authority of Chapter IX of the City Charter and according to applicable government auditing standards. We included tests of records and reviews of program guidelines and procedures that we considered necessary in the circumstances. Our objective was to determine whether management had implemented the original audit's recommendations or had taken other acceptable actions to remedy the control weaknesses identified in the original audit report.

The original audit report contained 14 findings with 27 related recommendations. Management has implemented 17 of the recommendations, partially implemented nine of them, and did not implement one of them.

The following details the original audit findings and recommendations and shows the status of implementation.

1. Record storage costs were increased because of operating practices.

We recommended that the City Secretary:

- A. Re-issue review lists to the departments that have not completed reviews or taken needed action. Additionally, send copies of the requests to the responsible Assistant City Managers. Include a summary of prior requests and a summary of specific individual departmental actions.

The CSO review lists were reissued to the departments with a thirty-day deadline to respond. The CSO sent follow-up memos and discussed the issue with all Records Liaison Officers (RLOs) (Implemented).

- B. Develop, implement, and distribute procedures and deadlines for the various reviews to the applicable departments. Departments should be directly billed for related storage costs if they fail to meet established deadlines (i.e.,

respond to the City Secretary within 90 days). Implementation of penalties should be coordinated with the City Manager's Office.

*The CSO met with the Office of Financial Services (OFS) and discussed the direct billing of storage caused by departments missing deadlines. OFS responded that since the CSO is funded by the General Fund, it makes no sense for it to charge penalties to other departments that are also funded by the General Fund. Therefore, the OFS saw no need to develop additional procedures for reviews **(Partially implemented)**.*

2. CSO checked out record data is not current, and RC users do not return records timely.

We recommended that the City Secretary:

A. Revise the operating procedures to ensure record tables are timely updated.

*The CSO revised operating procedures to ensure record tables are timely updated and provided documentation to show it **(Implemented)**.*

B. Ensure user departments are aware of the thirty-day return policy, require customers to take entire boxes of records (irrespective of files needed), and charge departments if a record box is ordered more than once due to customers not returning files timely.

*The CSO made departments aware of the thirty-day return policy and the requirement that they take entire boxes. They met with OFS, who advised not to charge customers for not returning boxes timely for the same reason as stated in 1B above **(Partially implemented)**.*

3. City record transfer, retrieval, and related documentation procedures are inadequate.

We recommended that the City Secretary:

- Require submitting departments to formally attest, in writing, that initially transferred record box contents match the listed document titles.

*The CSO now requires submitting departments to attest to contents received **(Implemented)**.*

- Revise current departmental record transfer procedures to ensure that desired records are obtained on the initial request and bill departments for unnecessary record retrieval costs incurred due to improper completion of RTCLs or other preventable errors and omissions.

*The CSO revised record transfer procedures but OFS decided against charging for unnecessary retrieval costs for the same reason as stated in 1B above **(Partially implemented)**.*

- Revise the current CSO record retrieval procedures to require departments to make all record retrieval requests in writing and provide record control numbers.

The CSO revised record retrieval procedures to require written requests (Implemented).

- Program the DMARC database to ensure all checked out files are earmarked in the active file database. (Note: This recommendation was also part of the identified resolution in Opportunities for Improvement Number 2).

The CSO determined that it is not feasible to reprogram DMARC because of the language in which it is written and the risk of creating other problems in the program (Not implemented).

4. Some departments retain various records significantly beyond required retention periods.

We recommended that the City Secretary develop, document, and distribute (to user departments) policies and procedures to ensure that transferred records:

- Placed in a single storage box do not cover an excessive time frame.
- Meet all City and other applicable regulatory guidelines and requirements.

The CSO revised the guidelines for storage and retrieval to limit the length of time that each box's content covers; and to ensure that other applicable requirements are met (Implemented).

5. The DMARC database does not automatically track records identified for disposal and is not timely updated to reflect current record status.

We recommended that the City Secretary:

- Reprogram the DMARC database to automatically track the record retention period after records are marked for disposal.

The CSO has revised the table for tracking records and now generates a monthly report identifying records for disposal (Implemented).

- Implement procedures to timely update the DMARC database to ensure that the system accurately reflects current record status.

The CSO added a code in the database showing records identified for destruction (Implemented).

- Ensure that all eligible records are promptly destroyed (e.g., within three months).

The CSO promptly sends notices to directors instructing them to destroy certain records (Implemented).

6. The CSO's file and index systems and documented procedures are inadequate, and various records that are not defined by the State as permanent records are permanently retained.

We recommended that the City Secretary:

A.1. Examine the various document types and multiple file inventories/indices based on relevant criteria (e.g., document type, defined by State as permanent or non-permanent). Document indexing should reflect the altered file inventory structure.

The CSO is now categorizing documents as either permanent or non-permanent (Implemented).

A.2. Develop and implement sufficiently detailed, step-by-step written indexing procedures. These procedures should reasonably ensure that:

- A complete index, including comprehensive instruction on its use, is available to all users.
- Adequate, fully descriptive and defined index terms that include descriptions and definitions of unique City and CSO document titles (i.e., ADMIN ACT) are used.
- File type is clearly written on the index.
- Index input is accurate.

High priority should be given to replacing the current computer indexing system with a more comprehensive indexing software package.

The CSO is developing more detailed indexing procedures to accomplish the recommended items; however, replacing the current software package may not be financially feasible (Partially implemented).

B. Re-examine documents that are currently treated as permanent City-records and evaluate for compliance with documented State retention schedules and guidelines. Re-classify current permanent records to non-permanent as applicable. Any current permanent records that are reclassified as non-permanent, and exceed State recommended retention guidelines, should be quickly destroyed.

The CSO is re-examining documents currently treated as permanent for compliance with the state schedules and guidelines (Implemented).

7. The CSO does not have adequate written inventory procedures for records stored at City facilities or at Iron Mountain.

We recommended that the City Secretary develop, document, and implement inventory policies and procedures for records stored at Iron Mountain. Procedures should be reviewed, approved in writing, and dated by appropriate responsible oversight and administrative personnel prior to implementing. A physical inventory of all stored records, including those within the City and at Iron Mountain, should be completed no less often than annually.

The CSO has developed and is following policies and procedures for records stored at Iron Mountain, including sampling them and comparing them annually with the RECCEN database. The CSO has also completed an inventory of stored records (Implemented).

8. Controls are inadequate to reasonably ensure City departments, boards, and commissions timely provide all required documents and records to the CSO.

We recommended that the City Secretary develop adequate controls to reasonably ensure that all required documents/records due from departments, boards, and commissions are timely received and retained in accordance with applicable laws and regulations.

The CSO has developed and implemented policies and procedures to ensure that departments, boards, and commissions submit documents/records for storage according to applicable regulations (Implemented).

9. The CSO does not have documented policies or procedures for administering open records requests.

We recommended that the City Secretary develop formal open records requests policies and procedures, distribute to all responsible personnel and departments, and establish adequate internal controls (including periodic reviews) to ensure all applicable policies and procedures are enforced.

The CSO has developed and is following policies and procedures to ensure that open records requests are administered according to applicable regulations (Implemented).

10. The CSO is not following various provisions of the City Code.

We recommended that the City Secretary develop and implement policies and procedures that will fully meet the requirements of Chapter 39C of the City Code.

The CSO is developing a new draft of Chapter 39C and anticipates that it will be ready for the next step in the approval process early in 2005 (Partially implemented).

11. RM is not adequately prepared for disasters.

We recommended that the City Secretary:

A. Develop and implement a written disaster preparedness and recovery plan that addresses all applicable records and archives and that meet all State and City requirements. In addition, the RMO should coordinate with department directors to establish a record disaster and recovery plan for each City department to maximize record availability (with minimum disruption and expense).

The City Archivist is exploring the feasibility of contracting for disaster preparedness and recovery of archived records. The CSO has obtained procedures from the National Park Service and plans to incorporate them into the newest draft of Chapter 39C. Additionally, RMOs were trained in disaster preparedness by the State librarian in July 2004 (Partially implemented).

B. Obtain adequate fire fighting and prevention equipment.

The CSO met with Dallas Fire and Rescue personnel and discussed the needed equipment (Partially implemented).

C. Expedite the archive backup process, which may include cost-effective alternate copying mechanisms (i.e., CD copier) for backing up archived records. The CSO should develop archive backup priorities, then project time frames and develop completion targets.

The CSO has developed a priority listing of archive items and has made it part of the Archives Disaster Preparedness Recovery Manual (Implemented).

12. Current DMA practices do not adequately protect the City's document collections.

We recommended that the City Secretary:

A. Implement CSO archive retrieving and refiling record procedures to ensure each archived record request is formally, adequately, and consistently recorded on DMA Reference Request forms, and that the driver's license number of each non-City employee requestor is obtained and recorded on the request form.

The CSO has developed procedures for retrieving and refiling records and obtaining the drivers license numbers of non-City employee requestors (Implemented).

B. Develop and implement written inventory policies and procedures for DMA collections that include:

- Expediting the process of establishing a complete archives inventory system (including archive collections, finding guides, inventories, etc.) for DMA collections.
- Establishing, developing, and documenting priorities, project time frames, and required completion dates.

The CSO developed written inventory policies and procedures for DMA collections; however, the new policies and procedures did not include priorities, project time frames, and required completion dates (Partially implemented).

C. Develop and implement procedures to adequately address record accessioning issues as shown below:

- Adequately segregate the following duties:
- Receiving archive collections.
- Documenting collection receipts.
- Maintaining the accession listing.

Supervisors should periodically review these tasks to ensure they are adequately accomplished. A different person should perform each of these tasks.

- Ensure that all inventory listings, collection descriptions, and other relative records are timely updated for all received collection additions.

The CSO has developed procedures to address record accessioning issues including segregating duties, supervisors reviewing the tasks, and ensuring that all records are timely updated for received collection additions (Implemented).

13. Iron Mountain did not find some requested City records and did not timely retrieve others.

We recommended that the City Secretary initiate discussions with Iron Mountain to determine additional steps to more fully ensure prompt retrieval of all requested records, including additional penalty assessments for future contract amendments and subsequent contracts.

The CSO will consider discussing with Iron Mountain additional steps to better ensure prompt retrieval when the contract renewal occurs in January 2005 (Partially implemented).

14. The CSO does not archive/store records of the Employees' Retirement Fund (ERF) or the Police and Fire Pension Fund (PFPF).

We recommended that the City Secretary consult with the City Attorney's Office and request a legal opinion regarding whether the ERF or the PFPF must have the CSO oversee their stored and archived records and adhere to Council approved records management guidelines. If the City Attorney's Office concludes that the Funds are subject to the CSO's records management

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oversight, immediate steps should be taken to transfer all stored records to the CSO, and both ERF and PFPF should be required to follow records management procedures, as do other City departments.

*The CSO consulted with the City Attorney on ERF and PFPF record oversight. They are still awaiting a response from the City Attorney **(Implemented)**.*

We commend the CSO for their work in addressing issues related to the 27 original audit recommendations.

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C: Shirley Acy, City Secretary