

State Records Authority of New South Wales

Procedures for disposal authorisation

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Contents

Summary	4
Introduction	5
Before you begin	7
Best practice in preparing a functional retention and disposal authority	16
Methodology for developing a functional retention and disposal authority	18
Requirements for internal review and stakeholder consultation	33
Submitting a functional retention and disposal authority for approval	36
Implementing a functional retention and disposal authority	39
Revising an approved functional retention and disposal authority	42
Policy on disposal authorisation and administrative change	44
Appendix 1: Overview of documentation requirements	45
Appendix 2: Example supporting documentation	48
Appendix 3: Drafting the authority – State Records’ requirements and conventions for functional retention and disposal authorities	50
Appendix 4: Example of a functional retention and disposal authority	67
Appendix 5: Checklist for submitting a functional retention and disposal authority for approval	69
Appendix 6: Interviewing business managers and action officers	70
Appendix 7: Table of commentary template	73
Appendix 8: Determining the cost of records storage	74

Summary

The purpose of these procedures is to assist organisations in developing functional retention and disposal authorities. Functional retention and disposal authorities are essential records management tools for an organisation and are an integral part of organisational efficiency and accountability.

These procedures will also assist organisations to meet the requirements of the *Standard on the appraisal and disposal of State records*.

These procedures cover:

- requirements for preparing or revising a functional retention and disposal authority
- the methodology for identifying retention requirements for organisational records
- the process of submitting a functional retention and disposal authority for approval by State Records, and
- using a functional retention and disposal authority issued to a predecessor organisation.

These procedures are for records managers, consultants and other staff within NSW government departments and agencies.

Local councils, universities and public health organisations will not generally need to refer to these procedures as there are general retention and disposal authorities in place for the disposal of the records of these organisations. See State Records' website for more information.

Introduction

The legal basis for disposal authorisation

Part 3 of the *State Records Act 1998* prohibits the disposal of State records except where it is authorised. Under the Act, State Records can give permission for disposal.

The usual means by which State Records permits disposal is through the approval of retention and disposal authorities.

What is a retention and disposal authority?

Retention and disposal authorities are necessary tools for organisational efficiency.

A retention and disposal authority is a formal instrument that identifies the records which an organisation creates and maintains, and for how long they should be kept to meet regulatory, business and community requirements. A retention and disposal authority also identifies whether records should eventually be destroyed or retained as State archives.

Developing and implementing a retention and disposal authority has many potential benefits for your organisation, such as:

- ensuring that records are kept for as long as they are needed
- saving storage costs and office or online space
- preserving records with long-term value
- identifying records for migration when systems are upgraded, and
- prioritising records that require recovery in the event of a disaster.

Types of retention and disposal authorities

There are two types of retention and disposal authorities approved by State Records – general retention and disposal authorities and functional retention and disposal authorities.

General retention and disposal authorities are generally developed by State Records. They facilitate the disposal of:

- general administrative records, such as records relating to personnel, finance, property management etc
- common records that relate to unique functions, and
- records relating to the unique functions of like organisations such as local councils, universities and public health services.

The full list of current general retention and disposal authorities can be accessed via the disposal overview page on State Records' website.

Functional retention and disposal authorities apply to the unique records of a specific government organisation.

If your organisation does not have disposal authorisation for its core functional records (ie those that document business unique to the organisation), you need to develop a functional retention and disposal authority to ensure that these records are disposed of in

accordance with the requirements of the *State Records Act 1998*. Once this functional retention and disposal authority is in place, you can use it in conjunction with the general retention and disposal authorities to ensure that all of your records have adequate disposal coverage.

These procedures provide the **step by step guidance** required to help organisations prepare a functional retention and disposal authority for approval by State Records. They include specific guidance about the types of documentation you need to submit to State Records to support the approval of the authority.

Tip: It's tough but rewarding!

Developing a functional retention and disposal authority may be a challenging process but its results can be incredibly rewarding, both organisationally and personally.

Depending on the nature of your project, staff working through the process of developing a functional retention and disposal authority will gain an excellent understanding of organisational business, both in terms of its requirements and how it is conducted. They will develop skills in broad stakeholder consultation, become adept at listening to and responding to user requirements, and gain concrete experience in change management. They will also develop an excellent understanding of records management requirements and how these should be implemented to best meet organisational needs.

Before you begin

Determine the disposal authorisation you require

Determine the action you need to take to ensure you have the necessary disposal authorisation:

If your organisation has...	Then...
no disposal authorisation for its unique records	prepare a functional retention and disposal authority for approval
disposal authorisation approved 5 or more years ago	review the functional retention and disposal authority for currency and completeness revise if necessary
disposal authorisation approved 10 or more years ago	review the functional retention and disposal authority for currency and completeness prepare a new functional retention and disposal authority for approval Note: Organisations using disposal authorisation approved 10 or more years ago should contact State Records
records relating to functions and activities no longer carried out	contact State Records to discuss appropriate disposal authorisation for these records

Note: It is a requirement of Principle 2: Comprehensive in the *Standard on the appraisal and disposal of State records* that all records in any format and of all an organisation's business functions and activities are covered by appropriate disposal authorisation.

Tip: Longer retention does not need to be authorised

General and functional retention and disposal authorities permit the destruction of classes of records after minimum retention periods have been met. There is no need to seek authorisation to retain records longer than the minimum retention period.

Be aware of requirements

Before you begin preparing a functional retention and disposal authority for approval, read these procedures to make sure you are aware of and understand State Records' best practice requirements, documentation criteria and content, and layout and wording conventions. You should also be aware of the principles guiding the appraisal and disposal of State records which are set out in the *Standard on the appraisal and disposal of State records*.

We encourage you to contact State Records to discuss your project and seek advice before embarking on developing a functional retention and disposal authority. We are happy to work with you and discuss all the issues you should consider when developing a functional retention and disposal authority. It is a good idea to talk through the process

and obtain all the resources that State Records can provide you with *before* starting your project. See State Records' website for contact details.

State Records also offers a range of training courses that you may wish to undertake before commencing work on a functional retention and disposal authority. We particularly recommend the *Developing a Functional Retention and Disposal Authority* course. See the Training Calendar on State Records' website for more information.

Be aware of the disposal coverage provided in general retention and disposal authorities

It is particularly important to read and have a good understanding of the disposal coverage provided by the general retention and disposal authorities, especially the *General Retention and Disposal Authority – Administrative records*, before you commence developing your organisation's functional retention and disposal authority. Knowing what types of records are covered by the general retention and disposal authorities will help you to determine what records should and should not be covered in the functional retention and disposal authority, and will help you to avoid unnecessarily including records in the functional authority that are already authorised for disposal by the general authorities.

All general retention and disposal authorities can be accessed via the disposal overview page on State Records' website. If you need some advice about the scope of the general retention and disposal authorities and how they will relate to your specific functional retention and disposal authority, please contact State Records.

Further advice about the scope of functional and general retention and disposal authorities is provided in these procedures in the *Methodology for developing a functional retention and disposal authority* section.

Be aware of relevant past and present work

Your organisation may have **existing or outdated retention and disposal authorities** that cover some or all of its functions and/or records. It is important to have copies of these for reference purposes when developing a new functional retention and disposal authority. Contact State Records if you are unsure whether any previous authorities exist as we can check and provide you with copies.

It is also important to be aware of any **current analysis work** that is being performed in your organisation. Check whether IT or business analysts have recently been assessing business processes. If so, you can utilise their identification of business activities and processes when drafting the functional retention and disposal authority. The work from projects such as restructuring, business process analysis or re-engineering, risk assessment or strategic planning can all be drawn on in functional retention and disposal authority development.

Organisations that are **similar to yours** may have already developed functional retention and disposal authorities. A list of all functional retention and disposal authorities issued since 1999 is available on State Records' website, and copies of most of these authorities are accessible from this list. Check this list for any functional retention and disposal authorities that may be useful to you.

Obtain senior management support

Your **chief executive officer** will need to sign off on the final version of the functional retention and disposal authority and take organisational responsibility for it and its implementation. It is therefore important at the outset to have executive support for your project.

Preparing or reviewing a functional retention and disposal authority is also a major project. Be aware that it will take time and require significant organisational support.

To obtain senior management support for your project and secure the resources you require, you may need to develop documentation that:

- demonstrates the interrelationship between recordkeeping and other strategic or important business projects your organisation is undertaking
- highlights the organisational efficiencies, in terms of staff time and financial benefits, that can be achieved through the implementation of better retention and disposal practices (such as reductions in storage requirements and costs, improved information retrieval, better availability of information to support business operations, and appropriate and timely records destruction)
- shows how better records retention and management can directly contribute to business by facilitating customer management, improving customer service, facilitating competition etc, and
- promotes the importance of good records retention and disposal to corporate governance requirements (through compliance with the *Standard on the appraisal and disposal of State records*) or a range of other issues that are significant to your particular organisation.

Tip: Highlight interrelationships with other initiatives

Many IT, e-commerce, digitisation, knowledge, heritage, asset and privacy management initiatives need to consider recordkeeping within their scope in order to be effective. Highlighting this, and the risks that may be faced if retention and disposal issues are not addressed in these initiatives, may assist in obtaining high level support for your project.

Tip: Try to identify the cost benefits of your disposal project

Although it can be hard to determine specific costs to demonstrate the benefits of improved records management, it is worth calculating as many specific costs as you can and using these when talking to others about supporting your project.

In particular, it is important to be aware of your records storage and management costs. Establishing appropriate retention and disposal management procedures is the most effective way of managing these costs and obtaining financial efficiencies for your organisation.

See *Appendix 8: Determining the cost of records storage* in these procedures for further information about how to estimate storage costs.

Tip: Look at the value you are adding

When trying to persuade others about the importance of developing appropriate retention and disposal arrangements for your organisation, see your project as more than just a solution to records management issues. Put it in its bigger context and articulate the value it will contribute to organisational and other business objectives.

In addition, take the time to consider the extra value you can add to your disposal project. Try to identify the extra things that could be done to better meet organisational needs and to solve existing information management issues.

Developing a **business case** that explains the goals of your project and how you intend to achieve them can make it easier to obtain senior management support. *Strategies for Documenting Government Business: The DIRKS Manual* provides further advice about developing a business case for recordkeeping projects in Step A. The DIRKS Manual also provides a sample business case and a sample management plan in the *Tools and tips* section.

Once you have obtained executive support, it is important to keep management fully briefed about your project and its progress. If possible, it is useful to get some quick wins for your project and get some early runs on the board. This can make a big difference to how management perceives your project. For example, your initial analysis may identify poor or inadequate practices, such as unsatisfactory file titling or duplication of records, which can be addressed immediately. Your analysis might also identify records that can be immediately disposed of under general retention and disposal authorities.

Obtaining senior management support for your project will also help to convince others of its value.

Obtain broader organisational support

Your project will involve consultation with **many different staff** throughout your organisation. You should plan at the outset how best to consult widely with all relevant staff. Be aware that the more broadly you consult and talk to staff across your organisation, the more comprehensive and reflective of organisational requirements the functional retention and disposal authority is likely to be.

In general, you will need to plan to talk to staff about:

- the nature of the work they do
- the records they create and manage and the business systems they use
- the requirements they are aware of that impact on how long records should be kept and managed, and
- broader information management issues that affect their daily business operations.

See *Appendix 6: Interviewing business managers and action officers* in these procedures for a sample list of questions you may wish to ask staff when developing a functional retention and disposal authority.

To comply with Principle 2: Comprehensive of the *Standard on the appraisal and disposal of State records* you need to ensure that **all appropriate business systems and the records they contain** are covered. To ensure this you will need access to or will need to be shown the workings of all systems in your organisation that are used to conduct organisational business.

Depending on the nature of your organisation, requiring this form of access to systems may be seen as 'treading on toes' or as interfering with another manager's business domain. You may also be seen to be pushing the boundaries of records management and invading another staff member's 'turf'. Colleagues may not understand why you need access to 'their' work processes and systems.

However, it is very important that you are made aware of all records created and maintained by your organisation, and provided with the access you need to appraise them. This includes access to organisational business systems so that you can determine what records are managed within them and require coverage in the functional retention and disposal authority.

To gain the access you need to records and systems:

- talk openly and work collaboratively with other staff
- provide as much information as possible
- try to work with all reasonable suggestions and make staff feel part of the process, and
- be open and encouraging of feedback, even negative feedback, as this will help you to develop a product that meets the specific requirements of your organisation.

Tip: Communicate widely

Try to talk to as many staff as you can about your project. The more people who are aware of it at the outset, the better. More information will be available to you and staff will be more willing to participate if they already know about your project and its benefits. You will also save a lot of time and effort during the course of your project if you do not have to constantly repeat your project brief and a statement of its benefits each time you want to seek the advice of someone new.

You can tell people about your project:

- in newsletters
- at staff meetings
- via an email circular, or
- in special meetings you convene to tell particular staff about your project and the types of contributions you would like them to make.

Manage expectations

Although your project will bring many benefits, it is also important to manage expectations in relation to it. Probably the most important issue that staff in your organisation will need to understand is that developing a functional retention and disposal authority takes a **significant amount of time**.

If your organisation...

- is small
- is centralised
- has few functions
- has a detailed understanding of its business
- is familiar with its recordkeeping practices and requirements
- already has some disposal coverage in place, and/or
- has experienced consultants or records staff undertaking the project

Then...

you may be able to develop a functional retention and disposal authority and have it approved by State Records in 6-8 months

But, if your organisation...

- is large
- is decentralised
- has many functions
- undertakes complex and varied business
- has never undertaken a recordkeeping project before
- has limited or no past disposal coverage
- has significant quantities of legacy records, and/or
- has less experienced consultants or records staff undertaking the project

Then...

it may take more than 8 months to develop a functional retention and disposal authority and have it approved by State Records

Factors that can delay the process of developing a functional retention and disposal authority include:

- the progress of internal approval processes
- poor quality analysis and documentation
- changes in project personnel
- lack of organisational support, and
- submission of non-standard documentation to State Records.

It is important that staff, particularly senior management, are aware of these factors so that they do not have unrealistic expectations of what you will be able to achieve.

Remember that once you have had the time to appropriately develop a functional retention and disposal authority, it will serve as a long lasting management tool for your organisation. Subsequent revisions of the authority will be much faster and simpler, and the significant organisational benefits achieved should outweigh any costs incurred in its development.

Undertake appropriate project planning

Preparing or reviewing a functional retention and disposal authority should be undertaken using the usual project planning methods. In particular, the **timing** of the project must be managed carefully.

The project timetable should allow for key stages in the disposal authorisation process, such as:

- drafting and internal review processes
- the initial review of the draft functional retention and disposal authority by State Records and negotiation of changes to it
- other internal or external consultation on the final draft document and the consideration of any comments that may be generated from this, and
- sign off by the chief executive of your organisation.

The timetable should also take into consideration the deadlines for submission of the final draft functional retention and disposal authority for meetings of State Records' Board (held every 2 months).

Further information about factors that may impact on timing is provided in these procedures in the *Submitting a functional retention and disposal authority for approval* section.

Obtain appropriate information resources

To compile a thorough functional retention and disposal authority you will need access to the following information resources:

- corporate documents such as annual reports, business plans and the organisation's website
- operational documents such as internal policies and procedures
- external documents such as legislation, regulations, standards and codes of practice, and
- staff with high-level or long-standing knowledge of your organisation or detailed knowledge of specific business activities.

Consider what other resources you may require and identify how you can gain access to them before you commence your project.

Decide whether to use a consultant

Consultants may be engaged to develop or review your organisation's functional retention and disposal authority. It is nevertheless important that your organisation manages the project.

If you are intending to use consultants to prepare the functional retention and disposal authority, make sure that they:

- are competent to undertake the work required (that is, they have the necessary knowledge, skills and experience)
- understand State Records' requirements and conventions
- complete all of the required documentation to the standards specified in these procedures, and
- provide you with all documentation necessary for you to maintain and revise the functional authority and account for the decisions made when their contract has ended.

Ultimately, the functional retention and disposal authority that will be most useful for your organisation is one that is clear, easy to use and provides a true reflection of your business operations. Consultants should not provide you with a generic functional retention and disposal authority that can be adapted to your organisation. Instead they should provide you with a unique product that really reflects your business functions and activities and the records that these produce.

Remember that within the necessary function/activity structure of the functional retention and disposal authority, you can arrange information in ways that best suit your business needs. Considering State Records' requirements, work with the consultant to make sure that the functional retention and disposal authority is developed in a way that suits your needs and can be understood by staff in your organisation. Remember that your organisation will be responsible for managing and implementing the functional retention and disposal authority and future revisions.

You should also consider **implementation issues** when developing your contract with consultants. Think through ways in which consultants could perform their work to best facilitate your implementation of the functional retention and disposal authority. For example, would it be useful to have the functional retention and disposal authority in a particular format? Will you require the consultants to import the approved functional retention and disposal authority into your records management system?

Remember that consultants are **external** to your organisation. They are not likely to have the specific organisational knowledge that you possess. It is therefore very important to provide them with information resources that describe your business activities. It is also crucial that they have access to appropriate personnel within your organisation so that they can ask questions about business needs, legislative requirements and other necessary considerations in functional retention and disposal authority development.

These and other points may need to be addressed in your tender process for selecting a consultant and in the contract you establish to engage their services. See *Recordkeeping In Brief 4 – Using consultants for records management*, available on State Records' website, for more information.

Consider implementation issues and ongoing maintenance

Functional retention and disposal authorities must be prepared and submitted in a particular format (see *Appendix 3: Drafting the authority – State Records' requirements and conventions for functional retention and disposal authorities*). However, you may need a different format for implementation purposes.

Before you begin, it is useful to plan how you intend to implement and maintain the functional retention and disposal authority. Consider how retention and disposal

requirements will be conveyed to staff within your organisation, and how the requirements will be maintained and updated. It may be better during implementation to incorporate the authorised retention decisions into a records management software application and to convey disposal requirements through internal procedures and guidelines which are more user friendly.

Tip: Use see references to assist implementation

Including appropriate see references in the document can assist in pointing users in the right direction when implementing the functional retention and disposal authority.

More tips on implementing functional retention and disposal authorities are provided in these procedures in the *Implementing a functional retention and disposal authority* section.

Best practice in preparing a functional retention and disposal authority

You need to start your project with a good understanding of what a functional retention and disposal authority is and what the project will entail. This section outlines NSW best practice in preparing a functional retention and disposal authority for approval.

Summary of best practice requirements

To obtain the approval of State Records, a functional retention and disposal authority must:

- be based on an analysis of the administrative, legal, social and recordkeeping contexts within which records are created and maintained in the organisation
- be structured around the functions and activities of the organisation
- only include the unique functions and activities of the organisation
- only include classes of records which are not adequately authorised for disposal in a general retention and disposal authority
- only include functions and activities which are carried out by the organisation
- be comprehensive and cover records in all formats
- identify classes of records in relation to the functions and activities that generate them rather than the way in which the records are filed or stored, and
- follow the conventions for layout and content outlined in these procedures in *Appendix 3: Drafting the authority – State Records' requirements and conventions for functional retention and disposal authorities*.

Why analysis of the administrative, legal, social and recordkeeping contexts?

Principle 1: Analytical of the *Standard on the appraisal and disposal of State records* requires organisations to make decisions for retaining and disposing of records based on an analysis of the administrative, legal, social and recordkeeping contexts within which the organisation operates. This analysis will assist organisations in determining appropriate retention periods and disposal actions for all organisational records supporting various business activities.

Why functions and activities?

Each organisation carries out a limited range of functions and activities. While organisations may be restructured quite frequently, the functions and activities carried out tend to remain relatively stable. A retention and disposal authority structured around functions and activities is more likely to continue to be applicable despite internal reorganisation, resizing or broader administrative change.

Linking disposal and classification

If a functional retention and disposal authority is being prepared in conjunction with a records management thesaurus, the authority should be based on the business classification scheme and not the thesaurus. A functional retention and disposal authority should only relate to actual functions and activities carried out, and not provide classification options or tips.

Step B of *Strategies for Documenting Government Business: The DIRKS Manual* provides guidance on undertaking analysis to identify functions and activities and developing a business classification scheme. See also the *Methodology for developing a functional retention and disposal authority* section in these procedures.

Tip: Only identify the unique functions your organisation performs

Remember, for a functional retention and disposal authority you only need to identify the unique, core functions of your organisation. The disposal of common administrative or housekeeping functions your organisation performs is covered by the general retention and disposal authorities issued by State Records.

Exceptions to this best practice approach may be negotiated with State Records if:

- your organisation holds additional records relating to a common administrative function and there is not adequate coverage for these records in a general retention and disposal authority
- your organisation holds older records relating to functions or activities which are no longer carried out
- your organisation inherited records from another organisation which are not actively used
- your organisation has only a small quantity of records requiring disposal authorisation, or
- your organisation is small and only undertakes a limited number of activities.

Methodology for developing a functional retention and disposal authority

Introduction

Functional retention and disposal authorities must be based on rigorous research and analysis of organisational context and the requirements for keeping records to meet business and accountability needs. This research and analysis, which can be done concurrently, should cover:

- the organisational context
- existing and past recordkeeping practice
- the organisation's unique functions and activities
- retention and disposal requirements for the records produced, and
- disposal triggers.

This research and analysis must be fully documented. Organisations should efficiently collect and maintain documentation during the project by being aware of:

- what documentation is required to be submitted to State Records (see *Appendix 1: Overview of documentation requirements*)
- the documentation requirements set out in the *Standard on the appraisal and disposal of State records*
- what documentation is required for ongoing management of disposal within your organisation
- what sources exist, if any, for this information
- how the information can be collected and maintained so it may be reused where necessary, and
- how the information collected can be linked to, or incorporated into, recordkeeping systems throughout the organisation.

Tip: Maintain as much documentation as you can

Once authorised by State Records the functional retention and disposal authority becomes a legal instrument. It is the authority under which your organisation is authorised to dispose of its records in accordance with the *State Records Act 1998*. It is therefore very important that the processes that led to the development of the functional retention and disposal authority are fully accountable.

To ensure that you are able to account for the decisions represented in the functional retention and disposal authority you should make records of:

- your discussions with staff members about the records they create and how long they believe they should keep them for
- your research into the legal, business and community requirements that affect how long you should keep your records, including the titles and dates of the different documentary sources you examined
- the different drafts of the functional retention and disposal authority, and
- the advice and comments received from State Records about the draft authority.

As it can take time to develop a functional retention and disposal authority, different staff in your organisation may be responsible for the project. It is therefore important to have good documentation about all decisions, so that if different staff have to pick up the project they will have full information about how the functional retention and disposal authority has evolved.

Investigate and document organisational context

The first step in developing a functional retention and disposal authority involves understanding the context of your organisation or the environment within which it operates. When you are developing the functional retention and disposal authority you need to consider:

- the mission, roles and responsibilities of your organisation
- the regulatory environment in which your organisation operates, including relationships to other organisations and the legislation and other requirements to which your organisation is subject
- the requirements of stakeholders and other broad interest groups, and
- your organisation's structure and the business activities it performs.

All of these factors will impact on the decisions you make in the functional retention and disposal authority, so it is very important that each is considered.

Tip: Be aware of administrative change

It is unlikely that your organisation today is the same as it was when it was first established. In the years since its inception it could have taken on new functions, changed the focus of some of its key functions, absorbed functions from other organisations or had certain functions or activities removed from it.

Each of these forms of administrative change will affect the records of your organisation. They could mean that your organisation is responsible for 'legacy' records that document a function or activity that is no longer performed, or that the nature of your organisational records has significantly changed over the years.

You need to be aware of these changes as they will impact on the functional retention and disposal authority. You need to have a good understanding of the history of your organisation before you start to develop the functional retention and disposal authority as this history may impact on the content and structure of the authority.

For a concise summary of your organisation's background and current role, check Archives Investigator on State Records' website. This database provides information on the origins, predecessors and boundaries of organisations, as well as their evolution over time (or 'administrative history'), major functions and responsibilities, and place in the broader NSW Government context.

In preparing the registration, State Records staff will have already checked many of the official sources (including legislation, regulations, the *NSW Government Gazette* and annual reports), and specific citations are given. These may help you to avoid unnecessary duplication of research effort, or provide useful pointers in cases where more detail may be required.

Document the research into organisational context so that others within your organisation and external parties can understand what research was conducted and what sources of information were located. This should help ensure accountability for any

decisions made as a result of this research, and also that knowledge can be passed on to others in the organisation.

State Records requires organisations to include some information gathered during their investigation into organisational context in the supporting documentation they submit with a draft functional retention and disposal authority. See *Appendix 1: Overview of documentation requirements* in these procedures for more detail.

Tip: Don't get too overwhelmed!

It is important not to get overwhelmed with your research into organisational context. Be aware that one or two key sources may provide you with the bulk of the information you need. For example, your organisation's main enabling legislation may provide an adequate summary of your business functions, while your annual report and website may provide you with contextual information about the various programs and services of the organisation and the regulatory environment in which it operates.

Step A of *Strategies for Documenting Government Business: The DIRKS Manual* provides further useful guidance on investigating organisational context.

Survey current and past recordkeeping practice

Surveying current recordkeeping practice will help you to understand the range of records captured into official systems (or held outside of formal systems) which require disposal authorisation. Where relevant, you should also survey past recordkeeping practice to identify inactive records which require disposal authorisation.

It is important to have a good understanding of all the records that the functional retention and disposal authority will cover. This will help you to understand the business activities they document and may suggest sources of retention requirements.

To conduct a survey:

- compile inventories of current recordkeeping systems and of inactive records to which the functional retention and disposal authority will be applied
- note the quantities of particular instance or case records and the approximate dates inactive records were created, and
- talk to operational staff, and ask them about the types of records they create and use in their day-to-day operations and the ways in which they file or capture them into recordkeeping systems, as well as their knowledge of how these practices may have changed over time.

State Records requires organisations to include some information about current and past recordkeeping practice in the supporting documentation they submit with a draft functional retention and disposal authority. See *Appendix 1: Overview of documentation requirements* in these procedures for more detail.

Remember, when you survey the records in your organisation you only need to focus on the **operational records** which document the core business activities that are unique to your organisation. The disposal of **administrative records** common across several or all government organisations is already authorised by the general retention and disposal authorities issued by State Records.

When surveying your records, it can be challenging to distinguish between operational and administrative records.

Example: Distinguishing between operational and administrative records

<i>Entity</i>	<i>Operational records</i>	<i>Administrative records</i>
NSW Treasury	Records about regulating whole-of-government finances	Records about managing the income and expenditure of the Department itself
State Records NSW	Records about regulating records management across government	Records about State Records' internal records management practices

If you have any difficulty identifying the extent or limits of the coverage provided by the general retention and disposal authorities, please contact State Records for assistance.

It is important to ensure that all your organisation's records are surveyed. Principle 2: Comprehensive of the *Standard on the appraisal and disposal of State records* requires that all an organisation's records are covered by appropriate disposal authorisation, including legacy records or records of non-current business functions and activities. This may include:

- active, semi-active and inactive material
- records held on any medium, and
- records held in any location (onsite, off-site, online, off-line, in regional offices or in centralised or distributed storage, including those held in the Government Records Repository).

Note: You do not need to consider records that you have already transferred to State Records as State archives.

Tip: Remember to examine your website and other business systems

Consider the functionality available via your website. If your organisation facilitates web transactions, how are these managed and how are you going to cover these records in your functional retention and disposal authority? Do not forget to include all forms of electronic records when developing the functional retention and disposal authority.

Step D of *Strategies for Documenting Government Business: The DIRKS Manual* provides useful guidance on surveying recordkeeping practice.

Analyse unique functions and activities

Analysing the unique functions and activities of your organisation will provide you with a framework for identifying classes of records and determining retention periods for these records.

What are functions?

Business functions are what an organisation is responsible and accountable for doing, in the broadest sense, to fulfil its established role and responsibilities to its stakeholders. They represent the major responsibilities that are managed by the organisation to fulfil its goals. A business function represents a group of related business activities carried out by the organisation.

Example: Functions and activities

Most organisations undertake a function of providing compensation to personnel and visitors injured while proceeding to or from work, during working hours or on the organisation's premises. As part of this function they may undertake the activities of:

- providing and receiving advice on compensation claims and processes
- administering and managing claims for compensation
- taking out premiums to cover claims for compensation, and
- developing policies and procedures for responding to claims for compensation.

Many organisations also undertake a function of managing the organisation's vehicles. As part of this function they may undertake the activities of:

- dealing with accidents causing damage to the vehicles
- acquiring vehicles
- disposing of vehicles
- insuring vehicles, and
- repairing and servicing vehicles.

How many functions would my organisation have?

The number of functions does not usually vary that much with the size of an organisation: if you have 300 staff it does not necessarily mean you will have more functions than an organisation with 50 staff. Generally, most organisations will have between five and ten core functions. This is not a target – some organisations will only have one or two core functions while others may have more than ten.

If you identify lots of functions then you are probably pitching the functions too low. You may be confusing functions with organisational structures. It is unlikely that each section or business unit will have its own function. Check your sources again, check with senior managers and see if any 'functions' can be amalgamated.

If your organisation has governing or enabling legislation, this is the best place to start in your identification of functions.

What are activities?

Business activities are what an organisation does to carry out its business functions. Taken together, a group of activities will make up a business function. These activities do not overlap, although parts of them may be done by different business units within the organisation.

Some activities, such as enquiries, planning, policy development, reporting, research, training etc may be common across a number of functions. Remember to include each of these common activities under every function to which it relates.

Action plans, corporate plans, procedure manuals and system design documentation can be good sources for the identification of activities. Talking with staff members about how they perform business operations is also essential. Remember that functional analysis is usually conducted via a top-down approach and so you will be looking to link activities to functional categories that you have already identified.

Tip: Use your organisation's enabling legislation, annual reports and website to identify functions and activities

Your organisation's main enabling legislation, annual reports and website will often provide good overviews and summaries of your organisation's business.

Annual reports and websites tend to provide a high level picture of what your organisation does and then drill down to lower levels of business. The high level summaries can give you a good basis for identifying your organisation's functions, while the lower level assessments can indicate some of the range of activities your organisation performs.

A short hand method for identifying functions is to identify the main headings under which achievements of your organisation are listed in your annual report. The main subject headings on your website can also give you a good indication of what some organisational functions may be. Remember that when you are looking for functions you are trying to identify the major responsibilities that are managed by your organisation.

For **small and very small organisations** without extensive information resources to draw from, the following documents may provide a good indication of the functions and activities your organisation performs:

- results and services plans
- statements of affairs and intent
- policy documents, and
- business plans.

When examining the functions and activities your organisation performs, it is valuable to note down details of **changes** in the ways functions and activities are performed. You should also note details of the relevant source in case you wish to go back and check the information. This information will help you to assess whether additional disposal classes and disposal actions are required in the functional retention and disposal authority to cover all the different types of records your organisation has created over time.

Step B of *Strategies for Documenting Government Business: The DIRKS Manual* provides guidance on analysing business functions and activities (see the section on hierarchical analysis in particular).

Tip: Link the functions and activities you've identified to business areas

Identify which parts of your organisation are involved in delivering each function. This will help you with developing the rest of the functional retention and disposal authority as you will know who to ask for help when developing the detail of the authority.

Tip: Don't forget about outsourced business operations

When developing a functional retention and disposal authority, check whether any core business activities are performed by a contractor or service provider on behalf of your organisation. Even if your organisation does not directly perform the business, it is still responsible for it and the records that are generated. The agreement with the contractor or service provider should outline the records created and managed while performing this activity. You will need to provide disposal coverage for these records in the functional retention and disposal authority.

Identify the records produced

Once you have identified the functions and activities performed by your organisation, you can identify the records produced by this business.

One way of identifying records is to list the transactional processes that make up each activity and the records created in the process.

Example: Identifying records

As part of its core business, an organisation develops procedures. To undertake this activity the organisation:

- undertakes background research
- produces draft versions of the procedures
- circulates these draft versions for consultation within the organisation
- produces final versions of the procedures, and
- promotes the use of the procedures within the organisation to relevant staff.

These transactional processes produce a number of different records:

- research material
- draft versions of procedures
- records analysing the outcomes of consultation
- final versions of the procedures, and
- records indicating who is responsible for implementing the procedures.

Tip: Remember to include all organisational records in the scope of your work

Functional retention and disposal authorities need to cover all records produced by your organisation (except those covered by general retention and disposal authorities or normal administrative practice). They need to identify and assign a disposal action to all the functional records your organisation creates. This will include both paper and electronic records, including those electronic records that exist in business systems and organisational databases.

Identify and document retention requirements

Once you have identified the functional records generated and held by your organisation requiring disposal coverage, you need to identify how long they need to be kept – the **retention requirements**.

Retention requirements are rules or conditions that affect:

- the length of time records need to be kept, and
- the final disposal of records.

They provide the reasons for maintaining, transferring or destroying public records.

Records support business processes and decisions. Records are also kept to ensure organisations are accountable to government, courts of law, shareholders, clients, the community and future generations.

A failure to meet retention requirements may result in:

- penalties or prosecution
- inefficiency
- poor customer service, and/or
- negative perceptions of your organisation among its stakeholders or the general public because it is unable to account for its decisions or actions.

Types of retention requirements

There are three main types of retention requirements:

- regulatory requirements for accountability
- business needs for information, and
- community expectations.

Regulatory requirements are imposed upon your organisation by laws, regulations, whole-of-government policies, standards or similar instruments. Regulatory requirements will be most common for records created by business activities that are tightly controlled or monitored.

Example: Regulatory requirement

A cash book shall be kept in every accounting office and all receipts and payments and amounts deposited in the bank shall be recorded therein. (Treasurer's Directions 400.01)

These types of requirements are most often found in documentary sources such as laws, regulations, standards and formal directives. References may also be obtained from corporate policies, procedures or interviews with staff who understand your organisation's regulatory environment.

Business needs are internal requirements that result from the activities and business processes of your organisation. They specify what information is necessary for the organisation to carry out its operational work and responsibilities.

Example: Business need

Staff compile monthly statistics about the training courses. They need to refer to the registration files for up to 12 months because they include statistics about training courses in their Annual Report. (Interview with business manager)

These types of requirements can sometimes be identified in documentary sources, such as a law establishing the organisation and its functions. More often they are found in corporate policies and operating procedures, or through interviews with staff who understand your organisation's operations or a particular business process.

Tip: Interview staff to determine business needs for records

Asking the following questions may assist in determining business needs for records:

- Why are the records created?
- How long are the records active for (ie when is a matter considered finalised)? How long are the records needed for reference or ongoing use?
- Do any other business units also use the records? Who might also need to use the records in the future (eg clients, other organisations etc)? When?
- Are there procedure manuals covering some or all of your work?

Community expectations are external requirements that are expressed by specific client groups or other parties with an interest in your organisation's business. They indicate the concerns, demands or assumptions of stakeholders regarding the availability of information about the entity's activities.

Example: Community expectation

Students have an expectation that we will be able to re-issue a qualification or statement of attainment if required, so we implement procedures to ensure that sufficient information on student results is retained for their potential working life. (Interview with manager)

These types of requirements may be articulated in documentary sources, such as minutes of consultative meetings, proceedings of advisory boards or councils, debates in parliament, media releases, customer feedback forms and letters of complaint, Ministerials, newspaper articles and editorials.

Community expectations can also be revealed through interviews with staff who work in a particular area of business activity, and stakeholders and community representatives.

Tip: Examine FOI applications and standing orders for community expectations and accountability requirements

Past Freedom of Information (FOI) applications and standing orders may provide you with precedents to assist in identifying stakeholder requirements for retention.

Requirements can be **explicit** (plainly stated in a document or statutory instrument) or **implicit** (indirectly suggested or understood).

Example: Identifying explicit and implicit retention requirements

This extract from the *Workers Compensation Act 1987* provides an example of an explicit retention requirement:

174 Records relating to wages, contracts etc to be kept and supplied

(1) An employer shall keep correct records of:

- (a) all wages paid to workers employed by the employer,
- (b) the trade, occupation or calling of each such worker, and
- (c) such other matters relating to those wages (or otherwise relevant to the calculation of premiums payable under policies of insurance) as may be prescribed by the regulations.

(2) An employer shall retain any such record in good order and condition for at least 7 years after the last entry was made in the record.

This extract from the *Environmental Planning and Assessment Act 1979* provides an example of an implicit retention requirement which suggests that the organisations involved should retain relevant records for at least the length of the legislated appeal period:

Division 8 Appeals and related matters

97 Appeal by an applicant – development applications

(1) An applicant who is dissatisfied with the determination of a consent authority with respect to the applicant's development application (including a determination on a review under section 82A) may appeal to the Court within 12 months after:

- (a) the date on which the applicant received notice, given in accordance with the regulations, of the determination of that application, or
- (b) the date on which that application is taken to have been determined under section 82 (1).

Where explicit requirements are very difficult to find, you might also consider the retention requirements for records relating to similar activities carried out in another jurisdiction or by other NSW government organisations with similar responsibilities.

Identifying retention requirements in documentary sources can be time-consuming, but is an important exercise. You should supplement an examination of documentary sources with interviews with key staff and stakeholders who can be especially helpful in pinpointing requirements. Staff members who perform these functions and activities will be able to inform you of the regulatory, business and community considerations that affect the records they create and manage.

How to determine retention requirements

To determine the retention requirements that relate to groups of records, start by identifying the purpose of the records: why are these records created and what are they used for? Look at the contents of the records, seek advice from staff who create and use the records or look at internal business procedures for answers to these questions. Remember that a group of records may be created and used for more than one reason, so document each purpose.

You can then determine whether the records need to be maintained to meet a:

- regulatory or accountability requirement, ie an explicit requirement to create and maintain the records (the records allow your organisation to be officially accountable for its actions)
- business need (the records provide information to help staff do their work), or
- community expectation (the records meet the needs of specific clients or interested parties).

Again, you can look at the contents of the records, seek advice from staff who create and use the records or look at internal business procedures for answers to these questions. Make a note of the type or types of requirements that apply to the groups of records you are assessing.

Step C of *Strategies for Documenting Government Business: The DIRKS Manual* provides further guidance on identifying retention requirements as well as sample recordkeeping requirements documentation.

Tip: Recommended retention periods are minimum requirements only

It is important to remember that the retention periods you recommend in the functional retention and disposal authority identify the minimum amount of time that records must be kept. Circumstances may arise, such as court cases, changed business requirements etc, that mean your records must be kept for longer than specified in the functional retention and disposal authority.

All persons implementing a functional retention and disposal authority must be aware that the retention periods are the minimum requirements only. They should therefore make sure that all current requirements for the records have been considered before actually implementing the disposal actions specified in the functional retention and disposal authority.

Records can and always should be retained for longer periods where a need to do so is identified.

Justify decisions about retention periods

Principle 1: Analytical of the *Standard on the appraisal and disposal of State records* requires organisations to document and justify decisions about retention periods. State Records requires organisations to include adequate justifications for the nominated minimum retention periods and disposal actions either in the functional retention and disposal authority itself, or in the supporting documentation submitted with the authority. Documenting and justifying these decisions ensures that organisations also comply with Principle 4: Accountable.

Although documenting the basis for each nominated retention period and disposal action can be a labour intensive task, it is critical information necessary to account for the disposal of your organisation's records. It will also be of assistance in maintaining the functional retention and disposal authority over time.

Tip: The source of your retention requirements can help 'sell' the authority

Being able to say, 'we have to do this because it is required by this piece of legislation, legal precedent, code of best practice, accounting standard etc' can carry significant weight.

A major research project into recordkeeping found that including legal citations with requirement statements had a significant impact on the organisation's acceptance of the requirement. Statements justifying recordkeeping requirements made by auditors, business managers and IT managers also had an impact and increased organisational acceptance.

Providing sources enhances the credibility of your recordkeeping requirements. It is therefore important to document the source of your requirements.

See *Appendix 3: Drafting the authority – State Records' requirements and conventions for functional retention and disposal authorities* in these procedures for more information about justifications and providing these as part of the submission for approval.

Develop disposal classes

Once you have determined retention requirements, you can group records under each activity. These **disposal classes** should consist of records performing or recording similar transactions and therefore having the same minimum retention period and disposal action.

Example: Identifying disposal classes

An organisation creates a number of different records as part of developing procedures to support its core business. The organisation determines that records relating to the drafting of the procedures have a shorter retention requirement than the final procedures themselves. Therefore, the records may be divided into two disposal classes:

- Records relating to the development and review of procedures. Records include background research, draft versions of procedures and records analysing the outcomes of consultation with stakeholders.
- Final, approved procedures and associated correspondence indicating who the procedures apply to and responsibilities for their implementation.

Any big issues?

Given that functional retention and disposal authorities are significant documents which tend to be reviewed only every 5 years, it is useful to try and build any forthcoming changes in your business into the document.

When developing the functional retention and disposal authority it is important to consider any 'big issues' that may be on the horizon. For example, are there any likely problems or issues that may affect how you perform your business in the future? Are there any government moratoriums on particular kinds of records that may impact on the way in which your organisation manages its records? Are there implications from strategic reviews, investigations or media reports etc that will impact on how you perform your business and will therefore need to be considered in the authority? Are there any legislative changes on the horizon that may need to be considered?

However, it may be difficult to anticipate or identify the records likely to be created as a result of forthcoming changes in your business, and their retention requirements. In these cases, it may be better to consider these changes and their implications for the functional retention and disposal authority when reviewing the authority. You should discuss any concerns you have about the impact of forthcoming changes on the functional retention and disposal authority with State Records.

Develop and assign disposal triggers

Disposal triggers identify the event from which the minimum retention period for a class of records is calculated.

Example: Disposal trigger

In the following disposal action, the bolded text shows the disposal trigger:

Retain minimum of 1 year **after expiry of licence**, then destroy.

Where possible, disposal triggers should reference a **specific event** such as:

- after finalisation of a specific process, eg matter or claim
- after audit
- after date of birth
- after date of employment
- after date of termination
- after date of contract exchange/termination
- after date of receipt
- after last entry
- after action completed, or
- after expiry/suspension of licence/permit/authorisation.

Using a specific event as a trigger helps to eliminate confusion and makes it easier to calculate the disposal date. Try to use triggers that are easy to calculate, such as triggers that draw on information which is readily available to your organisation (eg date of birth). This will make it easier to implement disposal actions.

Example: Choosing triggers that are easy to calculate

An organisation grants licences to applicants with appropriate qualifications. The organisation needs to keep relevant records for as long as the licence is in use. When developing its authority it considered two possible disposal actions and triggers:

- retain minimum of 10 years after practice ceases, then destroy, and
- retain minimum of 50 years after university graduation, then destroy.

Both of these disposal actions will ensure that the records are kept for a long period of time. However, after looking at their business processes the organisation determined that they were not consistently informed when a licensee ceased to practise. In contrast, they were *always* informed of a person's graduation date, as this information was provided in the application for a licence. The organisation decided to use the second disposal action because it was easier to implement.

There can be **significant cost ramifications** if triggers are not adequately defined, controlled and monitored in your system because you may keep (and pay for the storage of) records longer than necessary.

Tip: Using 'after last action' as a trigger

Where there isn't a specific known event that can be used as a trigger, 'after last action' is often used. Organisations need to use this trigger carefully as it can be subject to wide interpretation. Does 'after last action' mean that the disposal date should be calculated from the date of the last step in the business process that generated the record, or the last time a user accessed the record?

In general, 'after last action' should refer to the last time the record was used as part of the business process it was created to support. It should not refer to subsequent reference use of the record, as the retention period should sufficiently allow for this. Given the potential confusion that can result from using this trigger, it must be very carefully defined and implemented in a consistent way across your organisation.

'Tricky triggers'

Sometimes it will be impossible to avoid the use of difficult triggers that require judgement. In these situations you must monitor how staff and your systems implement these triggers to ensure that your disposal requirements are being appropriately applied and records are not inappropriately destroyed before their authorised disposal dates. You might also consider changing your business or recordkeeping processes and practices to make it easier to calculate triggers.

The interpretation and implementation of disposal triggers should be guided by procedures to ensure consistency across your organisation.

Identify records required as State archives

As well as identifying retention requirements, functional retention and disposal authorities identify records required as State archives. State Records' appraisal policy, *Building the Archives*, sets out broad objectives as to the type of records that are required as State archives. Use this policy (available on State Records' website) to guide you in formulating recommendations as to which of your organisation's records should be required as State archives.

In summary, the objectives outlined in the policy are:

- Objective 1:** To identify and preserve records providing evidence of the source of authority, foundation and machinery of the NSW Government and public sector bodies.
- Objective 2:** To identify and preserve records providing evidence of the deliberations, decisions and actions of the NSW Government and public sector bodies relating to key functions and programs and significant issues faced in governing the State of NSW.
- Objective 3:** To identify and preserve records providing evidence of the legal status and fundamental rights and entitlements of individuals and groups essential for ongoing functions of the State.
- Objective 4:** To identify and preserve records substantially contributing to the knowledge and understanding of the society and communities of NSW.
- Objective 5:** To identify and preserve records that contribute to the protection and well being of the community or provide substantial evidence of the condition of the State, its people and the environment and the impact of government activities on them.

Be aware that State Records may have a different view to your organisation as to which records should be required as State archives. State Records assesses the value of records in the context of the whole of the NSW public sector. State Records may not require a record from one organisation where we know that a more concise or significant record of the same activity is to be retained as a State archive by a related organisation.

However, you should trust your own knowledge of organisational business and of the records that are particularly significant to your operations. If you feel that a group of records should be classed as State archives then nominate them as such in the authority and include appropriate justifications. After examining your claims State Records may choose not to accept your assessment, but we are very keen to hear your views and obtain all the background information we can to help in the final determination of retention periods and disposal actions for your records.

Note: Principle 5: Implemented of the *Standard on the appraisal and disposal of State records* requires organisations to transfer to archival control those records which are identified as State archives in approved retention and disposal authorities which are more than 25 years old and no longer required for official purposes. If such records are still required for official or business purposes, organisations should make a still in use determination. State archives which are not transferred to State Records' custody and are to be managed within the organisation as State archives should be covered by a distributed management agreement.

The draft functional retention and disposal authority also needs to include information about proposed transfer timing which indicates how long records might be retained by the organisation, whether in the office or in off site storage, before transfer to archival custody (ie custody and storage arrangements to support long term preservation and the provision of public access). This information should specify how long the organisation will require records for business purposes, and when they intend to transfer custody as well as control of the records to State Records.

Case files

Many organisations have large numbers of case files. You may want to recommend in the functional retention and disposal authority that records relating to precedent cases which lead to a change in organisational policy or those cases that had a significant media profile or public interest be required as State archives.

However, if you make such recommendations in the draft functional retention and disposal authority, it is important that you implement procedures in the workplace that allow precedent records to be specifically identified and not destroyed with more general or non-precedent files. You should also consider whether you will be able to apply criteria for precedent files retrospectively if dealing with large backlogs of unsentenced records. Your organisation may lack the necessary resources to separate precedent files from other case files when undertaking sentencing projects.

Summary records versus case files

Many organisations create both extensive case or instance files and summary records (such as registers). Summary records provide a concise record of the matters covered in the more extensive records. For some organisations, it may be appropriate to identify the summary records as State archives instead of the more extensive records. This is appropriate when the summary record provides an adequate substitute for the more extensive records.

Example: Retaining summary records as State archives

The Legal Profession Admission Board creates various records relating to applications for admission as a legal practitioner, as well as admission rolls. The Board's functional retention and disposal authority identifies the admission rolls as State archives, as they provide a consolidated summary record of legal practitioners admitted to practise in NSW. The Board's functional retention and disposal authority authorises the disposal of the records which the admission rolls summarise (such as individual applications) after appropriate minimum retention periods have expired.

However, it is important to remember that not all summary records provide an adequate substitute for more extensive records. Before assuming that summary records can be retained instead of more extensive case files or other types of records, you need to check the content of the summary record.

Example: Summary records which provide a poor substitute for case files

In a draft functional retention and disposal authority, an organisation nominated minutes of committee meetings for retention as State archives instead of a range of case files. However, these committee records did not have substantial content and comprised a list of dot points that made no sense to a reader outside of the immediate administrative context. In this case, it was not appropriate to retain the committee records as State archives in lieu of other, more informative records. As the function these records documented was significant, the organisation nominated the case files for retention as State archives because they more adequately documented the performance of the function.

Before nominating any class of records for retention as State archives, organisations should check the **quality** of the records and the information they contain.

Requirements for internal review and stakeholder consultation

Introduction

Before submitting a draft functional retention and disposal authority to State Records, it is important to determine that it meets:

- internal business needs, and
- where relevant, the needs of external stakeholder groups.

As part of developing a functional retention and disposal authority, State Records recommends that organisations:

- undertake an internal review process, and
- consult with external stakeholders, where appropriate.

Appendix 7: Table of commentary template in these procedures provides a model which organisations may use to document consultation feedback and their responses to it.

Undertake an internal review process

Prior to its final submission to State Records, you should circulate the functional retention and disposal authority for comment and approval within your organisation. Ensuring that decisions about retention periods are approved at a senior level in your organisation will assist your organisation in complying with the requirements of Principle 1: Analytical of the *Standard on the appraisal and disposal of State records*.

It is important that all relevant business areas of your organisation are aware that you are drafting a functional retention and disposal authority. They should also be aware of and satisfied with the recommended disposal actions and minimum retention periods.

You could circulate the draft functional retention and disposal authority for comment to selected staff members, or convene meetings to discuss the authority and its disposal recommendations. Obtaining a variety of staff comments will help to ensure that the recommended disposal actions and retention periods encompass all business requirements and legal considerations.

Example: Internal review processes

To facilitate internal review and business unit approval processes some organisations establish a steering committee consisting of representatives from particular branches, divisions or sections of the organisation. Depending on its terms of reference, the role and involvement of steering committee members may include:

- responsibility for overseeing and facilitating the progress of the project
- representing the interests of their particular business area and approving the recommended disposal actions and minimum retention periods for records relevant to their business area, or
- facilitating the gathering of required information, either through their own expertise or arranging meetings with relevant staff from the business area with the required knowledge and understanding of business process.

It is important to document any comments or feedback you receive through the internal review process. If you decide not to adopt any recommended changes or amendments, document your reasons for not doing so and communicate these to the staff involved.

Your **chief executive officer** will need to sign off on the final version of the functional retention and disposal authority and take overall organisational responsibility for it and its implementation. Sign off by your organisation's business units will support your submission to the CEO for final sign off.

Consult with external stakeholders

Where appropriate, when developing a functional retention and disposal authority organisations should also consult with external stakeholders who may have an interest in or be reliant upon the records covered by the authority. Such stakeholders may include:

- other organisations
- specific client groups
- archives users such as academics and other researchers, and/or
- the general public.

Each organisation needs to determine the most appropriate stakeholders to consult with, and the means by which to undertake this consultation. Organisations should consult with those stakeholders who may be affected by the recommendations in the draft functional retention and disposal authority.

Consult with other organisations

If your organisation:

- undertakes joint ventures with other organisations
- performs functions or operations in conjunction with other organisations, and/or
- shares client or other business information with other organisations,

you should advise and consult with these organisations about the nominated disposal recommendations for the records in which they have an interest.

Consult with specific stakeholders

If your organisation has frequent interaction with specific client groups, you may want to submit the draft functional retention and disposal authority for comment to representatives of these groups.

Example: Consulting with external stakeholders

Prior to its approval, the draft functional retention and disposal authority for NSW Police was circulated to NSW government stakeholders such as the Office of the Director of Public Prosecutions, the Legal Aid Commission, the NSW Ombudsman, the Police Integrity Commission, and the NSW Bureau of Crime Statistics and Research, and to other stakeholders such as the NSW Bar Association and the Law Society of NSW. This process aimed to ensure that the minimum retention periods for the records covered in the draft functional retention and disposal authority were consistent with the requirements and expectations of stakeholders.

Tip: Consider consulting with governing or advisory groups

If you find it difficult to identify suitable external stakeholders for consultation, consider whether your organisation has a governing or advisory committee, council, board or other group. Consulting with such groups is often easy, as these groups can comprise representative and readily accessible stakeholders who are familiar with the organisation's business operations and processes.

Consult with the general public

In order to undertake broad community consultation you may choose to post the draft functional retention and disposal authority on your organisation's website, or consult with the public through other mechanisms.

Consult with archives users

To provide an external and historical perspective on your disposal recommendations, your organisation may wish to obtain the views of archives users such as researchers, historians and other academics. Please contact State Records for further advice if you wish to consult with archives users.

Example: Consulting with archives users

The process of developing a functional retention and disposal authority for the Department of Corrective Services included consultation with academic researchers with experience in using offender case files for their research. This consultation ensured that the case file sampling method adopted by the Department was relatively easy for the Department to implement but also considered the needs of future researchers.

Report on the results of consultation

When submitting a draft functional retention and disposal authority and supporting documentation to State Records, you should briefly outline any external consultation that you undertook. You should:

- identify which persons and/or organisations you consulted with
- explain the reasons why your organisation selected these particular stakeholders, and
- briefly summarise the outcomes or recommendations arising from the consultation process and how the organisation responded to the feedback.

Results of consultation processes may also inform some of the justifications for disposal recommendations in the functional retention and disposal authority and should be noted accordingly.

As part of the review and approval of your functional retention and disposal authority, State Records may recommend that you consult with additional stakeholders where appropriate, or undertake consultation on behalf of your organisation by liaising directly with stakeholders.

Submitting a functional retention and disposal authority for approval

Introduction

There are two main stages in the process of obtaining approval for a functional retention and disposal authority:

- submitting an initial draft for review and comment by State Records, and
- formally submitting a final agreed draft for approval by State Records and its Board.

The same steps apply whether the draft functional retention and disposal authority is prepared in-house or by a consultant.

Stage 1: Submit the initial draft

Step	Description
------	-------------

- | | |
|---|---|
| 1 | The organisation's records manager... <ul style="list-style-type: none">• checks that the draft functional retention and disposal authority meets all organisational and statutory requirements• checks that the draft authority has been prepared in accordance with State Records' procedures, and• submits the draft authority and supporting documentation to State Records. |
| 2 | State Records staff... <ul style="list-style-type: none">• acknowledge receipt of the draft functional retention and disposal authority• review the draft authority and supporting documentation• request, if necessary, further information to clarify the scope of the authority or the decisions in it, and• provide comments to the organisation on the draft authority. |
| 3 | The organisation's records manager... <ul style="list-style-type: none">• responds to the comments by either revising the draft functional retention and disposal authority or clarifying and justifying the decisions in it. |

Note: Depending on the stage of development of the draft functional retention and disposal authority and the quality of the information, Steps 2 and 3 may be repeated.

Submit your initial draft and supporting documentation by email to the Senior Project Officer, Disposal Regulation. The draft functional retention and disposal authority should be submitted in the required template and should follow:

- the best practice requirements, and
- State Records' conventions for content, layout and wording.

Stage 2: Submit the final draft

Step Description

- 1 The chief executive of the organisation...
 - formally submits the final draft of the functional retention and disposal authority to the Director of State Records for approval using the standard covering letter.

State Records' staff...

 - prepare the functional retention and disposal authority for submission to State Record's Board and Director, and
 - submit the draft authority to the Board and Director for approval.
- 2 State Records' Board...
 - reviews and approves the functional retention and disposal authority, or
 - reviews the authority and requests further clarification or changes to the authority.
- 3 **Note:** If State Records' Board does not approve the functional retention and disposal authority, organisations will need to go back to Step 3 of Stage 1 and either revise the draft authority or clarify the decisions in it.

The Director of State Records...

 - approves the functional retention and disposal authority, and
 - notifies the organisation and forwards a copy of the approved authority.
- 4 **Note:** Once the Director approves a functional retention and disposal authority it may be implemented without further reference to State Records. See State Records' *Guideline 12 – Implementing a disposal authority* and *Guideline 3 – Destruction of records*, available on State Records' website, for advice on implementing disposal decisions.

You may formally submit the final agreed draft of the functional retention and disposal authority in either hardcopy or electronic form. The template for the standard covering letter is provided in *Appendix 1: Overview of documentation requirements*.

Note: If submitting the final draft in hardcopy form, also send an electronic copy (word or excel format) to the Senior Project Officer, Disposal Regulation.

Factors impacting on timing

The process of submitting a functional retention and disposal authority for approval usually takes a few months. While State Records endeavours to provide comments on

draft functional retention and disposal authorities within 8 weeks of receiving the draft, this depends on:

- the stage of development of the authority when it is first submitted for review
- the quality of the documentation submitted, and
- how many draft authorities from other organisations have been submitted for review (authorities are usually reviewed in order of receipt).

The timing of the process also depends on:

- how many changes are required to finalise the draft functional retention and disposal authority, and
- when a final draft authority is submitted (State Records' Board meets every two months – the deadline for submission of the agreed-upon final draft authority is 4 weeks prior to the meeting date).

Appraisal by State Records

A major focus of the review of the draft functional retention and disposal authority by State Records is to appraise which of the organisation's records are required as State archives. This appraisal will take into consideration recommendations by the organisation, previous appraisal decisions and our stated appraisal policy objectives. Remember that State Records is appraising the value of the functions, activities and records of the organisation in the context of the whole of the NSW public sector.

State Records may consult with stakeholders with expertise in the areas covered by the functional authority as part of their appraisal.

Register of functional retention and disposal authorities

The final approved functional retention and disposal authority is maintained by State Records in a register.

A list of functional retention and disposal authorities approved by State Records' Board is available on State Records' website. Copies of most of these functional retention and disposal authorities are also available via State Records' website.

Implementing a functional retention and disposal authority

Once the functional retention and disposal authority is approved, it should be implemented. There is no point in putting in the effort required to develop a functional retention and disposal authority if this recordkeeping tool is not actively used. It is also a requirement of Principle 5: Implemented of the *Standard on the appraisal and disposal of State records* that disposal of records is undertaken as a routine and regular part of the organisation's records management program.

Effectively implementing the functional retention and disposal authority will ultimately save your organisation significant amounts of money in storage and other management costs. Effectively planning for the implementation of a functional retention and disposal authority will help you to better achieve these benefits and comply with the requirements of the *Standard on the appraisal and disposal of State records*.

Assess your systems' capacities to implement disposal

Ask a range of questions to assess your systems' capacities to administer disposal in a manner that is appropriate to your operational needs and business requirements:

- Can disposal authorities be loaded into business software, or separate records management software which has an interface to the business software?
- Can the system apply disposal information to each record or class of records?
- In a database environment where all like records may have the same retention period, are business rules concerning disposal currently applied to govern management of the records as a whole?
- Can system users sentence records when they are first created?
- Is the system capable of calculating disposal dates from relevant triggers?
- Can disposal actions be automatically triggered in business systems?
- Can system generated reminder messages about disposal be automatically sent to relevant staff members?

See also Step D of *Strategies for Documenting Government Business: The DIRKS Manual* for guidance on undertaking systems assessment.

If your current systems cannot provide the functionality you require in relation to disposal, you can use the methodology outlined in Step E and Step F of the DIRKS Manual to develop improvements in your system. You may also follow these steps to develop policies and procedures to guide implementation of the functional retention and disposal authority.

Develop policies and procedures

It is important to delegate and assign responsibility throughout your organisation for the sentencing and disposal of State records. This is a formal requirement of Principle 3: Authorised in the *Standard on the appraisal and disposal of State Records*. Organisations should develop and document accountable and authorised processes for disposal activities in organisational policies and procedures. These policies and procedures should also include processes for the destruction of records and the transfer of State archives to archival custody or control.

All staff in the organisation, including contractors, should be advised that the disposal of records is an accountable process.

Develop user training

The development of a functional retention and disposal authority may have shown that staff in your organisation need some training to explain how to actually use this disposal tool. As part of your implementation strategy you may choose to develop a training package which explains the functional retention and disposal authority to staff.

Tip: Tailor your training

You can develop different training strategies for different staff members. You could:

- provide staff with extracts from or summaries of the functional retention and disposal authority that are relevant to their operational area to avoid confusion and inappropriate sentencing
- provide a high level overview to senior management and more detailed implementation guidelines to operational staff
- restrict training to records staff only
- provide hands-on training on the business system where authority has been pre-loaded
- make the authority as invisible as possible within existing business systems where it runs in the background and appears in appropriate drop-down menus to guide users through record sentencing, and/or
- make sure all appropriate staff have access to the authority.

Go on to improve recordkeeping in all organisational systems

Don't stop now! If developing a functional retention and disposal authority has inspired you, you can use the extensive knowledge of organisational business, systems, requirements and practice to improve more aspects of your recordkeeping.

Tip: Reuse and repurpose your research

Once you have completed all your research into organisational context, recordkeeping practice and recordkeeping requirements you will have a significant and highly valuable understanding of how your organisation performs its business operations. While crucial for disposal, this information can also be used in many other ways as it gives you the perfect platform to develop a range of important guidance and contribute significant business value to your organisation.

One significant recordkeeping use of your research would be to use what you know to develop guidance on what records actually need to be created, captured and maintained in your corporate systems. Principle 1: Made of the *Standard on full and accurate records* requires organisations to ensure that records are made that document or facilitate the transaction of business activities. Most organisations do not have adequate guidance about the records and other forms of corporate information that are necessary for legal and business requirements.

You could also provide a list of all systems (particularly electronic systems) that contain records which need to be managed in accordance with recordkeeping requirements. This will highlight to business and IT staff the significant information resources they are responsible for, and will help to ensure the adequate management of these systems.

Ensuring that all business systems are able to adequately make and keep records of the business they document is a key concern across government and is an area where many organisations are deficient. The *Characteristics and functionality of recordkeeping systems* section in *Strategies for Documenting Government Business: The DIRKS Manual* contains a list of the **characteristics of recordkeeping systems**. You may wish to use this as a starting point for assessing and determining the adequacy of your business systems.

Other projects for improving corporate recordkeeping are provided in the *Doing a DIRKS project* section of the DIRKS Manual.

Revising an approved functional retention and disposal authority

Organisations should review functional retention and disposal authorities regularly to ensure that they remain relevant as functions and activities, the operating environment and requirements for records change.

Determine the need to review

Retention requirements may change over time. This can occur when:

- business needs or practices change
- new laws, regulations or standards are introduced
- new technology is implemented
- government is restructured and functions are moved between entities, or
- unforeseen community expectations become apparent.

Remember, records that are not listed in the functional retention and disposal authority cannot be destroyed or transferred to State Records.

A review is necessary when:

- the disposal authorisation specific to your organisation was approved 10 or more years ago
- changes in recordkeeping requirements for the organisation are not reflected in current appraisal decisions
- your organisation has undergone substantial changes to its functions, activities and business processes, including when functions have moved or evolved as a result of administrative change, or
- you want to reduce the minimum retention periods or change the disposal actions (extending the minimum retention periods does not require approval).

State Records recommends that organisations check any functional retention and disposal authorities **more than 5 years old** to ensure that the retention periods and disposal actions remain relevant.

Consolidate existing disposal authorisation

Your organisation may have a number of existing functional retention and disposal authorities, or disposal authorisation for only a portion of its unique records. In these cases, the review process provides a good opportunity to consolidate existing disposal authorisation and prepare a functional retention and disposal authority that covers all of your organisation's unique functions.

Review a disposal authority

Use the methodology outlined in these procedures to review a functional retention and disposal authority. This methodology is based on the DIRKS methodology described in *Strategies for Documenting Government Business: The DIRKS Manual*.

Submit a revised disposal authority

The process for submitting a revised functional retention and disposal authority is the same as the process for submitting a new authority. However, if the revised authority will supersede the organisation's current authority you need to ensure that the justification information included with the revised authority clearly identifies:

- any new entries included to cover records not previously covered
- the equivalent entry in the organisation's current authority
- the consolidation or merging of entries from the current authority
- where minimum retention periods are consistent with current approved decisions
- any proposed changes to the current approved disposal triggers from which minimum retention periods are to be calculated and the reasons for the proposed changes
- any proposed changes to retention periods or final disposal actions and the reasons for the proposed changes.

See this [example of a draft retention and disposal authority](#) for how this information should be documented.

Your supporting documentation (required to be submitted with the initial draft of the authority) should also note any functions/activities/disposal classes in the organisation's current authority that have not been included in the revised authority, e.g. because the function/activity is no longer carried out by the organisation and records of that process are no longer created/maintained by the organisation, either because they have been appropriately destroyed or transferred to the relevant successor organisation.

This information ensures some continuity in decision making about the retention of records. Documenting this information also assists State Records in reviewing revised retention and disposal authorities. Importantly, it will also assist your own organisation to track or map changes required to update existing records management, EDRMS or business systems information supporting records disposal implementation processes.

Policy on disposal authorisation and administrative change

Functional retention and disposal authorities are issued for particular functions and to specific organisations to authorise the disposal of records generated in a particular context. When administrative change occurs, such as the merger of two organisations or the transfer of functions between organisations, functional retention and disposal authorities may continue to be used by those organisations that continue to perform the functions covered by the authority.

Contact State Records

Inform State Records when you intend to use a functional retention and disposal authority issued to a predecessor organisation.

Appendix 1: Overview of documentation requirements

Introduction

Documentation is an integral part of disposal authorisation. Preparing a functional retention and disposal authority involves research and analysis which should be documented whether the work is undertaken in-house or by a consultant. State Records requires organisations to submit specific documentation in order to authorise disposal.

Summary of documentation required by State Records

When submitting an initial draft, State Records requires organisations to provide:

- the draft functional retention and disposal authority (using the template provided in *Appendix 1: Overview of documentation requirements*), and
- supporting documentation.

When submitting a final draft for approval, State Records requires organisations to provide:

- the final draft functional retention and disposal authority (using the template provided in *Appendix 1: Overview of documentation requirements*), and
- a cover letter (using the template provided in *Appendix 1: Overview of documentation requirements*).

Both the initial and final drafts should conform to State Records' conventions for wording outlined in these procedures in *Appendix 3: Drafting the authority – State Records' requirements and conventions for functional retention and disposal authorities*.

Content and presentation of supporting documentation

State Records requires organisations to include some information gathered during their investigation into organisational context in the supporting documentation they submit with the draft functional retention and disposal authority. We need enough contextual information to understand the history of your organisation, the functions it performs (and possibly has performed through time) and the legislation it administers.

When you submit the draft functional retention and disposal authority you will be required to also provide us with the following information:

About the organisation

A brief description of the history of the organisation, including information about when it was originally established and any predecessor or successor organisations

A brief description of the current functions of the organisation and any major changes to those functions over time, including functions that are undertaken by contractors or consultants on behalf of the organisation, or any organisation restructures

A brief description of the structure of the organisation and the business

activities undertaken by each branch/section

An indication of the size of the organisation

A list of legislation administered by the organisation

About relationships with other organisations and stakeholders

A brief description of any formal reporting/compliance relationships between the organisation and other organisations relating to core functions

A brief description of any role the organisation has in overseeing the performance/operations of other organisations

A brief description of any significant joint ventures, agreements or consultative arrangements the organisation has with other organisations relating to core functions

A brief description of any overlap of core functions or interrelationships with other organisations

A brief description of any significant relationships with other organisations not already described

A list of all identified external stakeholders

About committees

A brief description of any significant committees that perform or oversee key aspects of the organisation's business

About the records held by the organisation

A brief description of all recordkeeping systems that exist in the organisation including paper-based filing systems, electronic document management systems, database applications, and collections of photographs, maps and plans and audio visual material

A brief description of the oldest records held by the organisation and whether these were created by the organisation in its current incarnation or a predecessor organisation

A statement of when the majority (80%) of the records date from

A summary list of records held dating prior to 1940

An estimate of the quantity of particular instance or case records held, including case files, registers and database records

A brief description of any legacy records held by the organisation that relate to functions and activities no longer carried out

A list of any previous disposal authorisation issued to your organisation (either functional retention and disposal authorities or disposal recommendations)

Note: You do not need to consider or provide information about records that your organisation has already transferred to State Records as State archives.

About the retention periods and disposal actions

A brief statement of the justification for each retention period and disposal action (if these are not included in the draft functional retention and disposal authority itself – see the templates below)

About any external stakeholder consultation undertaken

A brief description of the organisations/persons consulted with, the feedback provided as a result of this consultation, and how the organisation responded to this feedback

Note: If no external consultation was undertaken, provide an explanation as to why no consultation was performed.

Templates

Use the links below to download the templates referred to in these procedures:

[Draft functional retention and disposal authority \(Word template\)](#)

[Draft functional retention and disposal authority \(Excel template\)](#)

[Sample covering letter \(Word template\)](#)

State Records has developed an application for drafting and transforming authorities in XML. The Authority Editor is a program that supports the development of draft authorities that are compliant with State Records requirements.

[XML schema for retention and disposal authorities](#)

Appendix 2: Example supporting documentation

The following information provides a good example of comprehensive supporting documentation that meets State Records' requirements.

Note: This example supporting documentation is for a small agency with a limited number of functions. Larger, more complex organisations would produce a much more extensive document.

Example: Supporting documentation for the Building and Construction Industry Long Service Payments Corporation

About the organisation

The Building and Construction Industry Long Service Payments Corporation is a statutory body established under the *Building and Construction Industry Long Service Payments (Amendment) Act 1982*.

The effect of the Act was to transfer the administration of a portable long service payments scheme for building and construction workers in NSW from the Builders Licensing Board to the Corporation. Between 1975 and 1982, the long service payments scheme was a division within the former Builders Licensing Board (now part of the Office of Fair Trading).

The purpose of the Corporation is to manage an independent and impartial worker benefit scheme providing industry-based portability of long service benefits for designated members of the building and construction industry in NSW. The Corporation:

- registers building and construction industry workers
- collects service details from employers and workers, and issues notices of service to workers annually, and
- provides long service payments to eligible members.

The Corporation also collects levies on building and construction work to fund the scheme.

Prior to 1986 the scheme was funded by a charge on employers. From July 1986, the *Building and Construction Industry Long Service Payments Act 1986* provided that the funding would come from a levy on building and construction work. The levy is currently 0.2% on building and construction work costing \$25 000 or more, with most local councils acting as agents to collect the levy for the Corporation.

The Corporation consists of two branches. The Operations branch is responsible for:

- scheme compliance
- customer services, and
- register maintenance.

The Support branch is responsible for:

- information technology
- levy collection, finance and compliance
- support services, and
- records management.

There is also a Policy, Development and Committee Support section.

The Corporation currently employs approximately 65 staff (full time equivalent).

The Corporation is responsible for the administration of the *Building and Construction Industry Long Service Payments Act 1986*, which requires it to deliver a long service payments scheme to the building and construction industry of NSW. This Act also defines how the scheme is to be administered and how it is to be managed.

About relationships with other organisations and stakeholders

The Corporation's operations depend on the services of local councils for the collection of levies. The Corporation has no subsidiaries, and has not entered into joint ventures or partnerships with other organisations.

The Corporation provides a service to over 251,000 registered active building and construction workers, and liaises with more than 32,500 registered employers.

About committees

The *Building and Construction Industry Long Service Payments Act 1986* provides for a Building and Construction Industry Long Service Payments Committee (the 'Industry Committee'), which acts as an advisory and appellate body. The Industry Committee consists of ten part-time members appointed by the Minister.

The Industry Committee is empowered under s.9 of the Act to advise the Corporation on administration of the Act, including matters concerning publicity, the investment of funds and the rate of the long service levy. The Industry Committee decides worker's appeals lodged against decisions of the Corporation, and decides appeals lodged by levy payers. It also acts as a 'Customer Council' in relation to customer service standards and helps to ensure that the quality and effectiveness of services meet customers' needs.

The Corporation is able to provide the building and construction industry with regular updates on its services/achievements and consult with industry representatives on any issues affecting its operations via the Industry Committee.

About the records held by the organisation

The Corporation has implemented an electronic document and records management system. The system integrates with other business solutions, and facilitates the management of paper and electronic communications records.

The Corporation has also started a major redevelopment of its computerised Worker Registry System. This redevelopment will replace a 20 year-old system and accords with Government Requirements for open platform systems. It will provide greater flexibility and will also allow for more streamlined lodgement of information by employers and will include Internet transacting.

The Corporation's oldest records date back to the beginning of the scheme in 1975, and were created by the Builders Licensing Board.

The Corporation manages records relating to the registration of and administration of payments to employers and workers as case files, and currently has approximately 380 000 worker files and 83 000 employer files.

A number of disposal recommendations have been issued to the Corporation in the past: DR2886, DR3001, DR3060, DR3092, DR3267, DR3345, DR3458, DR3556, DR3794, DR4309, DR4380, DR4499, DR4542, DR5104, DR5406 and DR5500. These covered the disposal of records relating to both the Corporation's core and administrative functions.

About the retention periods and disposal actions

Justifications for each retention period and disposal action are included in the Corporation's draft functional retention and disposal authority.

Appendix 3: Drafting the authority – State Records’ requirements and conventions for functional retention and disposal authorities

Introduction

This appendix provides an overview of State Records’ requirements and conventions for the layout and wording of functional retention and disposal authorities to guide organisations when drafting an authority. For more information about identifying and scoping functions, activities and disposal classes, and determining retention and disposal requirements, see the *Methodology for developing a functional retention and disposal authority* section in these procedures.

Format and layout

Appendix 1: Overview of documentation requirements in these procedures provides links to the templates organisations should use when drafting a functional retention and disposal authority. *Appendix 4: Example functional retention and disposal authority* provides an example of what a functional retention and disposal authority looks like.

Content and structure

If the functional retention and disposal authority is long and includes a large number of functions and activities, State Records suggests that organisations include a simple list of each of the functions contained in the authority at the start of the document. This list will act as a basic table of contents to guide users through the authority, and will also provide an overview of the functions covered.

Dates of coverage

These dates indicate the date range of the records to which the functional retention and disposal authority can be applied. In the example for the Fire Fighting Organisation provided in these procedures in *Appendix 4: Example functional retention and disposal authority*, the functional retention and disposal authority can only be used to sentence records created since 1976. It does not apply to records created prior to this date.

Determining dates of authority coverage

The functional retention and disposal authority will be applicable to all your organisational records from a nominated date. It is important to carefully consider the date from which the functional retention and disposal authority will apply. Surveying your organisation’s records holdings will assist in identifying the appropriate date range.

You are able to specify the date range for the functional retention and disposal authority that best meets your business needs.

- If your organisation holds no records of predecessor organisations, the date of your organisation’s inception would be an appropriate start date. In this case, in the ‘Dates of coverage’ field at the start of the functional retention and disposal authority you would list the establishment date of your organisation as the start date and ‘ongoing’ as the end date.

- Alternatively, your organisation may have been subject to administrative or legislative change at a particular point in time which significantly changed its operations or functional responsibilities. In this case, you could use the date of this legislative or administrative change as the start date for the functional retention and disposal authority's coverage and 'ongoing' as the end date.
- If you have undertaken a survey of your records and have determined the date range of the earliest records you are responsible for, you could use this date as the start date for the functional retention and disposal authority. Ideally, a functional retention and disposal authority should start from this date. If this date precedes the date of the organisation's inception, this should be explained in the supporting documentation submitted with the functional retention and disposal authority.

Tip: What if I'm left with records that fall outside of my nominated date range?

If you have determined a date range for the functional retention and disposal authority that coincides with major administrative or legislative change, you may be left with a collection of legacy records that pre-date the period specified by the authority.

In these cases, please contact State Records. We can discuss ways in which you can most easily obtain disposal authorisation for any records that fall beyond the nominated scope of the functional retention and disposal authority.

Function descriptions

Each function must have:

- a clear concise name (generally presented in bolded capital letters)
- a short, clear definition which provides a plain-English explanation of the function and clearly indicates the scope of the function (ie the types of business operations that are performed in relation to this function and, if necessary, what the function does not include)
- a unique three part number which runs sequentially through your document, starting at 1.0.0 for the first function (note that all function numbers end in '0.0'), and
- one or more activity terms listed under it.

Functions should be presented alphabetically in the functional retention and disposal authority.

Note: An organisation should only include *Keyword AAA* functions in the functional retention and disposal authority if they create records not otherwise covered by the general retention and disposal authorities.

Activity descriptions

Each activity must have:

- a clear concise name (generally presented in bolded sentence case)
- a short, clear definition which provides a plain-English explanation of the activity and reflects the processes carried out with respect to the function
- a unique three part number, the first part of which is inherited from the number of the function to which it relates and the second part being a sequential running number under each function starting at '1' (eg 3.1.0, 3.2.0, 3.3.0 etc) (note that all activity numbers end in '0'), and

- one or more associated disposal classes.

Activities should be presented alphabetically under the function to which they relate.

Using *Keyword AAA* activity terms and descriptions

Keyword AAA is a generic thesaurus developed by State Records. It provides a means of classifying records that document common administrative functions and activities across government, and can be a useful tool to look at when developing a functional retention and disposal authority.

However, while it can be useful to use *Keyword AAA* definitions as a starting point, you may need to tailor *Keyword AAA* activity descriptions to specifically describe how your organisation performs its particular business operations if using them in a functional retention and disposal authority.

Example: Modifying and using a *Keyword AAA* activity definition

Keyword AAA contains the following definition:

Audit

The activities associated with officially checking financial, quality assurance and operational records to ensure they have been kept and maintained in accordance with agreed or legislated standards and correctly record the events, processes and business of the organisation in a specified period. Includes compliance audits, financial audits, operational audits, recordkeeping audits, skills audits, system audits and quality assurance audits.

The following activity description shows how an organisation responsible for conducting audits of the private bus and coach companies they contract to provide passenger services modified this *Keyword AAA* definition to reflect their business:

Audit

The activities associated with officially checking the financial, quality assurance and operational records of bus or coach companies to ensure they have been kept and maintained in accordance with contract conditions.

Organisations should also be aware that *Keyword AAA* activity descriptions often cover a number of aspects of the processes involved. However, an organisation may only need to provide disposal coverage for records relating to one aspect of the activity in a functional retention and disposal authority. In this case, the organisation should modify the activity description to reflect its limitations in terms of their business.

Example: Limiting the scope of a *Keyword AAA* activity definition

Keyword AAA contains the following definition:

Advice

The activities associated with offering opinions by or to the organisation as to an action or judgement. Includes the process of advising.

An organisation could modify the description to limit coverage to *receiving* advice:

Advice

The activities associated with receiving opinions from external stakeholders such as landholders and local councils about the implementation of land management plans.

See *General Retention and Disposal Authority – Administrative records: GOVERNMENT RELATIONS – Advice* for records relating to providing advice to the portfolio Minister or other government organisations about the implementation of land management plans.

Remember that a functional retention and disposal authority is a tool that describes the business your organisation performs and the records that are produced as a result of that business. Keep it specific to and reflective of your actual business processes and requirements.

Similar activities

It is appropriate to have activities with similar names in the functional retention and disposal authority, but the descriptions need to be clearly differentiated so that users can easily choose between them.

Example: Differentiating between similarly named activities

The following extract from a functional retention and disposal authority provides an example of how to differentiate between similarly named activities:

Function/activity	Description
WATER QUALITY	The function of managing the quality of raw water to ensure compliance with industry standards. Includes monitoring water for the presence of contaminants, pathogens and bacteria.
Government policy and standards	The activity of developing and establishing whole of government policies and standards for water quality. Includes guidelines designed to support policies and standards. See WATER QUALITY – Policy for records relating to developing and establishing internal policies for managing the organisation's water quality activities.
Policy	The activity of developing and establishing decisions, directions and precedents which act as a reference for future internal decision making. See WATER QUALITY – Government policy and standards for records relating to the organisation's role in developing and establishing whole of government water quality policies.

See references

See references aim to make functional retention and disposal authorities more useable. They give users of the functional retention and disposal authority options to help them make the best decision about how to sentence a particular class of records.

- See references to other functions should be placed at the end of the function description.
- See references to other activities should be placed at the end of the activity description.

Some see references will point to locations within the functional retention and disposal authority. Using see references in this way can help to minimise duplication in the authority and make it a more useable document. It can also help users to distinguish between similarly named activities, and guide users to the appropriate disposal class, as demonstrated in the previous example above.

See references to classes in general retention and disposal authorities

You may also point users to State Records' general retention and disposal authorities. Try to make these pointers as specific as possible to guide users to the relevant entries in the

general retention and disposal authority. However, see references should not point to specific disposal class numbers, as they may change if the general retention and disposal authority is revised.

Example: Using see references

Function/activity	Description
HEALTH AND SAFETY MANAGEMENT	The function of monitoring and regulating activities and premises in NSW to promote the prevention of injuries and diseases and the development of healthy and safe workplaces.
Audit	<p>The activity of officially checking activities and premises to confirm legislation, directions and regulations have been adhered to or that operations are carried out efficiently, economically and in compliance with requirements.</p> <p>See HEALTH AND SAFETY MANAGEMENT – Reporting for records relating to reporting on annual audit outcome statistics.</p> <p>See <i>General Retention and Disposal Authority - Administrative records: OCCUPATIONAL HEALTH AND SAFETY – Audit</i> for records relating to the organisation’s internal audits of its occupational health and safety practices and procedures.</p>
	Records relating to operational audits of other organisations where practices complied with the required directions, regulations, procedures, policies, etc. Records include records of arrangements for audits, inspection reports and audit reports.

See references to other functions and activities within the functional retention and disposal authority should be listed before see references to general retention and disposal authorities.

Disposal classes

Disposal classes must be listed under the activity to which they relate, *not* directly under functions.

Each disposal class must have:

- a clear description of the transactional processes and types of records that are covered by the class
- a unique three part number, the first part of which is inherited from the number of the function to which it relates, the second part from the number of the activity it is under and the third part being a sequential running number under each activity starting at ‘1’ (eg 3.1.1, 3.1.2, 3.1.3 etc), and
- a corresponding disposal action.

Disposal classes should be **comprehensive**. Disposal class descriptions should generally start with the phrase ‘Records relating to...’ and, where possible, include examples of the types of records that are covered by the class. These examples will provide necessary guidance to all users of the authority.

Example: Comprehensive disposal classes

Records relating to the evaluation of equipment not selected for use. Records include notes of meetings or reports analysing issues and the outcomes of consultation with employees, records of the evaluation process, and final reports and recommendations.

Records relating to carrying out stocktakes. Records include stock/stores control records, stock reconciliations, data collection sheets and stocktake reports.

Disposal classes should be **inclusive** not exclusive. Disposal class descriptions should not be too focussed on specific record types or formats, as the way in which your organisation performs its business may change during the period of the functional retention and disposal authority's currency.

Example: Inclusive disposal classes

A disposal class description should read:

Records relating to the processing of applications for grape growing permits. Records include initial applications, relevant internal correspondence and responses provided back to applicants.

rather than:

Form 1B and response.

A disposal class description should read:

Records relating to the updating of authorisation certificates.

rather than:

Paper forms relating to the updating of authorisation certificates.

Disposal classes should be **specific**, and should not refer back to the function (eg 'Records relating to training conducted as part of the Tree Management function'). Disposal class descriptions should not be so inclusive that they could conceivably cover any of your organisation's records. Disposal classes should provide details of the particular processes covered by the disposal class to indicate the extent and limits of coverage.

Example: Specific disposal classes

The following disposal class could cover many of the organisation's records:

Records relating to audits.

Amending this class better indicates the extent of coverage:

Records relating to audits of the organisation's procedures for purchasing sporting equipment. Records include:

- records of audit planning or liaison with auditing body
- minutes of meetings and notes taken at interviews
- draft versions of audit reports containing significant changes, and
- final audit reports.

Disposal classes should be **well-defined**. Disposal class descriptions should define any distinctions, such as those between 'major' and 'minor', 'significant' and 'routine', 'internal' and 'external' etc. Disposal classes should be able to 'stand alone', and should not rely on an examination of other classes for their interpretation.

Example: Well-defined disposal classes

2.6.1	Records relating to the construction of buildings and structures that are of significance due to the fact that they are: <ul style="list-style-type: none">• a recipient of national or international architectural or design awards• a local or regional landmark, or• heritage listed. Records include building and development applications, plans and site diaries.
2.6.2	Records relating to the construction of buildings and structures that are not : <ul style="list-style-type: none">• a recipient of national or international architectural or design awards• a local or regional landmark, or• heritage listed. Records include building and development applications, plans and site diaries.
5.1.1	Records relating to major audits of licensing processes which set a precedent, and/or lead to a change in policies. Records include records of audit planning or liaison with auditing body, minutes of meetings and notes taken at interviews, draft versions of audit reports containing significant changes, and final audit reports.
5.1.2	Records relating to audits of licensing processes which do not set a precedent, and/or lead to a change in policies. Records include records of audit planning or liaison with auditing body, minutes of meetings and notes taken at interviews, draft versions of audit reports containing significant changes, and final audit reports.

Disposal classes should only cover records that the organisation actually creates or maintains, or those that the organisation reasonably expects to create or maintain in the near future.

Logical flow

There needs to be a logical flow between functions, activities and disposal classes. Reading the functional authority should provide a good insight into the actual work performed in your organisation, so you need to ensure that there are good connections between all levels of descriptions in the document.

Tip: Be careful when cutting and pasting!

While it can be tempting to cut and paste similar activities and disposal classes between functions, be aware of the errors this can produce in the authority if you fail to customise the pasted text to the function. If you do cut and paste text between functions, always check that the pasted text relates to the function and activity it appears under, and not to a different function and activity elsewhere in the authority.

Case records

Where particular instance or case files are to be covered by a functional retention and disposal authority (including project or program records), it is important to assess whether:

- the case files should be treated as a single class (where the records document a single activity) or
- the case files comprise records resulting from multiple activities and should therefore be described as separate classes in the authority.

If the disposal action and minimum retention period for all records in a case file will be the same, regardless of the activity they document, then it may be more meaningful for your organisation to base the disposal classes on the case files.

Example: Treating case files as a single class

An organisation manages records relating to registering and administering payments to clients as case files. For business purposes, the organisation requires all documents on these files to be retained for the same period of time. Therefore, these case files are treated as a single class in the organisation's functional retention and disposal authority, rather than separated under the different activities to which they relate.

Describing the records maintained as case files under separate activities or classes is appropriate if your organisation wants to move away from case file management, and if different retention periods apply to the records managed in the case file. This can also have benefits in terms of storage costs savings.

Case files often have quite long retention periods, as they must be kept for the longest minimum retention period identified for the file's contents. 'Stripping' files to remove information ready for destruction is not an acceptable practice and is not recommended by State Records, as it is labour intensive and may cause inadvertent loss of important information or context.

Basing records systems and filing practices on authorised retention periods has the potential benefit of ensuring that records are only kept for as long as needed and then promptly destroyed. Separate files can be created for records relating to matters where the retention period is shorter. These separate files can still be linked to the main case file in your records management system.

Example: Describing case files under separate classes

The *General Retention and Disposal Authority – Personnel records* authorises the disposal of records about individual employees according to the activities the records document rather than the way in which the records may be physically managed in files.

When developing this general retention and disposal authority, consultation with organisations revealed that not all records relating to an individual employee needed to be retained for the same period. Organisations were therefore moving away from a case file-based system.

Records that should be included in disposal classes

Records of meetings

Organisations should be aware that the disposal of records relating to committee meetings and of general staff or section meetings is authorised in the *General Retention*

and Disposal Authority – Administrative records. Organisations do not need to provide disposal coverage for these records in a functional retention and disposal authority.

Note: Exceptions to this may arise where an organisation recommends that the records of a committee which would be authorised for destruction in the *General Retention and Disposal Authority – Administrative records* be retained as State archives.

Organisations should provide disposal coverage for records relating to meetings held as part of the conduct of their core functions in a functional retention and disposal authority. However, records of meetings do not always need to be covered under a separate activity of 'Meetings'. Generally, organisations conduct meetings for a specific purpose, such as to develop a policy, evaluate grant or funding applications, or conduct planning exercises. In these cases, records relating to the meeting should be covered under the relevant activity with other developmental records to ensure consistent retention (so records relating to meetings held for planning purposes should be covered under an activity of 'Planning' or similar).

Example: Providing disposal coverage for meeting records

Function/ Activity	Description
FINANCIAL ASSISTANCE	The function of administering financial assistance programs established to provide support for rural land holders. <i>See General Retention and Disposal Authority – Administrative records: COMMITTEES for records relating to grant and funding committee meetings.</i>
Planning	The activity of formulating ways in which objectives for the provision of financial assistance can be achieved.
	Final, approved financial assistance plans, setting out targets and priorities.
	Records relating to the development and review of financial assistance plans. Records include drafts, records of meetings held to develop plans and records of consultation with stakeholders.

Publications

Organisations produce a range of publications for internal and external audiences, and many of these need to be covered in a functional retention and disposal authority. The disposal coverage provided in the general retention and disposal authorities is limited to annual reports, strategic, corporate and business plans, conference proceedings, promotional publications, and audiovisual materials. The general retention and disposal authorities also cover records of the production process, such as those relating to layout, typesetting, printing etc, and records relating to marketing and supplying publications.

Within each appropriate functional classification, ensure that the functional retention and disposal authority has coverage for substantive drafts and final versions of publications relating to your organisation's core functions such as:

- standards or codes of practice produced by your organisation
- policies or procedure manuals
- education program manuals
- research reports

- training materials
- posters
- catalogues
- journals, and
- client fact or information advice sheets.

Example: Including publications in disposal classes

Publications relating to your organisation's core business may be included under specifically publication-oriented activities in the functional retention and disposal authority:

Function/Activity	Description
FINANCIAL ASSISTANCE	The function of providing financial support to organisations in the form of loans and grants, and managing the organisation's application-based funding categories.
Guidelines	The activity of developing and revising guidelines for all programs of financial assistance. <i>See General Retention and Disposal Authority – Administrative records: PUBLICATION for records relating to the design, layout and distribution of guidelines.</i>
	Approved final versions of funding application and assessment guidelines. Include guidelines for applicants, and guidelines or protocols for persons involved in the assessment of applications.
	Records relating to drafting and revising funding application and assessment guidelines. Records include background and research material and drafts containing significant changes.

Alternatively, activities which are *not* specifically publication-oriented may include entries for relevant publications produced as part of that activity:

Function/Activity	Description
Tours	The activity of developing and organising tours of the organisation's facilities. <i>See General Retention and Disposal Authority – Administrative records: PUBLICATION for records relating to the design, layout and distribution of programs and itineraries.</i>
	Records relating to arrangements for tours. Records include booking sheets, records of transport and catering arrangements, and agreements with speakers.
	Final programs and itineraries for tours.
	Records relating to drafting and reviewing tour programs and itineraries. Records include background and research material and drafts containing significant changes.

Databases

Don't forget to include the records contained in databases and business systems when developing your disposal coverage. Records and information of key organisational business is often created and maintained in these systems, and it is crucial to ongoing organisational accountability that these systems and the records held in them are adequately managed. Part of this adequate management is determining how long these records need to be maintained in order to meet your business needs. Determining retention requirements will mean appropriate plans can be put in place for the ongoing maintenance of the database or business system.

Remember that changing databases and the information within them may be a form of disposal, so it is very important to have appropriate management and disposal arrangements in place.

Example: Changing a database – a form of disposal?

An organisation migrated their client database to a new system. This migration did not result in any change to the information contained in the database, so did not constitute disposal.

Another organisation redesigned their client database. As a result of the redesign, some of the information contained in the old database was changed and not migrated across into the new system, and so constituted disposal.

Organisations need to identify what **records and information** are contained in databases, and manage their surroundings to prevent unauthorised or unintentional disposal. You may want to use a table like this to identify the different databases or business systems in your organisation:

Name of system/database	Purpose it serves	Summary of information contained in it

Be aware that when developing disposal coverage for a database, you may need to consider its various different components (such as inputs, the master file, outputs and system documentation) and cover each of these in the functional retention and disposal authority. The disposal of some of these components may be covered by normal administrative practice (NAP). It may also be necessary to cover codebooks, record layouts and other documentation needed to interpret the data in the system. Talk to IT staff or users of the system if you are unsure about how to identify and access these different components.

The system user manual can often provide a description of the system, its purpose and its relation to business. Talk with people who use the system to make sure that you have access to the most current version of any system documentation.

When you know what systems exist and the business they perform, you can start to look at how long this information needs to be kept. You can then ensure the systems are appropriately covered in the functional retention and disposal authority.

Tip: Liaise with IT colleagues

When you have identified retention requirements that specify how long the records contained in your databases need to be kept for, talk again to your IT colleagues. They need to be kept informed of any legal, business, accountability or community requirements that identify how long the records within these systems will need to be maintained for. IT staff can then develop plans for system maintenance or migration to ensure that the information within the database will be accessible and useable for the entire retention period.

To meet business or legal requirements to maintain records of the transactions performed in your databases, it may be useful to use the disposal process as a means to change your business processes to ensure that your business needs are being met. For example, you can use this process to implement rules that require the capture of reports or other outputs from the database as records in your recordkeeping system.

For more information about how to assess databases and other business systems to determine whether they are meeting your business requirements, see Step D of *Strategies for Documenting Government Business: The DIRKS Manual*.

Records that should NOT be included in disposal classes

Organisations generally will not need to provide disposal coverage for records relating to COMMITTEES, CONTRACTING-OUT, GOVERNING BODIES (such as Boards, Trusts etc) or TENDERING in functional retention and disposal authorities, as these records are covered in the *General Retention and Disposal Authority – Administrative records*.

Exceptions to this should be made when necessary, for example where the organisation's prime functions involve advising on or undertaking contracting out or tendering on behalf of other organisations (eg the Department of Commerce).

Tip: Do not include different versions of the same record in the authority!

You do not need to include separate classes for copies of records retained for reference purposes or versions of records on networks in the functional retention and disposal authority. Instead, you need to ensure that you have adequate procedures in place to ensure that an official version of all records is captured into a corporate system and managed in accordance with State Records' requirements, including the retention requirements outlined in the functional retention and disposal authority.

Put in place data management rules to ensure that networks are appropriately managed and that copies of corporate records are only retained for as long as required for business purposes. It is a waste of corporate resources to have networks in effect acting as duplicate recordkeeping systems.

If this is happening in your organisation it is worth questioning why. Staff may find it difficult to access your recordkeeping system or find information within it. If this is the case you may need to consider redeveloping aspects of your system to improve its useability. Please contact State Records for advice, or see the guidance provided in Step E and Step F of *Strategies for Documenting Government Business: The DIRKS Manual* about redeveloping recordkeeping systems.

Example: Identifying different versions of the same record

When examining their recordkeeping practices while developing a functional retention and disposal authority, an organisation noticed that the record of the agreed outcomes from Registration Panel meetings was filed in the corporate recordkeeping system. Internally this version was regarded as the official record of the meeting. However, for ease of access, an electronic copy of the outcomes was also kept on the computer network. A paper copy of the record was also made and filed in a series of binders located with the Registration team.

The organisation did not cover each of these different forms of the same record separately in the functional retention and disposal authority. They realised that one disposal class for this group of records would cover the version captured into the corporate recordkeeping system. The other versions could be disposed of in accordance with normal administrative practice (NAP).

The class in the functional retention and disposal authority applies to the 'official' copy captured into the organisation's recordkeeping system. The functional retention and disposal authority establishes the appropriate minimum retention period for which the record must be retained. Policies and procedures establish that disposal of the additional copies is an accepted practice once reference has ceased.

Tip: Use the *General Retention and Disposal Authority – Imaged records* to dispose of records that have been imaged or microfilmed

The *General Retention and Disposal Authority – Imaged records* provides disposal coverage for records that have been imaged or microfilmed. This general retention and disposal authority authorises the destruction of specified original records after copying, provided the conditions listed in the authority have been met.

Under this general retention and disposal authority, when an organisation destroys original records it must retain the copies for the records' full retention periods, as required in the relevant retention and disposal authority.

Note: This general retention and disposal authority does *not* authorise the disposal of records created before 2000 that have been identified as State archives in an approved retention and disposal authority and have been imaged. Organisations should contact State Records to discuss arrangements for obtaining permission to dispose of these records.

Disposal actions

Disposal actions specify what should happen to a record. A disposal action is either:

- an authorisation to destroy a class of records after a specified retention period expires ('Retain minimum of 1 year after last action, then destroy'), or
- an identification of a class of records required as State archives ('Required as State archives').

Standard conventions for expressing disposal actions

Disposal action	Wording convention
Records to be retained as State archives	Required as State archives
Records which can be destroyed after a specific period of time	Retain minimum of X months/years after Y, then destroy <i>Note: X = number of months/years, Y = the event from which the number of years is counted (such as audit, last action etc)</i>
Records which can be destroyed when they have been superseded	Retain until superseded, then destroy
Records which can be destroyed but there is no specific retention period	Retain until administrative or reference use ceases, then destroy

Justifications

Justifications explain how or why the recommended disposal actions have been determined. It is a requirement of the *Standard on the appraisal and disposal of State records* and these procedures to provide justifications for all recommended disposal actions.

Justifications do not have to be extensive but they must be clear, considered and specific. Justifications need to provide definitive, measurable statements that give a clear rationale for the identified minimum retention period or the recommendation to retain the records as State archives.

To assist State Records in reviewing retention decisions, provide as much detail as possible about the source or basis of the decision, including references to sections of legislation, standards, rules, guidelines and other documentary sources.

Remember that for a functional retention and disposal authority, your justifications need to specifically relate to retention issues – they need to clearly and carefully explain why you are recommending that a record be kept for a specified amount of time. There is no need to reference creation or other recordkeeping requirements in the authority – keep your justifications focussed on retention and disposal issues.

Tip: Make your justifications meaningful

Justifications such as 'Business need', 'Research value' or 'Similar to DA123' are not acceptable as they are not specific and do not communicate why a specific disposal decision has been reached.

Example: Justifications for retention periods and disposal actions

National Rules Version 1.0, s1.9 specifies that all records and documents relating to the Scheme must be retained for a period of at least 7 years.

Retention period is consistent with those identified for similar classes of records in other disposal authorities approved by State Records, such as DA165: Organisation G, entry x.x.x and *General Retention and Disposal Authority – Administrative records*, entry x.x.x, and confirmed by organisation staff as appropriate.

Retention period is consistent with approach in other state jurisdiction, see Disposal Authority T, entry x.x.x, and confirmed by organisation staff as appropriate.

Based on consultation with stakeholder group, Citizens for Action on 20 September 2006: these stakeholders expect that they will be able to refer to these records for X years/months.

Records relating to administrative arrangements associated with the conduct of researcher forums have limited use for reference or other purposes after the finalisation of the arrangements and need only be retained for a short period. Significant information pertaining to the outcomes of this process will be documented in the final reports of the forums.

Reports are generated weekly and are consolidated into summaries for the management committee. These summaries are retained for 10 years (see disposal class x.x.x below). Therefore only a short retention period is required for the weekly reports themselves. The proposed minimum retention period provides the opportunity to review and reference records within a relevant timeframe.

Records may be relevant to compensation claims for property damage or personal injury, and retention period encompasses limitation periods for potential legal action or disputes.

Retention period based on requirements of (and in accordance with) the *Copyright Act 1968* (Commonwealth), s.135K.

Retention period based on requirements for information for end of financial year statistical reporting purposes.

Retention period based on the need for the records for short term reference. Records do not deal with substantive advice.

Records needed for reference as long as licence agreement is in place as they protect the rights and interests of the licensee and the organisation as the owner of the intellectual property.

Retention period encompasses program review and planning cycles – potential need for reference beyond these is limited.

If adequate justifications are not provided in draft functional retention and disposal authorities or supporting documentation, organisations will be asked to resubmit their documentation with revised justifications for each disposal recommendation before State Records undertakes any assessment.

Custody

Developing a functional retention and disposal authority provides a useful opportunity for organisations to consider the long term management arrangements for their records. Appropriate planning in this way can help to manage and minimise the significant costs

associated with records storage, particularly long term records storage. This information also assists State Records to identify and plan for future resource requirements.

The functional retention and disposal authority template contains a field (the 'Custody' column) for indicating how long your organisation expects records required as State archives to be in use and maintained by your organisation prior to the transfer of their custody and/or control to State Records. Organisations must include this information in the functional retention and disposal authority for all records identified as State archives, including records in electronic formats.

This information may include directions on how long records should be retained in the office and how long they should be kept in off-site/secondary storage prior to their transfer as State archives. The periods identified for transfer as State archives should realistically reflect when your organisation expects the records will no longer be required for ongoing business or reference purposes. It is at this stage that your organisation should make appropriate arrangements for the transfer of the custody and/or control of the records to State Records to facilitate their ongoing preservation and management as State archives.

Example: Custody information

Based on your own assessment of your business needs and retention requirements, the custody column can include information such as:

Retain in office 10 years after last action, then transfer to State Records.

Retain on-site 2 years after signing agreement, move to off-site storage for 5 years, then, if agreement has expired and there is no further action required, transfer to State Records.

Maintain in online system 2 years after creation, then transfer to offline storage. Transfer to archival control 10 years after creation.

Note: The information recorded in this column is a **recommendation** only. If you wish to change or alter the proposed custody arrangements after the functional retention and disposal authority is issued, you do not need to resubmit the authority for State Records' approval. If you want to transfer records as State archives before the periods identified in the custody column have expired, please contact State Records. If the information in the custody column indicates that the records are to be managed or retained by the organisation for a period of more than 25 years, this does not imply that State Records has approved either a still in use determination or a distributed management agreement.

See *Procedures for transferring custody of records as State archives*, available on State Records' website, for further information about requirements for the transfer of control of records and options for managing the custody of records required as State archives.

For records in electronic formats you should provide a realistic indication of when your organisation expects they would have minimal need to refer to the records for ongoing business purposes. State Records is currently investigating custodial strategies for certain types of electronic records identified as State archives. In the interim, responsibility for the retention of these records rests with organisations. Therefore, awareness of the need to plan for the long term retention and ongoing accessibility of these records once business use has ceased is particularly important.

Tip: Be aware of the need to ensure the accessibility of electronic records

If you plan to transfer electronic records to offline storage formats such as CD-ROM or magnetic tape, you need to ensure that any subsequent upgrades to your online systems will not render the information stored on these formats obsolete or inaccessible because the upgraded software or technology cannot 'read' or retrieve it.

See *Guideline 14 – Future Proof: Ensuring the long term accessibility of equipment/technology dependent records*, available on State Records' website, for further advice and guidance.

Expression and wording

Acronyms and jargon

Although acronyms and jargon may be commonly used and understood in your organisation, you should avoid using these in functional retention and disposal authorities. Functional retention and disposal authorities are documents that generally remain current for a number of years, and terminology such as acronyms and jargon can date and become meaningless within a short time frame.

- All acronyms should be avoided, or spelled out in full.
- More widely understood terms should be used in the place of jargon.

Tip: The authority must be clear and simple to read

It is very important to ensure that the functional retention and disposal authority is readable and understandable. Ideally, if the average person on the street was to read through the document it would give them a good overview of the business your organisation performs. The functional retention and disposal authority should have a logical structure and be written in plain English, avoiding all jargon and acronyms.

Appendix 4: Example of a functional retention and disposal authority

The following extract from a fictional functional retention and disposal authority provides an example of the type of document you will need to create and submit to obtain disposal authorisation for your organisation. This document is based on the template that all public sector bodies are required to use when drafting a functional retention and disposal authority. Word and Excel versions of this template are accessible from *Appendix 1: Overview of documentation requirements*.

Example: Extract from the Fire Fighting Organisation's functional retention and disposal authority

Draft – Fire Fighting Organisation

Dates of coverage: 1976 – ongoing

No.	Function/Activity	Description	Disposal Action	Justification	Custody
3.0.0	FIRE MANAGEMENT	The function of managing fire prone land, including the use of fire to achieve land management objectives. Also includes the prevention and control of fires in areas managed by the Agency.			
3.3.0	Fire planning	The activity of developing and implementing fire plans for an area or district which describe natural resources and proposals for managing fires. See FIRE MANAGEMENT – Incidents for records relating to specific fire incidents.			
3.3.1		Fire management plans for individual reserves.	Retain minimum of 1 year after plan is superseded, then destroy	Plans are maintained as up to date working documents to instruct staff on risks, priorities and actions required. Once superseded, old plans have limited internal reference use.	

3.6.0	Regeneration	The activity of analysing and developing specific programs to facilitate the reestablishment or rehabilitation of native vegetation.			
3.6.1		Summary reports and analysis of the level of fire damage and regeneration or rehabilitation of burnt areas, including evaluations of regeneration programs.	Required as State archives	Records provide a summary report of revegetation strategies, including assessment of their effectiveness. Such records contribute to the cumulative record of environmental management of a particular area, and provide a research resource for investigations into the impact of fire incidents on the Australian environment.	Retain in office for 2 years, transfer to offsite storage for 8 years, then transfer to State Records
3.6.2		Records relating to programs for regeneration of native vegetation by planting and restrictions on use and access to a burnt area.	Retain minimum of 10 years after action completed, then destroy	Records provide the base analysis for summary reports on revegetation which are recommended for retention as State archives (class 3.2.1). While of long term value for internal reference, they are not considered essential to understanding the information contained in the summary reports. Retention period is based on these considerations and confirmed as appropriate in interview with section Manager.	

Appendix 5: Checklist for submitting a functional retention and disposal authority for approval

Before submitting a draft functional retention and disposal authority for approval by State Records, check to make sure that you have followed the requirements described in these procedures.

Note: Staff at State Records will review the draft functional retention and disposal authority against our requirements before submitting it to State Records' Board for approval. It is likely that we will have some comments on the draft. The review process can take some months, depending on the quality of the documentation submitted and the complexity of the organisation.

Checklist

Use the following checklist to ensure that the functional retention and disposal authority and supporting documentation comply with State Records' requirements:

Functional retention and disposal authority – Content and structure

The authority only includes functions, activities and classes of records not covered in general retention and disposal authorities

The authority covers all records not adequately covered by general retention and disposal authorities

The authority is structured around functions and activities

All functions, activities and disposal classes are appropriate and adequately described

All disposal actions are supported by appropriate justifications

Functional retention and disposal authority – Format and layout

The authority template has been used

The layout conventions have been followed

Functional retention and disposal authority – Expression and wording

The descriptions of functions, activities and classes of records will make sense to someone outside of the organisation

The wording conventions for disposal classes and disposal actions have been followed

Supporting documentation

The supporting documentation includes all the information outlined in *Appendix 1: Overview of documentation requirements*

Appendix 6: Interviewing business managers and action officers

Sample questions

When developing a functional retention and disposal authority you may wish to ask business managers and action officers some or all of the following questions:

What functions and activities is your area responsible for? What specific processes do you follow when performing these activities?

What records do you create and why? What records do you refer to, if not create (such as applications received from clients, reports from other areas of your organisation, records of previous contact with a client etc)?

Do you have procedures that guide your work?

Have you or other staff done a risk assessment of your activities?

Is your area responsible for the administration of any legislation or regulations?

Is your work governed by any best practice standards, industry standards or codes of best practice?

Are there any compliance checks made on your work? Are you audited or accredited by external organisations?

Do you interact with other business areas when performing your activities? If so, do they need to refer to records created and maintained by your business unit?

Do you interact with external organisations when performing your activities? What information do you routinely report on or submit to external organisations?

What business information systems do you use? Do you find these systems to be adequate? What problems have previously arisen with these systems?

Are you subject to any requirements to make information publicly available? Do you provide services to the public? Do your records document any rights or entitlements of members of the public?

Who are your key stakeholders? What influence do they have over your operations?

Has your area been subject to any litigation? Or have the records created and maintained by your business unit been required for legal purposes, such as legal action involving your organisation or litigation between other parties?

Are consultants employed to carry out any of your work?

What recordkeeping system(s) do you use?

Do you regard your recordkeeping as adequate? Do you always have the evidence and information you need to meet your business needs?

Can you always find information when you require it? If not, what are the problems that affect information access?

How long do records need to be kept to meet your specific business needs?

Are your records referenced and used by other areas of the organisation?

Interview tips

Adequately structure your interview

Remember that people are giving up their time to participate in your interview process. You need to be well prepared and know in advance the range of different issues you need to seek advice about. Structure your interviews accordingly.

Over-interviewing people can lead to them feeling frustrated with your project. This could make them unwilling to participate further in your work and may affect their responsiveness to your final product. Be very aware of this as you prepare for and structure your interviews.

Prepare interviewees for your discussions

To make the most of your time and the time of your interviewees, preparation is important. Try to ensure that the people you want to meet are fully briefed about your project and the specific information you want them to supply.

You could also arrange for a memorandum to be circulated to all staff identified as potential interviewees. The memo should:

- explain who you are and the name of your project
- describe the expected outcomes of the project, emphasising the benefits to the organisation such as savings in money and staff time used to store, retrieve and locate records
- indicate that interviewees have been selected because of their knowledge of the structure, functions and business activities of the organisation, as well as their understanding of the organisation's information needs
- identify the type of information you require and request that the interviewee consider these matters prior to being interviewed (such as the functions and activities of the operational area and how these fit into the overall purpose and structure of the organisation, what records and recordkeeping systems result from these functions and activities, any legal or other recordkeeping requirements relating to the records, and the interviewees' opinion on how long the records they use are required for business purposes)
- state how long you anticipate the interview will last, and
- thank prospective interviewees for their cooperation.

Once you have chosen a time period in which to conduct the interviews you should contact the interviewees and find out when each is available to be interviewed.

You may need to extend the interview program's timeframe to fit in with interviewees' other commitments. Be prepared to be flexible.

Write up your notes

Write up your notes directly after the interview while the information is still fresh in your mind. It is a good idea to structure your notes clearly, for example according to each question or according to predetermined topics such as functions, activities, processes and recordkeeping requirements.

You should provide adequate information to enable every source to be identified (such as the person's name, position, functional responsibilities, length of experience in the organisation, etc). Be sure also to document the date of the interview.

Appendix 7: Table of commentary template

Use the following template to document the outcomes of internal review processes and external consultation.

Table of Commentary – Functional retention and disposal authority for [name of organisation]

1. Summary

[Brief summary of:

- the subject of the functional retention and disposal authority
- the process undertaken to review/circulate for comment the authority
- the number of comments received
- the range of responses received, and
- any amendments or changes made to the authority (at a broad level) as a result of the consultation process.]

2. Comments and Responses

2.1 [Heading – eg Scope of authority]

2.1.1 Comment

[Brief summary, no more than a few sentences, of the substance of the comment. If necessary mention variations on the comment, eg where some stakeholders made additional related comments that are best handled under the same heading. The comment should be expressed in as objective a manner as possible.

Give some indication of the proportion of stakeholders making the comment. This should be expressed in words (eg 'most stakeholders', 'many stakeholders', 'some stakeholders', 'a few stakeholders'), rather than numbers or percentages.]

2.1.2 Response

[Brief summary of your organisation's position in response to the comment and the reasons for it. Follow this with an indication of how you have addressed the issue, eg by making a substantive change to the functional retention and disposal authority or clarifying something, or note that the issue will be addressed through intended guidance or training.]

2.2 [Heading – eg Records nominated for retention as State archives]

2.2.1 Comment

[As above]

2.2.2 Response

[As above]

Appendix 8: Determining the cost of records storage

The cost of records storage will vary depending on whether you store your records in office accommodation or commercial storage facilities, or have other arrangements in place for where and how your records are stored.

To calculate storage costs, begin by estimating the number of boxes needed to house the records currently kept in filing cabinets or on shelves:

- The capacity of a filing cabinet drawer is usually equivalent to 2-3 Type 1 boxes¹.
- The capacity of a four drawer filing cabinet is usually equivalent to 8-12 Type 1 boxes.
- The capacity of a compactus shelf is usually equivalent to 5 Type 1 boxes.

You can then use this estimated number of boxes to calculate storage costs:

- The cost of leasing office accommodation ranges from less than \$300 to more than \$500 per square metre per year. If one square metre holds approximately 50 Type 1 boxes, the cost of storage in office accommodation will range from less than \$6 to more than \$10 per box. You also need to add the cost of shelving, maintenance, cleaning, electricity and retrieval.
- Commercial storage costs are relatively easy to calculate: if your organisation is already using a commercial provider, you can calculate yearly storage costs using the quarterly bills. Commercial storage costs range from approximately \$3 per box in low end storage to \$5-\$7 per box in high end storage. However, retrieval costs can vary greatly depending on the level of usage and the provider's fee structure. You also need to consider other potential costs such as penalties for early termination of contract, destruction or withdrawal fees, and search fees.
- The costs of managing and storing records in an organisation warehouse or special storage facility will depend on numerous factors: the cost of construction or fit-outs, leasing costs if the organisation does not own the building, the cost of fixtures and equipment, staffing levels, and retrieval costs. It costs one particular organisation \$8.35 per box to store records in their purpose built facility.

¹ Type 1 boxes are designed to hold foolscap and A4 files and papers, and measure 380mm x 260mm x 150mm.