State Records Authority of New South Wales

Functional Retention and Disposal Authority: FA287

This authority covers records documenting the function of providing internal audit and consultancy services

Issued to Internal Audit Bureau of NSW (IAB Services)

This functional retention and disposal authority is approved under section 21(2)c of the State Records Act 1998 following prior approval by the Board of the State Records Authority of New South Wales in accordance with section 21(3) of the Act.
State Records Authority of New South Wales
Functional Retention and Disposal Authority

Authority no  FA287
SR file no  09/0318

Scope
This functional retention and disposal authority covers records documenting the function of providing internal audit and consultancy services from 1985 onwards.

Public office
Internal Audit Bureau of NSW (IAB Services)

Approval date
21/08/2009
Alan Ventress  Date
Director
State Records Authority of New South Wales
About the Functional Retention and Disposal Authority

Purpose of the authority

The purpose of this functional retention and disposal authority is to identify those records created and maintained by NSW public offices which are required as State archives and to provide approval for the destruction of certain other records created and maintained by NSW public offices, after minimum retention periods have been met.

The approval for disposal given by this authority is given under the provisions of the *State Records Act 1998* only and does not override any other obligations of an organisation to retain records.

The retention and disposal of State records

The records retention and disposal practices outlined in this authority are approved under section 21(2)(c) of the *State Records Act 1998 (NSW)*. Part 3 (Protection of State Records) of the Act provides that records are not to be disposed of without the consent of State Records with certain defined exceptions. These exceptions include an action of disposal which is positively required by law, or which takes place in accordance with a normal administrative practice (NAP) of which State Records does not disapprove. Advice on the State Records Act can be obtained from State Records.

The authority sets out how long the different classes of records generated by an organisation must be kept to meet its legal, operational and other requirements, and whether the records are to be kept as State archives. The State Records Authority ('State Records') reviews and approves organisations' retention and disposal authorities under the State Records Act.

This authority is the product of an appraisal process conducted in accordance with State Records’ *Standard on the appraisal and disposal of State records*. It is the duty of a public office, in submitting a draft functional retention and disposal authority for approval, to disclose to State Records any information which affects the retention of the records covered by the authority.

State Records’ decisions take into account both the administrative requirements of the public office in discharging its functional responsibilities and the potential research use of the records by the NSW Government and the public. One of State Records’ functions is to identify and preserve records as State archives. These are records which document the authority and functions of Government, its decision-making processes and the implementation and outcomes of those decisions, including the nature of their influence and effect on communities and individual lives. Criteria for the identification of State archives are listed in *Building the Archives: Policy on records appraisal and the identification of State archives*. The Policy also explains the roles and responsibilities of State Records and of public offices in undertaking appraisal processes and disposal activities.
Implementing the authority

This functional retention and disposal authority covers records controlled by the public office and applies only to the records or classes of records described in the authority. The authority should be implemented as part of the records management program of the organisation. Two primary objectives of this program are to ensure that records are kept for as long as they are of value to the organisation and its stakeholders and to enable the destruction or other disposal of records once they are no longer required for business or operational purposes.

The implementation process entails use of the authority to sentence records. Sentencing is the examination of records in order to identify the disposal class in the authority to which they belong. This process enables the organisation to determine the appropriate retention period and disposal action for the records. Advice on sentencing can be obtained from State Records.

Where the format of records has changed (for example, from paper-based to electronic) this does not prevent the disposal decisions in the authority from being applied to records which perform the same function. The information contained in non paper-based or technology dependant records must be accessible for the periods prescribed in the classes. Where a record is copied, either onto microform or digitally imaged, the original should not be disposed of without authorisation (see also the General Retention and Disposal Authority – Imaged records). Public offices will need to ensure that any software, hardware or documentation required to gain continuing access to technology dependent records is available for the periods prescribed.

Disposal action

Records required as State archives

Records which are to be retained as State archives are identified with the disposal action 'Required as State archives'. Records that are identified as being required as State archives should be stored in controlled environmental conditions and control of these records should be transferred to State Records when they are no longer in use for official purposes.

The transfer of control of records as State archives may, or may not, involve a change in custodial arrangements. Records can continue to be managed by the public office under a distributed management agreement. Public offices are encouraged to make arrangements with State Records regarding the management of State archives.

Transferring records identified as State archives and no longer in use for official purposes to State Records’ control should be a routine and systematic part of a public office’s records management program. If the records are more than 25 years old and are still in use for official purposes, then a ‘still in use determination’ should be made.
**Records approved for destruction**

Records that have been identified as being approved for destruction may only be destroyed once a public office has ensured that all other requirements for retaining the records are met. Retention periods set down in this authority are *minimum* periods only and a public office should keep records for a longer period if necessary. Reasons for longer retention can include legal requirements, administrative need, and government directives. A public office *must not* dispose of any records where the public office is aware of possible legal action (including legal discovery, court cases, FOI requests) where the records may be required as evidence. Once all requirements for retention have been met, destruction of records should be carried out in a secure and environmentally sound way. Relevant details of the destruction should be recorded.

Organisations should review functional retention and disposal authorities regularly to ensure that they remain relevant as the organisation’s functions and activities, operating environment and requirements for records change. 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 administration is restructured and functions are moved between entities, or
- unforeseen or new community expectations become apparent.

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.

Regardless of whether a record has been approved for destruction or is required as a State archive, a public office or an officer of a public office must not permanently transfer possession or ownership of a State record to any person or organisation without the explicit approval of State Records.

**Custody**

The custody column in the functional retention and disposal authority is designed to assist public offices in identifying storage requirements or transfer arrangements for records identified as State archives (ie with a Disposal action of ‘Required as State archives’). The directions in this column are recommendations only and are *not* mandatory. The type of information may include directions on how long records should be retained in the office and how long they should be kept in off-site, off-line or secondary storage prior to their transfer as State archives. A recommendation to retain records in the organisation for more than 25 years does not imply that a *still in use determination* (see Part 4, Section 28 of the *State Records Act 1998*) or that a distributed management agreement (see Part 4, Section 30 of the *State Records Act 1998*)
has been approved by State Records. Advice on arrangements for managing and transferring State archives can be obtained from State Records.

**Administrative change**

This functional retention and disposal authority has been designed to link records to the functions they document rather than to organisational structure. This provides for a stable functional retention and disposal authority that is less affected by administrative change. The movement of specified functions between branches or units within the public office does not require the authority to be resubmitted to State Records for approval. However, when functions move from one public office to another the public office that inherits the new function should contact State Records to discuss use of any existing functional retention and disposal authority approved for use by a predecessor organisation.

**Amendment and review of this authority**

State Records must approve any amendment to this authority. Public offices that use the authority should advise State Records of any proposed changes or amendments to the authority.

State Records recommends a review of this authority after five years to establish whether its provisions are still appropriate. Either the public office or State Records may propose a review of the authority at any other time, particularly in the case of change of administrative arrangements or procedures which are likely to affect the value of the records covered by this authority.

In all cases the process of review will involve consultation between State Records and the public office. If the process of review reveals that this authority requires amendment, the necessary amendments should be made and approved.

**Contact Information**

State Records  
PO Box 516 Kingswood NSW 2747  
Telephone: (02) 8247 8627  
Facsimile: (02) 8247 8626  
E-mail: govrec@records.nsw.gov.au
### Functional Retention and Disposal Authority
**Internal audit and consultancy services (Internal Audit Bureau of NSW (IAB Services))**

**Authority number:** FA287  
**Dates of coverage:** 1985+

#### List of Functions and Activities covered

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<tr>
<td>1.1.0</td>
<td></td>
<td>Internal Audits</td>
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<td>INVESTIGATION REVIEW</td>
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<td>2.1.0</td>
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<td>Investigations</td>
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<td>3.0.0</td>
<td>CONSULTING ENGAGEMENT</td>
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<td>3.1.0</td>
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<td>Consultancy</td>
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<td>STRATEGIC MANAGEMENT</td>
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<td>4.1.0</td>
<td></td>
<td>Policies and procedures</td>
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## Functional Retention and Disposal Authority
### Internal audit and consultancy services (Internal Audit Bureau of NSW (IAB Services))

**Authority number:** FA287  |  **Dates of coverage:** 1985+

<table>
<thead>
<tr>
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<th>Description</th>
<th>Disposal Action</th>
<th>Custody*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0.0</td>
<td>FINANCIAL AND OPERATIONAL INTERNAL AUDIT</td>
<td>The provision of an independent opinion on the effectiveness of procedures and accuracy and completeness of processes in relation to the agency’s financial and operational internal controls. These audits identify whether the agency complies with accounting standards and relevant laws, regulations and government directions and highlight opportunities for agencies to improve their financial and operational processes and systems.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.0</td>
<td>Internal Audits</td>
<td>The conduct of audits of the financial and operational processes and systems of an agency to assess compliance with operating procedures and accounting standards, controls, Treasurer’s and Premier’s Directions and the Public Finance and Audit Act and other legislation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.1</td>
<td>Records relating to reporting to the agency on the overall conclusion of the audit. This includes the report provided to the CEO of the agency on the overall conclusion of the audit and records relating to the creation of the Internal Audit Report and associated correspondence with the agency.</td>
<td>Retain minimum of 6 years after engagement closure, then destroy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.2</td>
<td>Records relating to the collection of evidence, review of procedures and analysis of agency data (i.e. working papers). This includes paper based records prepared by the consultants engaged by IAB Services or those prepared by the agency, as internal audit evidence, and any electronic worksheets in relation to internal audit methodology.</td>
<td>Retain minimum of 3 years after engagement closure, then destroy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.3</td>
<td>Operational policies, procedures and reference material retained and developed by the contractor to review the internal controls. This includes client agency policy manuals,</td>
<td>Retain minimum of 3 years after engagement closure, then</td>
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</table>

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State Records Authority of New South Wales
# Internal audit and consultancy services

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<tr>
<td></td>
<td><strong>INVESTIGATION REVIEW</strong></td>
<td>guidance notes and checklists.</td>
<td>destroy</td>
<td></td>
</tr>
<tr>
<td>2.0.0</td>
<td><strong>INVESTIGATION REVIEW</strong></td>
<td>The performance of an investigation on behalf of agencies to examine allegations (e.g. regarding maladministration, corruption, or serious and substantial waste) and evidence.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1.0</td>
<td><strong>Investigations</strong></td>
<td>The activity of assessing and investigating allegations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1.1</td>
<td></td>
<td>Final report to the agency.</td>
<td>Retain minimum of 10 years after last action, then destroy</td>
<td></td>
</tr>
<tr>
<td>3.0.0</td>
<td><strong>CONSULTING ENGAGEMENT</strong></td>
<td>The provision of a range of consulting services to agencies. These services could include restructure, process improvement, human resources, workplace relations, and finance and accounting advice etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1.0</td>
<td><strong>Consultancy</strong></td>
<td>Activities associated with the provision of consultancy service to clients regarding solutions for improvements or informed alternatives for the management of processes within an agency.</td>
<td></td>
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</tr>
<tr>
<td>3.1.1</td>
<td></td>
<td>Final reports to clients of the outcomes and recommendations of the consultancy.</td>
<td>Retain minimum of 5 years after engagement closure, then destroy</td>
<td></td>
</tr>
<tr>
<td>3.1.2</td>
<td></td>
<td>Records relating to the collection of agency evidence to support the findings and enable an informed workable solution for the improvement to agency processes in accordance with the terms of reference.</td>
<td>Retain minimum of 3 years after engagement closure, then</td>
<td></td>
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State Records Authority of New South Wales
## Strategic Management

### 4.0.0 Strategic Management

Management planning for the organisation.

See General Retention and Disposal Authority Administrative Records **Governing Bodies** for records relating to meetings and decisions of the Board and reporting to the Minister or Parliament concerning the operations or management of the organisation.

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<td>4.0.0</td>
<td>Strategic Management</td>
<td>Management planning for the organisation.</td>
<td>destroy</td>
<td></td>
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</table>

### 4.1.0 Policies and Procedures

Internal policies and procedures guiding the conduct of operations.

See General Retention and Disposal Authority Administrative Records for records of policies or procedures regarding administrative processes.

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### 4.1.1 Policies and Procedures

Policies and procedures documenting standards or protocols to be observed by staff or contractors in the conduct of engagements.

Required as State archives.

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