

Identify specific legal, business, and policy requirements that apply to the business process and records so that they can be incorporated into system development.

Where does this information on records requirements come from? It comes from past practices, laws, regulations, and agency policies; and those are often implicitly embedded in the business process. Finding answers to these questions requires open and ongoing communication between IT and program staff, legal and policy staff, and all the different combinations therein. If you have a records professional on your system development team, this person is a valuable resource in helping to track down the legal, business and policy requirements for the records that will be converted to or created by the system. Focusing on the business process is essential to get a handle on all the different requirements that apply to the records being created and managed in an information system that is under development. The laws, regulations and policies that authorize or define a specific government business process often define the records management requirements for that process. These requirements identify the records that must be created and may define how the records should be captured, managed and accessed. The requirements may also define the content and structure of the record. Best practices or standards that have been established by many professions or disciplines also serve to direct how agency records are captured and managed. The use of the term 'best practice' refers to practices formally adopted or generally accepted by a profession or discipline. Examples of best practices include Generally Accepted Accounting Practices. (4)

These requirements and best practices should be made explicit and incorporated into the development of an information system intended to automate a business process or a part of a business process. Each requirement can be mapped to a compliance factor based in law, regulation, standard, or best practice.

The following table is designed to help make explicit the record management requirements determined by law, regulation, organizational policy, or professional standards. The questions asked in this tool are intended to gather information on the records requirements for the process that is being automated.

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	<b>Answers</b>	<b>Laws</b> (What are legal requirements for this process, activity or record?)	<b>Regulations</b> (What are the business or regulatory guidelines driving this process, activity or record?)	<b>Agency policies or practices</b> (What are the organizational policies for completing this process, activity or record?)	<b>Generally accepted best practices</b> (How do others complete this process, activity or record?)
What business process is this automated system a part of?					
What is the purpose of this business process?					
What tasks or transactions does this system automate or cover?					
Are there any 'when' or 'how' requirements for the transaction?					
What are the records captured or created in the process or transaction?					
What other records need to be imported to fulfill the transaction?					

Identify the records that your system/process will create so they can be built into the system requirements.

As discussed, a record is the documentation that provides evidence of a business transaction. It provides proof that the transaction took place. That proof is necessary to document the business of the agency for operational and historical reasons and may be needed as defense in a court of law. Networked information systems and online applications systems must include record keeping functionality if they are to produce trustworthy records. Understanding the business process or function the application is designed to automate will allow you to decide which information within the application constitutes a record and should be captured and maintained within the system. To be valid, the record must contain content, context and structure and must contain enough information to document the transaction in a court of law. These concepts are discussed below.

#### Content

Content is the substance of a record – the text, data, symbols, numerals, images and sound – that captures sufficient information to provide evidence of a business transaction. Information commonly found in transactional records includes:

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1. The date of the transaction.
2. Where the transaction took place or where it is effective.
3. The parties to the transaction.
4. The individual(s) who received and processed the transaction.
5. The title or subject of the transaction.
6. The terms of the transaction.
7. The conclusion or result of the transaction, including the possibility that the transaction was not completed or denied.

You may be able to verify the contents of the electronic record by comparing the informational elements of the electronic record to a previously existing hard copy record. Are the informational elements the same? If not, why not?

#### Structure

The structure of the record is defined by the relationships between the informational elements of the record content. Structure is derived from database architecture or the design of the application. Structure also concerns how the records are viewed, under what circumstances are the records viewed and which informational elements are viewed. In some cases the structure of the record may have a specific physical form or design. Examples of structural information found in transactional records include:

1. Relationships between information and source databases.
2. Order of information in the record.
3. Headings or labels identifying the information
4. Font and size.
5. Message digest used to test for integrity.
6. Encryption details.

#### Context

The context of the record is derived through the function of the record, information about the application that created the record including system documentation, security procedures, audit trails, disaster recovery, and record metadata(5). Context will also include information about the entity that created the record and the rules and criteria for using the record. Examples of contextual information include:

1. Unique identifier (also called the protocol number).
2. Date of receipt or processing of transaction.
3. Filing classification.
4. Restrictions on access or use.
5. Management history, including retention period.
6. Use history.

For another method of identifying records that your system or process produces see the 1999 "Practical Tools for Electronic Records Management and Preservation" by the Center for Technology in Government - University at Albany/SUNY page 10, Records Requirements Elicitation Component.

To summarize, a record is evidence of a business transaction. Defining a transactional record from the data gathered by an application requires analysis and an understanding of the business functions of the creating entity. To be valid, the record must contain content, structure and context and must contain enough information to document the transaction in a court of law.

**Identify the value of those records to determine the energy, time, and funding that should be devoted to incorporating electronic records requirements in system design.**

All records, including electronic records, have value to the agency creating or receiving them or to other agencies. A few also have enduring historical value and warrant preservation as part of a state's archives once the agency no longer needs them to conduct ongoing business. Determining the value of records can help determine

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retention periods that will satisfy agency needs, which in turn can help determine the resources and effort agencies may be willing to expend in maintaining these records when they are in electronic form.

According to the National Archives and Records Administration's (NARA) handbook on the disposition of records<sup>(6)</sup>, all records have value to an agency based on four overlapping categories: administrative, fiscal, legal and archival. These categories are discussed below.

#### Administrative Value

All records have administrative value because they are necessary to conduct the agency's current business. This value can have many facets. Records can have administrative value because they serve to communicate and document decisions. They can also have value because of the information they contain. Such information may have value for the business process they were created for. Sometimes records are specifically created to collect and maintain information.

The duration of operational value may be long or short. Some records, such as program directives, have long-term administrative value. Others have shorter-term administrative value. Many records at operating levels have short-term administrative value because they are correspondence duplicated elsewhere, reports summarized at higher agency levels, or logs serving as temporary controls.

#### Fiscal Value

Along with general administrative value, some records may have fiscal value. Records with this value document the agency's financial transactions and obligations. They include budget records, which show how expenditures were planned; voucher or expenditure records, which indicate the purposes for which funds were spent; and accounting records, which classify and summarize agency expenditures. State fiscal control agencies such as an office of management and budget or state auditor or comptroller often prescribe the form and content of many fiscal records. In most instances, only the data on the forms differ from agency to agency.

#### Legal Value

Besides administrative and fiscal value, records may also have legal value. Records with legal value contain information that may be used to support rights based on the provisions of statute or regulation. Examples of records with legal value include formal decisions and legal opinions; documents containing evidence of actions in particular cases, such as claims papers and legal dockets; and documents involving legal agreements, such as leases, titles and contracts. They also include records relating to criminal investigations, workers' compensation, exposure to hazardous material, and the issuance of licenses and permits. Still other examples include records relating to loans, subsidies and grants; entitlement programs such as food stamps; and survivor benefits in government pension and other programs.

The duration of legal value varies with the matter at hand. Before determining retention periods for records that may have legal value, agencies should seek the advice of their general counsel. Factors to be considered in determining retention periods include applicable statutes of limitation, regulatory limits for claims or prosecution, the potential for fraud, and litigation trends.

#### Archival Value

Records are an agency's corporate memory. The majority of records can be disposed of after a period of time because there is no need for the agency to refer back to the activities detailed by those records. However, it is essential that an agency be able to recall some information through staff turnovers and retirements. While it may not be important to keep records of hunting licenses once they have expired, it may be important to preserve information about the limits and privileges covered by the licenses.

Archival records include those records that document the development of high-level policies and programs that relate directly to the agency's mission, that protect or verify the rights of the agency and citizens it serves, or that capture information about topics that help define the character of the state as a whole. Often, people use the information in archival records differently from the way the records were originally used. For example, census records are created to apportion state's representation in Congress and federal allocations. Once a census has been superseded, it loses that primary value. However, the census remains valuable for secondary uses, such as genealogy and history.

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The vast majority of transactional records described in this document will never be considered archival. However, it's possible that a few of the records may have archival value. For example, a hunting license used as evidence in a high-profile murder trial may be considered archival. Hence, it is important that system designers include a practical means to preserve records permanently.

Archival records typically run between three and five percent of an agency's records. Note, though, that many records series will contain no archival records, while a few series may be entirely archival.

In summary, to assess the value of the records being created through a transaction system you will have to consider the records' administrative, fiscal, legal and archival value. To determine how long records should be maintained you should consult with your records management authority. They will assist you in assigning a retention period for your records consistent with the general records disposition schedule in effect for your state. Generally, records with administrative value can be disposed before records with fiscal and legal value, records with fiscal value can be disposed before those with legal value, and records that have historical value are preserved the longest.

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(4) Professional associations often provide standard best practices for professionals practicing in the field. The generally accepted accounting principles are a widely accepted set of rules, conventions, standards and procedures for reporting financial information.

(5) Metadata can be simply defined as "data about data." More specifically, metadata consists of a standardized structured format and controlled vocabulary that allow for the precise description of record content, location, value, structure and context. Metadata often includes (but is not limited to) attributes like file type, file name, creator name, date of creation, and use restrictions. Metadata capture, whether automatic or manual, is a process built into the actual information system.

(6) This section is based on information in the 2000 edition of NARA's *Disposition of Federal Records: A Records Management Handbook*.