

CPC

REPORT TO CPC ON USX RECORDS RETENTION PROGRAM
JULY 23, 1991

I. Introduction - Records Management Program - USX/USS Group

- A.) At USX/USS we are presently engaged in enhancing a Records Management Program which had its beginnings nearly 40 years ago. Our Program is functional and equivalent to the Marathon Program, but in need of updating, reinvigoration, and compliance review.
- B.) To incorporate major changes or to redesign the Program would be expensive and impractical. Nonetheless, it will be beneficial to establish uniformity with the MRO program's retention schedules and records classifications, to the extent practicable.
- C.) The Program I will outline to you, administered by full-time record retention personnel, and given adequate priority by existing department and staff personnel, will effectively achieve the expected results efficiently and economically. It will require increased attentiveness by a considerable number of employees, and encouragement by executive management.

II. History of Records Management Prior to 1/1/91

- A.) As early as 1951 utilization of Annandale for off-site storage was requested.
- B.) The first procedure (SPI-M-8) was issued 4/1/58, revised 4/1/59, 8/3/59, and 2/10/65. During this period the Administrative Vice President-Accounting, Staff Services, was responsible for formulating policies and compliance review with Law and the affected departments. Procedure covered all departments, divisions, and associated subsidiaries of USS.
- C.) The first retention guidelines or schedules were developed and issued on 4/1/59 as part of the SPI-M-8 procedure, but it appears that each department by location dictated its own retention schedule prior to 1965.

PLAINTIFF'S EXHIBIT

USX-1232

II. History of Records Management Prior to 1/1/91 (Cont.)

D.) The new procedure, issued following the 5/9/63 Operating Policy Committee resolution, was more definitive, but perpetuated the Administrative Vice President-Staff Services, responsibility established in 1958. The 1965 task force which upgraded the procedure and composed the current Master Retention Schedules (guidelines) consisted of at least 4 general office employees along with a General Supervisor-Records Management and various plant personnel from Homestead Works, which served as the pilot plant for the Schedules development. No general office accounting areas or records were included in the development. On 9/9/68, ACC Procedure 200-02, "Records Management Program Storage and Destruction of Records", was issued to supersede the SPI-M-8 (and several other divisional procedures which apparently existed).

E.) The next procedure update was 4/1/75 with the most recent (and current) reissue being 12/1/90.

F.) Current Activity Statistics at Annandale

Total boxes stored (12/31/90)	258,000
Total boxes received (1990)	26,000
Total boxes destroyed (1990)	60,000
Total requests for retrievals (1990)	48,000
Current number of Archives users	240
Total employees (5 non-exempt, 1 exempt)	6

III. Goals - Common to USX and Marathon Programs - Generally Recognized in the Professional Literature

- A.) Overall compliance with the procedure/program by all involved Corporate personnel.
- B.) Prompt implementation of Master or Departmental Records Retention Schedules.
- C.) Improved access to records.
- D.) Compliance with legal and/or business requirements for retention schedules.
- E.) Consistent records destruction practice in line with the procedure.
- F.) Periodic update of the procedure, policy, and retention schedules as required.

III. Goals - Common to USX and Marathon Programs - Generally Recognized in the Professional Literature (Cont.)

- G.) Assured protection of records required for litigation, audit, or investigations.
- H.) Continual program monitoring by Departmental Records Management Representatives for their responsibility area.

IV. Benefits to be Derived from the Program

- A.) Cost savings - space, staff, equipment and supplies.
- B.) Improved operational efficiency and access to valuable information.
- C.) Consistency in records disposition and destruction.
- D.) Assure compliance with Legal and Tax records retention requirements.
- E.) Protection of records during litigation, audit, or governmental investigation.
- F.) Fulfill operational requirements.
- G.) Provide protection and security for vital records.
- H.) Provide consistent records retention schedules and practices.

V. Records Retention Program Status

- A.) Records Management Procedure A950 was updated and issued to 231 recipients on 12/31/90. It was requested that Records Management Representatives listed in Exhibit A of the Procedure designate one or more Departmental Records Management Representatives as contacts in their responsibility areas.
- B.) Sixty-six representatives were named. Letters were sent (4/1/91) to the DRMR's requesting information regarding their retention practices and a copy of the schedules being followed if these were not the Master Retention Schedule (Appendix 1) in the Procedure.

V. Records Retention Program Status (Cont.)

- C.) To date, 54 have submitted written responses, 9 have acknowledged the request by phone, and 3 have not responded. All 9 have indicated they are developing or using established schedules. Those who have not responded will be contacted again.
- D.) Of the 54 responses received, 24 indicated they were using the Master Schedule; 30 either wanted changes made to the Schedule, have no schedule, or are using a departmental schedule. Reviews were set up with these 30. Currently, 11 reviews are complete, 10 are in process, 6 are yet to be scheduled, and 3 require the development of new retention schedules.
- E.) Audits could now be scheduled for any area which has indicated Master Schedule compliance.
- F.) Recommended changes, deletions, and additions to Master/Departmental schedules will be made after Committee (Audit, Tax, Law, Rec. Mgt.) review and approval.
- G.) Review of the legal requirements as applied to the present and newly revised scheduled document categories.
- H.) "HOLDS" - Currently in the process of addressing requests to attorneys to issue destruction deferment notices for 1990 destruction lists due to pending litigation, etc.
- I.) Identified areas requiring new retention schedules:
 - Quality Assurance
 - Insurance Benefits
 - Environmental Affairs
- J.) Development of awareness program -
 - 1.) broad distribution of excerpts or summary statement of the policy and reasons for program.
 - 2.) live presentations, utilizing commercially produced videos, targeted to identified groups and scheduled at regular staff meetings. We have secured videotape "Buried Alive", and a copy of MRO videotape to review their presentation of the Program which they implemented at all MRO locations.
- K.) Conduct continuing review of Annandale records storage indices for retention compliance audits.

VI. Problems Encountered in Current Program Update

- A.) Retention of records on-site (primarily plant locations) rather than transfer to Annandale. Retention practices covering these records are not easily determined. Controls and procedure compliance are questionable; i.e. Fairless, Fairfield, etc.
- B.) Disposition of records remaining at closed facilities. Again, procedural compliance is questionable. This category includes Homestead, Duquesne, etc.
- C.) Low priority assignment by Departmental Records Management Representatives and Custodians. Reasons given are lack of personnel and time available to perform necessary records management functions. This situation exists at both Headquarters and plant locations. The liaison between Departmental Records Management Representatives and Records Retention Administrator is inhibited. This is a key problem and part of the solution is involvement and expression of concern by executive management.
- D.) The questions of document creation necessity and the retention of multiple copies of an original document. To some extent these considerations can be touched upon in a mailing, but they are probably more appropriately the subject of educational programs conducted by Law Department personnel for targeted groups, commercial and personnel areas for example.

VII. Recommendations

- A.) The support of executive management is needed. Directives to Departmental Records Management Representatives with copies to Records Management Representatives who appointed them appear to be called for. These key players need to be aware that they are instrumental in maintaining the integrity of the Program, and that compliance is a matter of high priority for which they are responsible and will be held accountable.
- B.) Schedule audits for those areas which have indicated they are in compliance with the procedure and current master retention schedules. Audit Division assistance could be utilized for these audits.

VII. Recommendations (Cont.)

- C.) Designation of additional Departmental Records Management Representatives are needed in outlying locations (Fairless, Fairfield, Mon Valley, Gary, etc.) to cover all functional areas since the Departmental Records Management Representatives were appointed by Accounting Records Management Representatives. Operating management cooperation may need to be reinforced by executive management.
- D.) The use of VCR tape presentations, i.e., Buried Alive, and/or a personal presentation to emphasize the importance of this program, stressing its benefits, records retention requirements, and future cost avoidance which should result from compliance with the approved procedure and retention schedules. We suggest such presentations be made to targeted groups or departments as part of staff meetings or other regularly or periodically scheduled meetings.
- E.) Consideration of additional staffing, at least until we are satisfied the Program has been satisfactorily reinvigorated. These could be temporary assignments of existing personnel, or P Temps.
- F.) Evaluate the economic feasibility of future mechanized access (indexing) of records under retention.