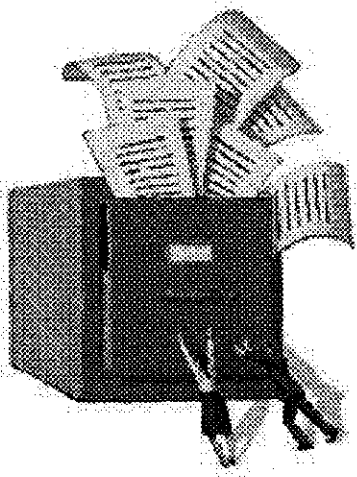


# Evaluation of the Commission's Records Management

*March 7, 2001*



**AUDIT REPORT**

**OIG-AR-05-00**





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**UNITED STATES INTERNATIONAL TRADE COMMISSION**

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WASHINGTON, D.C. 20436

March 7, 2001

TO: THE COMMISSION

We hereby submit Audit Report No. OIG-AR-05-00, *Evaluation of The Commission's Records Management* for the Commission's implementation of our recommendations.

Records management is an essential function that the Commission must perform to effectively carry out its mission. In rendering decisions on trade matters, the Commission must consult documented records, some of which may be newly created, some of which may be several years old. It is important that these records be accurate and trustworthy and that they be readily accessible. The continued storage and preservation of these records beyond the time of immediate consideration is also important in order to maintain the accountability of the Commission and to keep them available for future proceedings.

In evaluating the Commission's records management, we compared its policies and procedures with the requirements of federal records management regulations as codified in 36 CFR Chapter XII, SubChapter B. We also interviewed Commission personnel involved in records management, and we visited the facilities of the contractor providing off-site records storage for the Commission. We interviewed the General Manager of the contract storage facility and made tests of the accuracy of contractor records. We also conducted an inventory of records stored on the P-1 Level of the USITC building and made appropriate tests of the accuracy of Commission records.

We found that the Commission was not in compliance with Federal Regulations regarding records management. Specifically, the Commission is not disposing records in accordance with schedules negotiated with, and approved by the National Archives and Records Administration. We also found lack of compliance in the areas of periodic reviews, establishment of program objectives, training, assignment of responsibilities, issuance of directives, and maintaining inventories of records. In general, the administration of the Commission's records

management program is an area in which the Commission could substantially improve, resulting in a more efficient use of resources.

As detailed in our report, we are making several recommendations to correct the deficiencies we observed in the Commission's records management program. These recommendations are designed to: 1) bring the Commission into compliance with Federal Regulations, 2) put into place policies and procedures that will insure continued compliance with Federal Regulations, 3) improve the effectiveness and efficiency of current records management, and 4) take advantage of electronic storage technology to improve the Commission's future records management. Of these, the recommendations regarding electronic records storage may be the most important, since they hold the greatest promise for maximizing the effectiveness and economy of the Commission's records management.

Exit conferences were held with the Director of Information Services, Director of Administration, Director of Facilities Management, Assistant General Counsel and the Secretary to the Commission between January 9 - January 16, 2001. Comments received at those exit conferences have been incorporated in our report, as appropriate. On February 23, 2001, the Director of Information Services provided a plan to implement the recommendations contained in this report. That plan was approved by the Chairman and is attached as Appendix G.



Dev Jagadesan  
Acting Inspector General

**Audit Report No. OIG-AR-05-00**

**EVALUATION**

**OF THE**

**COMMISSION'S RECORDS MANAGEMENT**

**March 6, 2001**



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## I. INTRODUCTION

The maintenance of accurate records and the provision of citizen access to those records is an important and indispensable government function in our American Democracy. This is particularly true for an agency such as the United States International Trade Commission (Commission) which collects and hears evidence upon which it makes decisions based on the nation's trade laws. Parties affected by these decisions must have access to this evidence to assure themselves of the fairness and impartiality of the Commission's rulings. Parties also need access to this evidence to defend themselves or seek legal or regulatory relief in subsequent proceedings.

The existence of accurate, complete, and accessible records is also important to the effective and efficient operation of the Commission. Such records preserve the Commission's institutional memory and facilitate informed decision making by the Commission's officials and their successors. Such records are also necessary to provide accountability of the Commission before the American public, Congress, the General Accounting Office (GAO) and other oversight bodies.

Section 3101 of title 44 U.S.C. requires the head of each Federal agency to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency. Also, this section is designed to protect the legal and financial rights of the Government and of persons directly affected by the agency's activities.

The National Archives and Records Administration (NARA) is responsible for providing guidance and assistance to Federal agencies to ensure adequate and proper documentation of the policies and transactions of the Federal Government and to ensure proper records disposition. The General Services Administration (GSA) is responsible for providing guidance and assistance to Federal agencies to ensure economical and effective records management. NARA regulations are codified in 36 CFR Chapter XII, SubChapter B. Records management policies and guidance are contained in records management handbooks, and other publications issued by GSA.

**I. INTRODUCTION (Continued)**

“Records” include all books, papers, maps, photographs, machine-readable materials, or other documentary materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business. Materials are classified as either:

**Permanent Records** - Any Federal record that has been determined by NARA to have sufficient value to warrant preservation in the National Archives;

**Temporary Records** - Any record which has been determined by the Archivist of the United States to have insufficient value to warrant its preservation by NARA; or

**Non-Record Materials** - Those Federally owned informational materials that do not meet the statutory definition of records (44 U.S.C. § 3301), such as extra copies of documents, stocks of publications, etc.

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Commission Records Currently Classified as Permanent

- Publications
  - Press Releases
  - Photographs and Biographies of Commissioners
  - Minutes of the Commission (Microfiche Copies)
  - Official Docket Case Files (Microfiche copies)
  - Central Administrative Files (Procedural/Policy Documents)
  - General Counsel Memoranda
  - Index to General Counsel Memoranda
  - Administrative Orders
  - Administrative Procedures
  - Budget Estimates and Justifications
- 

**II. OBJECTIVE**

The objective of this audit was to determine the effectiveness of the Commission’s records management program, whether it complies with the laws and regulations governing the management of Federal records, and how it can be improved.

**III. METHODOLOGY AND SCOPE**

We engaged Leon Snead & Company, P.C. to assist in conducting this review.

We conducted our audit from April 4, 2000 through November 15, 2000. It was conducted in accordance with Commission Directive 1701.2, Audit and Inspection Policies and Procedures, and the GAO’s government auditing standards. The audit concentrated on the examination of records and interviews of appropriate personnel in the Office of the Secretary, Office of General Counsel, Office of Finance, Office of Facilities Management, Office of Administration, Office of Information Services (OIS), and Office of Economics. We visited the facilities of the contractor providing off-site records storage for the Commission. We interviewed the General Manager and we made tests of the accuracy of the contractor’s records. We also conducted an inventory of records stored on the P-1 Level of the Commission building and made appropriate tests of the accuracy of Commission records.

Telephone contact was made with NARA personnel to discuss issues relating to electronic records. Discussions were also held with the successor contractor regarding their on-line database.

#### IV. CURRENT STRUCTURE OF THE COMMISSION'S RECORDS MANAGEMENT PROGRAM

##### Findings

Ultimate responsibility for the Commission's records management program rests with the Chairman as the head of the agency.<sup>1</sup>

The Commission currently has two Directives and one Administrative Notice in effect relating to its records management program. USITC Directive 3150 (June 23, 1977), delegates to the Director of Administration authority to implement the Records Management Program and designates him as the agency's Records Management Officer. Further, the directive gives him the authority to appoint Records Management Liaison Officers within each office or division. However, USITC Directive 1017 (July 27, 1998), sets forth the mission and functions of the Office of Information Services (OIS) and lists the Commission's records management program as one of its functions. In Administrative Notice ITC-N-3150 (May 4, 2000), the Director of Administration names the individual Records Liaison Officers.

A review of the position description of the Director of Administration indicated no responsibilities specifically related to records management. However, the position description for the Director of Information Services, indicated that one of his principal duties and responsibilities is to oversee and direct the records management program of the agency.

Although the Director of Administration is designated as the Records Management Officer by Directive 3150, the "Senior Records Management Specialist," an employee in OIS, in fact implements the Commission's Records Management Program.<sup>2</sup> According to her position description, the Senior Records Management Specialist's responsibilities lie exclusively with Records Management.<sup>3</sup> More specifically, she is designated as the Commission's Records Officer for purposes of liaison with NARA and is responsible for overall planning, coordination and operation of the records management program. We found that although she retains the knowledge and expertise on records management, in fact, the Commission has engaged in very little active records management.

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<sup>1</sup> See 19 U.S.C. § 1331 administrative decisions of the Chairman may be disapproved by a majority vote of the Commissioners.

<sup>2</sup> Note that the individual charged with implementing the Commission's Records Management Program does not report to the individual with specific delegated authority.

<sup>3</sup> The Director of OIS commented that the Senior Records Management Specialist has multiple responsibilities and that her position description is not an accurate description of her overall responsibilities.

**IV. CURRENT STRUCTURE OF RECORDS MANAGEMENT PROGRAM (Continued)**

Since 1994, the Commission has contracted for off-site storage of its records. The current contractor is Iron Mountain, Inc., which acquired the previous contractor, Data Storage Centers in May 2000. The records storage contract does not include the designation of a Contracting Officer's Technical Representative (COTR), who would normally provide detailed direction of the contractor on behalf of the Commission's Contracting Officer. However, some of the duties associated with a COTR are being performed by the Facilities Management Specialist in the Office of Administration. His position description indicates that he is responsible for overseeing the records storage contract, directing and guiding lower graded staff on requesting records that are to be retrieved from storage and on records that are to be retired to the records center, and reviewing and approving payment for billing. Current duties do not include verifying the accuracy of the contractor's inventory, insuring disposal of records according to schedule or requiring proper entry of storage box identification information. In fact, according to his position description, oversight of the records storage contract is only a small part of the total responsibilities assigned to the Facilities Management Specialist.

We note that in 1993 when OIS was transferred from the Office of Administration to the Office of Operations,<sup>4</sup> the organizational move was not accompanied by a clear division of responsibilities for records management between OIS and Office of Administration. As a result conflict and confusion of responsibilities exists. We found that in limited circumstances "records management" is performed in the Commission by individual offices. As outlined by our findings below, this type of records management is failing because of a lack of centralized coordination and direction.

In our review of the structure of the Commission's records management program, we applied NARA's government wide regulations codified at 36 CFR Chapter XII, SubChapter B. In general, the Commission's program has fallen short in compliance with these regulations. Specifically, we found that the Commission's program is not in compliance with:<sup>5</sup>

- The requirement for periodic evaluation of the records management program;
- The requirement to issue a directive establishing program objectives;
- The requirement for record keeping training;
- The requirement to identify, develop, issue and periodically review record keeping requirements for records in all media. Requirements are needed relative to evidentiary material that is in the form of a product rather than a written document and for image records produced by the Commission's Electronic Imaging System (EDIS);
- The requirement to formally specify official file locations for all records in all media and prohibit maintenance in other locations; and
- The requirement for periodic reviews of the records maintenance program.

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<sup>4</sup> See Appendix V of Audit Report OIG-AR-01-00, *Review of the Commission's Information Resources Management Function*, for an overview of the move of OIS from the Office of Administration. <http://www.usitc.gov/oig>

<sup>5</sup> Appendix C provides a detailed listing of the requirements of 36 CFR Chapter 12, SubChapter B and our findings and conclusions regarding USITC compliance with these requirements.

#### IV. CURRENT STRUCTURE OF RECORDS MANAGEMENT PROGRAM (Continued)

##### Conclusions

The above findings support the following conclusions concerning the Commission's current structure for records management:

- There is ambiguity concerning who is actually in charge of the records management program and an accompanying lack of centralized direction for the program.
- Assigned records management functions are not being performed with sufficient effectiveness to meet the requirements of Federal Regulations.
- The current Commission records management program is not in compliance with Federal Regulations.

##### Recommendations

With respect to the Commission's structure for records management, we recommend that:

1. The Director of OIS amend the position description of the "Senior Records Management Specialist" to accurately reflect the duties of her position including the additional duties of administering the records storage contract and serving as the Contracting Officer's Technical Representative for the records storage contract.
2. The Director of Administration amend the position description of the Facilities Management Specialist to reflect his role in facilitating the transfer of records within the Commission.
3. The Director of OIS develop and administer a plan to provide adequate training of all Commission personnel on policies, responsibilities and techniques for implementation of record-keeping requirements.
4. The Director of Administration and Director of OIS revise USITC Directive 3150:
  - a. To assign responsibility for the records management program to the Director of OIS and to designate him as the Commission's Records Management Officer. (Based on Chief Information Officer (CIO) responsibilities under the Paper Work Reduction Act, this function should reside within the new CIO office. Thus, this recommendation would be consistent with that concept and consistent with our discussions later in this report on electronic records management.);
  - b. To state the objectives of the Commission's records management program;
  - c. To require an annual evaluation of the Commission's records management program and an annual review of its records maintenance program, including an annual inventory of all records in contract storage;

IV. CURRENT STRUCTURE OF RECORDS MANAGEMENT PROGRAM (Continued)

- d. To assign the records management responsibilities of employees and office directors. Responsibility to implement the records management program at the office level should reside with the Office Director, eliminating the Records Management Liaison Officer. (Office directors may choose to further delegate this responsibility.)
- e. To specify official file locations and prohibit maintenance of records in unauthorized locations.

## V. RECORDS DISPOSITION

### Findings

Disposal of any permanent or temporary records must be in accordance with a records schedule approved by NARA. The records schedules consist of a General Records Schedule issued by NARA and, if necessary, a Standard Form 115 (SF 115), Request for Disposition Authority, approved by NARA. General Record Schedules provide retention and disposition instructions for broad categories of records (see Appendix A). SF 115s are tailored to the specific record requirements of individual Federal agencies and cover records not included in general schedules or for which agency requirements differ from those set forth in the general schedules (see Appendix B for the current USITC SF 115). The SF 115 takes precedence over General Record Schedules. The approved record's schedules are mandatory.

An initial record schedule was included in USITC Directive 3150 dated June 23, 1977. This directive identified which types of records were to be considered temporary and which types permanent along with their respective schedules for destruction or transfer to NARA. This directive also indicated that permanent records were to be microfiched.

An SF 115 submitted to and approved by NARA on May 1, 1978 provided a comprehensive update of the disposition schedules for program related records. This SF 115 also provided that the Minutes of the Commission and official docket case files were to be microfilmed and the original and one copy of the microfilm offered to NARA. It also provided that the Commission minutes would be destroyed after microfilming when no longer needed for administrative purposes. The docket files were to be destroyed after 25 years, assuming microfilm had been prepared. The SF 115 did not indicate that other types of permanent records were to be microfilmed, only that depending on the type of permanent record, they would be offered to NARA after a 5 to 20 years retention period.

A revised SF 115 was approved by NARA on September 20, 1983 which provided that docketed case files would be destroyed after microfilm had been verified. A revised SF 115 dated June 9, 1989, provided a schedule for transferring microfiche copies of official docket case files first to the Washington National Records Center on an annual basis, and then to the National Archives when 75 years old. The next and most recent revision to the SF 115 was dated October 1, 1997 and provided a disposition schedule for files maintained by the Office of the Secretary on investigations of possible violations of Administrative Protective Orders and Commission rules.

The SF 115 and its revisions refer to the storage of Commission records at the Washington National Records Center, which is administered by NARA. However, since 1994, the Commission has been using a contract facility for records storage, not the Washington National Records Center. Although the SF 115 and its subsequent revisions made significant changes to the records disposition schedules contained in USITC Directive 3150, those changes are not reflected in the directive either directly or by reference to the SF 115.

## V. RECORDS DISPOSITION (Continued)

A major portion of the Commission's records in storage are "permanent" records belonging to the Office of the Secretary and the Office of General Counsel. Permanent records may not be destroyed when they cease to be needed for the management of the organization. They must be stored and accounted for until transferred to NARA, and may require conversion to a media acceptable to NARA prior to the transfer. Clearly the cost of managing permanent records is greater than that for temporary records which can be destroyed when they are no longer needed for management of the agency. A review of the material included in the Commission's permanent records should be made to determine whether material is included which does not meet the requirements for permanent records because of the nature of the material or because it is available in other records. Guidance on the classification of permanent records is provided in Appendix C of the NARA web-based Handbook entitled "*Disposition of Federal Records.*" Reclassification of permanent records would require the approval of NARA.

According to USITC Directive 3150, the Commission is to annually prepare records for retirement, prepare files for the microfiche program, and prepare records for transfer to the records center and NARA. We found that offices are not reviewing and retiring records on an annual basis. Records generally are retired when required by a lack of file space. The microfiche program has not been in operation since 1996 at which time it was discontinued as a cost reduction measure, and no records have been transferred to the NARA since 1997.

We specifically applied the requirements of 36 CFR Chapter 12, SubChapter B and found that the Commission's program is not in compliance with the requirements to :<sup>6</sup>

- insure that records no longer needed for current use are promptly disposed of or retired;
- implement the approved records schedules and destruction schedules dates; and
- transfer permanent records to NARA after the period specified in the SF 115.

### Conclusions

The above findings support the following conclusions on records disposition:

- The Commission is not in compliance with mandatory requirements for disposition of records.
- Current Commission Directives do not provide adequate guidance for disposition of records, and such guidance as is provided is not consistent with NARA guidance.

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<sup>6</sup> See footnote 3.



**V. RECORDS DISPOSITION (Continued)****Recommendations**

With regard to records disposition, we recommend that:

- 4f. The Director of Administration and Director of OIS, revise USITC Directive 3150 to resolve conflicts in retention and disposition schedules that now exist between this directive and the SF 115 and General Records Schedules. The revised Directive should incorporate the SF 115 and General Records Schedules by reference and require that records be disposed of in accordance with these controlling documents.
5. The Director of OIS, in conjunction with the Secretary to the Commission and the General Counsel, review material included in permanent records to ensure it meets the criteria for that classification, and if not, request approval of NARA to reclassify the material.
- 6a. The Director of OIS, enlisting office directors as necessary, initiate an immediate review of records in contract storage to bring currently stored Commission records into compliance with the disposition schedules of the SF 115 and applicable General Records Schedules by June 29, 2001.



NARA's Washington National Records Center, Suitland, MD

## VI. RECORDS INVENTORY MANAGEMENT

### Findings

The Commission currently stores records at an off-site contract storage facility (contract storage), in individual offices, and in a level P-1 storage area.

#### 1. Records in Contract Storage

The current contractor, Iron Mountain, Inc., stores the Commission's records at a storage facility in Jessup, Maryland.

The Commission does not have a centralized system for records inventory management. The Facilities Management Specialist who oversees the records storage contract receives a listing of all Commission records in the contractor's inventory once a year. However, this listing is not updated as boxes are added or removed from inventory. Also, the contractor's inventory is not checked for accuracy, since a separate listing of what should be in the inventory is not maintained. Individual offices are relied upon to keep track of their own records in contract storage.

Among Commission offices there is no uniform method of keeping track of records in contract storage. For example, the Office of the Secretary, the largest holder of records in contract storage maintains a database of its records in contract storage and level P-1 storage area. The Office of General Counsel, the second largest holder of records in contract storage, maintains a WordPerfect file of its records in contract storage. However, most Commission offices do not keep any inventory of their records in contract storage.

The contractor maintains a record of Commission material in its custody and makes this data available through an on-line database accessible through the internet at <http://www.safekeeperplus.com>. Commission users with passwords can order reports on current inventory, destruction eligibility, and several other topics. The contractor currently charges \$25 for each report requested. Once a year, the contractor provides at no charge a total inventory report.



Records Storage Facility

## VI. RECORDS INVENTORY MANAGEMENT (Continued)

There is no evidence that the accuracy of the contractor's records of Commission material in contract storage is being verified. In view of the lack of inventory records in some offices and the unreliability of the records of others, the accuracy of the contractor records is critical. The contractor records determine the monthly storage bills and largely determine whether records will be disposed of in accordance with the approved NARA retention schedules.

To test the accuracy of the information recorded in the contractor's inventory database, we selected 102 boxes belonging to nine different offices. We attempted to locate those boxes in the contractor's warehouse and compare the information submitted to the contractor with that information actually contained in the contractor's record. We found:

- Sixteen boxes were not located. Contractor records indicated that they had been removed from contract storage. The dates of removal ranged from March 1997 to June 2000. Fourteen of these boxes belong to the Office of Equal Employment Opportunity and were either destroyed or retained in that office. The offices owning the other two boxes have no record of the boxes being removed from contract storage, but assume the boxes were destroyed. The contractor was not notified that the boxes would not be returned to contract storage, so the boxes remain on the inventory records, and monthly storage fees continue to be billed. Commission personnel were not aware that boxes remain on the contractor inventory and storage fees are assessed unless the contractor is informed that the boxes will not be returned to contract storage. Continued payment of storage fees for material removed from storage for less than a full billing cycle (one calendar month) is reasonable, but we find it wasteful of resources to continue to pay for storage fees for longer periods.
- The wrong general schedule is indicated for 10 boxes. Although the wrong schedule is cited, it does not affect the record retention as the correct schedule has the same retention period as the one used.
- No review date is recorded either on the box or on the contractor's records for 38 boxes.
- The contractor records do not show a review date for seven boxes although a date is recorded on the label.



Interior and Exterior Views of the Contract Storage Facility

**VI. RECORDS INVENTORY MANAGEMENT (Continued)**

- Ten boxes contain reels of magnetic computer tape that have been stored in the general warehouse since February 1988. No review date has been assigned for these boxes and the dates of the records are shown as ranging from January 1978 to December 1988.
- Two boxes contain evidentiary material from cases that are not in the form of documents. One has large double-sided floppy disks and the other has plastic puzzles. The SF 115 approved by NARA does not mention material in these media.

We also reviewed the contractor's monthly invoices for FY 2000. We found one significant error. From September 1999 until January 2000, the invoices showed the number of boxes being stored for the Office of Unfair Import Investigations to be 1000 greater than the actual number being stored. This error was corrected in the contractor's invoice dated February 03, 2000. However, the Commission has yet to be reimbursed for excess storage charges prior to that date.

**2. P-1 Level Records Storage**

The level P-1 storage area is used by the Office of Secretary for records storage. This area occupies approximately 2075 sq. ft. and also includes a small amount of space for the Secretary's forms and supplies. It is adjacent to another area on level P-1 of approximately 1725 sq. ft. that is used to store Commission office supplies.



Three views of the P-1 Storage Area

**VI. RECORDS INVENTORY MANAGEMENT (Continued)**

On November 15, 2000, we conducted an inventory of the records being stored in the level P-1 storage area assigned to the Secretary’s office. This inventory revealed a total of 863 record storage boxes with labels. An additional 110 boxes were counted which did not have labels but which did have identifiable box numbers. An estimated 200 boxes which did not have either labels or box numbers were not counted. The inventory revealed 30 instances in which two boxes were assigned the same box number. It was noted during the inventory that boxes were not arranged in any particular order on shelves and that many boxes were stacked in the aisles between shelves.

Box Description	Num of Boxes
W/ Labels - W/ Box Numbers	863
W/O Labels - W/ Box Numbers	110
W/O Labels - W/O Box Numbers	200 (est.)
<b>TOTAL</b>	<b>1173 (est.)</b>

To evaluate the accuracy of the Commission’s records of material in level P-1 storage area, we tested the database maintained by the Office of the Secretary with the data from our inventory. We found that the database indicated only 152 boxes located in the level P-1 storage area, whereas our inventory revealed an estimated 1173 boxes. We also compared the total number of boxes in the database that were listed as not having been destroyed with the total number of boxes on hand in the level P-1 storage area and in contract storage. The database indicated a total of 4879 boxes on hand, whereas the number of boxes belonging to the Secretary in level P-1 storage area and contract storage was estimated at 3191. We also found 213 boxes in our inventory that were not included in the database. These disparities indicate significant inaccuracies in the database records.

	P-1	P-1 & Off-Site
Inventory-# of Boxes	1173	3191
OSE Database # of Boxes	152	4879
<b>Difference</b>	<b>1021</b>	<b>1688</b>

**3. Improving Inventory Management**

Greater accountability and control of records could be achieved if a common data record were adopted to maintain and track the inventory of records in storage for all Commission offices. Such a record should be maintained at a central location to facilitate uniformity and consistency of data such as codes to indicate the owning office, box numbers, locations, applicable disposition schedule, review date, etc. The Records Management Officer could use such a record to provide reports to management which would show program status. The reports could show record storage costs attributable to individual offices as a matter of management information. Further efficiencies could be achieved if the Commission database were interoperable with the contractor’s on-line database. This would allow common data entry and efficient discovery and resolution of any discrepancies between the two databases.

## VI. RECORDS INVENTORY MANAGEMENT (Continued)

### Conclusions

Based on the above findings, we conclude that:

- The Commission does not have an overall system for records inventory management.
- There is no uniformity in the systems used by individual offices in keeping track of their records in contract storage. Most offices have no system at all.
- Neither the Commission nor the contractor has reliable inventories of the Commission's records in contract storage.
- The Commission is paying storage costs for records no longer held by the contractor, and records remain in contract storage beyond the authorized retention period.
- The Commission's records are sufficiently inaccurate as to make it very difficult to locate and provide ready access to records in contract storage.

### Recommendations

With respect to inventory management, we recommend that:

6. The Director of OIS, enlisting office directors as necessary, initiate an immediate review of records in contract storage to:
  - a. (see page 9);
  - b. Determine the appropriate review dates for records for which the contractor records show no review date and ensure that appropriate disposition action is taken;
  - c. Determine what records have been removed from storage and ensure that they are removed from the contractor's inventory;
  - d. Determine what records are in storage that have been microfilmed and for which NARA has authorized destruction after verification of the microfilm and take appropriate disposition action;
  - e. Insure that offices update the records for boxes remaining in storage to add any necessary information that is missing or incomplete; and
  - f. Report the results of this effort to the Chairman as a follow-up to this review.
7. The Director of OIS provide a Commission wide information technology solution to automate the administrative requirements imposed on Office directors to implement proper records management. As a part of that information technology solution, an efficient method at the Commission level should be devised to reconcile Commission records with the records of contract storage to allow for proper administration of the

**VI. RECORDS INVENTORY MANAGEMENT (Continued)**

contract. The information technology solution should provide for common data elements for the records of all offices and compatibility with the contractor's database, allowing single entry update of both databases.

8. The Director of OIS seek approval of NARA for a modification to the SF 115 which identifies the existence of products in addition to documents as part of the evidentiary material in cases and provides appropriate disposition instructions for such material.
9. The Director of Administration seek recovery of excess storage charges from the contractor.



Record “stacks” at the contract records storage facility

## VII. RECORDS TRANSMITTAL

### Findings

In the past, Commission offices were required to complete a USITC Form 101 for each box sent to contract storage. One copy of the USITC Form 101 was affixed to the storage box, one copy retained and one copy went to the contract administrator in the Office of Facilities Management. The information required by this form included the box number, the retention schedule number, the office symbol, the record title (description), whether the box contained business confidential information, the date of the records, the action date (date disposition action is to be taken), and the nature of the disposition action to be taken (transfer to NARA; send to microfilm and send to shredder; destroy; or archive). The completed form was used by the contractor to record information to the contractor's database.

***The Commission has at least 143 boxes of records containing documents dated prior to 1970. Permanent records more than 30 years old must be transferred to the National Archives unless the Chairman of the Commission certifies in writing the need to retain these records. (36 CFR 1228.264).***

In regards to the use of USITC Form 101 we found:

- Very little data consistency in box numbering and use of office symbols / codes
- Lack of inclusion of retention schedule number and destruction dates
- Incomplete records dates, records descriptions, and action dates
- Lack of specifying type of disposition action



ITC Storage Box at records storage facility without disposition instructions on Form 101



**VII. RECORDS TRANSMITTAL (Continued)**

This process resulted in duplicate box numbering, “best guess” judgements by the contractor as to the ownership of records and improper data entry on the part of the contractor.

To test the completeness of descriptive information for boxes in contract storage, we reviewed the contractor’s database as of April 27, 2000<sup>7</sup>. As of that date, the database listed 7665 boxes belonging to the Commission. A review of the information in the database disclosed the following:

- 3284 boxes with no review date. Thus, these boxes will never appear on the report of boxes due for review for disposition instructions.
- 539 boxes with expired review dates.
- 143 boxes are indicated as containing documents dated prior to 1970. The oldest is dated January 1917. Note that permanent records more than 30 years old must be transferred to the National Archives unless the Chairman of the Commission certifies in writing the need to retain these records. (36 CFR 1228.264)
- 91 boxes contain no description of the contents.

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<b>7665 Boxes in Contract Storage (April 27, 2000)</b>	
▶	3284 boxes -no review date
▶	539 boxes -expired review dates
▶	143 boxes -beyond records schedule prior 1970
▶	91 boxes - no description

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The approximate annual cost of storing the records with no review dates or expired review dates is \$9,500.

We also found the description of the records in contract storage was such that Commission personnel we interviewed stated that they would not make a decision to destroy records based on the description contained in the contractor’s database. As a result, they have boxes sent from storage, open them and examine the contents before deciding whether to dispose of or retain the records. This results in service charges to remove boxes from storage, deliver boxes for examination, and if necessary, to return them to storage. In addition, if the contractor is not notified that boxes are being removed permanently, monthly storage charges continue.

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<b>Annual Storage Costs of Boxes with Expired or No Review Dates</b>		
	# of Boxes	Yearly Cost =(\$2.40 x # of boxes)
No Review Date	3284	\$7,881.60
Expired Review Dates	539	\$1,293.60
Beyond Records Schedule	143	\$343.20

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<sup>7</sup> See Appendix E for a summary of the contractor’s database.

**VII. RECORDS TRANSMITTAL (Continued)**

Recently, the contractor introduced a new procedure for identification of record boxes to be placed in storage. This procedure involves removing the detachable bar code label from the transmittal form and attaching the label to the box. Box identification information is then entered into the contractor’s on-line database. Mandatory fields that must be completed include bar code number, customer box number, and destruction date. Other fields allow entry of information describing the contents of the box. After the required data has been entered, the contractor will receive an on-line order to pick up the box for storage. This procedure is an improvement over the previous Form 101 in that boxes will not enter storage without proper identification and disposition instructions.

The form is titled "Iron Mountain Inc. Records Transmittal Form" and includes the following sections:

- Customer Information:** Fields for CUSTOMER ID and CUSTOMER NAME.
- Department and Record Information:** Fields for DEPARTMENT ID and RECORD CODE.
- Shipping Information:** A field for SHIP BOX NUMBER containing the value 146613077.
- Description Fields:** Major Description and Minor Description, both with grid-like input areas.
- Destroy Date:** Fields for MONTH, DAY, and YEAR, with a note: "Must be valid date or check one of the following:"
- Disposition Options:** Checkboxes for PERM (Permanent), LNSP (Unaffiliated), TAX (After Tax Audit), and HOLD (After Legal Hold).
- Barcode and Label:** A large barcode with the number 1466 printed next to it.
- Instructions:** "IMRM COPY - GIVE TO IMRM DRIVER" printed at the bottom.

Iron Mountain Inc. Records Transmittal Form

Users of the contractor’s on-line database can also request delivery of boxes from contract storage. Delivery of boxes can be accomplished in as little as two hours from the time of an on-line request. Other tasks that can be accomplished on-line include editing of box descriptions, inventory research, and invoice inquiries.

**Conclusions**

With respect to records transmittal, we conclude that:

- The identifying information Commission offices have been providing in submitting their records to contract storage is inadequate for effective records management.
- The Commission has a non-uniform and inconsistent system for number identification of record boxes submitted for contract storage.
- The contractor’s on-line database has potential for improving the identification information for record boxes submitted for contract storage.

**VII. RECORDS TRANSMITTAL (Continued)****Recommendations**

To improve the records transmittal process, we recommended that:

10. The Director of OIS work with the contractor to make retention schedule and record descriptions mandatory fields in the contractor's databases.
11. The Director of OIS establish a new uniform storage box numbering system to be used by all offices which, at a minimum, will include identification of the Year in which a box was created and the office that created it.
12. The Director of OIS obtain and provide to offices a password to access the contractor's on-line database and also provide a mandatory training session for office representatives on use of the on-line database.

**VIII. STORAGE COSTS**

**Findings**

The contractor bills monthly for the number of boxes in contract storage and for itemized services such as receipt of boxes, removal of boxes, etc. The billings are based on the contractor’s rate schedule. Although the contractor can break out the monthly bills to show record storage costs attributable to individual offices for management information purposes, we found that the Commission is currently not taking advantage of this free service. Additionally, we found that the Commission was incurring interest charges because of late payment of invoices. The Prompt Payment Act requires payment of invoices within 30 days of receipt. If payment is not made within 30 days, the Commission must pay interest at a rate specified by the Treasury.

We also found that the records storage contract is written as though it were a fixed price contract. For example, contract ITC-PO-00-0005, which was issued November 9, 1999, calls for the contractor to provide records storage and retrieval for the period October 1, 1999 through September 30, 2000. The total amount of the award is stated as \$5,000. However, the \$5,000 represented only the estimated cost for the first quarter. Subsequent modifications were issued to bring the total amount up to \$20,000 for the fiscal year. Understating the expected amount of the records storage contract leads to inaccuracy in statements of obligations and can also lead to inefficiencies in the budgeting process. The records storage contract makes no mention of the rates the contractor is to charge for storage and other services, and the contract file does not contain a copy of the contractor’s rate schedule.

For Fiscal Year 1999, the billings from the storage contractor totaled \$23,282. For Fiscal Year 2000, billings totaled \$24,133. Thus, the cost of the records storage contract is currently averaging just over \$2,000 per month. It is important to note that these costs include more than just the charges for keeping records in the warehouse. Each time records are placed in or removed from the warehouse there are service charges. If the contractor picks up or delivers records, there are service charges. Based on the above billings, about \$1,600 of the monthly charges was for storage and \$400, or 20 percent, was for services.

Appendix D shows the current contractor rate schedule. Of particular note is the total fee associated with destroying boxes in contract storage. If a single box is to be retrieved from contract storage, returned to the Commission for inspection and destroyed at the Commission, the contractor fees are \$1.19 for retrieval, \$16.20 for transportation/delivery, and \$3.00 for permanent removal from the contractor’s database for a total charge of \$20.39. If the box is sent back to the contractor for destruction,

**Single Box Destruction Costs**

	Destroy at USITC	Destroy Off-Site
Retrieval	\$ 1.19	\$ 1.19
Transportation	\$16.20	\$ 0.00
Remove from Database	\$ 3.00	\$ 3.00
<b>TOTAL</b>	<b>\$20.39</b>	<b>\$ 4.19</b>

**VIII. STORAGE COSTS (Continued)**

the total charge is \$36.59. Lesser per-box transportation charges are incurred for handling multiple boxes. If the contractor destroys the box at the storage facility, the charges are \$1.19 for retrieval and \$3.00 for destruction, or a total of \$4.19. To minimize costs the following rules should be observed:

- If possible, boxes should be retrieved and destroyed at the contractor’s facility.
- If possible, boxes should be transported to and from the Commission in multiple box shipments.
- Destroyed boxes should be removed from the contractor’s database as soon as possible.
- Larger boxes are preferable to smaller boxes because they incur lesser total service fees for the same amount of storage capacity.
- If possible, boxes with existing contractor identification numbers should be reused for new storage.

Most of the 2075 sq. ft. of level P-1 storage area assigned to the Secretary’s office is being used to store record boxes. The current rental rate in the building is \$30 per sq. ft. The rental of this space thus adds about \$62,250 per year to the cost of record storage. Based on our recent inventory, this amounts to an annual storage cost of approximately \$50 per box, or approximately 20 times the \$2.40 per box annual cost for contract storage. This suggests that the Commission should re-evaluate the use of the level P-1 storage area for record storage.

Use of the level P-1 storage area to store records for a period before they are transferred to contract storage appears to be unnecessary and costly. This is particularly true because the Secretary’s office is scanning these records into its Electronic Document Imaging System (EDIS) system where they are available for review in lieu of the paper copies. Our recent inventory indicated approximately 1200 boxes were being stored in the level P-1 storage area. Moving these boxes to contract storage at an annual storage cost of \$2,880 (1200 x \$2.40) would make space costing \$62,250 annually available for other use.

In summary, the total cost to store records is approximately \$7,100 per month, or about \$86,000 per year.

**Conclusions**

The above findings support the following conclusions concerning storage costs:

- As currently written, the Commission’s records storage contract does not provide an accurate or complete description of services to be provided.

<b>Cost to Store Records</b>		
	<u>FY1999</u>	<u>FY2000</u>
Contract Storage (FY1999)	\$23,282	\$24,133
Cost of P-1 space	<u>62,250</u>	<u>62,250</u>
<b>Total Cost</b>	<u><b>\$85,282</b></u>	<u><b>\$86,383</b></u>
Monthly Average Cost	\$7,128	\$7,199

**VIII. STORAGE COSTS (Continued)**

- It costs more to store records on the level P-1 storage area than at the contract storage facility.
- The contractor's rate schedule should be considered in managing the costs of records storage, retrieval and destruction.

**Recommendations**

With regard to records storage costs, we recommend that:

13. The Director of OIS request from the contractor a breakout of the monthly invoices by office and circulate the relevant portions to the offices concerned.
14. The Director of Administration allocate storage costs to offices for management reporting purposes.
15. The Director of Administration initiate procedures for timely payment of contractor invoices so as to avoid interest charges.
16. The Director of Administration ensure that the records storage contract reflects the total estimated cost of the contract, that it is not a fixed price contract and that billings are to be based on a rate schedule which is made a part of the contract.
17. The Director of OIS, in consultation with the Secretary and Office of Administration, develop and implement a schedule for phasing out the use of level P-1 storage area for records storage.
18. The Director of OIS inform Office Directors of the charges incurred in regards to the storage contractor's rate schedule and request that they develop an appropriate policy for minimizing the costs of records storage, retrieval, and destruction for their respective offices.

## IX. ELECTRONIC RECORDS STORAGE

### Findings

Electronic records storage and retrieval technology offers opportunities for adopting records management procedures that would be more efficient and less costly than those now in use by the Commission. The use of electronic records storage has been encouraged by recent legislation. The Government Paperwork Elimination Act (GPEA) of 1998 provides that:

Electronic records submitted or maintained in accordance with procedures developed under this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures, shall not be denied legal effect, validity, or enforceability because such records are in electronic form.

Since enactment of GPEA, NARA has issued general guidelines for electronic record storage. An example is a NARA publication entitled “Records Management Guidance for Agencies Implementing Electronic Signature Technologies (GPEA).” This publication stresses that there are various approaches agencies can use to insure the trustworthiness of electronic-signed records over time and that agencies should choose an approach that is practical for them and that will fit their business needs and risk assessment. Whatever approach an agency selects for electronic records storage must be approved by NARA.

Almost all of the records produced by the Commission could eventually be stored in electronic form if approved by NARA. Records classified as temporary in nature, such as working papers, drafts of publications and technical reference files, are normally created in electronic, e.g. WordPerfect, format. With NARA agreement, paper copies of these files could be destroyed almost immediately and the electronic copies preserved until the specified destruction date.

Electronically scanned files of some permanent records, such as docket files, are presently being created using the Commission’s EDIS. With NARA approval, the EDIS electronic copies of these documents could be retained and the paper copies destroyed or transferred to the National Archives. At the end of the specified retention period, the electronic copies could be destroyed or transferred to the National Archives, if requested by NARA. If for some reason NARA did not approve storage of EDIS copies of records, it would be necessary for the Commission to consider microficheing either the EDIS or paper copies, since under the current SF 115, NARA will only accept microfiche copies.

As the Commission implements electronic filing, receipt of paper copies of such filings will not exist. Thus, the Commission must plan for and begin to implement electronic storage options with NARA approval. In order to allow this option, the EDIS replacement, as well as other information systems acquisitions, need to consider electronic storage requirements as an important objective.

**IX. ELECTRONIC RECORDS STORAGE (Continued)**

The Commission's near term strategy for implementing electronic records storage should be directed toward obtaining NARA approval for the use of an electronic format for the Commission's own internal record storage purposes. If such approval were obtained, the Commission could almost immediately destroy paper copies of temporary records for which it had electronic copies. It could also send paper copies of its permanent records to the national Archives after only a minimal retention period, assuming it had made electronic copies of these records. The result would be that most of the Commission's records would be in electronic form, with a consequent reduction of storage costs and significant improvement in the organization and timely retrieval of records.

The Commission's longer term strategy should be to obtain approval from NARA for the use of an electronic format for both internal and archival purposes. This would allow the Commission to accept electronic filings which could be retained by the Commission for its internal record storage purposes and submitted to NARA for archival purposes. This would completely avoid the necessity for handling or storing paper copies of these records.

Any Commission efforts to make greater use of electronic storage must consider NARA requirements for trustworthiness of records, including reliability, authenticity, integrity, usability and preservation. Also, the Commission must seek specific approval for use of electronic storage from NARA through submission of a revised SF 115.

**Conclusion**

Electronic storage is by far the preferred method of retaining Commission records, provided an adequate level of trustworthiness and NARA approval can be obtained.

**Recommendations**

With regard to electronic records storage, we recommend that:

19. The Director of OIS incorporate in the Commission's IRM Strategic Plan an objective of all-electronic storage of newly created records by the year 2005.
20. The Director of OIS, in conjunction with the Secretary, prepare and submit for NARA approval an amended SF-115 which:
  - a. Provides for electronic storage of the Commission's temporary and permanent records and;
  - b. Provides the Commission with authority to destroy or transfer to NARA paper copies of such records for which electronic copies exist.



**IX. ELECTRONIC RECORDS STORAGE (Continued)**

21. The Secretary establish a procedure for identifying which storage boxes contain records that have been scanned by EDIS, so that these boxes can be disposed of if approved by NARA.
22. The Director of OIS incorporate requirements for electronic storage of records in all new IT projects, including new EDIS systems and Electronic Questionnaires.

**X. SUMMARY OF ESTIMATED COST SAVINGS**

The estimated savings that can be achieved by implementing the recommendations in this report are summarized in Table 1. Immediate savings can be achieved by destroying records in storage that have been microfilmed or that have expired review dates. Future savings can be realized by phasing out the use of level P-1 storage area for records storage and by destroying records for which electronic copies are available (subject to NARA approval). Additional miscellaneous savings can be achieved by paying the contractor’s invoices on time and by periodically checking the contractor’s records to delete charges for storing boxes that have been removed from the contractor’s inventory. In all, we estimate that annual savings of more than \$78,000 can eventually be achieved by implementing our recommendations. Immediate one-time savings in the amount of \$1,000 can be achieved by recovery of excess storage charges from the contractor. Additional unknown savings can be achieved by identifying the review dates for records without review dates and destroying those for which review dates have expired. Appendix F further categorizes estimated cost savings in terms of questioned costs and funds that could be put to better use.

<b>Table 1- Estimated Savings From Implementing Records Management Recommendations</b>	
<b>IMMEDIATE ANNUAL SAVINGS</b>	
Destruction of records in storage which have been microfilmed (4000 boxes @ \$2.40 per year) . . . . .	\$9,600
Destruction of records in storage with expired review dates (682 boxes @ \$2.40 per year) . . . . .	<u>1,637</u>
Subtotal . . . . .	\$11,237
<b>FUTURE ANNUAL SAVINGS</b>	
Freeing the P-1 space at USITC for other use . . . . .	\$62,250
Destruction of records in storage for which electronic copies exist (2000 boxes @ \$2.40 per year) . . . . .	<u>4,800</u>
Subtotal . . . . .	\$67,050
Total Annual Savings . . . . .	\$78,287
<b>IMMEDIATE ONE-TIME SAVINGS</b>	
Recovery of excess storage charges (1000 boxes @ \$.20 per month X 5 months) . . . . .	\$1,000

## XI. SUMMARY OF RECOMMENDATIONS

Our findings indicate serious deficiencies in the Commission's records management. To correct these deficiencies we have made several recommendations. These recommendations are designed to:

- ▶ Bring the Commission's current records management into compliance with Federal Regulations
- ▶ Put in place policies and procedures that will insure continued compliance with Federal Regulations
- ▶ Improve the effectiveness and efficiency of current records management.
- ▶ Take advantage of electronic storage technology to improve the Commission's future records management

In summary, we recommend that:

1. The Director of OIS amend the position description of the "Senior Records Management Specialist" to accurately reflect the duties of her position including the additional duties of administering the records storage contract and serving as the Contracting Officer's Technical Representative for the records storage contract.
2. The Director of Administration amend the position description of the Facilities Management Specialist to reflect his role in facilitating the transfer of records within the Commission.
3. The Director of OIS develop and administer a plan to provide adequate training of all Commission personnel on policies, responsibilities and techniques for implementation of record-keeping requirements.
4. The Director of Administration and Director of OIS revise USITC Directive 3150:
  - a. To assign responsibility for the records management program to the Director of OIS and to designate him as the Commission's Records Management Officer. (Based on Chief Information Officer (CIO) responsibilities under the Paper Work Reduction Act, this function should reside within the new CIO office. Thus, this recommendation would be consistent with that concept and consistent with our discussions later in this report on electronic records management.);
  - b. To state the objectives of the Commission's records management program;
  - c. To require an annual evaluation of the Commission's records management program and an annual review of its records maintenance program, including an annual inventory of all records in contract storage;

**XI. SUMMARY OF RECOMMENDATIONS (Continued)**

- d. To assign the records management responsibilities of employees and office directors. Responsibility to implement the records management program at the office level should reside with the Office Director eliminating the Records Management Liaison Officer. (Office directors may choose to further delegate this responsibility.)
  - e. To specify official file locations and prohibit maintenance of records in unauthorized locations.
  - f. To resolve conflicts in retention and disposition schedules that now exist between this directive and the SF 115 and General Records Schedules. The revised Directive should incorporate the SF 115 and General Records Schedules by reference and require that records be disposed of in accordance with these controlling documents.
5. The Director of OIS, in conjunction with the Secretary to the Commission and the General Counsel, review material included in permanent records to ensure it meets the criteria for that classification, and if not, request approval of NARA to reclassify the material.
  6. The Director of OIS, enlisting office directors as necessary, initiate an immediate review of records in contract storage to:
    - a. Bring currently stored Commission records into compliance with the disposition schedules of the SF 115 and applicable General Records Schedules by June 29, 2001.
    - b. Determine the appropriate review dates for records for which the contractor records show no review date and ensure that appropriate disposition action is taken;
    - c. Determine what records have been removed from storage and ensure that they are removed from the contractor's inventory;
    - d. Determine what records are in storage that have been microfilmed and for which NARA has authorized destruction after verification of the microfilm and take appropriate disposition action;
    - e. Insure that offices update the records for boxes remaining in storage to add any necessary information that is missing or incomplete; and
    - f. Report the results of this effort to the Chairman as a follow-up to this review.

**XI. SUMMARY OF RECOMMENDATIONS (Continued)**

7. The Director of OIS provide a Commission wide information technology solution to automate the administrative requirements imposed on Office directors to implement proper records management. As a part of that information technology solution, an efficient method at the Commission level should be devised to reconcile Commission records with the records of contract storage to allow for proper administration of the contract. The information technology solution should provide for common data elements for the records of all offices and compatibility with the contractor's database, allowing single entry update of both databases.
8. The Director of OIS seek approval of NARA for a modification to the SF 115 which identifies the existence of products in addition to documents as part of the evidentiary material in cases and provides appropriate disposition instructions for such material.
9. The Director of Administration seek recovery of excess storage charges from the contractor.
10. The Director of OIS work with the contractor to make retention schedule and record descriptions mandatory fields in the contractor's databases.
11. The Director of OIS establish a new uniform storage box numbering system to be used by all offices which, at a minimum, will include identification of the Year in which a box was created and the office that created it.
12. The Director of OIS obtain and provide to offices a password to access the contractor's on-line database and also provide a mandatory training session for office representatives on use of the on-line database.
13. The Director of OIS request from the contractor a breakout of the monthly invoices by office and circulate the relevant portions to the offices concerned.
14. The Director of Administration allocate storage costs to offices for management reporting purposes.
15. The Director of Administration initiate procedures for timely payment of contractor invoices so as to avoid interest charges.
16. The Director of Administration ensure that the records storage contract reflects the total estimated cost of the contract, that it is not a fixed price contract and that billings are to be based on a rate schedule which is made a part of the contract.

**XI. SUMMARY OF RECOMMENDATIONS (Continued)**

17. The Director of OIS, in consultation with the Secretary and Office of Administration, develop and implement a schedule for phasing out the use of level P-1 storage area for records storage.
18. The Director of OIS inform Office Directors of the charges incurred in regards to the storage contractor's rate schedule and request that they develop an appropriate policy for minimizing the costs of records storage, retrieval, and destruction for their respective offices.
19. The Director of OIS incorporate in the Commission's IRM Strategic Plan an objective of all-electronic storage of newly created records by the year 2005.
20. The Director of OIS, in conjunction with the Secretary, prepare and submit for NARA approval an amended SF-115 which:
  - a. Provides for electronic storage of the Commission's temporary and permanent records and;
  - b. Provides the Commission with authority to destroy or transfer to NARA paper copies of such records for which electronic copies exist.
21. The Secretary establish a procedure for identifying which storage boxes contain records that have been scanned by EDIS, so that these boxes can be disposed of if approved by NARA.
22. The Director of OIS incorporate requirements for electronic storage of records in all new IT projects, including new EDIS systems and Electronic Questionnaires.

**National Archives and Records Administration  
General Records Schedules**

Transmittal No. 8  
December 1998

**GENERAL RECORDS SCHEDULES**

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APPENDIX B

<b>REQUEST FOR RECORDS DISPOSITION AUTHORITY</b>		JOB NUMBER <i>NI-51-97-1</i>	
To: NATIONAL ARCHIVES and RECORDS ADMINISTRATION (NIR) WASHINGTON, DC 20408		DATE RECEIVED <i>7-10-97</i>	
1. FROM (Agency or establishment)  <b>U.S. INTERNATIONAL TRADE COMMISSION</b>		<b>NOTIFICATION TO AGENCY</b>  In accordance with the provisions of 44 U.S.C. 3303a, the disposition request, including amendments, is approved except for items that may be marked "disposition not approved" or "withdrawn" in column 10.	
2. MAJOR SUBDIVISION  <b>OFFICE OF INFORMATION SERVICES</b>			
3. MINOR SUBDIVISION			
4. NAME OF PERSON WITH WHOM TO CONFER  <b>KRISTIN KRAKE</b>	5. TELEPHONE  <i>202-205-2744</i>	DATE <i>10-1-97</i>	ARCHIVIST OF THE UNITED STATES <i>John W. Carl</i>
6. AGENCY CERTIFICATION I hereby certify that I am authorized to act for this agency in matters pertaining to the disposition of its records and that the records proposed for disposal on the attached ____ page(s) are not now needed for the business of this agency or will not be needed after the retention periods specified; and that written concurrence from the General Accounting Office, under the provisions of Title 8 of the GAO manual for Guidance of Federal Agencies,			
<input checked="" type="checkbox"/> is not required; <input type="checkbox"/> is attached; or <input type="checkbox"/> has been requested.			
DATE <i>7/8/97</i>	SIGNATURE OF AGENCY REPRESENTATIVE <i>Kristin F. Krake</i>	TITLE <i>Records Mgmt Officer</i>	
7. Item No.	8. DESCRIPTION OF ITEM AND PROPOSED DISPOSITION	9. GRS OR SUPERSEDED JOB CITATION	10. ACTION TAKEN (NARA USE ONLY)
1.	REVISION OF NC1-81-78-1 (as revised by NC1-81-89-1), by inserting this item 12, and re-numbering the present items 12-29.  <input checked="" type="checkbox"/> Files Maintained by the Office of the Secretary on Investigations of Possible Violations of Administrative Protective Orders and Commission Rules.  Arranged chronologically by the number of the investigation in connection with which the possible violation occurred. Records of Commission votes, published notices, internal memoranda, correspondence.  a. Documents subject to expungement by Commission rule.  Destroy when the conditions for expungement		

are satisfied, or ten years after the investigation is closed, whichever occurs first.

b. All other documents.

Destroy ten years after the investigation into the possible violation is closed.



REQUEST FOR RECORDS DISPOSITION AUTHORITY  
(See Instructions on Reverse)

LEAVE BLANK	
JOB NO.	NC1-81-83-1
DATE RECEIVED	9-7-83
NOTIFICATION TO AGENCY	
In accordance with the provisions of 44 U.S.C. 3303a the disposal request, including amendments, is approved except for items that may be stamped "disposal not approved" or "withdrawn" in column 10.	
Date	9-20-83 <i>[Signature]</i> Archivist of the United States

TO: GENERAL SERVICES ADMINISTRATION,  
NATIONAL ARCHIVES AND RECORDS SERVICE, WASHINGTON, DC 20408

1. FROM (AGENCY OR ESTABLISHMENT)  
**U.S. International Trade Commission**

2. MAJOR SUBDIVISION  
**Office of Administration**

3. MINOR SUBDIVISION  
**Administrative Services Division**

4. NAME OF PERSON WITH WHOM TO CONFER  
**Kristin Krake**

5. TEL. EXT.  
**523-0108**

6. CERTIFICATE OF AGENCY REPRESENTATIVE:

I hereby certify that I am authorized to act for this agency in matters pertaining to the disposal of the agency's records; that the records proposed for disposal in this Request of 1 page(s) are not now needed for the business of this agency or will not be needed after the retention periods specified.

A Request for immediate disposal.

B Request for disposal after a specified period of time or request for permanent retention.

C. DATE	D. SIGNATURE OF AGENCY REPRESENTATIVE	E. TITLE
8/29/83 X	<i>Lorn J. Goodrich</i>	Director, Office of Administration

7. ITEM NO.	8. DESCRIPTION OF ITEM (With Inclusive Dates or Retention Periods)	9. SAMPLE OR JOB NO.	10. ACTION TAKEN
11 a	Docketed case files (paper copies)  Destroy paper copies after microfilm has been verified  Our original record disposition schedule requires the agency to hold these paper copies for 10 years before transferring to FRC. However, microficheing has been completed and verified on most of these case files and the agency's investigative case load has increased to the extent that we do not have sufficient storage to keep the paper copies any longer.	NC-1-81-78-1	

REQUEST FOR RECORDS DISPOSITION AUTHORITY  
(See Instructions reverse)

0 (LEAVE BLANK)  
JOB NO. NC 1 81 78 1  
DATE RECEIVED 31 MAY 1978  
NOTIFICATION TO AGENCY  
In accordance with the provisions of 44 U.S.C. 3302a the disposal request, including amendments, is approved except for items that may be stamped "disposal not approved" or "withdrawn" in column 10.  
6-6-78 *[Signature]*  
Date Archives of the United States

TO: GENERAL SERVICES ADMINISTRATION,  
NATIONAL ARCHIVES AND RECORDS SERVICE, WASHINGTON, DC 20408  
FROM (AGENCY OR ESTABLISHMENT)  
United States International Trade Commission  
MAJOR SUBDIVISION  
Office of Administration  
MINOR SUBDIVISION  
NAME OF PERSON WITH WHOM TO CONFER  
Ms. Kris Krake  
TEL. EXT.  
523-0197

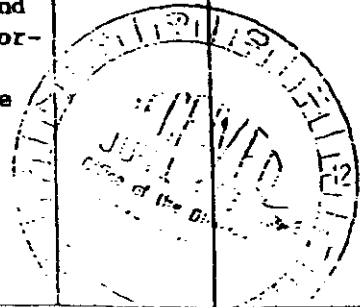
5. CERTIFICATE OF AGENCY REPRESENTATIVE.

I hereby certify that I am authorized to act for this agency in matters pertaining to the disposal of the agency's records; that the records proposed for disposal in this Request of 6 page(s) are not now needed for the business of this agency or will not be needed after the retention periods specified.

- A Request for immediate disposal.
- B Request for disposal after a specified period of time or request for permanent retention.

C. DATE  
D. SIGNATURE OF AGENCY REPRESENTATIVE *[Signature]*  
E. TITLE  
Chairman

7. ITEM NO.	8. DESCRIPTION OF ITEM (With Inclusive Dates or Retention Periods)	9. SAMPLE OR JOB NO.	10. ACTION TAKEN
	<p>The attached comprehensive records control schedule provides disposition authority for all program records created by the United States International Trade Commission. USITC records are listed under the following headings:</p> <ul style="list-style-type: none"> <li>A. General Records</li> <li>B. Office of the Secretary</li> <li>C. Office of the General Counsel</li> <li>D. Unfair Import Investigations</li> <li>E. Office of Executive and International Liaison</li> <li>F. Office of Congressional Liaison</li> <li>G. Office of Administration</li> <li>H. Office of Industries</li> </ul> <p>This certifies that the records described in items 10 and 11 of the attached schedule shall be microfilmed in accordance with the standards set forth in 41 CFR 101-11.504 and that the silver original microfilm plus one positive copy of each microfilm which is a diazo microfilm copy shall be offered to the Office of the National Archives (NN), National Archives and Records Service, General Services Administration, Washington, D. C. 20408.</p> <p><i>Rescind change made with agency concurrence. See letter 10/11/78 of 4/78</i></p>		



United States International Trade Commission  
Records Disposal Schedule

A. General Records

The following records series are commonly found throughout the Commission. The disposition instructions apply to all such files wherever located unless otherwise noted in subsequent portions of this schedule.

1. Chronological, Reading, or Day Files.

Carbon or electrostatic copies of correspondence and internal memoranda prepared for the signature of the division's chief executive officer.

Destroy when 3 years old.

2. Administrative Reference Files.

Arranged alphabetically by subject. Information copies of correspondence, internal memoranda, published reports, special studies, and other documents concerning both administrative and program procedures. The records may originate with any division within the Commission.

Destroy when 5 years old.

3. Action Jackets

Memoranda prepared throughout the Commission and submitted to each Commissioner for approval. Action jackets relate to all phases of the work of the Commission. Included are copies of ballots showing the vote of each Commissioner. The original remains with the program office initiating the request. Copies of jackets actually submitted to the Commission for balloting are filed with the Office of the Secretary. The final action itself is recorded in the Commission's minutes.

Transfer to FRC when 3 years old. Destroy when 5 years old.

4. Routine Correspondence

Original incoming and copies of outgoing correspondence concerning routine, unofficial matters. Most letters received are requests for information from the general public. Other letters are received from representatives of private industry and provide background information.

Destroy when 3 years old.

5. Report Working Papers.

Draft and final versions of reports, memoranda, tabulations, notes, and other background materials used in the preparation of various recurring reports published by the Commission. This item excludes background and working papers created in the production of investigative reports which are described in Item 6 below.

Destroy 1 year after publication of report.

## Investigation Files

Arranged by type of investigation. General working files as well as copies of documents found in the official dockets maintained by the Office of the Secretary. Included are questionnaires and drafts of investigation reports. These background materials are maintained primarily for convenient reference.

Destroy 3 years after close of case file.

## B. Records of the Office of the Secretary

### 7. Publications

Arranged by type of publication. One record copy of each publication produced by the Commission excluding investigation reports found in the official docket files. Included are special studies reports, reports sent to Congress such as the East-West Trade Report, and other periodic publications such as the Report on Operation of the Trade Agreement Program.

PERMANENT. Offer to NARS when 10 years old.

### 8. Press Releases.

Arranged chronologically. One record copy of each press release issued by the Commission. The majority of these releases are duplicated in the docket files.

PERMANENT. Offer to NARS when 10 years old.

### 9. Photographs and Biographies of Commissioners.

Arranged alphabetically by Commissioner. Photographs, brief biographical summaries, copies of White House press releases announcing appointments, extracts from the Congressional Record reporting confirmation, and other similar materials.

PERMANENT. Offer to NARS 5 years after termination of the Commissioner.

### 10. Minutes of the Commission

Arranged chronologically. Formal summaries of official Commission meetings.

- a. Minutes. (paper copies)  
After Microfilming, destroy when no longer needed for administrative purposes.

- b. Microfiche copies of minutes.

PERMANENT. Offer to NARS *following verification of file copy.*  
~~when minutes are 5 years old.~~

### 11. Official Docket Case Files.

Arranged by applicable trade act section and thereunder chronologically. Reports, decisions, opinions, records of proceedings, memoranda, press releases, collected data, analyses, findings, recommendations, and related papers.

- a. Docketed case files (paper copies)

Transfer to FRC when 10 years old. Destroy when 25 years old, assuming microfilm has been prepared.

- b. Microfiche copies of docket case files.

PERMANENT. Offer to NARS *following verification of film copy*  
~~when case files are 25 years old.~~

12. Central Administrative Files.

Arranged alphabetically by subject and thereunder numerically by subtopic. Correspondence, internal memoranda, reports, and publications documenting all phases of the work of the Commission. Both substantive procedural and routine administrative records are found in these files. Prior to the offer of (a) below, the files will be screened to remove records described under (b).

- a. Procedural and policy documents. Major file headings include (but are not limited to): Administration; Investigations and Studies; Management; Organization; and Tariffs and Trade.

PERMANENT. Offer to NARS when 20 years old.

- b. Routine administrative and housekeeping records, duplicate copies, issuances from other agencies, and similar temporary materials. Major file headings include (but are not limited to): Facilities; Financial Management; Personnel; Security; and Training.

Destroy in accordance with the General Records Schedules.

C. Records of the Office of the General Counsel

13. Legislative History Files.

Copies of Congressional hearings, proposed legislation, final version of bills, transmittal letters, extracts from the Congressional Record, memoranda, and other materials concerning legislation of interest to the Commission.

Transfer to FRC when 5 years old. Destroy when 25 years old.

14. Litigation Case Files.

Copies of legal documents such as motions, brief, court opinions and orders, and other records concerning suits brought against the Commission.

Transfer to FRC when 5 years old. Destroy when 20 years old.

15. Non-Litigation Case Files.

Copies of complaints, legal documents such as motions, answers, briefs, submissions, hearings, memoranda, and other materials constituting the official advisory attorney files of the General Counsel's office related to investigations pursuant to Sections 603 and 337 of the Federal Trade Act of 1974 and informal investigation's in the Section 337 area of the same act.



Transfer to FRC when 5 years old. Destroy when 20 years old.

16. General Counsel Memoranda.

Arranged by subject. Copies of all substantive opinions prepared by the General Counsel's office for the Commission concerning both administrative and program matters. This series does not include legislative memoranda, but does include opinions concerning litigation.

PERMANENT. Offer to NARS when 25 years old.

17. Index to General Counsel Memoranda.

Arranged alphabetically by subject on 3 x 5 index cards.

PERMANENT. Offer to NARS when 25 years old.

D Records of Unfair Import Investigations

18. Informal Investigation Files.

Copies of correspondence, internal memoranda, data, legal documents including complaints, motions, briefs, court opinions and orders, and other records related to informal investigations pursuant to Sections 603 and 337 of the Trade Act of 1974.

Transfer to FRC when 3 years old. Destroy when 20 years old.

E. Records of the Office of Executive and International Liaison

19. Information Files

Copies of published reports, news releases, memoranda, correspondence, minutes, and other background materials used for general reference.

a. Commodity Files.

Transfer to FRC when 5 years old. Destroy when 10 years old.

b. Country Files.

Transfer to FRC when 10 years old. Destroy when 15 years old.

c. International Organization Files mainly concerning the United Nations Conference on Trade Developments.

Transfer to FRC when 5 years old. Destroy when 10 years old.

d. GATT (General Agreements on Tariffs and Trade) Files.

(1) Numbered GATT Documents.

Destroy upon receipt of microform copies.

(2) Microform copies of GATT documents.

Destroy when 20 years old.

(3) GATT topical records concerning specific negotiations.

old.  
Transfer to FRC when 10 years old. Destroy when 20 years

- e. Records concerning the Generalized System of Preferences. This program was established by the Trade Act of 1974 and allows the President to admit imports from developing countries duty free.

Transfer to FRC when 5 years old. Destroy when 10 years old.

f. Investigation Case Files.

- (1) Copies of documents found in the Secretary's official docket file.

Destroy 1 year after close of investigation.

- (2) Documents concerning interagency agreements relating to investigations.

Transfer to FRC when 5 years old. Destroy when 10 years old.

20. State Department Messages.

Telegrams and airgrams routed from the State Department to the Commission.

Destroy when 3 years old.

F. Records of the Office of Congressional Liaison.

21. Correspondence with Members of Congress.

Arranged by Congressional house and thereunder alphabetically by name. Copies of incoming and outgoing correspondence relating to specific studies, internal organization, and general policies of the Commission. Approximately 75% of the letters are routine referrals from Congress.

Destroy when 5 years old.

22. Correspondence with Federal Agencies.

Arranged alphabetically by agency. Copies of incoming and outgoing correspondence documenting the relationship between the Commission and other Federal agencies such as the Office of Management and Budget, Customs Service, Department of Treasury, and the General Accounting Office. Original incoming letters are retained by the office which prepares the response.

Destroy when 5 years old.

23. Weekly Reports on Congressional Activities

Brief summaries of Congressional activities of interest to the Commission based on information found in the Congressional Record. The reports are circulated to all Commissioners and senior Commission staff members.

Destroy when 1 year old.

24. Mailings to Congress on Investigations.

One reference copy of correspondence distributed to a wide number of members of Congress concerning specific current investigations.

Destroy when 3 years old.

G. Records of the Office of Administration.

25. Administrative Orders.

Arranged chronologically. These directives originate in the Chairperson's office but are numbered and controlled in the Office of Administration. Administrative Orders announce changes in Commission policy.

PERMANENT. Offer to NARS when 5 years old.

26. Administrative Procedures.

Arranged chronologically. These directives interpret and expand upon the Chairperson's administrative orders and are also numbered and controlled in the Office of Administration.

PERMANENT. Offer to NARS when 5 years old.

27. Administrative Notices.

Arranged chronologically. Routine notices originating in any of the Commission's offices concerning subjects such as fire drills, personnel, and other administrative matters.

Destroy when 3 years old.

28. Budget Estimates and Justifications.

Arranged chronologically. Formal narrative and statistical statements concerning the Commission's budget and submitted to Congress and the Office of Management and Budget.

PERMANENT. Offer to NARS when 5 years old.

H. Records of the Office of Industries.

29. Commodity Files.

Background papers concerning specific commodities used by Office of Industry analysts for reference. The files consist of information copies of published and unpublished materials.

Transfer to FRC when 5 years old. Destroy when 15 years old.

## ANALYSIS OF REQUIREMENTS OF 36 CFR CHAPTER 12, SUBCHAPTER B

**Requirement:** Ensure permanent records can be located and are preserved for transfer to the National Archives. 36 CFR §1220.36

**Finding:** Permanent records are controlled by the Office of the Secretary, the General Counsel and the Office of Administration. The records are being preserved, and can be located.

**Conclusion:** USITC is compliant with this requirement.

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**Requirement:** Ensure that permanent records are preserved but that records no longer needed for current use of an agency are promptly disposed of or retired. 36 CFR §1220.38

**Finding:** USITC has not transferred any records to the National Archives or the Washington National Records Center since 1997, nor has it converted permanent records to microfiche since 1996. In 1983, NARA approved an amendment to the SF 115 for the microfiche of docketed case files. USITC was authorized to destroy paper copies after microfiche is verified. In 1989, NARA approved another amendment relative to these records which provides that microfiche copies of closed docket files are to be transferred to the Washington National Records Center on an annual basis and to the National Archives when 75 years old or sooner if restrictions on the records have been lifted. USITC has not microfiched closed docket case files since 1996. In lieu thereof, the files are scanned into electronic files and the paper copies stored either in the P-1 level of the USITC building or at the contract storage location. USITC has preserved permanent records, but has not disposed of or retired records no longer needed for current use in accordance with the SF 115.

**Conclusion:** USITC is NOT in compliance with this requirement.

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**Requirement:** Assign responsibility for development of the records management program; report the identity of that office to NARA. 36 CFR §1220.40

**Finding:** USITC Directive 3150, which was issued on June 23, 1977, designates the Director, Office of Administration as the agency's Records Management Officer and delegates to him authority to implement the program. USITC Directive 1017, which was issued on July 27, 1998, sets forth the mission and functions of the Office of Information Services and lists the records management program as a function of that office. However, the latter directive does not change the specific delegation of authority to the Director of Administration, and the Director of Administration has continued to issue Administrative Notices relative to records management.

The Senior Records Management Specialist for USITC, who is responsible for overall planning, coordination and operation of the records management program is located in the Office of Information Services. Administration of the contract for off-site storage of records and liaison between the contractor and the various USITC offices remains a function of the Facilities Management Specialist in the Office of Administration, but is a minor part of his total responsibilities.

**Conclusion:** There is no apparent purpose served by the separation of records management functions between two USITC offices and we believe it contributes to a less than an optimal program.

The records management function should properly be assigned to the new Office of Chief Information Officer. Pending establishment of that office, the function should be assigned to OIS, which is expected to be merged with the CIO office. Assignment of this function to OIS also reflects the intent to make greater use of electronic records storage technology.

USITC Directive 3150 should be revised to assign responsibility for the records management program to the Director of OIS and to designate him as the Commission's Records Management Officer.

The Senior Records Management Specialist should assume the functions of overseeing the contract for off site storage of records.

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**Requirement:** Periodically evaluate the records management program relating to records creation, record keeping, maintenance and use of records, and records disposition. These evaluations shall include periodic monitoring of staff determinations of the record status of documentary materials and determine compliance with NARA regulations. 36 CFR §1220.42

**Finding:** USITC directives do not require these periodic evaluations, and none have been done. On two occasions, extensive reviews of files have been made in conjunction with major relocations to identify files that could be disposed of rather than moved. However, those reviews did not constitute evaluations of the records management program.

**Conclusion:** USITC is not in compliance with the requirement for periodic evaluations of the records management program.

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**Requirement:** Issue a directive establishing program objectives, responsibilities, and authorities. 36 CFR §1222.20

**Finding:** USITC Directive 3150 does not establish records management objectives. Its stated purpose is only to establish and maintain a Records Control Schedule.

**Conclusion:** USITC is not in compliance with the requirement to issue a directive establishing program objectives.

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**Requirement:** Ensure that adequate training is provided to all agency personnel on policies, responsibilities and techniques for implementation of record keeping requirements and the distinction between record and non-record material.  
36 CFR §1222.20

**Finding:** USITC personnel have not been provided training on record keeping requirements.

**Conclusion:** USITC is not in compliance with the requirement for record keeping training.

**Requirement:** Develop and implement records schedules and obtain NARA approval of the schedules. 36 CFR §1222.20

**Finding:** USITC has a SF 115 approved by NARA and uses Standard Schedules for records not covered by the SF 115. However, the retention periods assigned to records in storage do not always conform to those specified in the SF 115 and Standard Schedules. In addition, record classifications and retention schedules specified in USITC Directive 3150 do not always agree with the SF 115.

**Conclusion:** USITC has established schedules as required, but is not implementing the schedules as approved.

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**Requirement:** Identify, develop, issue and periodically review record keeping requirements for records in all media. Requirements shall: identify and prescribe specific categories of documentary materials to be systematically created or received and maintained; prescribe the use of materials and recording techniques that ensure the preservation of records as long as they are needed by the Government; with the approval of the Archivist of the US, prescribe action for the final disposition of agency records when they are no longer needed for agency business. 36 CFR §1222.32

**Finding:** Except for those records that are to be microfiched, USITC has adopted the policy that record copies are in paper form. Electronic records are to be printed and filed, and the electronic records then can be destroyed. NARA approval has been obtained for disposition actions. However, evidentiary material in some cases is in the form of a product, and no action has been taken to prescribe disposition of such materials.

**Conclusion:** USITC has not developed record keeping requirements for records in all media. Requirements are needed relative to evidentiary material that is in the form of a product rather than a written document.

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**Requirement:** Formally specify official file locations for records in all media and prohibit maintenance of records in unauthorized locations. 36 CFR §1222.50

**Finding:** USITC directives do not address the subject of record location.

**Conclusion:** USITC is not in compliance with the requirement to formally specify official file locations for all records in all media and prohibit maintenance in other locations.

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**Requirement:** Review records maintenance program periodically to determine its adequacy; audit a representative sample of paper, audiovisual, electronic, cartographic and architectural files for duplication, misclassification or misfiling.  
36 CFR §1222.50

**Finding:** There is no record of a review of the records maintenance program, nor could personnel connected with the program recall such a review having been made.

**Conclusion:** USITC is not in compliance with the requirement for periodic reviews of the records maintenance program.

**Requirement:** Issue an agency directive incorporating the disposition authorities approved by NARA, i.e., SF115s and the General Records Schedules. 36 CFR §1228.50

**Finding:** USITC Directive 3150 includes disposition authorities, but makes no reference to either the SF 115 approved by NARA or the General Record Schedules. Further, the directive has not been updated since 1977 and is not in all aspects consistent with disposition approved by NARA. In some instances, the directive identifies documents as permanent records which are not even mentioned in the approved SF 115.

**Conclusion:** USITC Directive 3150 has not been updated to incorporate and eliminate conflicts with disposition authorities approved by NARA.

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**Requirement:** Approved agency records schedules and general records schedules are mandatory. Records series or systems approved for destruction shall not be maintained longer without prior written approval of NARA. 36 CFR §1228.54

**Finding:** USITC does not in all instances conform to the NARA-approved destruction schedules and has not obtained written approval for the deviations.

**Conclusion:** USITC is not in compliance with NARA approved destruction schedules.

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**Requirement:** All records scheduled as permanent shall be transferred to the National Archives after the period specified on the SF 115. 36 CFR §1228.56

**Finding:** The SF 115 provides that permanent records are to be offered to NARA at specified intervals, which range from 5 to 25 years, in some instances as soon as microfiche copies have been verified. Records are not being transferred to the National Archives when specified on the SF 115. No records have been transferred since 1997.

**Conclusion:** USITC is not in compliance with the requirement to transfer permanent records to the National Archives after the period specified in th SF 115.





**U.S. International Trade Commission**  
**Account # 46096**  
**Rate Addendum**  
 Effective May 1, 1999

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***Storage***

Cubic Foot Carton \$0.20 per c.f.

***Access Services***

Carton Indexing \$0.54 per carton

Carton Inventory Preparation \$1.08 per carton

Carton Retrieval (Customer Pickup) \$1.19 per carton

Carton Retrieval (Normal) \$1.19 per carton

Copy Service \$0.50 per page

Facsimile Service \$1.00 per page

File Retrieval (Indexed - Customer Pickup) \$1.19 per file

File Retrieval (Indexed) \$1.19 per file

Indexing (File) \$0.22 per file

Mail Handling \$0.81 plus postage

Refile Carton \$1.19 per carton

Refiling (File Indexed) \$1.19 per file

Rush Access Service Two Times Requested Access  
Service Charge

Telephone Reference \$1.00 per call

Unsuccessful File Retrieval Attempt \$0.76 per file

***Courier Service***

			\$42.00
Delivery/Pickup	Normal Scheduled Service		\$16.20 up to 3 cartons
			\$1.15 each additional
Pickup/Delivery	Priority Service	Two Times Requested Delivery Charge	
			\$60.00 additional

***Other Services***

			\$0.22 per pound
Carton Permanent Removal/Destruction			retrieval costs
Clerical/Research Service			
Initial Conversion (Computer Indexing)			\$0.27 per carton
			\$0.27 per carton
Minimum Monthly Storage			

***Containers/Supplies***

Carton Cost (Standard)

## USITC RECORDS IN CONTRACT STORAGE

Office	Total	No. Without Review Dates	No. With Expired Review Dates	Monthly Storage Cost <sup>1</sup>	Estimated Yearly Storage Cost
General Counsel	2887	392	9	\$577.40	\$6,928.80
Economics	379	294	84	\$75.80	\$909.60
Investigations	14	0	0	\$2.80	\$33.60
Office of Equal Employment Opportunity <sup>2</sup>	14	8	3	\$2.80	\$33.60
Office of Information Services	34	26	7	\$6.80	\$81.60
External Relations	42	3	0	\$8.40	\$100.80
Office of the Secretary <sup>3</sup>	2018	2014	1	\$403.60	\$4,843.20
Unfair Import Investigations	788	134	41	\$157.60	\$1,891.20
Industries	1108	287	353	\$221.60	\$2,659.20
Office of Finance	200	44	25	\$40.00	\$480.00
Office of Facilities Management.	93	72	6	\$18.60	\$223.20
Office of Inspector General <sup>4</sup>	88	10	10	\$17.60	\$211.20
TOTAL	7665	3284	539	\$1,533.00	\$18,396.00

<sup>1</sup> Storage cost is determined by multiplying the number of boxes in storage by \$.20, the contractor's monthly rate. Each month, the contractor bills storage for the number of boxes in storage at the beginning of the month. Additional charges are made for specific services as they are provided and for boxes stored for only part of the month.

<sup>2</sup> Boxes belonging to this office were removed from storage prior to the audit, but were not removed from the contractor's records because he was not notified that the removal was permanent.

<sup>3</sup> The Office of the Secretary has additional boxes stored on the P-1 level which are not included in this count.

<sup>4</sup> NARA has canceled the General Schedule for Inspector General records on which the review dates were based. Therefore, there currently is no authority to dispose of IG records.

*Office of Inspector General*  
U.S. International Trade Commission



**COST SAVINGS BY CATEGORY**

I. Questioned Costs<sup>1</sup>

A. Annual

1. Microfilmed records eligible for destruction .....	\$9,600
2. Records in storage with expired review dates eligible for destruction .....	\$1,637
3. Disposition of records in storage for which electronic copies exist .....	<u>\$4,800</u>
<b>Total</b>	\$16,037

B. One-time

1. Recovery of contractor overcharges .....	<u>\$1,000</u>
<b>Total</b>	\$1,000

II. Funds that Could be Put to Better Use<sup>2</sup>

A. Annual

1. Freeing up P-1 space for other use .....	<u>\$62,500</u>
<b>Total</b>	\$62,500

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<sup>1</sup> Questioned Costs - means a cost that is questioned by the Office because of: (1) an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; (2) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or (3) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable;

<sup>2</sup> Funds that Could be Put to Better Use - means a recommendation by the Office that funds could be used more efficiently if management of an establishment took actions to implement and complete the recommendation, including: (1) reduction in outlays; (2) deobligation of funds from programs or operations; (3) withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds; (4) costs not incurred by implementing recommended improvements related to the operations of the establishment, a contractor or grantee; (5) avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements; or (6) any other savings which are specifically identified.





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**UNITED STATES INTERNATIONAL TRADE COMMISSION**

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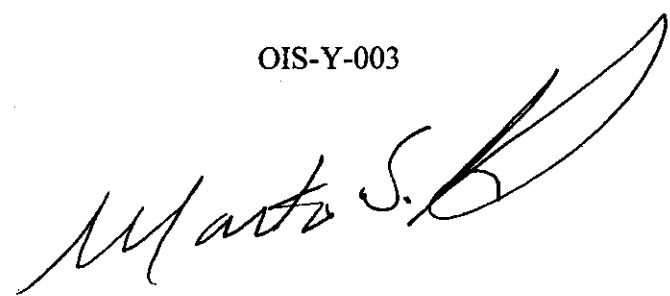
WASHINGTON, DC 20436

**MEMORANDUM**

February 23, 2001

OIS-Y-003

**TO:** Acting Inspector General

**FROM:** Director of Information Services 

**SUBJECT:** Response to Draft Report OIG-AR-05-00: Review of the Commission's Records Management

This memorandum is the staff's recommended response to Draft Report OIG-AR-05-00: *Review of the Commission's Records Management*. It includes responses to all recommendations in the draft report, and has been coordinated with other action offices (AD and SE.)

**Recommendation 1**

The Director of OIS amend the position description of the "Senior Records Management Specialist" to accurately reflect the duties of her position including the additional duties of administering the records storage contract and serving as the Contracting Officer's Technical Representative for the records storage contract.

**Response: Agree**

The position description already describes responsibility for overseeing the overall records management program of the agency. The position's Performance Plan (elements and standards) will be changed to include the duties of administering the records storage contract.

**Target completion date: June 29, 2001****Recommendation 2**

The Director of Administration amend the position description of the Facilities

Management Specialist to reflect his role in facilitating the transfer of records within the Commission.

**Response: Agree**

The Office of Administration will revise the position description of the Facilities Management Specialist to reflect properly his role in facilitating the transfer of records within the Commission.

**Target completion date: March 30, 2001**

### **Recommendation 3**

The Director of OIS develop and administer a plan to provide adequate training of all Commission personnel on policies, responsibilities and techniques for implementation of record-keeping requirements.

**Response: Agree**

Research and develop a training plan for records management that will make employees aware of their records management responsibilities.

**Target completion date: January 31, 2002**

### **Recommendation 4**

The Director of Administration and Director of OIS revise USITC Directive 3150:

- a. To assign responsibility for the records management program to the Director of OIS and to designate him as the Commission's Records Management Officer. (Based on Chief Information Officer (CIO) responsibilities under the Paper Work Reduction Act, this function should reside within the new CIO office. Thus, this recommendation would be consistent with that concept and consistent with our discussions later in this report on electronic records management.);
- b. To state the objectives of the Commission's records management program;
- c. To require an annual evaluation of the Commission's records management program and an annual review of its records maintenance program, including an annual inventory of all records in contract storage;
- d. To assign the records management responsibilities of employees and office directors. Responsibility to implement the records management program at the office level should reside with the Office Director eliminating the Records Management Liaison Officer. (Office directors may choose to further delegate this responsibility.)



- e. To specify official file locations and prohibit maintenance of records in unauthorized locations.
- f. To resolve conflicts in retention and disposition schedules that now exist between this directive and the SF 115 and General Records Schedules. The revised Directive should incorporate the SF 115 and General Records Schedules by reference and require that records be disposed of in accordance with these controlling documents.

**Response: Agree**

The Office of Administration will coordinate a revision of Directive 3150 with the Office of Information Services to address all issues stated in the above recommendation.

**Target completion date: December 28, 2001**

**Recommendation 5**

The Director of OIS, in conjunction with the Secretary to the Commission and the General Counsel, review material included in permanent records to ensure it meets the criteria for that classification, and if not, request approval of NARA to reclassify the material.

**Response: Agree**

Review material and determine the value of permanent retention. If necessary develop language to submit to NARA to change classification.

**Target completion date: January 31, 2002**

**Recommendation 6**

The Director of OIS, enlisting office directors as necessary, initiate an immediate review of records in contract storage to:

- a. bring currently stored Commission records into compliance with the disposition schedules of the SF 115 and applicable General Records Schedules by June 29, 2001.
- b. determine the appropriate review dates for records for which the contractor records show no review date and ensure that appropriate disposition action is taken;
- c. determine what records have been removed from storage and ensure that they are removed from the contractor's inventory;
- d. determine what records are in storage that have been microfilmed and for which NARA has authorized destruction after verification of the microfilm and take appropriate disposition action;
- e. insure that offices update the records for boxes remaining in

- storage to add any necessary information that is missing or incomplete; and
- f. report the results of this effort to the Chairman as a follow-up to this review.

**Response: Agree**

Plan for implementation: provide each Office Director with a list of records in contract storage and work with them to bring the inventory up to date.

**Target completion date: June 29, 2001.**

**Recommendation 7**

The Director of OIS provide a Commission wide information technology solution to automate the administrative requirements imposed on Office directors to implement proper records management. As a part of that information technology solution, an efficient method at the Commission level should be devised to reconcile Commission records with the records of contract storage to allow for proper administration of the contract. The information technology solution should provide for common data elements for the records of all offices and compatibility with the contractor's database, allowing single entry update of both databases.

**Response: Agree**

Plan for implementation: once the current inventory of records in contract storage has been reviewed and updated, we will work with the contractor to provide us an electronic copy of their inventory and use it as a basis to periodically compare changes on future reports. We will use the contractor's existing automated system if feasible, or develop an alternative project proposal.

**Target completion date: October 31, 2001**

**Recommendation 8**

The Director of OIS seek approval of NARA for a modification to the SF 115 which identifies the existence of products in addition to documents as part of the evidentiary material in cases and provides appropriate disposition instructions for such material.

**Response: Agree**

**Target completion date: January 31, 2002**

**Recommendation 9**

The Director of Administration seek recovery of excess storage charges from the contractor.

**Response: Agree**

The Office of Facilities Management will coordinate with OIS to negotiate with the records management contractor to address all discrepancies in the inventory and seek recovery of overcharges to the Commission.

**Target completion date: March 30, 2001**

**Recommendation 10**

The Director of OIS work with the RM contractor to make retention schedule and record descriptions mandatory fields in the contractor's databases.

**Response: Agree**

Already in progress

**Target completion date: April 30, 2001**

**Recommendation 11**

The Director of OIS establish a new uniform storage box numbering system to be used by all offices which, at a minimum, will include identification of the year in which a box was created and the office that created it.

**Response:** Agree

**Target completion date:** April 30, 2001

**Recommendation 12**

The Director of OIS obtain and provide to offices a password to access the contractor's on-line database and also provide a mandatory training session for office representatives on use of the on-line database.

**Response:** Agree

Already in progress

**Target completion date:** April 30, 2001

**Recommendation 13**

The Director of OIS request from the contractor a breakout of the monthly invoices by office and circulate the relevant portions to the offices concerned.

**Response:** Agree

OIS will work with AD and the RM contractor to make this information available.

**Target completion date:** June 29, 2001

**Recommendation 14**

The Director of Administration allocate storage costs to offices for management reporting purposes.

**Response:** Agree

The Office of Facilities Management will develop a system for fairly allocating storage costs to Commission offices based on a per box storage costs.

**Target completion date:** July 1, 2001.

**Recommendation 15**

The Director of Administration initiate procedures for timely payment of contractor invoices so as to avoid interest charges.

**Response: Agree**

The Office of Facilities Management will seek the advice of the Office of Finance to ensure a system is in place to guarantee timely payments of invoices and avoid interest charges.

**Target completion date: April 2, 2001**

**Recommendation No. 16**

The Director of Administration ensure that the records storage contract reflects the total estimated cost of the contract, that it is not a fixed price contract and that billings are to be based on a rate schedule which is made a part of the contract.

**Response: Agree**

The Office of Facilities Management will review and revise the records storage contract before the next modification to ensure it reflects the total estimated cost of the contract, and that it is not a fixed price contract. The vendor currently operates under a GSA schedule, therefore the rates have been established under the agreement with GSA. Inclusion of the rates as a part of the contract is not necessary.

**Target completion date: July 30, 2001**

**Recommendation 17**

The Director of OIS, in consultation with the Secretary and Office of Administration, develop and implement a schedule for phasing out the use of level P-1 storage area for records storage.

**Response: Agree.**

AD, SE and OIS will analyze the need for P-1 space currently used by the Secretary for several purposes including long-term records storage. The plan will eliminate long-term records storage and identify alternative uses of the space, including the possibility of de-leasing part of it. The plan will depend in part on the terms of the next renewal of the RM contract, which runs until September 30, 2001.

**Target completion date: Plan completed by October 31, 2001.**

**Recommendation 18**

The Director of OIS inform Office Directors of the charges incurred in regards to the storage contractor's rate schedule and request that they develop an appropriate policy for minimizing the costs of records storage, retrieval, and destruction for their respective offices.

**Response: Agree**

OIS will work with Office Directors to coordinate and develop guidelines and office policies to minimize overall costs for storage and retrieval of needed records.

**Target completion date: June 29, 2001**

**Recommendation 19**

The Director of OIS incorporate in the Commission's IRM Strategic Plan an objective of all-electronic storage of newly created records by the year 2005.

**Response: Partially agree.**

The IRM/SC and the Commission approve the IRM Strategic Plan, not the Director of OIS. Rather than establishing a rigid rule that every record be electronic, OIS will recommend that the IT Investment Review Project Proposal form be modified to include a checklist item regarding records-management considerations, including the feasibility and desirability of electronic maintenance of records used in the proposed system. Thus this issue will be considered on its merits during IRM/SC review of each IT investment proposal, including both new and continuing systems. Our expectation is that this process will result in an electronic-maintenance strategy in all or most cases.

**Target completion date: June 29, 2001**

**Recommendation 20**

The Director of OIS, in conjunction with the Secretary, prepare and submit for NARA approval an amended SF-115 which:

- a. provides for electronic storage of the Commission's temporary and permanent records and;
- b. provides the Commission with authority to destroy or transfer to NARA paper copies of such records for which electronic copies exist.

**Response: Agree.**

**Target completion date: March 31, 2002**

**Recommendation 21**

The Secretary establish a procedure for identifying which storage boxes contain records that have been scanned by EDIS, so that these boxes can be disposed of if approved by NARA.

**Response: Agree. Depends on NARA decision.**

**Target completion date: March 29, 2002**

**Recommendation 22**

The Director of OIS incorporate requirements for electronic storage of records in all new IT projects, including new EDIS systems and Electronic Questionnaires.

**Response: Partially agree.**  
See response to Recommendation 19.

**Target completion date: June 29, 2001**

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**Chairman's Decision**

Approve:   ✓  

Disapprove:           

Stephen Koplan  
Chairman, Stephen Koplan

2-28-01  
Date

- cc:   The Commission  
      Office of Operations  
      Office of Administration  
      Secretary to the Commission  
      Office of Facilities Management