# OFFICE ADMINISTRATION

## Section 1, Records Management
## Chapter 1, Filing Systems

The basic premise for establishing filing systems within an organization is the ability to retrieve records. Appropriate storage of records is the key to records retrieval; a means to an end, with the end being retrieval. The average cost of each misfiled record or filing error is more than $100.

### A. ANALYZING RECORDS AND RECORDS SYSTEMS

Information in the form of documents can be categorized as **records** and **nonrecords**. Records are official documents valuable enough to be retained and stored in a format for future use. Nonrecords are of temporary use and eventually disposed of.

Classifying Records

Records are either **active** or **inactive** and classified according to use. Active records are accessed and utilized in the current administration of business functions. Inactive records are no longer referred to on a regular basis but still of limited importance.

Importance of Records

Records are classified as **vital**, **important**, **useful**, or **nonessential**. Vital records are irreplaceable such as accounting, insurance policies, legal documents, etc. Important records can be replaced or duplicated if lost or destroyed. Useful records can be easily replaced and nonessential records are not necessary for the restoration of the company and have no predictable value.

**The Records Cycle**

A record's life cycle extends from the moment the record is created until its final disposition. Figure 1-1 on page 4 of your book shows a records life cycle diagram. Records retention schedules are developed and the value of specific records is determined. A schedule specifies the period of time a record should be stored.

Appraisal of Records

To help established a records retention schedule, records are evaluated in terms of their primary and secondary value. The value of each record depends on the utilization of those records in ongoing operations.

- Primary value
    - Administrative value
    - Legal value
    - Fiscal value
    - Research value
- Secondary value
    - Information value
    - Evidence value

Transfer of Records

A record may be physically removed from the premises and transferred to remote storage. Two methods of transfer are **perpetual** and **periodic**.

Disposal of Records

- Purging
- Destruction of paper
- Destruction of microform and magnetic records

**Check Point A**

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| 1. Individual business records are classified according to the<br>A) steps in the record cycle<br>B) form of the record<br>C) method used for creating the record<br>D) use of the record | 2. Which one of the following types of records would be classified as a vital record?<br>A) a report stored on a computer disk<br>B) copyright for a software program<br>C) tax records for the previous year<br>D) customer request for product information |
| 3. The series of steps from the time the record is created until final disposition is called the<br>A) document preparation<br>B) utilization of records in business activities<br>C) records cycle<br>D) records transfer from active to inactive storage | |

## B. RECORDS CREATION, DESIGN, AND CONTROL

Control in the creation and design phase results in increased quality, improved productivity, reduced costs, and more effective storage and retrieval. Records are created in both conventional and unconventional formats.

Conventional Formats

Conventional formats are records that result in hard copies (printed) or soft copies (electronic).

- Correspondence
- Business forms
    - Constant information
    - Variable information

    - Optical-character recognition (OCR)
    - Design must contain a sequence of information
- Business reports (A business report conveys information to top-level management for decision making purposes or to external sources who need the information to further their own work).
    - Card systems
        - Relative index uses a numeric or alphanumeric system
        - Index records contain reference information and the location of the original file or document
        - Posted records (also called secondary record) update the card system with new information

<u>Nonconventional Formats</u>

Note that the word *disks*, with a *k*, typically refers to magnetic disks, whereas the word *discs*, with a *c*, refers to compact discs, optical discs, and videodiscs.

- Microforms
    - Microfilm
    - Fiche
        - Microfiche
        - Ultrafiche
- Microform packaging
    - Cartridge
    - Cassette
    - Jacket
- Audiovisual media
- Electronic media
- Video tapes
- Compact discs
- Digital video
- Information processing media
- Database creation

The authenticity of information recorded on magnetic disks, magnetic tapes, or compact discs must be able to be certified to maintain the integrity of the information.

**<u>Check Point B</u>**

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| 1. Which one of the following records is typically designed in a conventional format?<br>A) an invoice<br>B) one sheet of microfiche<br>C) an electronic slide<br>D) a computer disk | 2. Reduced images captured on film are stored on a/an<br>A) magnetic disk<br>B) videotape<br>C) OCR process<br>D) microform |

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| 3. Which one of the following records is designed in a nonconventional format?<br>A) a business letter<br>B) a 3 x 5 inch card for equipment repair<br>C) a set of electronic slides<br>D) a three page business report | |

## C. RECORDS MANAGEMENT EQUIPMENT SYSTEMS

Records storage equipment and supplies guarantee safety during their useful life. The cost is approximately 20 percent of the overall cost of maintaining the storage and retrieval system.

Filing Equipment for Paper Storage

Conventional storage is used where paper is the primary medium.

- Vertical file cabinets
- Lateral file cabinets
- Stationary shelving units
- High density mobile storage
    - Powered systems
    - Mechanically assisted or manual
    - Lateral mobile storage
    - Open faced shelving
- Rotary (carousel) file
- Automated filing system

Equipment for Microforms Preparation and Storage

Special equipment is needed to prepare microforms for a micrographics system and to view the microforms once they have been developed. Microform technology enables retrieved documents to be viewed if a reader-printer is available.

- Microform cameras
- Processors
- Reader-printer
- Microfilm reader

Equipment for Optical Disc Preparation and Storage

Special equipment is needed to transfer images and computer-generated information to optical disc storage. The entire text of the document is available and indexed by key content words.

- Optical character recognition (OCR scanners
- Discs
- Storage equipment called “jukeboxes”
- Computer

- Intelligent retrieval is content words (descriptors) used to build the index so that more efficient searching is possible.

Equipment for Digital Storage

- Computers
- Office systems software
- Optical character recognition (OCR)
- Optical disc technology

Non-computer Assisted Storage/Retrieval Systems and Computer Assisted Storage Retrieval Systems

Records available in paper form are advantageous to business operations because of the file integrity. A computer-assisted storage and retrieval system requires precautionary measures such as imaging of signatures and photographs included with a stored document.

Familiarize yourself with pages 21 – 23 from the Office Administration book and the various types of systems.

**Check Point C**

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| 1. Mathers is conducting an analysis of the floor space required for the conventional files presently being used in her office. The greatest savings in floor space would result from using which one of the following types of files?<br>A) open-shelf units<br>B) lateral file cabinets<br>C) vertical file cabinets<br>D) powered shelving system | 2. Microform technology enables retrieved documents to be viewed<br>A) without any special micrographics equipment<br>B) if a reader-printer is available<br>C) if the microform is housed in self-contained equipment<br>D) if the microform is stored in an internal system |
| 3. A document in paper form<br>A) can be converted to digital storage through an optical scanning procedure<br>B) will remain in paper form until that information is no longer needed<br>C) can be converted to digital storage only by keying in the information on a terminal<br>D) will become part of the organizational database | |

## D. UTILIZING FILING CLASSIFICATION SYSTEMS

Classification systems are established so that records will be filed or stored according to a document set of rules. Records need to be retrievable when needed. Determining the type of filing arrangement appropriate for an organization depends on how records will be utilized.

- Needs analysis: a needs analysis should be conducted to help determine an appropriate classification system.
- Types of filing arrangements: the type of filing arrangement depends on the needs of the organization.
    - Alphabetic
    - Numeric
    - Alphanumeric
    - Subject
    - Geographic
- Standardization: a consistent system is key to an effective records management program.
- Identification aids and supplies: these consist of folders, folder tabs, file guides, and color coding. Miscellaneous folders house the group of records that have not been assigned individual file folders.

**Check Point D**

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| 1. Which one of the following classification systems assumes that direct access procedures will be used to retrieve records?<br>A) an alphabetic system<br>B) a numeric system<br>C) a color-coded system<br>D) a subject system | 2. In establishing a classification system for files and records, each user within the organization needs to<br>A) develop his or her own procedures for working with the files and records<br>B) keep a written record of any inconsistent use of the files and records<br>C) follow the standard filing rules for the organization but note any inconsistencies that may occur<br>D) use an indirect-access system to locate specific files and records |
| 3. When a minimum number of documents has accumulated for a specific person or organization, these documents will be filed in a/an<br>A) primary guide<br>B) out folder<br>C) miscellaneous folder<br>D) individual folder | |

## E. ELECTRONIC RECORDS SYSTEMS

Computer-based records management systems are an important component of information processing systems. A database is a collection of data files, all relating to the same type of information available. Basic considerations in developing a computer database consisting of a number of data files include data entry and the volume of information. Once data entry is entered correctly, it will not have to be entered again and is ready for user access. Records management technology is an integral part of computer-assisted retrieval systems in which documents are stored on microforms and accessible through the computer system.

A thorough needs assessment will determine the overall volume and procedures being considered. Basic considerations include:

- Ease of learning
- Vendor reputation
- Other installations in the area
- Simple, easy to understand manuals
- Training
- Security
- Cost
- Maintenance

Integration with other systems: optical disc technology and micrographics technology provide integration of business information systems. In computer-assisted retrieval systems (CARS), documents are stored on microforms and are accessible through the computer system.

**Check Point E**

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| 1. A database is a<br>A) single field of information on a specific topic<br>B) directory of document files stored electronically in the system<br>C) collection of data files, all relating to the same type of information available<br>D) cross reference for items included in a set of data files | 2. Determining the volume of active and inactive records being processed through a system is a component of<br>A) a thorough needs assessment<br>B) a database management system<br>C) in-house software development<br>D) a records tracking system |
| 3. Micrographics technology and computer technology link together in a/an<br>A) optical disc system<br>B) optical character recognition system<br>C) electronic mail system<br>D) computer assisted retrieval system | |

## Chapter Review

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| 1. Primarily, filing systems are established within an organization so that records will be<br>A) accessible<br>B) stored<br>C) analyzed<br>D) retrievable | 2. Documents that are used temporarily and then disposed of are called<br>A) nonrecords<br>B) inactive records<br>C) important records<br>D) records |
| 3. The loss of which one of the following documents would cause only a temporary delay or inconvenience in maintaining routine business operations?<br>A) a patent obtained for the design of a chair-lift device<br>B) the deed for the North Avenue property where the new chair-lift plant is being built<br>C) a client's request for information about the new chair-lift device<br>D) a customer order for the first 500 chair-lift devices | 4. A database of current employees that includes personal information such as name, address, home telephone number, and Social Security number would have<br>A) legal value<br>B) administrative value<br>C) research value<br>D) fiscal value |
| 5. Semiactive or inactive records that provide proof of the policies and procedures in effect throughout an organization's lifetime are known to have<br>A) legal value<br>B) primary value<br>C) fiscal value<br>D) secondary value | 6. If a perpetual method of records transfer is in use, the records for a specific project could be transferred<br>A) at the end of each fiscal year<br>B) whenever the project has been completed<br>C) as each phase of the project is completed<br>D) when the records are no longer needed |
| 7. A records retention schedule specifies the<br>A) process to be used in deleting the contents of an electronically stored document<br>B) method to be used in destroying a specific group of records<br>C) period of time a record should be stored<br>D) physical movement of a record from active to inactive storage | 8. Control of records during the creation and design phase results in<br>A) less effective records storage<br>B) increased costs of records storage<br>C) improved productivity in using records<br>D) the need for more conventional formats |

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| 9. When producing a one-page, average length business letter with electronic technology, the letter is estimated to cost<br>A) less than the cost of having the letter prepared on an electric typewriter<br>B) about the same as the cost of having the letter prepared on an electric typewriter<br>C) higher than the same letter produced on an electric typewriter<br>D) an undetermined amount because no cost comparisons are available | 10. Electronic copies of business forms provided on a organization's intranet may be<br>A) opened and completed with constant information provided by the user<br>B) printed and variable information filled in later<br>C) opened and saved under appropriate file names<br>D) opened and completed with variable information provided by the user |
| 11. The effective design of a business form depends most on the<br>A) special equipment needed to complete the form<br>B) sequence of the information that needs to appear on the form<br>C) external use of the form<br>D) electronic storage of the form | 12. Information conveyed to to-level management who need to make informed business decisions results in the development of<br>A) a business form with variable information included<br>B) a memorandum conveying basic information about the research topic<br>C) a business report presenting a literature review and a summary of the research conducted<br>D) data analysis highlighting primary data collected |
| 13. An index record is used to<br>A) record information to update or revise the record<br>B) make information contained in the record available to a limited number of users<br>C) store all information pertaining to a given subject in one location<br>D) indicate the location of the original file or document | 14. The authenticity of information recorded on magnetic disks, magnetic tapes, or compact discs must be able to be certified to<br>A) prepare backup copies of the information<br>B) maintain the integrity of the information<br>C) create a stored copy of the information<br>D) create a database with specific types of information |

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| 15. Organizing related facts and data in one or more computer files can be achieved by creating a<br>A) posted record<br>B) compact disc<br>C) database<br>D) microform | 16. When floor space available for storage units is limited, side-to-side storage is provided with<br>A) a rotary file<br>B) a powered high-density storage system<br>C) lateral mobile storage units<br>D) lateral file cabinets |
| 17. Which one of the following equipment systems is considered a conventional filing system?<br>A) rotary file<br>B) desktop OC or laptop computer<br>C) optical disc technology<br>D) microform storage system | 18. Information stored on optical discs can be full-text indexed, which means that<br>A) an abstract of the document is available and indexed by key content words<br>B) the entire text of the document is available and indexed by key content words<br>C) key content words are used to access a summary of the document<br>D) searching the text of the document can be done line by line |
| 19. Records available in paper form are advantageous to business operations because of the<br>A) minimal need for records control<br>B) open access to the files by any user<br>C) need for file indexing<br>D) file integrity | 20. A computer-assisted storage and retrieval system requires precautionary measures such as<br>A) an electronic index that is updated as new records are added<br>B) imaging of signatures and photographs included with a stored document<br>C) bar code index used in a tracking procedure<br>D) accessing files directly by name of correspondent or name of document |
| 21. A filing classification system is established to<br>A) identify the types of problems that occur with the present system<br>B) document a set of rules for storing records and file<br>C) recognize the types of records that are being created in the organization<br>D) determine the volume of records to maintain within the system | 22. An indirect-access system requires that<br>A) a specific record can be located by going to the files and looking under the name of the record<br>B) records are filed by topic rather than the name of the correspondent<br>C) a numeric code e assigned to records and files<br>D) records are filed by the name of the correspondent |

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| 23. A group of records that have not yet been assigned individual file folders will be filed<br>A) in an individual folder placed within an alphabetical section of the file<br>B) after a special guide placed in front of the folder<br>C) after an out guide placed within an alphabetical section of the file<br>D) in a miscellaneous folder placed at the end of an alphabetical section of the file | 24. Selection of a computer-based records management system depends on the outcome of a needs assessment to determine the<br>A) volume of active and inactive records<br>B) availability of highly specialized in-house developed software<br>C) retention schedule for records and files in the system<br>D) manual procedures that will be eliminated with the new system |
| 25. Records management technology is an integral part of the computer-assisted retrieval systems in which documents are<br>A) stored as paper documents and later scanned into the computer-assisted retrieval system<br>B) stored as data files in a computer database management system<br>C) stored on microforms and accessible through the computer system<br>D) indexed and stored electronically for user access | |