

Big Buckets for Retention Scheduling

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Big Bucket Retention Schedule Agenda

What is a Big Bucket Records Retention Schedule?

Pros/Cons

Considerations

Creating a Big Bucket Records Retention Schedule

Transition to Big Buckets

Grouping/Mapping

Buy-ins

Citations/Regulatory Research

Approvals

Showing "examples" in the Big Bucket list

Implementation/Training

Rethinking Records Retention Schedules in 2018

What is a Records Retention Schedule?

List of record categories showing the length of time each record type is to be retained

- ✓ Fundamental component of a RIM program
- ✓ Allows for orderly disposition of records
- ✓ Preserves relevant data
- ✓ Eliminates obsolete information

Can be very detailed with 1,000+ categories or the “big bucket” approach can be used.

What is a Big Bucket Retention Schedule?

- Fewer/broader record categories
- Items covers multiple related records series
- Less granular
- Usually 100 – 150 categories



Pros and Cons of Big Buckets



BENEFITS

- fewer categories from which to choose
- simple for users to understand
- easier to classify electronic records using technology tools
- less complex

DRAWBACKS

- must group similar records with matching retention periods
- some records may be retained longer than legally required in order to put them in a similar bucket/category
- may be difficult to “undo” a bucket if legal requirements change

Considerations

Risk

- ✓ Keeping files longer than required

Volume

- ✓ Large volume files with longer retention

Ease of retention application

- ✓ Electronic data
- ✓ Files with events/triggers



How do I create an initial Big Bucket RRS?

STEPS TO TAKE

- Records survey/interviews to gather data
- Research regulatory & business requirements
- Group by subject matter, business function or work process
- Assign appropriate retention time
- Approvals/implementation



Functional Big Buckets

UTILITY COMPANY

- Accounting, Finance & Tax
- Commercial/Retail Trading
- Corporate
- Customer, Sales, Marketing
- Distribution/Transmission Ops
- Environmental
- General Admin/Common
- Human Resources
- Information Technology
- Legal, Compliance, Govt Relations
- Property Management
- Supply Chain

INSURANCE COMPANY

- Agency
- Claims
- Common Records
- Finance
- Govt/Community Relations
- Human Resources
- Information Technology
- Legal/Compliance
- Marketing
- Operations
- Product
- Underwriting

How do I transition to a Big Bucket RRS?

Mapping

- ✓ Match multiple OLD records series to the new buckets
 - Keep similar record types together
 - Make sure retention times match or are close
 - Ok to go a year or two longer into a bucket
 - Use logical groupings



Group records series together

OLD CATEGORY LEGAL RECORDKEEPING REQUIREMENTS

Service Records = 5yr

Inspections = 4yr

Sampling = 4yr

Equipment Monitoring = **6yr**

Calibrations = 4yr

NEW CATEGORY = EQUIPMENT RECORDS

Must have a 6 year retention period to meet legal requirements

RECORD KEEPING REQUIREMENT LAWS



Group records series together

OLD CATEGORY LEGAL RECORDKEEPING REQUIREMENTS

Benefits Actuarial Reports = 6yrs
 COBRA Payments = 7yrs
 ESOP Distributions = 7yrs
 FMLA Benefit Claims = 7yrs
 Life Insurance Premiums = 7yrs
Pension Statements = 75yrs
 Salary Market Data = 5yrs

NEW CATEGORY = 7YRS

BENEFIT/COMPENSATION MANAGEMENT

(Do NOT include Pension-related files)



Mapping Example

DETAIL LIST

Account Activity Reports
 Balance Sheet Analysis
 Accounts Payables
 Accounts Receivables
 Debit/Credit Memos
 Expense Reports
 Invoices
 Refunds
 Vouchers



General Accounting
& Tax Support

Mapping Example

DETAIL LIST

Candidate Files
Drug/Alcohol Screens
Interview Forms
Job Applications



Employee
Recruitment

Mapping Example

DETAIL LIST

Federal Tax Credits
Fuel Tax
Property Tax
Sales & Use Tax
State Income Tax
State Unemployment Tax



Tax Return
Support

Mapping Example

DETAIL LIST

Commercial Trade Deal Reports
 Daily Activity Deal Reports
 Deal Confirmations
 Commercial Deal Operations Reports
 Trade Deal Scheduling
 Trades Agreement Documentation



Commercial Trade Deals

How do I transition to a Big Bucket RRS?

GET USER BUY-IN

- Make sure the business units agree with groupings
- Ask their opinions if unsure
- It must be logical to them
- Meet with management and show how current records map to big buckets
 - Compromise to get their buy-in – even if you don't totally agree with them
 - *Remember some things will change*



How do I transition to a Big Bucket RRS?

CITATIONS/REGULATORY RESEARCH

- Link citations to record categories
- Use outside service or subscription if necessary
- Internal legal review



How do I transition to a Big Bucket RRS?

APPROVALS REQUIRED

- Business unit
- Legal
- Tax/Audit

APPROVED



Listing Examples in Big Buckets

RECORD SERIES TITLE: CONTRACTS AND AGREEMENTS

RECORD SERIES DESCRIPTION: A LEGALLY BINDING EXCHANGE OF PROMISES OR AGREEMENT BETWEEN PARTIES THAT THE LAW WILL ENFORCE. RECORDS RELATED TO BUSINESS TO BUSINESS OPERATIONS, AGREEMENTS FOR IMPROVEMENTS TO REAL PROPERTY/CONSTRUCTIONS, AGREEMENTS MADE BETWEEN THE TENANT/LANDLORD OF A PROPERTY, CONTRACTS FOR SERVICES/PURCHASES OR SALES.

- Confidentiality Agreements
- Construction Agreements
- Equipment Use/Lease
- Finance Agreements (except Bonds)
- Government Agreements
- Leases and Subleases
- Product Agreements
- Separation Agreements
- Severance Agreements
- Service Agreements
- Warranties

Listing Examples in Big Buckets

RECORD SERIES TITLE: BANKING & CASH MANAGEMENT

RECORD SERIES DESCRIPTION: RECORDS RELATED TO CASH MANAGEMENT AND TO BUSINESS TRANSACTIONS WITH FINANCIAL INSTITUTIONS

- ACH Transactions
- Bank Account Reconciliations
- Bank Deposits
- Bank Statements
- Cancelled Checks
- Check Register
- Daily Cash Reports
- Deposit Slips
- EFT Transactions
- Petty Cash
- Voids & Stop Payments
- Wire Transfers

Listing Examples in Big Buckets

RECORD SERIES TITLE: PROPERTY MANAGEMENT FILES

RECORD SERIES DESCRIPTION: RECORDS RELATED TO THE MANAGEMENT OF OFFICE FACILITIES, COMPANY EQUIPMENT, MOTORIZED EQUIPMENT AND MOTOR VEHICLES.

- Asset Tracking
- Parts and Labor Files
- Vehicle Fleet Logs
- Vehicle Maintenance Files

Listing Examples in Big Buckets



BENEFITS

- Helps people identify what goes into the “bucket”
- Can usually be edited/changed without going through the approval process

ISSUES

- People may think their record must be listed as an example to use the “bucket”
- The list could get quite long

If you list examples, make sure it is known that they are not all inclusive.
They are just examples of what fits the category.

Implementation & Training

IMPLEMENTATION

- Ways to tackle
 1. Do complete schedule at one time
 - OR-
 2. Phased approach – take one business function at a time:
 - Accounting
 - HR
 - Legal
 - Customer Billing, etc.

TRAINING

- Organizational announcements
- Department meetings
- Webinars

The Incredibly Compelling Case to Rethink Records Retention in 2018 and Beyond

EXCERPT OF ARTICLE BY RANDY KAHN IN BUSINESS LAW TODAY 2/12/2018

- ✓ Simpler Retention Built for Technology
 - “build the rules at a higher level”
- ✓ Seek Reasonableness, Not Perfection
- ✓ Eliminate Complicated Retention Triggers
- ✓ Do International by Building Exceptions
- ✓ Rules Must be Absolute – Neither Maximum nor Minimum
- ✓ Resist Permanent Retention Where Possible
- ✓ Include Operational Value in the Schedule in No Legal Requirement
- ✓ One Rule with Few Exceptions

<https://businesslawtoday.org/2018/02/the-incredibly-compelling-case-to-rethink-records-retention-in-2018-and-beyond/>

