RIM 101 | MANAGING RISK AND DESIGNING AN EFFECTIVE INFORMATION MANAGEMENT PLAN

Jacki Cheslow, CCEP, CCEP-I, CRM
Director Business Ethics & Compliance
and Information Governance
Avis Budget Group, Inc.

SESSION 601

SESSION OBJECTIVES

1. Understand the implications of poor or no record management practices
2. Understand the essential elements for designing a legally defensible records retention plan
3. Provide a roadmap for the design and implementation of a defensible record retention plan
POOR OR NO RECORD AND INFORMATION MANAGEMENT PRACTICES

RISKS AND CONSEQUENCES

GENERALLY ACCEPTED RECORDKEEPING PRINCIPLES

- **ACCOUNTABILITY** - A senior executive (or a person of comparable authority) to accountable for overseeing the record and information management program
- **TRANSPARENCY** - A documented record and information management program, that is verifiable, auditable and easily available to all employees and as appropriate, interested parties.
- **INTEGRITY** - Assurance that the record and information assets for the organization have a reasonable guarantee of authenticity and reliability.
- **PROTECTION** - Assurance that an appropriate level of protection is in place to protect record and information that is confidential, personal or confidential, essential to business continuity, or that otherwise require protection.
- **COMPLIANCE** - An record and information governance program that is designed to comply with applicable laws, other binding authorities, and the organization’s policies.
- **AVAILABILITY** - Record and information assets maintained in a manner that ensures their timely, efficient, and accurate retrieval.
- **RETENTION** - Information assets that are retained for an appropriate time, taking into account its legal, regulatory, fiscal, operational, and historical requirements.

https://www.arma.org/page/principles
The Risk: Over-Retention

- Danish DPA performed an audit of a taxi company and found that the taxi company had implemented a data retention policy but had failed to follow it.
- The DPA has reported the Company to the police and has recommended a penalty fine of DKK 1.2 million (USD 1,801,440) for violation of the GDPR, including for not deleting information when it was no longer necessary for the purpose it was collected for.


The Risk: No Retention Plan

- The French Data Protection Authority (The “CNIL”) fined French real estate service provider for data security and retention failures.
- On June 6, 2019, the CNIL announced that it levied a fine of €400,000 (US$448,315) on the French real estate service provider, for failure to (1) implement appropriate security measures, and (2) define data retention periods for the personal data of unsuccessful rental candidates.

THE RISK: IMPROPER DISPOSAL

- A medical center in Florida loaded documents on a truck and sent it to a local landfill, but the documents were not shredded or marked up before handing them off. The door of the shipping unit was not properly secured, and in transit, some of the papers simply blew out into the road.

- So far there have been two suits against have been filed against the medical center and Lee County.


THE RISK: POOR RECORDKEEPING PRACTICES

Los Angeles Times

PG&E falsified gas pipeline records for years after deadly explosion, regulators say

The New York Times

California Says PG&E Power Lines Caused Camp Fire That Killed 85
THE RISK: POOR RECORDKEEPING PRACTICES

2010
- San Bruno Gas Line Explosion

2015
- NTSB concludes recordkeeping played a major role in explosion

2016
- PGE convicted on 6 criminal counts

2018
- Cal Fire concludes Camp Fire was caused by electrical lines owned by PGE
- 2018 CPUC finds PG&E falsified records for years

ACCOUNTABILITY
TRANSPARENCY
INTEGRITY
PROTECTION
COMPLIANCE
AVAILABILITY
RETENTION

PG&E’s Generally Accepted Recordkeeping Principles
Score
0 out of 8

https://www arma.org/page/principles
Every 2 days we create as much information as we did from the beginning of time until 2003.

Source

https://barnraisersllc.com/2012/12/38-big-facts-big-data-companies/

Everyday

• We send 16 million text messages
• 156 million emails are sent; worldwide it is expected that there will be 2.9 billion email users by 2019
• 15,000 GIFs are sent via Facebook messenger
• There are 154,200 calls on Skype
• 2.5 quintillion bytes of data created each day

**GLOBAL DATASPHERE WILL GROW TO 175 ZETTABYTES IN 2025**

Figure 1 – Annual Size of the Global DataspHERE

Annual Size of the Global DataspHERE


**TAKE CONTROL OF RECORD & INFORMATION MANAGEMENT**

**DON’T LET IT CONTROL YOU**
STEP 1 - RECORDS INVENTORY
**STEP 1 - RECORDS INVENTORY**

**IDENTIFY MAJOR RECORD GROUPS**

- Advertising Records
- Audit Reports
- Brand Strategy
- Benefit Filings
- Budget Records
- Contracts
- Credit Card Processing
- Customer Complaints
- Customer Profiles
- Daily Sales
- Financial Filings
- Fleet Administration
- Inventory
- IT Projects
- Rental Documents

**STEP 1 - RECORDS INVENTORY**

**IDENTIFY ENTERPRISE APPLICATIONS**

- Outlook
- Oracle
- Workday
- TeamMate
- Sales Force
- Workforce Management
- Point of Sale
- Advantiv

*Work with the Technology Group*

- Review backup practices
- Review other related policies
**STEP 1 - RECORDS INVENTORY**

REGULATORY / DATA CLASSIFICATION REQUIREMENTS

<table>
<thead>
<tr>
<th>Retention</th>
<th>Sensitivity</th>
<th>Location</th>
<th>Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory Requirement</td>
<td>Personal information</td>
<td>Emails</td>
<td>FTP</td>
</tr>
<tr>
<td>Industry Standard</td>
<td>Trade Secrets</td>
<td>Personal Hard Drive</td>
<td>Extranet</td>
</tr>
<tr>
<td>Business Need</td>
<td>Business Plans</td>
<td>Network Folders</td>
<td>Third Parties</td>
</tr>
<tr>
<td>Tax Support</td>
<td>Non-Public Financials</td>
<td>Paper</td>
<td>Secure Email</td>
</tr>
</tbody>
</table>

What else? Did you capture it all?
Implementation & Enforcement

Legal Review

Validation

Retention Plan

Records Inventory

**STEP 2 - DESIGNING YOUR RETENTION PLAN**

<table>
<thead>
<tr>
<th>Record Class Code</th>
<th>Record Class Title</th>
<th>Record Class Description</th>
<th>Record Type Examples</th>
<th>Retention Requirement</th>
<th>Global Exceptions</th>
</tr>
</thead>
</table>
| HRE1000           | Drug and Alcohol Testing           | Records related to drug and alcohol screenings required of individuals applying for a position at the Company, as well as periodic and random testing, regardless of lab test results (i.e., negative or positive). | Chain of Custody Forms for Drug and Alcohol Testing, Lab or Test Results, Related Correspondence for Drug and Alcohol Testing                                                                                          | ACT + 6 years         | for hired applicants  
|                   |                                    |                                                                                        |                                                                                                                                                                                                                    |                       | ACT + 3 years for rejected applicants |
|                   | Make it easy to understand         |                                                                                        |                                                                                                                                                                                                                    |                       | Act means while either at the applicant denial or while the employee is actively employed by the Company. |
| HRE2000           | Recruitment and Selection          | Records related to personnel requests, job applications testing, advertising, position descriptions, interviews, etc. for the Company and its subsidiaries. | Applications, Help Wanted Ads, Reference Checks, Candidate Evaluations, Skill Assessments, Personnel Requisitions, Resumes, Job Postings. Records may include any testing of an applicant's skill set including Company employees who apply for open positions. | ACT + 6 years         | |

**ACT** means while the employee is **actively employed** by the Company.

- **Define what triggers the retention**
- **Give examples**
- **Adopt best practice for retention**
**Step 2 - Designing Your Retention Plan**

- Secure Disposal
- Vital Record
- PCI Data Security Standards
- GDPR
- SOX
- FACTA
- GLBA
- HIPAA
- ITAR

Restricted

Confidential

Internal

Public

**Additional Considerations**

- Go digital or not
- Publish
  - a global, organizational wide schedules, or
  - function or business unit specific schedules
- Format
  - Is it easy to use
  - Is it searchable
  - Is it printable
STEP 3 - VALIDATION - PICK YOUR TEAM

- Accounting
- Claims Operations
- Compensation & Benefits
- Compliance
- Corporate Security
- Data Center Operations
- Facilities & Properties
- Financial Planning & Analysis
- Financial Technical Accounting

- Fleet Administration
- Human Resources
- Information Security
- Internal Audit
- Internal Reporting
- IT
- Legal
- Marketing
- Operations

- Payroll Accounting
- Privacy
- Purchasing/Procurement
- Risk Management
- Safety & Health
- Sales
- Strategic Procurement
- Tax
- WHO ELSE??
STEP 3 - VALIDATION - SET EXPECTATIONS

- Have a kick off meeting
- Introduce your project team
- Describe scope of project
- Explain what has been done to date
- Talk about any significant updates you’ve may have come across
- Lay out what you need from the reviewers
- Present your timeline

STEP 3 - VALIDATION - SAMPLE TIMELINE

- Business Review
  - Kick off early February
  - Feedback due back to Corporate Records by Friday, February 28
- Second round review (if necessary)
  - Commence on March 3
  - Final Feedback due back to Corporate Records by Friday, March 21
- Policy and Retention Schedule to Outside Counsel for final validation on April 1
- Policy submitted to EMEA Works Councils (where required) June 1
- June/July/August - Training Development/Translation
- Rollout Policy & Retention Schedules - Q4
Step 3 - Validation - Provide Leadership

- Put someone in charge of collecting feedback and incorporating into a master document
- Decide who will mediate disagreements
- Discuss any required outside reviews that may be required, i.e., litigation counsel, work’s councils, etc.
- Explain retention process for research and feedback
- Update the team when significant changes are agreed to

I am in charge
For the most part, retention periods stated in regulatory or statutory requirements are considered minimum retention periods - the shortest period of time a record must be held.

Legal reviews the risk of not maintaining the records beyond that period; for example, looking at the statute of limitations or identifying conflicting regulations.

Depending on legal advice, a decision may also be made to eliminate records before the prescribed minimum retention period has run.
**STEP 5 - IMPLEMENTATION AND ENFORCEMENT**

- Build a Records Coordinator Network
  - Business Area Representatives
  - Local Champion
  - “Feet on the Street”
- Keep Your Network Healthy & Growing
  - Stay in Touch
  - Provide Incentives
  - Encourage Learning

**STEP 5 - IMPLEMENTATION AND ENFORCEMENT**

- Develop a Communication Plan
  - Internal website
  - Social media
  - Email
  - Posters
- Build Your Tool Kit
  - Internal website
  - Blogs
  - Job aids
  - Posters & flyers
STEP 5 - IMPLEMENTATION AND ENFORCEMENT

- Engage your Executive Champion to kick off new or updated program with Senior Leadership Team
- Cascade information down through the organization
- Partner with IT, Legal, Information Security, Privacy, Internal Audit and Tax to help promote the program - a solid record management program supports their efforts

STEP 5 - IMPLEMENTATION AND ENFORCEMENT

- Training
  - In person is always best, but if not
    - Video Conferences
    - Web-based training, followed by live sessions on the phone
  - Role-based Training
    - Identify higher risk facilities or functional groups
    - Identify your audiences
    - Customize the training
**Step 5 - Implementation and Enforcement**

- Establish Retention Plan
- Audit / Monitor Compliance
- Continuous Improvement
  - Identify changes in regulatory and business environment
  - Evaluate Effectiveness
  - Update as appropriate

**Program Development Check List**

- Complete a records inventory
- Build policies from industry-specific standards
- Build retention schedules from industry best practices
- Partner with subject matter experts
- Build a network of records coordinators
- Develop a “Tool Kit”
- Communicate and train business people
- Routinely dispose of obsolete records
- Audit the program
- Assess, Monitor and Update as needed
RIM 101 | Managing Risk and Designing an Effective Information Management Plan
Session: 601

ADDITIONAL READING

- Everything Electronic Records Management (ERM), Howard Loos, CRM, IGP
  www.armahawaii.org
- How to Design, Develop, Deploy, and Maintain a Records Retention Program - www.aim.org
- Generally Accepted Recordkeeping Practices, www.arma.org
- 7 Ways to Take Control of Your Records Management Program, www.accesscorp.com
**CONTACT INFORMATION**

Jacki Cheslow  
+1.973.496.5157  
Jacki.Cheslow@avisbudget.com  
https://www.linkedin.com/in/jackicheslow/  
@jajchez

---

**SESSION 601**  
**RIM 101 | MANAGING RISK AND DESIGNING AN EFFECTIVE INFORMATION MANAGEMENT PLAN**

*Don’t forget to complete your session evaluation*

Thank you