

UNITED STATES GOVERNMENT
National Labor Relations Board
Office of Inspector General



Audit of the Archiving of Case Files

OIG-AMR-43-04-03

September 2004

INSPECTOR GENERAL



NATIONAL LABOR RELATIONS BOARD

WASHINGTON, DC 20570

September 20, 2004

I hereby submit a Review of the Archiving of Case Files, Report No. OIG-AMR-43-04-03. This review was conducted to determine the adequacy of the Agency's record retention policy and practices for case files and ascertain whether the policy was implemented as designed.

The National Labor Relations Board (NLRB or Agency) case files contain all documents relating to the Agency's investigation of and actions taken in response to charges of unfair labor practices and petitions for representation elections. The Docket Section in each Regional Office and the Case Records Unit in the Library and Administrative Services Branch, Records Management Section are responsible for the establishment, maintenance, and disposition of all official case files. Case files must be returned to the Docket Section or Case Records Unit when not being actively used. The Agency processes approximately 29,000 unfair labor practice cases and 5,000 representation cases each year. Approximately 2 percent of these cases result in Board decisions. When a case is forwarded to the Board, a separate file is established.

Three of four Regional Offices reviewed generally transferred case files to the Federal Records Centers (FRC) for temporary storage in accordance with the NLRB Records Retention Schedules. We physically verified that these records were at the FRC and we also verified the existence of files maintained in these Regional Offices. Both Region 19 and the Case Records Unit did not transfer a significant number of files to the FRC in accordance with the NLRB Records Disposition Schedules and could not locate many case files that should have been in their custody.

The Case Records Unit and three of the four Regional Offices did not select all of certain types of representation case files for permanent storage as required by the NLRB Files Management and Records Disposition Handbook. Also, the Agency did not forward a significant number of case files selected for permanent retention to the FRC and forwarded other case files that were not selected for permanent retention.

The Agency did not perform several required administrative functions. The Agency did not identify vital records and develop a plan to protect them. Record Liaison Officers were not provided required training. Also, the Agency entered into an interagency agreement without determining whether the services could be performed as conveniently or as cheaply by a commercial enterprise, and did not verify cost information on monthly invoices.

Regional Offices generally did not maintain electronic records in a manner and location that would facilitate their reconstruction if the hard-copy records were destroyed by a natural or man-made disaster.

An exit conference was held on August 10, 2004 with representatives of the Library and Administrative Services Branch. A draft report was sent to the Library and Administrative Services Branch Chief and the Records Management Section Chief on August 13, 2004 for review and comment. The Director of Administration, who provided the official response to the draft report, had no comments with respect to the findings and agreed with most of the recommendations. Corrective actions on two recommendations made in our draft report have already been implemented and management's response identified the initiating of corrective actions on several other recommendations.

The Director disagreed with two recommendations to use the Case Activity Tracking System to select and document case files transferred to the Federal Records Centers for storage, preferring to use the Integrated Records and Information Management System. Determining which system to use is within management's discretion and we changed these two recommendations.

She initially disagreed with our recommendation to coordinate with the Acting Chief Information Officer to review user accounts and remove fictitious accounts because this appears to be an information technology security issue rather than a records management issue. After discussing this further, management agreed with the recommendation and stated that they had already begun to confer with the Agency's Information Technology Security Chief. Management's comments are presented in their entirety as an appendix to this report.

Jane E. Altenhofen
Inspector General

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BACKGROUND

The National Labor Relations Board (NLRB or Agency) administers the principal labor relations law of the United States, the National Labor Relations Act (NLRA) of 1935, as amended. The NLRA is generally applied to all enterprises engaged in interstate commerce, including the United States Postal Service, but excluding other governmental entities as well as the railroad and the airline industries. The Fiscal Year (FY) 2004 appropriation authorizes 1,952 full-time equivalents that were located at Headquarters, 52 field offices throughout the country, and 3 satellite offices for Administrative Law Judges. NLRB received an appropriation of \$244,073,000 for FY 2004, less an across-the-board reduction of .59 percent, leaving a net spending ceiling of \$242,633,000.

The NLRB case files contain all documents relating to the Agency's investigation of and actions taken in response to charges of unfair labor practices and petitions for representation elections. The Docket Section in each Regional Office and the Case Records Unit in the Library and Administrative Services Branch, Records Management Section are responsible for the establishment, maintenance, and disposition of all official case files. Case files must be returned to the Docket Section or Case Records Unit when not being actively used. The Agency processes approximately 29,000 unfair labor practice cases (C cases) and 5,000 representation cases (R cases) each year. Approximately 2 percent of these cases result in Board decisions. When a case is forwarded to the Board, a separate file is established.

Official case files are closed on notification of final action by the Regional Director, Board, or court. Regional Offices and Headquarters case files are maintained on-site for 2 years after the calendar year in which they were closed. Thereafter, they are sent to the local Federal Records Center (FRC) where they are available for retrieval for 4 years. The case files are destroyed 6 years after the calendar year in which they were closed.

A small percentage of case files are sent to the National Archives and Records Administration (NARA) for permanent retention. The initial nominations for files to be sent to NARA come from Regional Directors and are sent to the Records Officer, who directs the Records Management Section. The Records Officer forwards the lists, together with a list compiled at Headquarters, to the Records Committee for approval. These case files are selected by a committee chaired by the Division of Advice Research and Policy Planning Branch Assistant General Counsel, and representatives from the Division of Operations-Management, Office of Executive Secretary, and the Division of Information. The Records Committee is responsible for technical review and final selection of historical NLRB cases. Approximately 260 cases were transferred to the FRC for permanent retention in 2004.

OBJECTIVES, SCOPE, AND METHODOLOGY

This review was conducted to determine the adequacy of the Agency's record retention policy and practices for case files and ascertain whether the policy was implemented as designed.

We reviewed applicable sections of the Code of Federal Regulations (CFR) to identify records management and related training requirements. We also reviewed the NARA General Records Schedules and guidance regarding vital records disaster mitigation and recovery and government-wide criteria for continuity of operations.

We reviewed the NLRB Files Management and Records Disposition Handbook, NLRB Administrative Policies and Procedures Manual, and applicable administrative policy circulars (APCs), Operations-Management memorandum, and administrative bulletins to identify Agency policies and procedures regarding the records program. We interviewed Agency officials at Headquarters and in Regional Offices to gain an understanding of the records program, clarify the Agency's implementation of policies, and gain an understanding of the case file life cycle. We also obtained information regarding electronic file maintenance and records training.

We reviewed the guidelines for interagency agreements detailed in the Economy Act, we reviewed the Agency's interagency agreement, and controls over the payment of monthly invoices for the period between January 2003 and June 2004. We verified the accuracy of inventories used as a basis of storage charges at the FRCs for all boxes related to the Regions and a statistical sample of Case Records Unit boxes.

For each Regional Office and the Case Records Unit at Headquarters we selected statistical samples to determine whether case files were transmitted to FRCs in accordance with the Agency's records retention schedule and whether files that records indicated were in the offices' custody could be located. For each item in the sample tested at the FRCs we determined whether the entire box of records agreed with the applicable SF-135, Records Transmittal and Receipt Form.

This audit was performed in accordance with generally accepted government auditing standards during the period of March 2004 through September 2004. We conducted this audit at NLRB Headquarters and Regions as follows: Region 3 - Buffalo; Region 9 - Cincinnati; Region 17 - Overland Park; and Region 19 - Seattle. We also visited the related FRCs in Lee's Summit, Missouri; Dayton, Ohio; Kansas City, Kansas; Seattle, Washington; and Suitland, Maryland.

FINDINGS

Both Region 19 and the Case Records Unit did not transfer a significant number of case files to the FRC in accordance with the NLRB Records Disposition Schedules and could not locate many case files that should have been in their custody.

The Case Records Unit and three of the four Regional Offices did not select all of certain types of representation cases for permanent storage as required by the NLRB Files Management and Records Disposition Handbook. Also, the Case Records Unit did not forward a significant number of case files selected for permanent retention to the FRC and forwarded other case files that were not selected.

The Agency did not perform several required administrative functions. The Agency did not identify vital records and develop a plan to protect them. Record Liaison Officers were not provided required training. Also, the Agency entered into an interagency agreement without determining whether the services could be performed as conveniently or as cheaply by a commercial enterprise, and did not verify cost information on monthly invoices.

Regional Offices generally did not maintain electronic records in a manner and location that would facilitate their reconstruction if the hard-copy records were destroyed by a natural or man-made disaster.

ARCHIVING AND MAINTENANCE OF CASE FILES

Regional Offices

Three of the four Regional Offices generally transferred case files to the FRC in accordance with the NLRB Records Retention Schedules, and we physically verified the existence of these files. Region 19 did not timely transfer a significant number, approximately 10 percent, of case files to the FRC and could not locate many cases for our review. Complete results of testing of Regional Office files appear as an appendix to this report.

We provided Operations-Management with a list of 17 case files that Region 19 could not provide for our review. Operations-Management reported that most of the missing files are accounted for. They stated that four files were found in a cabinet, five files were belatedly sent to the Federal Records Center, and two cases were transferred to other Regions. The files that are still missing were assigned to two employees located outside of the Regional Office and apparently lost. Operations-Management stated that they are working with the Regional Director on the systems for handling case files.

Cases Closed in 1999 and 2000

Case files were transmitted to FRCs for temporary storage in accordance with the NLRB Records Disposition Schedule for three of the four Regions. We verified the existence of each of these files at the related FRC. A significant number of Region 19 case files were not transmitted in accordance with the NLRB Records Retention Schedule. For Region 19, 7 of 77 (9 percent) C case and 6 of 59 (10 percent) of R case files were not included on the SF- 135 as being transmitted to the FRC and were also not located in the Regional Office. Region 19 could not account for these files.

The NLRB Files Management and Records Disposition Handbook states that case files are to be maintained in the Regional Office for 2 years after the calendar year in which the case closed, then transferred to a FRC.

Cases Closed in 2001

Two Regional Offices generally completed the transfer of case files to the appropriate FRC in accordance with the NLRB Records Disposition Schedules, and Region 17 demonstrated that they were in the process of doing so. In Region 19, seven C case files and one R case file were not transferred to the FRC in accordance with the NLRB Records Disposition Schedules.

In Region 3, one C case file was not transferred to the FRC but was found in the file room, and another C case file was not found. Operations-Management stated that this file was lost in transit from the Resident Office to the Regional Office and that the Regional Director has already instituted a procedure for tracking cases when they are sent between the offices.

Cases Closed Between January 1, 2002 and April 5, 2004

Except for one out of 604 case files tested, case files were maintained in the Regional Offices in accordance with Agency policy. We physically verified the existence of the files. Operations-Management stated that it appears that the missing file was not checked out of the Region's file system in accordance with the Region's check-in and checkout procedures. Operations-Management noted that the Regional Director conducted a staff meeting with all employees to reinforce the requirements for checking out case files and distributed those written procedures to all employees.

Case Records Unit

The Case Records Unit did not transfer a significant number of Board case files to the FRC in accordance with the NLRB Records Disposition Schedules and did not locate many files that should have been in their custody.

Cases Closed October 1, 1999 – December 31, 2001

Case Type	Sample Size	Not Properly Processed	Percent
C cases	77	47	61
R cases	75	23	31

Of the 47 C case files that were not sent to the FRC timely, 28 could not be located, 16 were in the Case Records Unit, 2 were recorded in CATS as being closed in a later year, and 1 was charged out.

Of the 23 R case files that were not sent to the Federal Records Center timely, 19 were in the Case Records Unit, 3 were not located, and 1 was charged out.

Cases Closed January 1, 2002 – April 4, 2004

Dates	Sample Size	File Found	Percent
C and R cases	76	71	93

Five files that should have been in the possession of the Case Records Unit were not provided for our review because they could not be located. C cases and R cases were tested together because we anticipated the results of both types of cases to be similar.

Methodology for Identifying and Documenting Records

Offices prepared the SF-135 using several different techniques. The offices performing the task most accurately, Regions 3, 9, and 17, utilized either reports provided by Case Activity Tracking System (CATS) or a manual log of cases to identify and document files sent to records centers. The two least accurate offices, Region 19 and the Case Records Unit used some form of physical method to identify and document case files to be transmitted to a Federal Records Center for temporary storage.

Region 19 physically went through filing cabinets, manually pulled case files that were closed in the year to be submitted, and then created a list of those cases. The Case Records Unit is supposed to be informed by either a Board decision or a Closed Case Report from the Regional Office that a case is closed. Upon receiving either of these documents, they physically transfer the case from the file location with pending files, to the file location for closed cases. At the end of the year an inventory was hand written then typed for these cases.

Neither of these methods provides reasonable assurances that the universe of case files for which they are responsible is handled appropriately. In addition to these methodologies being less accurate, they consume more staff time than relying on a readily available report.

The Case Records Unit said that they were in the process of obtaining access to CATS, which should provide a tool to increase accuracy and efficiency.

Permanent Records

The Case Records Unit and three of four Regional Offices did not select all amendment of certification, unit clarification, and union deauthorization cases for permanent storage as required by the NLRB Files Management and Records Disposition Handbook. We identified 221 of these types of cases that were transferred to the FRC as temporary records. The Handbook contained inconsistencies. Chapter 6 of the Handbook required that all of these cases be transferred for permanent retention, but Appendix I did not identify these cases. Case Records Unit employees disagreed on what the current practice is and noted that some Regions transmit all of these types of cases and other Regions do not. Management stated that they were in the process of updating the Handbook and that this issue would be clarified.

In addition, the Case Records Unit did not forward 80 of 483 (17 percent) case files selected for permanent retention to the FRC. Also, the Case Records Unit forwarded at least 72 case files in 2000 and 2001 to the FRC for permanent retention that were not on the list of case files selected for permanent retention. These cases were related to other cases that were selected for permanent retention. The Case Records Unit said that some Regions submit these related case files for permanent retention and some do not. The current policy does not state whether related case files should be submitted.

The NLRB Files Management and Records Disposition Handbook outlines the criteria, responsibility for selection of cases, and the procedure for transferring selected case files to Washington. Case files selected for permanent retention are forwarded to the Case Records Unit annually. The case files are then forwarded to the FRC in Suitland, Maryland where they remain in the legal custody of the Agency until their transfer to the National Archives.

Transfer of Cases Selected for Permanent Retention

	Selected for	Not Transferred	
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Year	Permanent Retention	to FRC	Percent
1999	142	17	12
2000	160	27	17
2001	181	36	20
TOTAL	483	80	16

ADMINISTRATIVE FUNCTIONS

The Agency did not perform several required administrative functions. The Agency did not identify vital records and develop a plan to protect them. Record Liaison Officers were not provided required training. Also, the Agency entered into an interagency agreement without determining whether the services could be performed as conveniently or as cheaply by a commercial enterprise, and did not verify cost information on monthly invoices.

Vital Records

The Agency did not identify vital records or develop a plan to protect these records. These are needed to respond to emergencies or disasters that may damage an agency's records and provide for the recovery of needed information. According to the Federal Preparedness Circular 65, Federal Executive Branch Continuity of Operations, agencies' plans should account for identification and protection of vital records systems, and data management software and equipment, to include classified or sensitive data as applicable, necessary to perform essential functions, and to reconstitute normal agency operations after the emergency.

Training

Regional Office Records Liaison Officers did not receive required training. The CFR states that agencies are responsible for ensuring that adequate training is provided to all agency personnel on policies, responsibilities, and techniques for the implementation of record keeping requirements and the distinction between records and non-record materials, regardless of media, including those materials created by individuals using computers to send or receive electronic mail. On April 28, 2004, the Records Management Section began a series of workshops on Records Management and the Privacy Act. This workshop provided valuable information to Headquarters staff. A second workshop is scheduled for August 11, 2004.

Interagency Agreements

The Agency entered into an interagency agreement with NARA for records center storage and services without determining whether the services could be performed as conveniently or as cheaply by a commercial enterprise.

According to the Economy Act, the head of an agency or major organizational unit within an agency may place an order with a major organizational unit within the same agency or another agency for goods or services if certain requirements are met, including making the determinations identified above. The FY 2004 appropriated amount for these services was \$56,450.56.

The Records Officer stated that the evaluation was likely not performed because until recently the Agency was required to use the FRCs. This change went into effect on October 1, 2002. The Records Officer noted that since agencies are now permitted to contract with commercial records facilities, more Agencies, including the NLRB, will likely take a closer look at using commercial facilities for records storage services.

Invoice Review

The Records Officer did not verify cost information on monthly invoices. The procedure used to evaluate invoices consists of comparing the current month's charges to prior months to determine if there was a significant change. In addition to being charged for storage, which the Records Officer keeps no independent record of, charges are assessed for items such as document destruction, retrieval, and return. NARA invoices the Agency monthly for services rendered. Approximately half of the charges were for storage and the other half were for other related services.

Federal Acquisition Regulations state that acceptance constitutes acknowledgement that the supplies or services conform with applicable contract quality and quantity requirements. Acceptance is the responsibility of the Contracting Officer or a cognizant contract administration office. Regional Offices stated that it is feasible to confirm charges incurred in their offices and report this to the Records Officer.

ELECTRONIC FILES

Regional Offices generally did not maintain electronic records in a manner and location that would facilitate their reconstruction if the hard-copy records were destroyed by a natural or man-made disaster. APC 03-03, Guidance for Using NLRB Information Technology Resources, states that users should store data on the appropriate network drive to take advantage of the additional security measures, as well as automatic back up and recovery processes.

Region 3 was the only Regional Office that endeavored to maintain well-organized case related documents on the network in a manner that would facilitate easy retrieval. Of fifty cases tested, 18 (36 percent) electronic case folders contained all documents created by the Region. Another 18 (36 percent) electronic folders contained some electronic documents created by the Region. Thirteen (26 percent) hard-copy files did not have a related electronic

file on the network, and one hard copy file in our sample was not located. Even though a majority of the case files sampled did not have the ability to be recreated electronically, the Regional Office has taken significant steps to ensure that case file documents are maintained electronically and can be more easily retrieved.

The Region 3 system for file maintenance includes creating an electronic folder for each case on the network. The folder name is the case number. The folder and related files are available to anyone on the network, and the network is backed up regularly.

In Region 9, some personnel save their documents to the network, while others save documents to their office hard drive. Those few that used the network drive did not have documents organized in any particular order. In Region 17 one employee maintained case files on the network in a well-organized manner.

In Region 19 most documents were stored on employee hard drives and not on the network. In addition, members in the office often shared passwords in order to retrieve documents from hard-drives of employees who were out of the office. APC 03-03 specifically states that Users "should not disclose your password to anyone, except, in the rare circumstances necessary in the performance of your official duties." If these documents were stored on the network in an organized manner employees could have accessed these documents without sharing passwords.

In addition to employees sharing passwords, Region 19, with the assistance of Help Desk contractors, established a fictitious user name and provided several employees and volunteers with the user name and password. Region 19 officials said that this was done to allow employees the ability to log on to the network using computers other than the one assigned to them. This is necessary, they claimed, to allow clerical staff that rotate at the receptionist desk to have access to the network. Other offices had this functionality without setting up a fictitious user.

This user identification and password were also provided to volunteers utilized through a program with the AARP. Region 19 officials said that the Agency would not provide the volunteers with a user account of their own. With this fictitious user account the volunteers have access to the network, but their activity cannot be monitored.

MANAGEMENT'S COMMENTS AND OIG RESPONSE

The Director of Administration provided the official response to our draft report. She disagreed with two recommendations to utilize CATS to identify and document cases selected to be sent to Federal Records Centers, preferring

instead to use the Information Management System. Which system to use is within management's discretion and we changed these two recommendations accordingly.

She also disagreed with our recommendation to coordinate with the Acting Chief Information Officer to review user accounts and remove fictitious accounts because this appears to be an information technology security issue rather than a records management issue. After discussing this issue further, management agreed with the recommendation and stated that they had begun to confer with the Agency's Information Technology Security Chief.

Management's response stated that they decided with Operations-Management that not all amendment of certification, unit clarification, and union deauthorization case files will be considered for permanent retention. We, therefore, eliminated the two related recommendations.

RECOMMENDATIONS

We recommend that the Library and Administrative Services Branch Chief:

1. Coordinate with the Division of Operations-Management to develop standard operating procedures to utilize an information system to select and document case files transferred to the Federal Records Center for storage.
2. Develop standard operating procedures to utilize an information system to identify and document Case Records Unit case files for transfer to the Federal Records Center.
3. Develop controls to ensure that inventories of permanent records are accurate.
4. Issue instruction to Regional Offices to not submit all related case files for permanent retention.
5. Identify vital records and develop a plan to protect them.
6. Provide Regional Office Records Liaison Officers with required training and develop a plan to provide such training to employees assigned these responsibilities in the future.
7. Perform analyses to determine whether records services provided by NARA could be performed as conveniently or cheaply by a commercial enterprise.

8. Develop procedures to adequately review monthly invoices.
9. Coordinate with Operations-Management to develop standard operating procedures regarding the maintenance of electronic records in a manner that would facilitate their reconstruction and use if hard-copy records were destroyed.
10. Coordinate with the Acting Chief Information Officer to review user accounts and remove fictitious accounts including the one identified in Region 19.

ATTACHMENT

REGIONAL OFFICE RESULTS

**Unfair Labor Practice Cases
Cases Closed October 1, 1999 – December 31, 2000**

	Sample Size	Processed Properly	Percent
Region 3	77	77	100
Region 9	77	77	100
Region 17	76	76	100
Region 19	77	70	91
Total	307	300	98

**Representation Cases
Cases Closed October 1, 1999 – December 31, 2000**

	Sample Size	Processed Properly	Percent
Region 3	59	59	100
Region 9	60	60	100
Region 17	57	57	100
Region 19	59	53	90
Total	235	229	97

**Unfair Labor Practice Cases
Cases Closed January 1, 2001 – December 31, 2001**

	Sample Size	Processed Properly	Percentage
Region 3	76	74	95
Region 9	77	77	100
Region 17	76	76	100
Region 19	76	69	91
Total	305	296	97

Representation Cases
Cases Closed January 1, 2001 – December 31, 2001

	Sample Size	Processed Properly	Percent
Region 3	57	57	100
Region 9	58	58	100
Region 17	56	56	100
Region 19	58	57	99
Total	229	228	99

Unfair Labor Practice Cases
Cases Closed January 1, 2002 – April 5, 2004

	Sample Size	File Located	Percent
Region 3	77	76	99
Region 9	78	78	100
Region 17	77	77	100
Region 19	77	77	100
TOTAL	309	308	99

Representation Cases
Cases Closed January 1, 2002 – April 5, 2004

	Sample Size	File Located	Percent
Region 3	74	74	100
Region 9	73	73	100
Region 17	73	73	100
Region 19	75	75	100
TOTAL	295	295	100

APPENDIX

UNITED STATES GOVERNMENT
National Labor Relations Board
Division of Administration
Memorandum



September 13, 2004

TO: Jane E. Altenhofen
Inspector General

FROM: Gloria J. Joseph /s/
Director of Administration

SUBJECT: Comments on Draft Audit Report – “Audit of the Archiving of Case Files”

This is in response to your memorandum dated August 13, 2004, in which you requested comments on the draft audit report on the archiving of case files. In your memo, you requested that we also indicate our agreement or disagreement with each of the report’s findings and recommendations.

We have reviewed the report and have no comments with respect to the findings of the report.

Our comments regarding the report’s recommendations are as follows:

1. Coordinate with the Division of Operations-Management to develop standard operating procedures to utilize CATS to select and document case files transferred to the Federal Records Center for storage.

We disagree with this recommendation to utilize CATS for selecting and documenting case files transferred to the Federal Records Center for storage. The NLRB currently uses a Certified Records Management Application, i.e., Integrated Records and Information Management System (iRIMS) to support the Agency’s Records Management requirements. This product was certified by the Department of Defense, 5015.2-STD, Design Criteria Standard for Electronic Records Management Software Applications. The National Archives and Records Administration (NARA) endorses the DoD 5015.2-STD as meeting compliance requirements for managing Federal records. The iRIMS solution is specifically designed to manage records, both electronic and textual records transferred to record centers for storage.

Standard Operating Procedures (SOPs) are currently being developed to utilize iRIMS to select and document case files transferred to the Federal Records Center (FRC) for storage.

2. Develop standard operating procedures to utilize CATS to identify and document Case Records Unit case files for transfer to the Federal Records Center.

We disagree with the recommendation. As with recommendation #1, Standard Operating Procedures (SOPs) are currently being developed to utilize iRIMS, the system used by the NLRB to support the Agency's Records Management Program, to identify and document case files for transfer to the Federal Records Center. (See response to recommendation #1).

3. Coordinate with program offices to determine whether all amendment of certification, unit clarification, and union deauthorization case files must be transferred to the Case Records Unit for permanent retention.

In agreement with the Division of Operations-Management, not all amendment of certification, unit clarification, and union deauthorization case files will be considered for permanent retention. Instead, we will continue to apply records retention standard 803-02(a), in Appendix-1 of the *Files Management and Records Disposition Handbook*, which approves the selection of between 1 and 3 percent of all NLRB Case files for permanent retention. It has been recommended that the procedural guidance in the *Files Management and Records Disposition Handbook* be revised to be consistent with approved records retention schedules contained in Appendix-1. We are currently revising this handbook with a scheduled completion date of September 30, 2005.

4. If all amendment of certification, unit clarification, and union deauthorization case files are to be selected for permanent retention, retrieve those that are in temporary storage and place them in permanent retention.

Based on the response to recommendation #3, we no longer consider this a viable recommendation.

5. Develop controls to ensure that inventories of permanent records are accurate.

We agree with this recommendation. Beginning October 1, 2004, inventories of permanent records will be developed using scan guns to capture and input information into iRIMS. Applying this information technology will ensure that accurate inventories are developed and maintained in an automated format.

6. Determine whether related case files should be submitted with those identified for permanent retention and promulgate related instructions.

In agreement with the Division of Operations-Management, only related cases meeting selection criteria and approved for nomination by the Regional Director should be considered for permanent retention by the Records Committee.

The Case Records Unit (CRU) will not accept related cases that do not meet the selection criteria or are not approved for nomination by the Regional Director for permanent retention.

A guidance memorandum to the Regional Offices is being prepared with instructions to purge all related cases not meeting the above requirement before sending to the CRU for processing.

7. Identify vital records and develop a plan to protect them.

We agree with this recommendation. A definition of Vital Records will be provided to Agency managers and these managers will be requested to identify their vital records, consistent with the definition provided. We will also request that managers provide a list of their vital records for review and validation and will determine the volume, medium, use, maintenance, and update requirements. This information, along with a plan to protect such records, will be incorporated into the overall Vital Records Plan to be published in FY 2005.

8. Provide Regional Office Records Liaison Officers with required training and develop a plan to provide such training to employees assigned these responsibilities in the future.

Beginning October 2004, Records Management Training Workshops will be conducted for all Regional Office Records Liaison Officers via videoconferencing. New employees hired as Records Liaison Officers, or those appointed to the position, will be trained within 2 months of notification of their appointment

9. Perform analyses to determine whether records services provided by NARA could be performed as conveniently or cheaply by a commercial enterprise.

We agree with this recommendation. Research is currently underway of other vendors, and the FY 2005 agreement will take into consideration this research.

10. Develop procedures to adequately review monthly invoices.

We agree with this recommendation. Procedures are being developed to include requesting monthly status reports from those Field offices using Federal Record Centers.

The reports should be submitted to the Agency's Records Management Officer by the fifth workday of each succeeding month and should include copies of Standard Form (SF) 135, *Records Transmittal and Receipt Form*, and a brief narrative of other records management services provided by the servicing records center during the reporting month. The Records Officer will analyze data received from the field, validate charges listed on NARA invoice, and approve or disapprove as appropriate.

11. Coordinate with Operations-Management to develop standard operating procedures regarding the maintenance of electronic records in a manner that would facilitate their reconstruction and use if hard-copy records were destroyed.

We agree with this recommendation. Records Management staff met with staff from both the Division of Operations-Management and the Office of Information Technology to discuss developing electronic folders for storage of case-related information. Based on a joint decision, Field offices will be advised of the new procedure to establish electronic folders. Establishing electronic folders will facilitate reconstruction of case-related information if the paper copy has been otherwise destroyed.

12. Coordinate with the Acting Chief Information Officer to review user accounts and remove fictitious accounts including the one identified in Region 19.

This does not appear to be a records management issue, but one involving IT security. We recommend that the Inspector General refer this recommendation to the Acting CIO for action.

Thank you for the opportunity to comment on the draft report. If you have any questions, please contact me.

cc: The Board
General Counsel
Rick Siegel, Associate General Counsel
Dave Parker, Acting CIO
Vanita Reynolds, Chief, Library and Administrative Services Branch