



BUSINESS APPLICATIONS AND RECORD KEEPING POLICY

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1. OVERVIEW

Many work areas use business applications (systems) designed to track and report on specific functions they perform. As a result, the electronic information generated by a business application increasingly serves as the evidence or record of the process, despite the application not fully supporting recordkeeping standards.

Business information systems often do not have the functionality, or the required longevity, to manage the records created in the system over time. Many of the transactional business records captured in business applications systems are not managed in the organization’s electronic records and document management system. Similarly business applications may have been introduced without full consideration of recordkeeping issues, and as a consequence do not manage, preserve and make accessible necessary evidence of business operations.

Through not making and keeping business systems records, organisations can:

- Place themselves at significant risk
- Incur unnecessary expenditure
- Deny themselves access to significant, reliable organisational information.

Therefore it is worth dedicating time and resources to ensuring that where they are required to do so, business systems are also meeting recordkeeping requirements.

2. DEFINITIONS

The following are the key terms used in this policy:

Term	Definition
Records	Records are information created, received and maintained as evidence and information by an organisation or person, in pursuance of legal obligations or in the transaction of business. They provide evidence of business transactions and can exist in any format.
Business Applications (Business Systems)	Business systems, for the purposes of this document, are automated systems that create or manage data about an organisation’s activities. They include applications whose primary purpose is to facilitate transactions between an organisational unit and its customers – for example, an e-commerce system, client-relationship management system, purpose-built or customised database, or finance or human resources systems. Business systems are typified by containing dynamic data that is commonly subject to constant updates (timely), able to be transformed (manipulable) and holds current data (non-redundant). For the purposes of this document, business systems exclude electronic records management systems
Electronic records management systems (ERMS)	Electronic records management systems (ERMS) are specifically designed to manage the maintenance and disposition of records. They maintain the content, context, structure and links among records to enable their accessibility and support their value as evidence. Electronic records management systems are distinguished from business systems, for the purpose of this document, because their primary function is the management of records.

See *Appendix A* for all definitions of terms used in the Policy.

3. PURPOSE

The purpose of this Business Application Record Keeping Requirements Policy is to ensure the following:

- The identification of the business' obligations to make and keep records as evidence of its activities.
- Identify and manage the records of business activities being transacted in the business system.
- Understand their business' level of exposure to evidence-related risks (such as failure in accountability, legal action) if evidentiary requirements are not met.
- Develop requirements for functionality for records to be included in a design specification when building, upgrading or purchasing business system software;
- Evaluate the records (information) management capability of proposed customised or commercial off-the-shelf business system software;
- Review the functionality for records or assess compliance of existing business applications and;
- Ensure record keeping requirements are considered when decommissioning business applications and developing archiving solutions.

4. SCOPE

The level of management for each business system will depend on an assessment of the potential risk to the agency should the information and records become inaccessible, unreliable or deleted. Where the risk is high, the records contained within the system will need to be managed stringently to ensure the integrity of the information and that records are kept for the required period.

See *Appendix B* for evaluation criteria for high risk business applications.

The record keeping requirements cover records retention, use (access, presentation, security), and archiving (storage and disposal i.e. deletion or long term preservation) across all agency system applications.

The retention periods applied to records (data or public records) is based on legislative, industry and operational business requirements and these requirements for practical and systematic application purposes are derived from defined General Disposal and Retention Disposal Authorities (RDA).

5. CHARACTERISTICS OF RECORD KEEPING SYSTEMS

It is therefore essential when procuring, upgrading or assessing business systems that the agency implement systems with reliable records management functionality to ensure its electronic records have the same degree of reliability, authenticity and useability as paper records.

The systems that house these records must also demonstrate characteristics such as reliability, integrity, compliance, comprehensiveness and be systematic.

Term	Definition
<p>Reliability Records Are accurate and can be trusted</p>	<p>Any recordkeeping system designed to manage records should be capable of continuous and regular operation in accordance with responsible procedures. A records system should routinely capture all records within the scope of the activity it covers, organise the records to reflect the business processes of the records' creator, protect the records from unauthorised alteration or disposition, routinely function as the primary source of information about actions that are documented in the records, and provide ready access to all relevant records and related metadata. Any changes to the system should not impact on the characteristics of the records contained in the recordkeeping system and these changes should be documented as well.</p>
<p>Integrity Can be proven to be genuine Are complete and unaltered</p>	<p>Control measures such as access monitoring, user verification, authorised destruction and security should be implemented within or external to the recordkeeping system to prevent unauthorised access, destruction, alteration or removal of records. For electronic records, the organisation may need to prove that any system malfunction, upgrade or regular maintenance does not affect the records' integrity.</p>
<p>Compliant Are findable and readable Are related to other relevant records.</p>	<p>Recordkeeping systems should be managed in compliance with all requirements arising from current business, the regulatory environment and community expectations in which the organisation operates. Personnel creating records should understand how these requirements affect the business actions they perform and ensure the records systems comply.</p>
<p>Systematically</p>	<p>Records should be created, maintained and managed systematically. Records creation and maintenance practices should be systematised through the design and operation of both records and business system.</p>
<p>Inviolate</p>	<p>With appropriate security requirements</p>

6. RESPONSIBILITIES

Business Owners

- The business system owner is 'a person who provides leadership, direction and recommendations regarding the development and maintenance required for the system (or new system design) to meet the operational activities and records management requirements'.
- The role includes responsibility for the system throughout its lifecycle, from design to archiving or decommissioning. The business system owner is responsible for managing the IT, security, records management and governance obligations, and the interrelationship with other business systems and processes.
- Business system and process owners have conformance and assurance obligations under this policy. Business system and process owners must review their system or process to ensure it supports the requirements of Records Management.
- Business system and process owners have an obligation to engage (or provide delegates to engage) with Records Management.
- Business system or process owners may be required to self-assess and provide evidence of meeting specific records management requirements, through the provision of blueprints, functional design specifications, business process mapping or modelling, or other supporting documentation.
- Business system and process owners must ensure that record keeping instructions are integrated into their business processes and procedures.
- Business system and process owners are responsible for ensuring that business processes and procedures are followed.

Records Management

- The Records Management Unit will be consulted by business owners and ICT when new business systems are planned, procured and implemented.
- Records Management unit, as the corporate capability responsible for records management in the, will consult with business system and process owners to ensure that their system or process adequately supports the records management requirements.
- Prioritisation of Records Management consultation with business system and process owners is determined through risk analysis and the business value of the records involved.
- The business system or process may be assessed by Records Management using a range of measures or methods, as determined to be appropriate.
- Following assessment of the business system or process, the owner will receive and be responsible for a Certificate of Compliance (records management), or an action plan to work towards compliance.

Technology Management

- The Technology Teams, will maintain, monitor and review performance of the records management systems in line with the approved Service Level Agreement.

- Maintain the technology supporting the records management systems within the organisation.
- Consult with the Records Management Unit when new business systems are planned, procured and implemented.

7. RECORD KEEPING GUIDELINES

This policy is underpinned by the following documents:

Activity	#	Document
Purchasing, Upgrading and Implementing a new business application.	1.a	Business Application Record Keeping Functional Requirements
	1.b	Business Application Information Management Assessment Workbook
Decommissioning a business application.	1.c	Business Application Decommissioning Procedure
	1.d	Data Destruction Process

8. REFERENCES

The content has been drawn from the following sources:

- Information about recordkeeping requirements for systems is located in PROS 10/17 S1 Operations Management Specification.
- Retention and Disposal Authorities are available from our website: <http://prov.vic.gov.au/government/disposal-and-transfer/retention-and-disposal-authorities>.
- Public Records Office Victoria, VERS Metadata Scheme PROS 99/007 (Version 2.1) Specification 2 (2003)
- International Council on Archives, Principles and Functional Requirements for Records in Electronic Office Environments, module 3, Guidelines and Functional Requirements for Records in Business Systems, 2008.
- National Archives of Australia, DIRKS – A strategic Approach to Managing Business Information, Part 2: Steps A-H.
- National Archives of Australia, Recordkeeping Metadata Standard for Commonwealth Agencies Version 1.0 (1999)
- National Archives of Australia, Recordkeeping Metadata Standard for Commonwealth Agencies Version 2.0 (2008)

9. DOCUMENT CONTROL SHEET

Contact for Enquiries and Proposed Changes

If you have any questions regarding this document contact:



Name:

Designation:

Phone:

If you have a suggestion for improving this document, complete and forward a copy of the document to:

Record of Issues

Issue No	Issue Date	Nature of Amendment

Appendix A

Term	Definition
Activity	The second level of business activity. Activities are the major tasks performed by an organisation to accomplish each of its functions.
Agent	A corporate entity, organisational unit, or individual that is responsible for some action on, or usage of, a record.
Aggregation	Any accumulation of record entities at a level above record object which may inherit metadata from the 'parent' record categories
Assigned Values	A list of defined values that may be ascribed to the element. The lists may be extensible, in which case this is indicated in the 'Comments' area.
XML Attributes	A list of additional information that is associated with the metadata element that is represented as an XML attribute.
Business System	For the purposes of this document, are automated systems that create or manage data about an organisation's activities. They include applications whose primary purpose is to facilitate transactions between an organisational unit and its customers – for example, an e-commerce system, client-relationship management system, purpose-built or customised database, or finance or human resources systems. Business systems are typified by containing dynamic data that is commonly subject to constant updates (timely), able to be transformed (manipulable) and holds current data (non-redundant).
Capture	The process of lodging a record into a business system and assigning metadata to allow the record to be identified, accessed and managed over time.
Component	Set of constituent parts that comprise a record. It is necessary to capture metadata about components to enable a record to be managed over time.
Container element	A key grouping in the metadata set which contains metadata elements.
Contains	The elements (either other containers or simple metadata elements) which exist within the container element.
Conversion	The process of changing a record from one medium or format to another, whilst retaining the content of the record.
Deletion	The process of removing, erasing or obliterating recorded information that is outside of the disposal process. In business systems, this may be achieved by the removal of the location information which would prevent the record from being identified or retrieved. Deletion fails to meet records management requirements for destruction as it may be possible for deleted records to be reconstructed or retrieved.

Term	Definition
Destruction	The process of eliminating or deleting records as part of the disposal process. In order to meet records management requirements for destruction, business systems must ensure that the record is destroyed beyond any possible reconstruction.
Disposal	Any action that changes the circumstances of a record or removes a record from its usual setting. Disposal can include destruction, damage, alteration or transfer of custody/ownership of records.
Disposition	A range of processes associated with implementing retention, destruction and/or transfer decisions.
Electronic record	A record created, communication and/or maintained by means of electronic equipment. Generally refers to records held on magnetic or optical computer media storage.
Evidence	Proof of a business transaction. Not limited to the legal sense of the term.
EDRMS	Electronic Document and Records Management System
Export	A process whereby copies of an electronic record (or groups of records) are passed, along with their metadata, from one (source) system to another (destination). The export process does not involve the removal of the record/s from the source system.
Function	The largest unit of business activity in an organisation. Functions represent the major responsibilities that are managed by an organisation to fulfil its goals.
Import	A process whereby an electronic record (or groups of records), along with their metadata, are received into one system (destination) from another (source).
Metadata	Structured or semi-structured information, which enables the creation, management, preservation and use of records through time and within and across domains.
Metadata element	A sub-element to the container element used to provide specific information about particular aspects or characteristics of a metadata element.
Obligation	Signifies whether a metadata element is mandatory, conditional, or optional.
Permanent record	A record of permanent value to the State of Victoria that will ultimately be transferred to PROV for custody and long term preservation.
PROV	Public Record Office Victoria
Record	Information in any format created, received and maintained as evidence and information by an organisation or person, in pursuance of legal obligations or in the transaction of business.

Term	Definition
Records Management	The field of management responsible for the efficient and systematic control of the creation, receipt, maintenance, use and disposition of records, including processes for capturing and maintaining evidence of, and information about, business activities and transactions in the form of records.
Rendering	A process of creating an instance of a record to enable the electronic record to be displayed as viewable content. This process may require a conversion of the record.
Repeatable	Whether a metadata element is able to be repeated within the VEO.
Transactions	The smallest unit of business activity. Groups of recurring transactions or tasks make up business activities.
Transfer	A disposal process, consisting of a confirmed export of electronic records and associated metadata (and where applicable aggregations of electronic records) followed by their destruction within the exporting business system. Often a change in the custody or ownership of a record would warrant the record to be transferred to the new custodian/owner.
VEO	VERS Encapsulated Object. Encapsulated objects are digital records that have been packaged with enough metadata to preserve their content and context, and to support their reconstruction at some time in the future. The encapsulated metadata is managed as an integral part of the record.
VERS	Victorian Electronic Records Strategy
XML (eXtensible Markup Language)	<p>A simple, flexible computer language developed by the World Wide Web consortium as an open, non-proprietary technology that creates common information formats so that both the format and the data can be shared between organisations, regardless of their respective Internet computing platforms.</p> <p>In VERS, the recommended long-term record format is expressed using XML 1.0. The XML is a general-purpose specification for creating custom text-based markup languages.</p> <p>The term extensible is used to indicate that a markup-language designer has significant freedom in the choice of markup elements</p>
XML Element Name	The name to be used for the element within the XML VEO. To be used for permanent records that will be transferred to the custody of PROV.

Appendix B

1.1	DOES THE SYSTEM OR THE RECORDS CONTAINED WITHIN THE SYSTEM, SUPPORT OR IMPACT ON THE FOLLOWING?	
	a. Regular, routine or direct contact with individuals (for example, clients, govt, service providers etc)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	b. An individual's rights, entitlements and wellbeing	<input type="checkbox"/> Yes <input type="checkbox"/> No
	c. The creation of or determination of policy, rules, by-laws	<input type="checkbox"/> Yes <input type="checkbox"/> No
	d. The making of legal agreements	<input type="checkbox"/> Yes <input type="checkbox"/> No
	e. Significant investment by the agency	<input type="checkbox"/> Yes <input type="checkbox"/> No
	f. An investigation by IBAC, Ombudsman or other watchdog agency where recordkeeping are identified for the process	<input type="checkbox"/> Yes <input type="checkbox"/> No
	g. Processes that may be open to corruption or the potential of corrupt behaviour.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	h. A significant contribution to the economic and social development and management of VICTORIA either directly or indirectly; management of natural resources, security of the state and/or infrastructure of VICTORIA.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	i. A major program of international/national/state significance.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	j. Records that are included in the organisation's vital records register.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	k. Significant records relating to Aboriginal people and heritage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	l. Profiling in the media for matters that indicate possible recordkeeping failures.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	m. The production of State archives (Note: guidance on State archives can be obtained from the Records Management Unit).	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Outcome	