



AUDIT AND ADVISORY SERVICES

Records Management Audit Project No. 15-654

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Prepared by:

Chad Edwards
Auditor-in-Charge

Reviewed by:

Approved by:

Jaime Jue
Associate Director

Wanda Lynn Riley
Chief Audit and Risk Executive



AUDIT AND ADVISORY SERVICES
Tel: (510) 642-8292

611 UNIVERSITY HALL #1170
BERKELEY, CALIFORNIA 94720-1170

June 15, 2018

Khira Griscavage
Associate Chancellor
Office of the Chancellor

Associate Chancellor Griscavage:

We have completed our audit of records management as per our annual service plan in accordance with the Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing* and the University of California Internal Audit Charter.

Our observations with management action plans are expounded upon in the accompanying report. Please destroy all copies of draft reports and related documents. Thank you to the staff of the Office of the Chancellor for their cooperative efforts throughout the audit process. Please do not hesitate to call on Audit and Advisory Services if we can be of further assistance in this or other matters.

Respectfully reported,

Wanda Lynn Riley
Chief Audit and Risk Executive

cc: Chancellor Carol Christ
Deputy Associate Chancellor and Chief Operating Officer Wanda Ellison Crockett
Public Records Coordinator Liane Ko
Senior Vice President and Chief Compliance and Audit Officer Alexander Bustamante
Assistant Vice Chancellor and Controller Delphine Regalia

**University of California, Berkeley
Audit and Advisory Services
Records Management**

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OVERVIEW

Executive Summary

We have completed our audit to assess the effectiveness of internal controls for records management as of April 2015, including but not limited to systemwide policy and procedures and the preservation of documents of historical importance. Due to changes in leadership and assigned responsibilities for records management subsequent to our fieldwork, we finalized agreement on management responses in June 2018.

The chancellor has designated a campuswide records management coordinator, with responsibility for the development, coordination, implementation, and management of the campus records management program. However, primary accountabilities for records management is distributed to individual record proprietors and record custodians located in units across the campus. Other key stakeholders in campus records management are the university archivist, chief privacy officer, and chief information security officer. Campus records are currently stored in enterprise systems, the cloud, unit-level servers and devices, individual computer hard drives, portable storage devices, mobile devices, and filing cabinets and desk drawers. The storage solutions include those owned and managed by the university as well as those owned and managed by third parties.

The University Records Management Committee revised records retention schedules in the past three years to better address the types of administrative records currently in use and to support university compliance with legal and other regulatory requirements. The retention schedules are now tied to functional categories not individual record types, no longer identify a specific office of record, and are media neutral. While not specifically required by policy, the campus has not provided location-specific details or resources to support implementation of the systemwide schedules.

Given the limited central efforts toward proactively developing and implementing records management practices consistent with systemwide requirements and commonly accepted as viable practices in higher education, we observe that a system of business processes and internal controls are not in place to provide reasonable assurance that the campus is compliant with such policies and that “administrative records are appropriately managed and preserved, and can be retrieved as needed” as required in policy.

While management acknowledges the opportunity to improve internal controls, they note certain contributing factors to the current state of campus records management include

- changes in leadership among key parties such as the records management coordinator, information security officer, and campus privacy officer;
- changes in campus administrative and business processes, including the implementation of the Campus Shared Services center;
- financial challenges and competing priorities that have impacted progress and the commitment of resources; and
- the fact that the campus records management coordinator also serves as the campus public records coordinator and the volume of public records requests received.

Source and Purpose of the Audit

Audit and Advisory Services (A&AS) has completed our audit of records management, a part of our annual service plan for fiscal year 2015. The purpose was to provide management with an objective assessment of the current effectiveness of internal controls for records management, including but not limited to policy and procedures and the preservation of documents of historical importance. Our audit fieldwork concluded in April 2015. Due to changes in leadership and assigned responsibilities for records management subsequent to our fieldwork, we finalized agreement on management responses in June 2018.

Scope of the Audit

For the purposes of our audit, we defined our scope to cover administrative records as defined below in university policy. In planning this audit, we obtained an understanding of the objectives, significant risks, and the business processes that relate to the lifecycle of administrative records. We also reviewed the results of prior audit engagements including management action plans. We performed a risk assessment and conducted a preliminary evaluation of controls for purposes of determining the areas to audit as well as the timing and extent of audit work to perform.

Audit techniques included inquiry of subject-matter experts and individuals familiar with current campus record management practices as well as examination of internal and external documents and records such as written policies, procedures, practices, the record retention schedule, and relevant websites.

Background Information

University Records Management Program

The Office of the President has established a set of systemwide policies¹ for the university's records management program. The stated objective of the program is as follows:

“In keeping with sound business practices and in support of its mission, the University of California creates, gathers, and maintains operational and historical records of its activities. The objective of the University Records Management Program is to ensure that, consistent with other university policies, applicable state and federal laws, and university contracts,

¹ As of our planning and fieldwork, there were ten systemwide policies in the Business and Finance Bulletins' Records Management and Privacy (RMP) series:

- RMP-1: University Records Management Program
- RMP-2: Records Retention and Disposition
- RMP-4: Vital Records Protection
- RMP-7: Privacy of and Access to Information Responsibilities
- RMP-8: Legal Requirements on Privacy of and Access to Information
- RMP-9a: Guidelines for Access to University Personnel Records by Governmental Agencies Correspondence
- RMP-9b: Guidelines for Access to University Personnel Records by Governmental Agencies
- RMP-9c: Maintenance, Access, Opportunity to Request Amendment to University Personnel Records
- RMP-11: Student Applicant Records
- RMP-12: Guidelines for Assuring Privacy of Personal Information in Mailing Lists and Telephone Directories

administrative records are appropriately managed and preserved, and can be retrieved as needed.”²

The policy defines a record as “. . . any record that documents or contains valuable information related to the organization, functions, policies, decisions, procedures, operations, or other business activities of the university”³ regardless of the physical carrier (i.e., paper, electronic, sound, video) of that record.

The overall objectives for the record management program are defined as

“. . . procedures that promote sound, efficient, and economical records management in the following areas:

- Creation, organization of, and access to records
- Maintenance and retention of administrative records
- Security and privacy of records
- Protection of records vital to the university
- Preservation of records of historical importance
- Disposition of administrative records when they no longer serve their purpose
- Other functions the university may deem necessary for good records management.”⁴

Roles and Responsibilities

RMP-1 establishes roles and responsibilities⁵ for records management at the systemwide and local campus level. It states that, “All university employees who handle administrative records are responsible for knowing and following laws and university policies and guidelines that govern those records.”

At the systemwide level, the “senior vice president-business and finance in the Office of the President has systemwide responsibility for establishing records management and information practices policy.” This responsibility has been delegated to the associate vice president-information resources and communications, who also chairs the University Records Management Committee. This committee coordinates the University Records Management Program.

The University Records Management Committee is charged with systemwide coordination of records management. It has established a series of records management and privacy policies and corresponding records retention schedules. In 2014 and 2015, retention schedules were updated so that retention schedules are now tied to functional categories, not individual record types, no longer identify a specific office of record, and are media neutral. While not specifically required by policy, the campus has not provided location-specific details or resources to support implementation of the systemwide schedule.

² Business and Financial Bulletin RMP-1, University Records Management Program, Section IV.A University Records Management Program – Overview. Revised September 2004.

³ RMP-1 Section II Definitions

⁴ RMP-1 Section IV.C. University Records Management Program – Components

⁵ RMP-1 Section V. Roles and Responsibilities for Records Management

At the local campus level, each chancellor has responsibility for coordination and implementation of the program at his or her location, including naming a campus records management coordinator. This position is responsible for the development, coordination, implementation, and management of the campus records management program. Implementation includes providing advice, information, and training, as necessary, to local personnel regarding records management. The coordinator also represents his or her campus on the University Records Management Committee, a systemwide committee responsible for promulgating guidelines and procedures including developing and maintaining the systemwide retention schedule.⁶ The campus currently does not have local implementing guidelines or further guidance related to systemwide records management policies.

Operational managers are considered the record proprietor for the records associated with their unit's administrative function, including electronic records. The office of the record proprietor may or may not have custody of the records. However, the record proprietor should ensure that records, whether kept or entrusted to another unit or provider (i.e., records custodian), are maintained consistent with the overall records management program.

Specifically for the Berkeley campus, the organization of records management on the campus is divided between the records management coordinator, university archivist, record proprietors, and record custodians. The records management coordinator is responsible for the development, coordination, implementation and management of the campuswide records management program. The university archivist is responsible for the preservation of the campus administrative records that pertain to the history of the campus.

Summary Conclusion

Effectively managing records is inextricably linked to attaining the university's mission and achieving academic and administrative excellence. The campus has fiduciary responsibilities at each stage of the record life cycle: creation, receipt, maintenance, use, archive, and purge. Those responsibilities include, but are not limited to, being a good steward of the public trust, adhering to and enforcing contractual obligations, compliance with laws and other regulations, protecting the privacy of individuals, providing for information security, and enabling decision-making.

The chancellor has designated a campuswide records management coordinator, with responsibility for the development, coordination, implementation, and management of the campus records management program. However, primary accountabilities for records management is distributed to individual record proprietors and record custodians located in units across the campus. Other key stakeholders in campus records management are the university archivist, chief privacy officer, and chief information security officer. Campus records are currently stored in enterprise systems, the cloud, unit-level servers and devices, individual computer hard drives, portable storage devices, mobile devices, and filing cabinets and desk drawers. The storage solutions include those owned and managed by the university as well as those owned and managed by third parties.

⁶ The university librarian at each campus also appoints a library staff member to serve as the local university archivist, with responsibilities for the preservation of administrative records that deal with the history of the university, particularly those deemed of enduring value documenting the decision-making process and the essential cultural history of the campus.

Given the limited central efforts toward proactively developing and implementing records management practices consistent with systemwide requirements and commonly accepted as viable practices in higher education, we observe that a system of business processes and internal controls are not in place to provide reasonable assurance that the campus is compliant with such policies and that “administrative records are appropriately managed and preserved, and can be retrieved as needed” as required in policy.

While management acknowledges the opportunity to improve internal controls, they note certain contributing factors to the current state of campus records management include

- changes in leadership among key parties such as the records management coordinator, information security officer, and campus privacy officer;
- changes in campus administrative and business processes, including the implementation of the Campus Shared Services center;
- financial challenges and competing priorities that have impacted progress and the commitment of resources; and
- the fact that the campus records management coordinator also served as the campus public records coordinator and the volume of public records requests received.

SUMMARY OF OBSERVATIONS & MANAGEMENT RESPONSE AND ACTION PLAN

Current State of Internal Controls over Records Management

Observation

Based upon our audit fieldwork, we observe that a system of business processes and internal controls is not currently in place to assign and communicate records proprietor⁷ responsibilities and accountabilities for each functional category in the record retention schedule across the campus and within each discrete unit. Additionally, integration and coordination with other involved parties is not sufficient to reasonably ensure effective communication, coordination, and management of the campus' records management program. Other involved parties include the campus records management coordinator, university archivist, chief information security officer, campus privacy officer, and other contributing roles such as service providers⁸. Lastly, tools and methods for developing a records management plan throughout the record life cycle (i.e., create, receive, maintain, use, archive, and purge) are not currently in place.

Accordingly, records may not be adequately safeguarded, preserved, and disposed of in accordance with campus needs, statutes and regulations defined in policy and the records retention schedule. Furthermore, the use and retrieval of records, for instance in the case of public records requests, external audits, or for the purpose of discovery in litigation, may be inefficient and storage costs may be higher than warranted due to records being held beyond their need.

While management acknowledges the opportunity to improve internal controls, they note certain contributing factors to the current state of campus records management include

- changes in leadership among key parties such as the records management coordinator, information security officer, and campus privacy officer;
- changes in campus administrative and business processes, including the implementation of the Campus Shared Services center;
- financial challenges and competing priorities that have impacted progress and the commitment of resources; and
- the fact that the campus records management coordinator also serves as the campus public records coordinator and the volume of public records requests received significantly limits the time available to respond to campus record management needs.

⁷ See the background information section of the report for a description of the responsibilities assigned to the records proprietor role.

⁸ Examples of significant service providers include director of architecture, platforms, and integration; director of enterprise data; director of infrastructure services; and director of property management.

Management Response and Action Plan

Management concurs with the observation that there is opportunity to strengthen controls regarding the campus management and disposition of records, to the extent currently feasible given the current campus financial environment, turnover or reductions in staff positions, and the decentralized nature of business record retention.

We will explore strategies to create new guidance resources on records disposition, increase campus communications regarding standards and best practices, advise on department data inventory and retention schedules, and enhance general awareness of records management responsibilities. Such potential strategies will need to be considered against other operational and compliance responsibilities that currently compete for limited resources and may be prioritized to address relative perceived operational, financial, or compliance risks.

The Office of Ethics, Risk and Compliance Services intends to hire a compliance policy analyst by November 1, 2018. This position will serve as an advisor to campus units on records management among other responsibilities.