Chapter 4
Section 4.01

Ministry of Government Services

Archives of Ontario and Information Storage and Retrieval Services

Follow-up on VFM Section 3.01, *2007 Annual Report*

Background

The Archives of Ontario (Archives) has a broad mandate to oversee and manage recorded information in paper, electronic, and other forms created by ministries and most agencies, and to preserve recorded information of historical and permanent value and make it accessible to the public.

Records that are not needed on an ongoing basis by a ministry or agency are transferred to and stored in warehouses operated by the government's Information Storage and Retrieval unit (ISR), which has been the Archives' responsibility since April 1, 2007. Storage periods for these semi-active records, which are set using a record-retention schedule authorized by the Archives, usually range from five to 100 years. After that, the records are to be either destroyed or transferred to the custody and ownership of the Archives.

Ministries and most agencies must follow a government directive that sets out requirements for the storage of recorded information. The Archivist of Ontario ultimately has sole responsibility for approving the final preservation or disposal of all documents and records.

Access to the Archives' collections can be obtained through its reading rooms, the Internet, and public libraries via the interlibrary-loan microfilm program. Annually, customer inquiries and access requests for the archival and art collections include 16,000 visits to the Archives' reading rooms, 21,000 research requests, 7,000 microfilm loan requests, and approximately 70 million visits to the Archives' website.

In the 2008/09 fiscal year, the Archives' expenditures were $18.8 million ($16.7 million in 2006/07) and the Archives employed about 100 staff. In April 2009, the Archives of Ontario completed its move to a new head-office facility in north Toronto.

In our *2007 Annual Report*, we concluded that although the Archives had recently introduced a number of initiatives to upgrade its facilities and information systems, it did not yet have adequate systems and procedures to ensure that information of historical significance was being identified, stored, or archived safely and securely, and made readily accessible to users. The large growth and sheer volume of records destined for the Archives, both paper and electronic, exacerbate the challenge of identifying and cataloguing archival records of

historical value. Our more significant observations were as follows:

- The Archives did not have adequate systems and procedures for ensuring that the more than 10,000 record-retention schedules of government ministries and agencies, which are used to identify records with archival value, were complete and up-to-date.
- The Archives had no information on whether ministries and agencies were following required storage and archival policies.
- The Archives needed to be more proactive in working with ministries and agencies to reduce the significant growth in stored records.
- The Archives did not have a comprehensive strategy for dealing with the extensive electronic documents that will need to be archived nor the technical expertise and capacity necessary to store and make them available to the public.
- We found a number of weaknesses in inventory control practices, which may have resulted in significant losses, including thefts, over the years.
- Many archival records were not readily accessible to the public because they had not been processed or fully described in the Archives Descriptive Database system.
- Although the Archives has made good progress in developing a modern new storage facility for archival records, the storage facilities and storage methods for the more current semi-active records that are destined for the Archives pose a risk of deterioration or loss of these records.

We made a number of recommendations for improvement and received commitments from the Archives that it would take action to address our concerns.

Status of Recommendations

According to information received from the Archives, progress is being made in implementing most of our recommendations. Given the magnitude of the actions required, substantially more time will be needed for the Archives to fully implement or address several of our recommendations, such as the recommendations that involve dealing with the large quantity of archival electronic records, reducing the growth in the volume of stored records, and fully describing archival records in the Archives Descriptive Database system to make them more accessible to the public.

The status of the action taken on each of the recommendations is described in the following sections.

RECORD-RETENTION SCHEDULES

Recommendation 1

To ensure that records created by all program areas of ministries and agencies are assessed for their archival value and the length of time they should remain in storage, the Archives, in collaboration with ministries and agencies, should:

- *complete its analysis of each ministry and agency, establish a list of all program areas that are required to prepare record-retention schedules, and periodically update that list; and*
- *complete its system enhancements so that it can ensure that it obtains and authorizes record-retention schedules from all those required to provide one.*

OVERSEEING OF MINISTRY AND AGENCY RECORD-MANAGEMENT PRACTICES

Recommendation 2

To ensure that the Archives can fulfill its obligations to monitor compliance by ministries and agencies with record-management requirements, it should:

- *establish a cost-effective means of periodically obtaining the information it needs to monitor ministry and agency compliance; and*
- *use this information to identify best practices among ministries and agencies and address any gaps between the directive, Archives policies and guidelines, and actual record-management practices.*

Status

The following covers the status of both Recommendations 1 and 2.

The new *Archives and Recordkeeping Act* that was implemented in 2007 strengthened the responsibilities of both the Archives and Archivist and the ministries and agencies. The Archives informed us that since that time, it has been working with ministries and designated provincial Crown agencies to modernize records management across government.

A multi-year strategy has been put in place for the Archives to complete its high-level analysis of each ministry's and agency's creation of records with archival value and record-retention requirements. The Archives plans to complete all analyzes by the end of the 2010/11 fiscal year. It intends to use these analyzes in monitoring ministries' and agencies' compliance with the Act. The Archives advised us that as of March 31, 2009, it had completed or updated 46% of ministry analyzes and 48% of agency analyzes.

In April 2008, the Archives streamlined the requirements and procedures for the approval of record-retention schedules. The Archives has established a team of six records advisors that is providing advice and training to ministries and agencies on record-retention schedules and other related issues. According to the Archives, as a result of an increase in requests from ministries and agencies to update and add record-retention schedules, more than 2,000 updates were made in the 2008/09 fiscal year. In addition, more than 700 obsolete or superseded record-retention schedules have been deleted to date.

In December 2008, the Archives contacted all ministries asking for confirmation on their use of updated record-retention schedules for common records, such as human resources and finance. Over half of ministries had responded to the Archives as of June 2009, with responses from all ministries expected by September 2009. The Archives plans to make a similar request to agencies before the end of the 2009/10 fiscal year for completion by September 2010. The Archives plans to issue compliance reports on record-retention schedule coverage for individual ministries by December 2009 and for agencies by December 2010. Analysis of inactive record-retention schedules will also be completed for ministries and agencies by these dates.

The Archives has converted approximately 14,000 approved record-retention schedules (formerly paper-based) to an electronic database. On-line access to the database and an information resource site for records management is available to ministries on the government intranet. We were informed that the agencies are to be provided with on-line access to the database in the fall of 2009.

Subject to Management Board of Cabinet approval, the Archives was planning to publish a government-wide standard for storage of semi-active paper records by September 2009.

ELECTRONIC RECORDS

Recommendation 3

In order for the Archives to oversee, manage, and archive electronic documents and records created by ministries and agencies, the Archives should:

- *ensure that it has the necessary technical expertise and capacity to deal with electronic records; and*
- *then establish and implement strategic plans that would permit the efficient transfer of archival electronic documents and records to the Archives in accordance with recognized best practices for information management.*

Status

The Archives continues to rely on the government's information technology (IT) community for preserving and maintaining electronic records. According to Archives estimates, by 2013 approximately 144 terabytes of ministry and agency electronic records will need to be preserved by the Archives. To put this amount in perspective, it is the equivalent of approximately 3.6 million containers of paper-based records—that is, nine times larger than the Archives' current holdings of 0.4 million containers. The Archives noted that finding a solution to the preservation of electronic records has been identified as a priority in Ontario's five-year Corporate I&IT Plan (2008–2013), and it is also recognized as a key priority in the Archives' Strategic Plan for 2007–2010.

In March 2009, a project to establish archival processes and procedures for arranging, describing, and providing access to electronic archival records was completed. These processes and procedures were tested using a collection of electronic records as a pilot.

The Archives informed us that it has conducted research to examine various national and international programs being undertaken to preserve electronic records and make them accessible. According to the Archives, its research suggests that it should base its program on the Open Archival Information System model developed by the International Standards Organization (ISO).

A multi-year project is to start in the 2009/10 fiscal year to establish a trusted digital repository based on the ISO standards. Such a large-scale enterprise-wide project will require obtaining funding and approval for development of functional requirements for the repository, and for analyzing the marketplace to identify suppliers of the components needed for the repository.

GROWTH IN VOLUME OF STORED RECORDS

Recommendation 4

To fulfill its obligations to manage the growth in the volume of stored government records, the Archives should, in collaboration with ministries and agencies, develop strategies and timetables for reducing the growth in and minimizing the volume of records that require storage.

In order to manage the expected significant growth in the number of records destined for the Archives and to ensure that the Archives can manage its operations cost-effectively in future, the Archives should identify and accept only those records that clearly have permanent and historical significance.

To ensure that records are not being stored longer than they need to be, the Archives should determine the number and types of records that remain in ISR storage facilities past their originally authorized retention dates or are unaccounted for and the reasons for the delays in their disposition. It should use this information to evaluate its policies and procedures and those of ISR with the objective of reducing any unnecessary or prolonged storage of records and delays in transferring archival records.

In addition, the Archives should investigate ministries and agencies that have not returned records that they retrieved from ISR and should implement controls that will ensure that unreturned records are followed up.

Status

Standardized record-retention schedules for transitory records (such as records of temporary or minor transactions having no ongoing value—for example, memos or messages) were issued to ministries and agencies in 2008, making it clear that duplicate copies and records of short-term value can and should be discarded quickly. The transitory record-retention schedules allow paper records to be discarded if the same information is maintained in electronic form. The Archives informed us that following this policy change, it observed a decrease in the proportion of revised record-retention

schedules submitted for approval that specified retention of paper as well as electronic versions of information.

We were advised that the work done so far and planned by the Archives to promote modern record-management practices, such as its efforts to ensure that ministries' and agencies' record-retention schedules are up-to-date, is likely to result in a modest reduction in both the length of time records are stored at ISR and the proportion of records transferred to the Archives. The adoption of the standardized record-retention schedules was still in progress, and given the natural time lags in the transfer of records, it may be some time before the impact in reducing records will be seen at ISR or the Archives.

The Archives continues to review incoming transfers of records that have reached their disposition date at ISR and to apply selection strategies where possible to reduce the overall quantity of records held as archival. We were informed that as a result of its review process, the Archives reduced by over 30% the volume of records originally scheduled to be transferred to the Archives during 2008.

In late 2009, the Archives was planning for a review of the retention and appraisal policies for court records, which account for a large volume of the paper records that are destined for the Archives but stored in the interim at ISR warehouses.

The Archives has developed new policies and procedures for monitoring, controlling, and reducing the volume of records placed on hold by ministries and agencies in ISR warehouses past the originally established destruction date. A tracking database has been implemented to document a ministry's or agency's rationale for the need to store the records and for the recommended hold period. This approach allows for more timely follow-up when the hold period expires. Annually, the new process requires a ministry's program area to provide a rationale (for example, ongoing litigation) for requests to hold records past their designated destruction date, as well as an indication of how long they need to be held. The Archives informed

us that the number of yearly destructions increased approximately 40% between 2006 (before the new process) and 2008.

As well, the Archives informed us that it has established a process to help ministries and agencies identify any records that they have retrieved from ISR warehouses but not yet returned. Each ministry and agency has received a report identifying all outstanding unreturned records, which will assist them in locating and returning the records. Subsequently, ISR sends monthly reports identifying retrieved records that have been outstanding more than 90 days. Once a year, ISR flags all unreturned records. The Archives noted that most ministries are using the reports to better manage their ministry's retrievals process and are providing information on files that are not being returned because of operational use. The Archives claims that there was a significant drop in files that remain out—from more than 500,000 before the reporting process was initiated to 380,000 as of March 31, 2009.

INVENTORY CONTROL FOR THE ARCHIVES

Recommendation 5
To ensure that proper and effective inventory controls are established and maintained for archival records and collections and to reduce the risk of loss and theft, the Archives should conduct, possibly with the assistance of ministry internal auditors or other experts, a thorough assessment of its inventory and security controls and other loss-prevention measures and correct any deficiencies identified.

Status
We noted that the Archives has made some progress in improving its inventory and security controls. The Archives informed us that it has completed its project to bar-code all of its remaining containers of records and enter those records into its electronic container-tracking system. More than 48,000 entries were added to the system during the

2008/09 fiscal year in anticipation of the Archives' March 2009 move to a new head-office facility. The Archives' current process is to capture new records in the tracking system as they are acquired.

However, records inside containers (such as photographs and documents) are still not catalogued at the item level. As a result, the Archives' inventory systems cannot provide complete details of the records inside the containers, including whether any of the records are missing. The Archives advised us that cataloguing at the item level is not feasible given the large volume of documents and its limited resources. However, it expects that its enhanced security at its new head-office public facilities will minimize the risk of theft. Furthermore, we were informed that, although the Archives began sealing containers during transit in 2007, sealing containers when in storage is not being considered for the government-operated or privately operated storage facilities, because the Archives did not feel that this security measure was practical. Instead, it planned to continue to rely on the security measures already in place at the facilities. We were advised that the facilities' security measures, such as ensuring that doors are locked, are tested during routine inspection of storage facilities carried out by Archives staff.

The Ministry's internal auditors were engaged to help assess the physical security and environmental risks, such as fire and flood, of the Archives' new head office and to help develop policy and procedures to support secure access, and the Archives informed us that it has acted on recommendations made by the internal auditors. We were advised that only retrieval staff now have access to vaults containing certain valuable archival holdings. However, we noted that the Ministry's internal auditors were not asked to help assess security and inventory controls and risks for records and archival holdings at ISR and Archives storage warehouses.

A province-wide inventory and secure mounting of artworks in the government of Ontario art collection were in progress at the time of our follow-up. The Archives put a procedure in place in March 2008 to follow up on artworks that are reported as unaccounted for or stolen. We were advised that since the procedure was put in place, there have been no instances of unaccounted-for or stolen art.

ACCESS TO ARCHIVAL COLLECTIONS

Recommendation 6

In order to improve access to archival collections, the Archives should identify records that have not been listed or described fully in its Archives Descriptive Database system and should establish a plan and timetable for their inclusion.

Status

We were advised that a project to review the records not listed or fully described in the Archives' on-line catalogue, called the Archives Descriptive Database, was under way at the time of our follow-up. As part of the Collections Management Backlog Reduction Strategy that the Archives established in the 2008/09 fiscal year, the Archives has developed selection criteria for prioritizing backlog projects to be added to the database. This multi-year strategy identified that approximately 60% of non-government collections and 33% of government records required some degree of processing to be complete.

The Archives informed us that it no longer adds to the backlog. All newly acquired collections, whether private records or government records, are to be fully described in the Archives Descriptive Database system within a year of receipt in order to ensure that the backlog is capped at its current level. We were advised that, as of the end of March 2009, about 88,000 updates had been entered in the database and made publicly accessible. This reflected the processing of 57 recent acquisitions, the archival records transferred from ISR warehouses during 2008, and 15 high-priority backlog collections.

Work was to continue on the backlog but we were advised by the Archives that it could take 10 years to complete, depending on the Archives' available resources and competing operational

priorities. In the interim period, backlog collections will be made physically available to the public and are listed in the container-tracking system.

STORAGE FACILITIES

Recommendation 7

In order to better protect and preserve records that are destined for the Archives and that are normally not stored in facilities with suitable environment and building conditions, the Archives should:

- *conduct a cost-benefit and feasibility analysis to determine if it should make greater and earlier use of its environmentally sound storage facility;*
- *examine ISR's storage policies, procedures, and facilities to identify changes that would improve the environment and building conditions for records in their facilities that are scheduled to be transferred to the Archives; and*
- *evaluate and make improvements to its inspection program and reporting requirements for ISR's storage facilities and establish policies and procedures for requiring corrective action when inspection results are unsatisfactory.*

In addition, the Archives should ensure that government of Ontario artworks are protected and preserved by storing them in environmentally sound and secure facilities.

Status

The Archives informed us that it was in the process of considering options for its long-term storage facilities requirements for semi-active records, which are currently met by ISR's two government-owned-and-operated warehouses (which hold about 400,000 containers) and by a private-sector company's warehouse facility (which holds about 600,000 containers). A business case and cabinet submission for approval were planned for during the 2009/10 fiscal year. In the interim, as a result of a tender, a new three-year agreement with its private storage-facility provider was established in January 2009, with options by the Archives for three one-year extensions to the term.

The new agreement with its private storage-facility provider includes stricter and clearer requirements for the storage environment. Information on temperature and humidity is being captured and monitored at all warehouses. We were informed that quarterly environmental inspections of the private storage facility are being conducted. Also, a contracted company was hired to provide the Archives with monthly reports that outline the results of environmental conditions at each warehouse facility, whether government-operated or privately run.

We were advised that water-detection sensors have been installed in government-owned warehouses, and precautions have been taken to eliminate the risk of flood damage to containers stored at these warehouses. Formal inspections have increased to quarterly for government-owned facilities and monthly for the private company's facilities. We were advised that issues identified at inspections are brought to management's attention for resolution.

Artworks are no longer permanently stored in a basement storage room of a Queen's Park building. Most artworks not on display were moved to a secured environmentally controlled storage vault at the Archives' new head office in May 2009, and a few remaining artworks were planned to be transferred in July 2009. A new Art Collection Tracking System was also established, and artworks are to be bar-coded and scanned into the new system for inventory tracking.

PRIVACY CONTROLS OVER RECORDS

Recommendation 8

In order to ensure that the confidentiality of records in storage is protected and that service providers are in compliance with the security and confidentiality requirements of their contracts, the Archives should:

- *conduct a thorough privacy risk assessment of its storage facilities operated by private-sector contractors;*

- *restrict activities and impose security controls at storage facilities that will minimize the exposure of confidential records;*
- *revise its inspection program of storage facilities to include formal assessments of its security and privacy controls; and*
- *develop classification criteria for confidentiality and security levels and establish special storage arrangements for the most sensitive records.*

Status

Guidelines issued during the 2006/07 fiscal year by the Information and Privacy Commissioner of Ontario and the Chief Information and Privacy Officer recommend that when ministries contract with private firms, a thorough risk assessment should be conducted. The Archives informed us that, in response to our recommendation in the *2007 Annual Report,* a privacy risk assessment was under way that would examine both the government-run and private-sector storage facilities. Although the Archives did complete a privacy risk assessment for its government-run warehouses in September 2008, no privacy assessment had yet been performed at the private storage facilities at the time of our follow-up.

The Archives informed us that it has nonetheless completed a project to eliminate personal information from the exterior of boxes at both its private- and public-sector facilities. Going forward, staff at these facilities are required to ensure that no personal information is noted on the exterior of storage containers. In addition, the Archives' recent contracts for storage and transportation services include provisions regarding confidentiality and the *Freedom of Information and Protection of Privacy Act,* and monthly inspections of the private storage facility include testing security.

However, we noted that certain control weaknesses we identified in our *2007 Annual Report* were not addressed in recent contracts awarded to the Archives' private-sector storage contractor. First, the Archives advised that, because this is an industry-standard practice, it continues to allow its private-sector storage contractor's staff to retrieve individual files from storage containers, a practice that risks exposing potentially sensitive information. Second, no changes were made to require that ISR's approximately 600,000 containers be separated from containers belonging to the contractor's other clients. ISR containers represent about 30% of the total holdings at the contractor's facilities, and separating these containers could help to reduce the risk of loss or security breaches.

At the time of our 2007 audit, a government-wide file-classification plan was established to promote consistency across the government in the identification and organization of records and to classify information according to its sensitivity. However, at the time of our follow-up, the Archives had not changed its systems and procedures so that it could use this information to designate records that should remain in facilities with enhanced security arrangements.

CONTRACT MANAGEMENT

Recommendation 9

In order to ensure that contracts with service providers are managed properly and that procurement processes are documented properly, ISR and the Archives should evaluate the way in which they manage procurement documents, and ISR should ensure that payments are made only for amounts and services that are in accordance with contractual requirements.

Status

The Archives informed us that it has implemented a document-management system to track procurement and contract management documentation. A Contract Tracking Report is also reviewed and updated on a monthly basis.

Documentation was provided to us for several large contracts recently awarded by the Archives for transportation services and private storage facilities. Procurement decisions in each of these cases were well documented and in accordance with established policies and procedures. However, the

Archivist of Ontario recently asked the Ministry's internal auditors to review a contract for file-storage shelving and related services, valued at $775,000. In January 2009, the internal auditors concluded that this contract, already spent, had been inappropriately awarded because it had not been competitively tendered. The Archives responded to the internal auditors that it would comply with the procurement policies and procedures in the future.

Controls for ensuring that the Archives' private storage-facility provider meets contractual requirements for maintaining suitable environmental and security controls were also enhanced through improvements to inspection procedures and frequency and to reporting requirements.

The Archives informed us that, due to weaknesses in its ISR container-tracking system and backlogs in data entry regarding storage and container movement activities, it is unable to establish procedures for reconciling differences between the volumes reported by its container-tracking system with its contractor's monthly billings for storage services. We noted that discrepancies continue to exist between the information in the ISR's container-tracking system and its contractor's invoices, which the Archives continues to pay without verification procedures. The Archives was planning for a new container-tracking system, which will permit it to verify contractor invoices.