CHAPTER 9

Records Management Systems

Information is important to the operation of a company. A system is needed for organizing, storing, and retrieving records and for removing outdated records. As an office worker, you will need to follow records management procedures carefully. These procedures include how to organize, store, retrieve, remove, and dispose of records. This series of steps is known as the record life cycle.

You will learn in this chapter that organizations keep records on a variety of media. They use paper, magnetic tapes and disks, optical disks, and micrographics. You will also learn that there are advantages and disadvantages to each. You should know about these media so that you can maintain records properly. This chapter will give you the latest information about the various media and the skills to use the most common filing systems.

Online Resources

- *The Office* Web site:
  Data Files
  Vocabulary Flashcards
  Beat the Clock, Filing Systems
  Chapter 9 Supplementary
  Activity
- ARMA International
  13725 W. 109th Street, Suite 101
  Lenexa, KS 66215
- Search terms:
  records management
  records retention
  storage media
  micrographics
  imaging systems
  disaster recovery plan

objectives

○ Explain the purposes of records management

○ Identify the benefits of records management

○ Describe types of media on which records are kept

○ Identify the cost factors involved in a records management system

○ Describe the phases of the record life cycle

○ Describe the process for the removal and archiving of records

○ Describe disaster recovery

○ Use database software to create a retention schedule for records

An office cannot operate without records. For example, each time an item or service is purchased or sold by an organization, a record of the transaction is made and kept in the files. When you work in an office, you will keep a copy of correspondence you mail or transmit. You will also keep items that you receive from other individuals or companies, such as letters, memos, reports, and advertisements. You may even keep a written record of important telephone conversations.

Records are kept so that you and others in the office can refer to the information later or use it to complete another task. A records management system will help you store and retrieve records efficiently and keep the files current.

Overview of a Records Management System

A **record** is data in forms such as text, numbers, images, or voice that is kept for future reference. A **records management system** is a set of procedures used to organize, store, retrieve, remove, and dispose of records.

The main purpose of a records management system is to make sure records are available when needed so that a company can operate efficiently. Such a system fulfills this purpose in several ways by:

- Using storage media
- Providing proper storage equipment and supplies
- Outlining procedures for filing records
- Developing an efficient retrieval procedure
- Setting up a schedule for when records should be kept or discarded

An effective records management system benefits a company in two ways. First, workers are more productive. Second, customer goodwill is maintained.
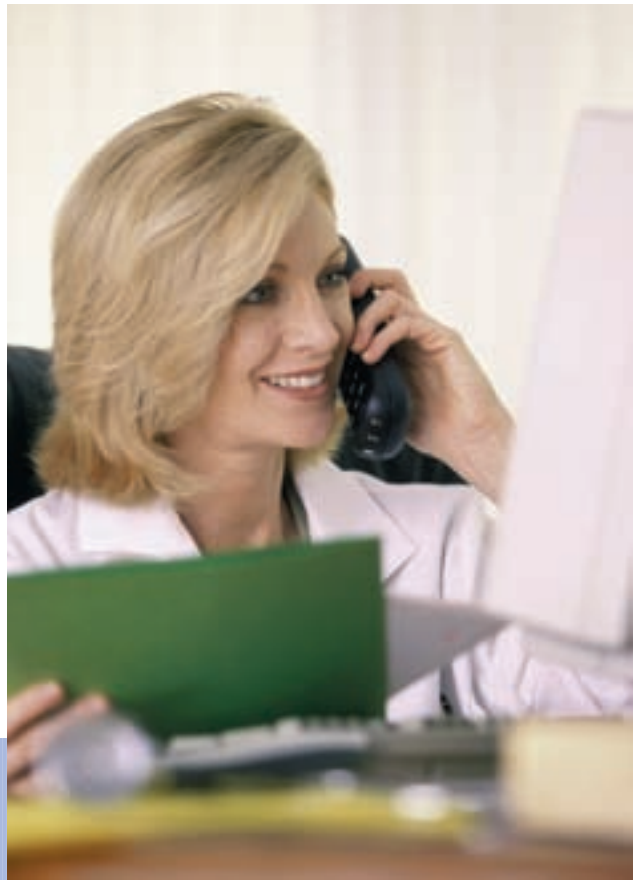
To make wise decisions or complete a task well, workers need accurate, current information. For example, to prepare a monthly sales report, you need to have the sales figures for each sales person. Before you pay an invoice, you should check your records to be sure the charges are correct. Before you can mail a package, you need to know the recipient's complete address.

You must be able to access needed records easily and quickly. An effective records management system will help you to be more productive. You will not waste valuable time searching for information that should be easily available.

record: information kept for future reference

records management system: a set of procedures used to organize, store, retrieve, and dispose of records

Topic 9-1: *Maintaining Office Records*

This medical assistant can quickly access patient records.

Storage Media

medium or media: material(s) or form(s) on or in which information may be stored

A company may keep records on a variety of **media**. Paper, **magnetic media** such as computer disks or tape, and **micrographics** (documents reduced and placed on film) are used for storing records. The company must determine a combination of media that is best for its needs. As an office worker, you may be expected to work with all these media. Each **medium** has particular advantages and disadvantages, and you will learn more about these in this topic.

magnetic media: disks or tapes used to store documents electronically

Storage Equipment and Supplies

micrographics: converts documents to very small photographs for storage on microfilm

Storage equipment, such as filing cabinets, should be chosen with specific storage media in mind. For example, if your records are on paper, you might use a filing cabinet. However, the same cabinet might not be appropriate for filing micrographic records. You may use supplies such as file folders to hold paper records. You would not use these folders for storing computer tapes. Chapter 10 discusses the various equipment and supplies for each type of storage medium.

Valuable records can be kept in fireproof cabinets or vaults. A good records management system includes policies that help you decide which records require special protection. For example, you may need to protect original copies of contracts by storing them in a fireproof vault.

352

Open shelf files are used for storing paper records in some offices.

Filing Procedures

Filing is the process of storing records in an orderly manner within an organized system. The procedure used to file records varies. It depends on the storage media used and the way the files are organized. Topic 9-2 explains the various paper filing systems. Chapter 10 presents specific filing procedures for hard copy files and electronic files.

Employees often remove records from the files for use in their work. Removing a record from the files and noting information about the record is called **charging out**. Company procedures should provide guidelines for charging out records. The following information is usually recorded when a record is removed from the files:

- Name and department of the worker who is taking the record
- Date the record was retrieved
- Date the record will be returned

This information is kept in case someone else must locate the record. A retrieval procedure also should indicate whether all workers or only certain staff members have free access to the records. Chapter 10 explains retrieval procedures in more detail.

Records Retention and Disposition

A records management system should include information on how long records are kept and how they are to be disposed of. Most companies use a **retention schedule**, which lists how long each type of record should be kept. You should follow this schedule to be certain that the files are free of outdated or unnecessary records so that you can work efficiently. Proper **records disposition** can be equally important. Later in this topic, you will learn more about this aspect of records management.

filing: the process of storing records in an orderly manner within an organized system

charging out: removing a record from the file and recording related information

retention schedule: a list of how long each type of record should be kept

records disposition: moving records to permanent storage or destroying records

353

Topic 9-1: *Maintaining Office Records*

Storage Media for Records

Records are stored on a variety of media. The most common storage medium is paper. Paper records will remain a major part of filing systems for years to come. Many records are also stored on magnetic or optical disks and on microfilm. These records require less space to store than paper records.

Paper

Each time you print a document or complete a telephone message form, you are recording information on paper. These paper records are referred to as hard copy. The advantage of keeping paper records is that you can easily read the information they contain. With magnetic media records, such as a word processing file stored on your computer, however, you need a display screen or printer to access the information. Two disadvantages of storing records on paper are that such records take up a great deal of space and they can be easily misfiled.

The best records management system is one in which a mixture of paper and other storage media are used. Records that are vitally important may be stored in more than one medium. Records that must be seen all at once or are signed, legal documents are often stored in paper form. Records that are no longer needed daily but, perhaps, occasionally may be kept in electronic form. Whatever the needs of the office, paper records should be kept to a minimum. Follow these rules:

- Do not be a pack rat. Know what paper to save and what to throw away.
- Do not wait until you are afloat in a sea of paper or have a large number of electronic files to store or organize them. Set aside time for records management in each day.
- Keep a file directory. Maintain a written directory for files.

Paper records should be easily accessible. Topic 9-2 offers an explanation of the various filing systems used for paper records. Chapter 10 covers the equipment you will need for filing. An efficient combination of systems and equipment allows workers to find records easily. For instance, movable filing racks are great for quick access. A numeric filing system may be just right for an office in a clinic with lots of files for patients.

Magnetic Media

Magnetic media are reusable and contain information that is stored electronically. The most frequently used forms of magnetic media are hard computer disks (hard drives), flexible (floppy) disks, flash drives, and tapes. **Hard disks** are metal disks that are magnetized to hold the information put onto them. Most computers have an internal hard disk. External hard disks that connect to a computer with a cable are also available. These disks vary in storage capacity. **Floppy disks** are bendable disks placed inside a hard casing to protect them. They work in the same way as hard disks but hold less information and are less durable. Their main use is portability. Information can be placed on a floppy disk in one computer and transported by that disk to be read or used in another computer. These disks hold from 1.44 megabytes to 120 megabytes of information.

hard disk: a magnetic medium used to store electronic data that can be read by a computer

floppy disk: portable magnetic medium used to store small amounts of computer data

354

A **flash drive** is an external storage device that attaches to a computer. The drive consists of a small printed circuit board encased in a hard plastic covering. These devices are also called pen drives or memory sticks. Storage capacities range from 128 megabytes to several gigabytes. They may be carried in pockets or briefcases or attached to key rings. Flash drives may be used to carry files to another computer or to back up computer data.

Magnetic tape is used for backing up (making a copy of the files on) hard drives and other storage needs. Tape can hold large amounts of information.

Using magnetic media has both advantages and disadvantages. Four major advantages to the use of magnetic media are:

- Records can be retrieved quickly and easily.
- The storage space required for housing records on magnetic media is much less than that required for paper.
- Records stay in the same order on the magnetic media even after being retrieved several times.
- Records can be organized and updated easily.

Three disadvantages to using magnetic media to store records are:

- An output device such as a monitor or printer is needed to read the records.
- Electrical power surges and failures can erase or change the data recorded on magnetic media.
- Magnetic media require special protection from extreme heat and cold and should be kept away from magnetic fields.

Optical Disks

A CD (compact disk) and a DVD (digital video disk) are optical storage media. Data are put on the disk by laser and read by a drive in the computer. These disks can hold more information than a floppy disk but not

© GOODSHOOT/SUPERSTOCK

Many records are stored on optical media.

Topic 9-1: *Maintaining Office Records*

as much as some hard disks. The biggest advantage of optical disks over magnetic media is their ability to hold large files needed for graphic information, including moving pictures with stereo sound. The disadvantage is that some older computers only have a drive to read CDs or DVDs and cannot write (or save) information to these disks. New computers and stand-alone drives are available that write to CDs and DVDs.

CDs and DVDs should be handled carefully. Keep disks in a protective jacket or case to prevent the surface from being scratched or getting dirty. Scratches or dirt on the surface and warping, which can be caused by extreme heat, may make a disk unreadable.

WORKPLACE CONNECTIONS

When Joyce walked by Ken's workstation, she noticed that several floppy disks and a CD out of its protective jacket were lying on top of the monitor. Ken was working at the computer and seemed unconcerned about the situation:

Joyce: "Ken, did you know you could be destroying all your hard work right now?"

Ken: "What do you mean?"

Joyce: "Floppy disks are sensitive to magnetic forces such as those found in the computer and even the telephone. You should never place them on top of the monitor! And, by leaving the CD out of its jacket you risk scratching it or dropping something on it that will mar the surface and make it unreadable."

Ken: "I guess you're right." (He removes the floppy disks from the top of the monitor and places the CD in its jacket.) "I'd hate to lose everything I just worked on."

Micrographics Systems

microfiche: a small rectangular sheet of microfilm that contains a series of records arranged in rows and columns
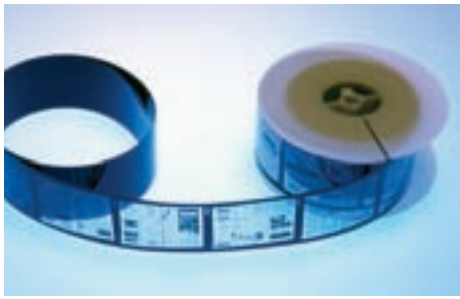
Micrographics systems create photographs of documents that are a fraction of their original size and place them on microfilm or **microfiche**. The following steps are involved in the process:

1. Records are gathered so they can be imaged to film. (Chapter 10, Topic 10-2, describes methods of organizing microfilm records for storage.)
2. A special camera is used to take pictures of the hard copy documents.
3. The film is developed. Each record then appears as a tiny picture—a microimage—on the film. A picture of microfilm is shown on page 357.
4. A device called a reader is used to display the microimage for reading. Some readers, referred to as reader/printers, will also print a hard copy of the image.

Microfilm is used when paper or computer files would be less practical. For instance, a car dealer usually will keep parts lists for past-year vehicles on microfiche. Because the list is unchanging, keeping the data on magnetic

Roll microfilm and microfiche are used to store records that would be bulky in paper form.

media that can be updated is not necessary. Because the fiche is less bulky, it is easier to store and retrieve than paper records. Libraries often keep back issues of magazines and newspapers on microfilm. Storing rolls of films is much easier and less costly than storing huge stacks of periodicals.

Microforms

You may use different forms of microfilm. Collectively, they are called microforms. The most frequently used microforms are described in Figure 9-1.1.

Microforms — Figure **9-1.1**

Roll Microfilm	Available in different widths
	Usually a roll of 16mm or 35mm film that contains a series of images
	The most inexpensive microform
	Used to store records that are not used frequently or do not require changes
Aperture Card	Paper card that holds a piece of microfilm visible through an opening in the card
	Usually contains one microimage from 16mm or 35mm film
	Often used for large-format drawings
	Identifying information can be printed on the card
Microfiche	Small rectangular sheet of microfilm that contains a series of records arranged in rows and columns
	The 6″ x 4″ size is the most commonly used
	Identifying information appears at the top
	Individual records are more easily located on microfiche than on roll microfilm
Microfilm Jacket	A plastic holder for strips of 16mm or 35mm microfilm
	Strips or single microimages are inserted into sleeves or pockets
	Can be easily updated
	Space at the top of the jacket shows the contents

Topic 9-1: *Maintaining Office Records*

FARGO, ND-MOORHEAD, MN   (YELLOW)
CONTRACTORS-GENERAL (CONT) - LUGGAGE REPAIR

PGS.   123-218   FICHE 03 OF 05   03/93   55272

PHONEFICHE UMI

© JEFF GREENBERG/PHOTOEDIT

A microfilm jacket holds strips of microfilm or single microimages.

Advantages and Disadvantages of Using Microfilm

Storing records on microfilm has several advantages. These advantages include:

- A microimage takes up less space than a record stored on paper.
- In a microimaging system, the image is viewed but not removed from the film. The microimages are always in the same order on the same microform, regardless of how often the microform is retrieved and filed.
- Hard copies of microimages can be produced on reader/printers when needed.
- Microimaging is an inexpensive way to **archive** important records. Microimages are usually accepted in courts as legal evidence just as paper records are.
- Retrieval devices available for use with microfilm make it easy to access needed records.
- Microfilm can be easily duplicated and stored in a separate, protected location.

archive: keep permanently in inactive files

During their break, Mario and Carolyn began discussing the new microimaging system their company had recently begun using:

Mario: "At first, I wasn't sure that microimaging would be helpful. But now, I'm glad we have the system."

Carolyn: "I was looking forward to having our records on microfilm! Our file cabinets were so crowded that I had difficulty just filing and retrieving records."

Mario: "What I've enjoyed is being able to refer to a record without cluttering my workstation with more paper. But if I need a hard copy, I can make one by using the microfilm reader/printer."

Three disadvantages of storing records on microfilm are:

- The initial cost may seem high because a camera, reader/printer(s), and microfilm must be purchased to record information on film.
- Office workers must be given special training so they can operate the microimaging equipment.
- Records stored on microfilm cannot be updated or altered.

Imaging Systems

Imaging is a common method of handling information and the media on which it is kept. An **imaging system** converts all types of documents to **digitized** electronic data that can be read by a computer. The data may be stored on CDs, DVDs, or other media and can be retrieved quickly. Electronic imaging systems include:

- A scanner to convert the paper documents to a digitized electronic form
- A processor that compresses the image
- A storage medium to retain the image
- A retrieval device to convert the image for viewing on a monitor
- A printer for creating hard copy documents

Imaging systems reduce paper processing. They speed up workflow and make files instantly accessible. The best use of imaging is in companies that have a high volume of documents, refer to files often, and require a high level of security for documents.

imaging system: converts documents to electronic form

digitized: converted to a form that can be read by a computer

Topic 9-1: *Maintaining Office Records*

Cost Factors

Costs are involved with any records management system. The costs involve buying equipment and supplies, leasing storage space, and paying office workers to file and retrieve records.

Equipment, Supplies, and Storage

Major equipment purchases such as filing cabinets and shelves, as well as periodic purchases of filing supplies, contribute to the cost of using a records management system. Proper care of equipment and careful use of supplies by employees will help control costs.

When businesses lease office space, they lease by the square foot. The company pays for the space occupied by records every time it writes a rent check. By keeping that space to a minimum, the room available for work is increased. Using microfilm, optical disks, or magnetic media to store records is one way to reduce the amount of space required to house records.

Human Resources

Workers are a key element in an effective records management system. Efficient procedures are worthless unless they are put into practice. Thus, the salaries a company must pay its human resources (workers) to handle records are a cost factor of records management.

Human resources are a cost factor of records management.

© GETTY IMAGES/PHOTODISC

Large companies often have several workers to handle records management. A manager may be in charge of a Records Management Department. The staff may include an analyst, a records center supervisor, and several clerks. Because records management is a field growing in importance, many businesses are looking for workers who specialize in this area. Records management is a major career opportunity.

Destruction Costs

Several costs are associated with destroying records. Paper must be shredded and removed from the business. It should be placed in a landfill in an ecologically sound manner. Some paper records may need to be placed on other media before being destroyed. Storage of those resulting records will be an added expense. Some of the costs can be reduced. Small businesses may use commercial records centers for destruction of records. Companies can hire imaging services if imaging is needed. Large businesses may find it more cost-effective to complete these steps in-house.

Record Life Cycle

Records come from many sources. Some records, such as letters from clients, come from outside the company. Others are created within the company. Examples of these records include memos, records of sales and purchases, reports, and copies of outgoing letters. Records are categorized according to their usefulness and importance.

- **Vital records** are essential to the company. These records are often not replaceable. Examples include original copies of deeds, copyrights, and mortgages.
- **Important records** are needed for the business to operate smoothly. These records would be expensive to replace. Examples include tax returns, personnel files, and cancelled checks.
- **Useful records** are convenient to have but are replaceable. Examples include letters, purchase orders, and the names and addresses of suppliers.
- **Nonessential records** have one-time or very limited usefulness. Examples include meeting announcements and advertisements.
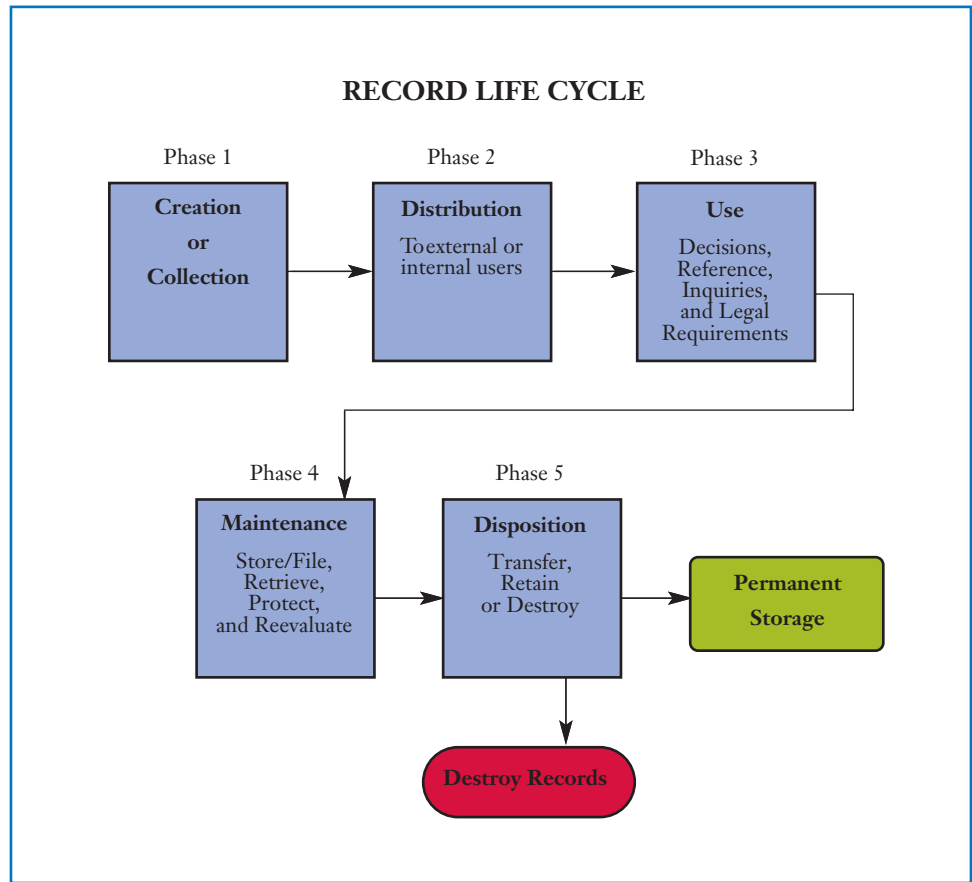
The usefulness of each record has a beginning and an end. Therefore, each record has a life cycle. The phases of the record life cycle are the same regardless of whether the records are kept on paper, magnetic or optical media, or micrographics. Sometimes, however, records will be stored on different types of media at different stages in their life cycle. A paper record might be converted to microfilm before being placed in inactive storage. A record life cycle is shown in Figure 9-1.2 on page 362. Refer to this figure as you read the following brief description of each phase.

1. **Creation or collection.** The cycle begins when you create or collect the records.
2. **Distribution.** During this phase, records are sent to the persons responsible for their use.
3. **Use.** Records are commonly used in decision making, for reference, in answering inquiries, or in satisfying legal requirements.

4. **Maintenance.** When records are kept for later use, they must be categorized and stored, retrieved as needed, and protected from damage or loss. The exact procedure you use in this phase will vary depending on whether the record is on paper, magnetic media, optical media, or micrographics. You also need to know whether the record should be filed alphabetically, numerically, or chronologically. Each record's value should be reevaluated regularly. Some records may remain in active storage while others are placed in inactive storage.

5. **Disposition.** Records are disposed of either by destroying the records or by moving them to permanent storage, often at less expensive storage sites.

Figure 9-1.2

These phases make up the life cycle of a record.

RECORD LIFE CYCLE

Phase 1	Phase 2	Phase 3
Creation or Collection	**Distribution** To external or internal users	**Use** Decisions, Reference, Inquiries, and Legal Requirements

Phase 4	Phase 5	
Maintenance Store/File, Retrieve, Protect, and Reevaluate	**Disposition** Transfer, Retain or Destroy	**Permanent Storage**

Destroy Records

Removing Records from Active Storage

When records are outdated or seldom needed, they should be removed from the active storage area. This transfer will leave more space for active records. An effective records management system will include a policy for such removal.

Retention Schedule

A retention schedule shows how long particular types of records should be kept. An example retention schedule is shown in Figure 9-1.3. The retention schedule includes a description of the type of record. The retention period (how long the record should be kept) is given for each type of record. The retention period may be shown in total years only, or it may be divided into active and inactive storage periods. The authority who decides how long the record should be kept may also be included. Government authority dictates how long certain records, such as tax returns, should be kept. Company managers may set policies for how long to keep other records such as bank statements, expense reports, budgets, and correspondence. Therefore, retention schedules will vary from company to company.

Records Retention Schedule

Record Description	Active Storage Years	Inactive Storage Years	Total Years
ACCOUNTING RECORDS			
Accounts Payable Ledger	3	3	6
Accounts Receivable Ledger	3	3	6
Balance Sheets	3	P	P
Bank Statements	3	3	6
General Ledger Reports	3	P	P
P = Permanent			

Can you determine from this retention schedule how long bank statements must be kept?

Inactive Storage and Commercial Records Centers

Inactive records are those that have value for the company but are not used often. Inactive records should be stored separately from active ones. For example, assume you are required to keep company bank statements for three years. You are not likely to refer often to the past years' statements. Those records can be removed from active storage. Inactive records should not occupy valuable active storage space. Retrieving and filing active records is easier when inactive records are stored in a separate location because you have fewer records to deal with on a regular basis.

Topic 9-1: *Maintaining Office Records*

Carla Nagai works in the Accounts Payable Department in a manufacturing company. Workers in this department often refer to vendor invoices from the current or the previous year. The company keeps invoices in active storage for two years. A new calendar year has just started. Carla collected the invoices from the year before last for transfer to inactive storage. According to the company's retention schedule, vendor invoices are kept for a total of seven years. Any invoices in inactive storage that are more than seven years old will be collected and destroyed.

Many businesses, particularly small ones, store inactive records in commercial records centers. Most of these centers offer a number of services and charge on a unit-cost basis per month. These centers base the unit on a standard-sized box that fits their shelving. Customers are required to use these boxes to make the best use of storage space. Other costs may include pickup and delivery, initial storage, and destruction costs at the end of the record's life cycle.

Special records of historical value are stored apart from active records. An archive is a storage area that is dedicated to organizing and preserving such historical records. These archived records may be in the form of paper, optical media, or microimages.

Disaster Recovery

A disaster is an event that causes serious harm or damage. A disaster recovery plan provides procedures to be followed in case of such an event. Examples of disasters include events such as an earthquake, hurricane, fire, flood, or power outage. Any other situation that results in a partial or total loss of records can be considered a disaster. Plans will vary depending on the needs of the company. The plan should be reviewed periodically and updated as needed.

Many companies provide services designed to aid in disaster recovery. Trained consultants can help create a recovery plan. Secure off-site storage areas and backup locations for the business to use during recovery are examples of these services. At some sites, special below-ground vaults are used to store vital records.

FOCUS ON . . .

Disaster Recovery Plans

The terrorist attacks on the World Trade Center in New York City and destruction caused by hurricane Katrina are extreme examples of the need for disaster recovery plans. Hundreds of offices and records were destroyed in these disasters. Losses have been estimated in billions of dollars.

Every business may not be involved in a major national crisis. However, every business needs a disaster recovery plan. A disaster may be caused by natural events such as a hurricane, tornado, or earthquake. Disasters may be due to fires, computer viruses, bombs, or even human error. Disaster recovery planning can help prepare a business to deal with a crisis situation and to resume normal business operations as soon as possible.

Companies must be concerned about the disaster recovery plans of partners and suppliers. If a partner or supplier cannot operate normally, this situation can have a serious effect on a company. Companies that work closely together may coordinate their plans.

A disaster recovery plan should include steps for prevention, readiness, reaction, and recovery.

- **Prevention** involves taking action to avoid a disaster. For example, antivirus programs can prevent damage to computer data. Buildings can be checked regularly for fire hazards. Important data files can be stored in secure locations to prevent loss. Many companies use off-site records storage to limit data loss.

- **Readiness** is being prepared for a disaster. Companies must try to judge the damage that events may cause and plan to minimize the damage. The plan should be updated and tested regularly. Training for employees on putting the plan into action is an important part of readiness.

- **Reaction** is setting a disaster plan in motion. Companies may move to backup sites when a disaster happens. They may use alternate means of communication such as home e-mail addresses, pagers, and cell phones. Reaction also involves taking steps to begin recovering from the event and to prevent further damage.

- **Recovery** means getting back to normal operations. In the area of records management, recovery involves replacing data lost in a disaster. Computer data may be restored from backup copies. Computers and other office equipment may be repaired or replaced.

Many organizations and companies promote awareness and education about disaster recovery. The Disaster Recovery Institute International has a professional certification program for business continuity/disaster recovery planners.

Topic 9-1: *Maintaining Office Records*

REVIEWING THE TOPIC

1. Why is an effective records management system vital to the smooth operation of an organization?
2. How does an effective records management system result in greater productivity by office workers?
3. List one advantage and two disadvantages of using paper to store information.
4. What are three frequently used forms of magnetic storage media? What are two frequently used forms of optical storage media?
5. Identify four types of microforms.
6. List four advantages of storing records on microfilm.
7. What are four cost factors that affect the efficiency of a records management system?
8. List the phases of the record life cycle and describe the activities in each phase.
9. What is a retention schedule?
10. What is a disaster recovery plan, and why is it important?

INTERACTING WITH OTHERS

An important folder is missing from the central files. You discover that someone in your department has signed it out. You go to this person, who is above your level in the company, and he says that he does not have it. The folder is essential for your work. What should you do?

1. Should you confront the higher-ranking person and insist that he give you the file? Why or why not?
2. Should you go to your supervisor and ask her to help resolve the situation? Why or why not?
3. Should you attempt to do your work without the folder and make mistakes because you do not have the information you need? Why or why not?

REINFORCING MATH SKILLS

1. A single file drawer contains 75 folders. Documents from 15 of these folders were converted to micrographic form. The microforms were transferred to inactive storage. Of the remaining active folders, six had their contents divided into two folders each. How many active folders are now in the file drawer? What is the percentage of decrease in the number of folders in the active file?

2. Eight departments have requested additional file folders. Folders are ordered from the supply company in boxes, each containing 25 folders. The number of folders each department needs is shown below. How many folders are required to meet the needs of all the departments? How many boxes of folders should be ordered? How many folders will be left after each department has received the number of folders it requested?

Accounting	21	Production	175
Finance	48	Public Relations	100
Human Resources	99	Marketing	260
Information Systems	125	Customer Service	32

Topic 9-1 : ACTIVITY 1

DATABASE
RECORDS MANAGEMENT

Retention Schedule

Each company creates its own records retention schedule. Your manager has written some notes that you will use to create a records retention schedule for your company. In determining the retention times for each record, she considered how long the records will be used, how frequently the records will be used, the form in which the records will be kept, and laws that pertain to records retention.

1. Create a new database file named *CH09 Retention*. Create a table named **Retention Schedule** to include the following fields: Records Series, Record, Years Active, Years Inactive, and Total Years. Make all fields text fields.

2. Open and print the PDF file *CH09 Retention* found in the data files. This file contains your manager's handwritten notes.

3. Create a record in your database for each type of record listed in your manager's notes. For each record, key the series name in the Record Series field. Key the record description in the Record field. Key numbers in the Years Active, Years Inactive, and Total Years fields or key **P** for Permanent.

Topic Review

4. Sort the records by the Records Series field in ascending order and then by the Record field in ascending order.

5. Create and print a report to show the records retention schedule. Show all fields in the Retention Schedule table in the report. Group the records by records series. Choose **Landscape** orientation. Save the report as **Records Retention Schedule.**

6. Create a query named **Permanent Query** based on the Retention Schedule table. In the query results, show the Record Series, Record, and Total Years fields. Show only records with a *P* in the Total Years field. Sort the results first by the Record Series field and then by the Record field. Print the query results.

WORD PROCESSING

Topic 9-1 | **ACTIVITY 2**

Records Management Job Descriptions

Your supervisor, Ms. Suzuki, asks you to update the records management section of the office manual. She approaches your workstation and says: "Here is my edited draft of the updated material for the office manual. Please prepare a final copy, making the changes I've indicated on the draft. Correct any errors I may have overlooked."

1. Open and print the PDF file *CH09 RM Jobs* from the data files. This file contains the rough draft.

2. Prepare a final copy of the document and print it on plain paper.

CHAPTER 9: RECORDS MANAGEMENT SYSTEMS

In Topic 9-1, you learned that each record has a life cycle. In this topic, you will become acquainted with systems for organizing paper files while the records are in the storage phase of the life cycle.

Although many companies use electronic records, paper filing systems are still common. Many companies use both systems. Procedures for organizing magnetic and optical media and microfilm records are presented in Chapter 10.

In a paper filing system, records are stored in folders. These folders are organized alphabetically according to names. Names of individuals, organizations, businesses, subjects, or geographic locations may be used. Files may also be organized by numbers or by dates. As an office worker, you need to understand your company's filing system so that you can file and retrieve records efficiently. You may even have an opportunity to suggest ways to improve the system.

- Identify the parts of a paper filing system
- Describe alphabetic filing systems and apply alphabetic indexing rules to arrange records
- Explain how a numeric filing system is organized
- Create an accession log and an alphabetic index for a numeric file
- Arrange records for terminal-digit and middle-digit filing systems
- Explain how a chronologic filing system is organized and arrange records in a tickler file
- Sort records for a geographic file

Paper Filing Systems

A filing system requires equipment, procedures, and supplies. You need to understand the various types of each. You also need to understand the use of guides that apply to all of the systems.

Equipment

Various types of cabinets and shelves are used to store paper records. Lateral file cabinets are used in many offices. In this topic, we will assume that all records in your organization are stored in lateral file cabinets. Chapter 10 describes other equipment used in a paper filing system.

Procedures

Before placing records in folders, you should index and code each record. **Indexing** is the process of deciding how to identify each record to be filed—either by name, subject, geographic location, number, or date. **Coding** is the process of marking a record to indicate how it was indexed. As you learned in Topic 9-1, you may retrieve and refile a record many times while it is in active storage. By coding a record, you help ensure that it will be filed correctly each time it is returned to the files. Chapter 10 explains in detail the procedures for indexing and coding.

indexing: deciding how to identify each record to be filed

coding: marking a record to indicate how it was indexed

Lateral files are frequently used to store records in offices.

Supplies

Each drawer in a file contains two different kinds of filing supplies: guides and file folders. The guides divide the drawer into sections and serve as signposts for quick reference. They also provide support for the folders and their contents. File folders hold the papers in an upright position in the drawer and serve as containers to keep the papers together. Labels are attached to file folders to identify the contents of each folder. Labels are also attached to file cabinet drawers to identify the contents of each drawer.

Guides

guide: heavy cardboard sheet that creates divisions in a file

caption: notation on a guide, folder, or drawer that indicates the contents

Guides are heavy cardboard sheets that are the same size as the file folders. A tab extends over the top of each guide, and a notation is marked or printed on the tab. This notation is called a **caption**. By reading the captions, you can quickly identify divisions within the file. For example, a guide may carry the caption *A*, which tells you that only records starting with the letter *A* are found between that guide and the next one.

Guides are classified as primary or special. Primary guides indicate the major divisions, such as letters of the alphabet, into which the filing system is separated. Special guides indicate subdivisions within these major divisions. Figure 9-2.4 on page 374 shows how primary and special guides are arranged in an alphabetic filing system. Behind primary guide *C* is a special guide, *Cooper Temporaries*. For quick retrieval of files, place no more than 10 folders behind a guide and place only about 15 to 25 guides in a file drawer.

CHAPTER 9: RECORDS MANAGEMENT SYSTEMS

Labels

Labels are strips of paper, usually self-adhesive, that are attached to file drawers or folders. The label has a caption that identifies the contents as shown in Figure 9-2.1. You need labels on file drawers so that you can identify the contents of each drawer without opening it. The drawer label should be specific, easy to read, and current. When the contents of a cabinet are changed in any way, the drawer label should be corrected immediately.

label: strip of paper attached to a file drawer or folder with a caption identifying the contents
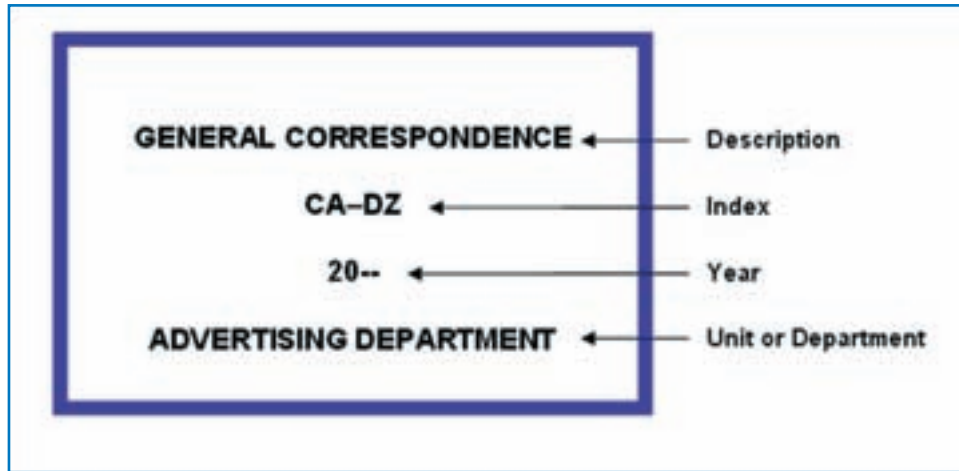
Drawer label

Folder labels are attached to the folder tabs as shown in Figure 9-2.2. The caption on the label identifies the contents of the folder. The captions should be placed in a consistent manner, usually at the top, left-hand corner of the label. Labels come in standard sizes to match various tab sizes for folders. Some word processing programs have templates or other special features to format a document for these standard label sizes. Using these special features makes creating and printing labels easy. Many companies use color-coded labels to improve filing accuracy. For example, a different color might be used for each alphabetic section of the files.
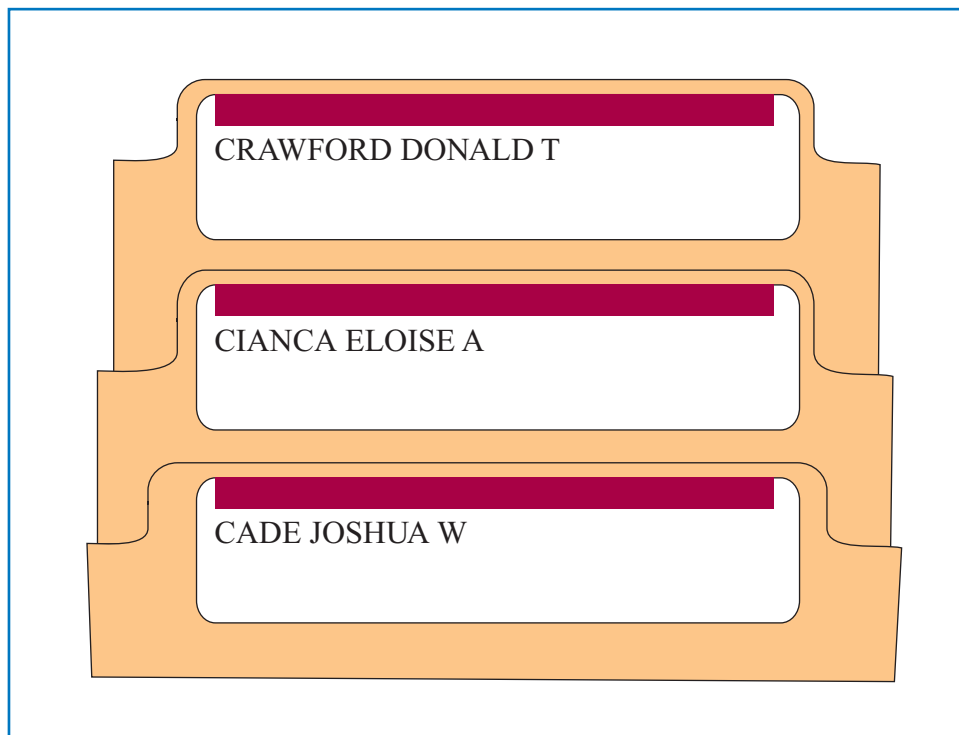
Folder labels

CRAWFORD DONALD T

CIANCA ELOISE A

CADE JOSHUA W

Topic 9-2: *Paper Records Systems*

Folders

A **folder** is a container made of strong, durable paper called manila and used to hold papers in a file. Each folder is larger than the papers it contains so that it will protect the contents. Standard folder sizes are designed for papers that are 8½″ × 11″, 8½″ × 13″, or 8½″ × 14″.
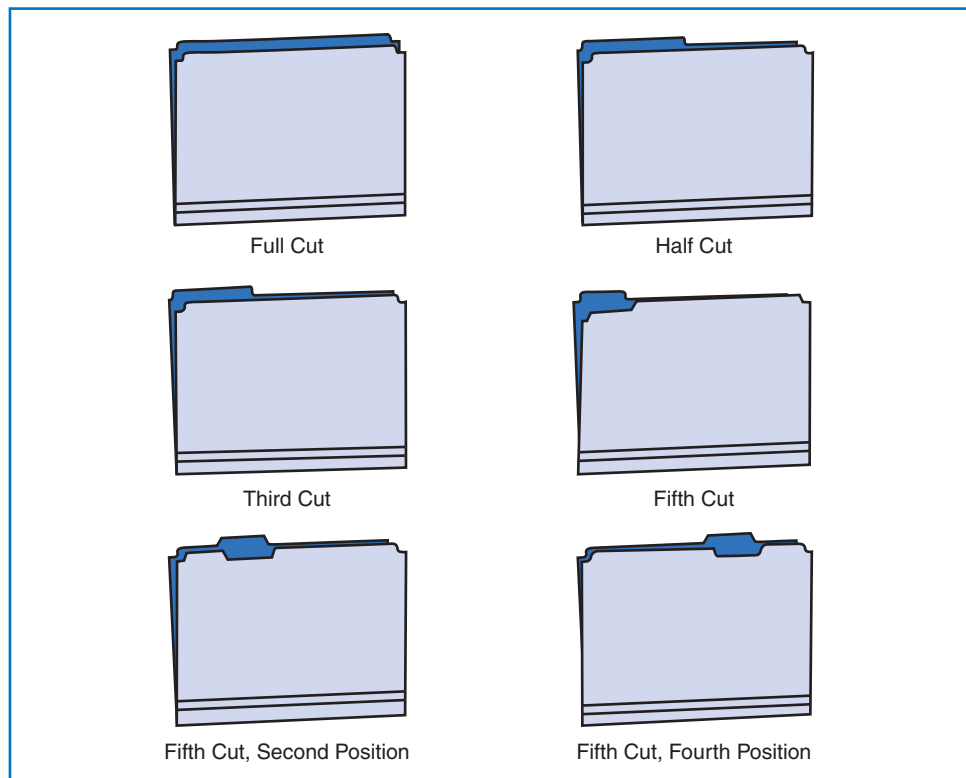
Folder cuts are made in the back of a folder, which is higher than the front, to create a tab. Labels with captions are attached to the tabs to identify the contents. Folder tabs vary in width and position, as shown in Figure 9-2.3. Sometimes the tab is the full width of the folder. This is called a full-cut or straight-cut folder. Half-cut tabs are half the width of the folder and have two possible positions. Third-cut folders have three positions, each tab occupying a third of the width of the folder. Another standard tab has five positions and is called a fifth-cut folder. Some folders hang from metal frames placed inside the file drawer. Removable tabs can be attached to these folders at appropriate positions.

Costs

The costs related to paper filing are for items such as paper, folders, labels, and storage containers. Computers used for printing documents and printing supplies also add to the cost. The largest budget item is often for active files. The cost is ongoing because new files are added to the system regularly. New paper supplies and equipment such as storage cabinets must be purchased periodically.

Figure 9-2.3

Folder tabs vary in width and position.

Full Cut

Half Cut

Third Cut

Fifth Cut

Fifth Cut, Second Position

Fifth Cut, Fourth Position

CHAPTER 9: RECORDS MANAGEMENT SYSTEMS

Position of Guides and Folders

A variety of filing systems are used in offices today. The positioning of guides and folders within filing systems will vary from office to office. Regardless of the system used, the guides and folders should be arranged so they are easy to see and in a logical order. You can see that the arrangement in Figure 9-2.4 on page 374 allows your eye to move easily from left to right.

Guides

When you open a file drawer to store or retrieve a document, look first for the appropriate primary guide. Because English is read from left to right, the tab on the primary guide should be at the far left, where it will be easy to locate.

Special guides are used to pinpoint the location of an individual folder. In Figure 9-2.4, special guides are located in the third position. For example, the special guide *Dorcey Electronics* was added because of frequent requests for the Dorcey Electronics folder. Using the special guide, this folder can easily be located. Sometimes a special guide is used to pinpoint the location of a series of folders relating to a specific subject. In Figure 9-2.6, on page 377, for example, the special guide *Film* marks the location of two individual folders relating to that subject.

Folders

A general folder is used for each primary guide. This general folder tab is placed in the second position and bears the same caption as the one shown on the primary guide. For example, the general folder that goes behind the primary guide *C* also will bear the caption *C*. These folders are given the name general because they are used to store records that do not justify the use of an individual folder. When you have five or more records relating to one name or subject, prepare an individual folder for those records.

Using individual folders helps you locate records more quickly. In Figure 9-2.4, individual folders are shown in the combined fourth/fifth position. Notice the width of the tabs on the individual folders. This extra width allows ample space for labeling personal, company, or subject names.

Alphabetic Filing Systems

In an **alphabetic file**, records are arranged and stored according to the letters of the alphabet. Letters and words are used as captions on the guides and folders. These words may be names, subjects, or geographic locations. Both guides and folders are arranged in alphabetic order according to the captions. ARMA International, an association for records management professionals, recommends standard filing rules. The alphabetic indexing rules shown in Figure 9-2.5 on pages 375 and 376 are written to agree with the ARMA International standards.

alphabetic file: records arranged and stored according to the letters of the alphabet

Topic 9-2: *Paper Records Systems*

DZIECH MEATS
DREIFUS WILLARD M
DORCEY EMMA JO
DORCEY ELECTRONICS
DITTRICH FLOWERS
DESIGNS BY ELAINE
DAVIS AND GRECO
DAHLE CORCAS M
CZOER TRUCKING CO
COX UNDERWRITERS
CORTEZ PORTER A
COOPER TEMPORARIES
COHEN GREGORY T
CIRCLE PACKAGING CO
CARY AND FOX JEWELERS
CAMPBELL LUMBER CO

D

DORCEY ELECTRONICS

D

C

COOPER TEMPORARIES

C

CA-DZ

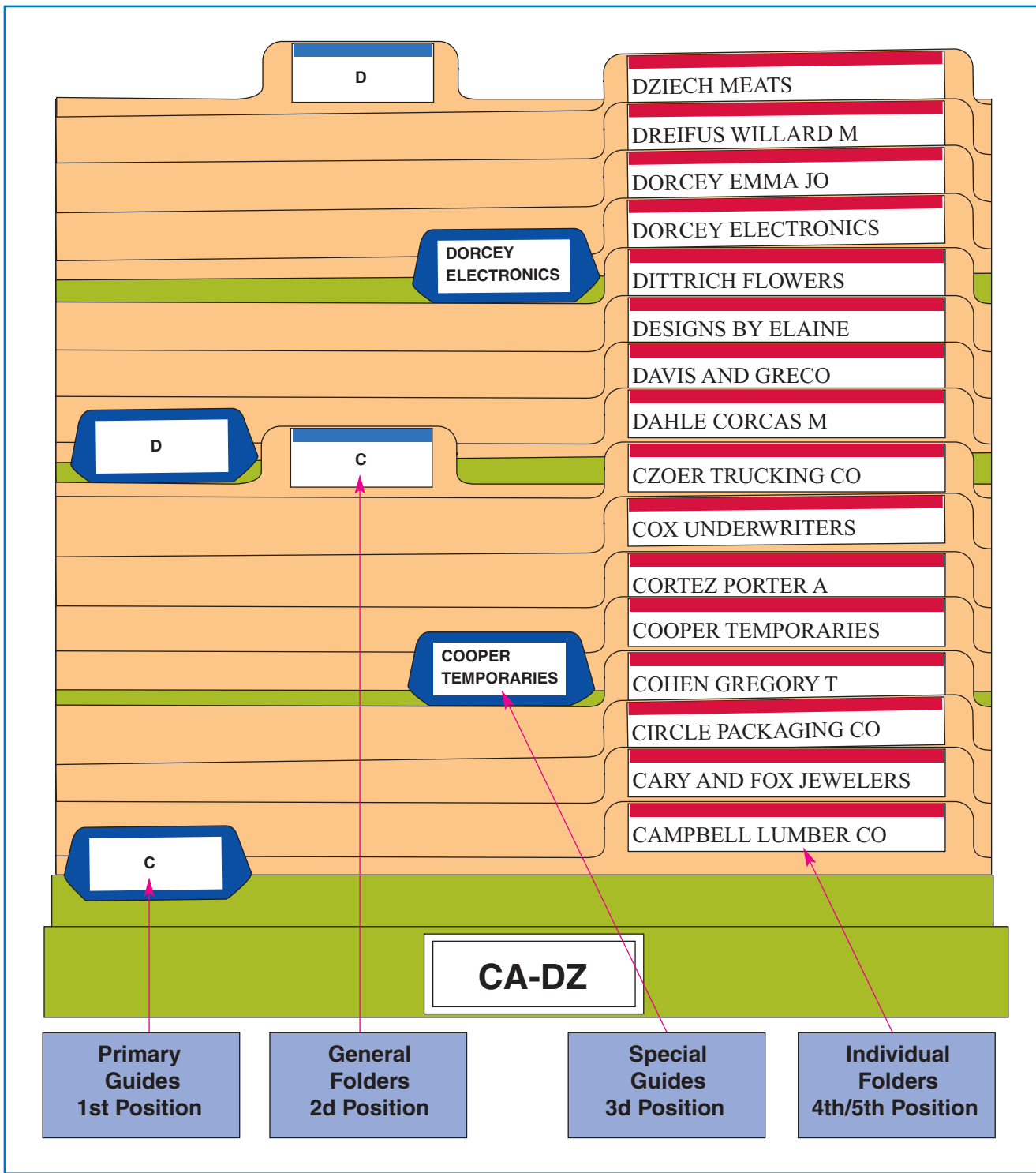| Primary Guides 1st Position	General Folders 2d Position	Special Guides 3d Position	Individual Folders 4th/5th Position

Figure 9-2.4

Note the position of guides and folders in this portion of a name file.

Common alphabetic filing systems use names, subjects, or geographic locations. Many offices do not have enough file space for separate name and subject files. When this is true for your office, you may file name and subject folders together.

Filing by Name

If a name file is used, records are indexed according to the name of an individual or organization. The folders are arranged in alphabetic order within the file drawer. Figure 9-2.4 shows how alphabetic primary and special

CHAPTER 9: RECORDS MANAGEMENT SYSTEMS

Figure **9-2.5**

Alphabetic indexing rules

Rule 1 Indexing Order of Names

In a personal name, the surname (last name) is the first unit, the given name (first name) or initial is the second unit, and the middle name or initial is the third unit. Business names are indexed as written using letterheads or trademarks as guides. Each word in a business name is considered a separate indexing unit.

Rule 2 Minor Words and Symbols in Business Names

Articles, prepositions, conjunctions, and symbols are considered separate indexing units. Symbols are considered spelled in full. When the word *the* appears as the first word of a business name, it is consider the last indexing unit.

Rule 3 Punctuation and Possessives

All punctuation is disregarded when indexing personal and business names.

Rule 4 Single Letters and Abbreviations

Initials in personal names are separate indexing units. Abbreviations of personal names and nicknames are indexed as they are written. Single letters in business and organization names are indexed as written. If single letters are separated by spaces, index each letter as a separate unit. An acronym (such as AAA or FASB) is indexed as one unit regardless of spacing. Abbreviated words (Corp., Inc.) and names are indexed as one unit. Radio and television station call letters are indexed as one unit.

Rule 5 Titles and Suffixes

In personal names, a title before a name (Mrs., Dr.), a seniority suffix (II, III, Jr., Sr.) or a professional suffix (M.D., Mayor) after a name is the last indexing unit. Numeric suffixes are filed before alphabetic suffixes. If a name contains both a title and a suffix, the title is the last unit. Royal and religious titles followed by either a given name only or a surname only (Father Leo, Princess Anne) are indexed as written. Titles in business names are indexed as written.

Rule 6 Prefixes—Articles and Particles

A foreign article or particle (Mac, St., San, De, Von der) in a personal or business name is combined with the part of the name following it to form a single indexing unit. Spaces in the prefix or between the prefix and the name are disregarded.

Rule 7 Numbers in Business Names

Numbers spelled out (Seven Acres Inn) in business names are filed alphabetically. Numbers written in digits are filed in ascending order before alphabetic letters or words (7 Acres Inn comes before Seven Acres Inn). Arabic numerals (2, 3) are filed before Roman numerals (II, IV). Names with inclusive numbers (33–37 Apartments) are filed by the first digits only (33 Apartments). For numbers containing *st, d,* and *th* (1st, 2d, 4th), ignore the letter endings and consider only the digits.

Figure **9-2.5**

Alphabetic indexing rules continued

Rule 8 Organizations and Institutions

Banks and other financial institutions, clubs, colleges, hospitals, hotels, magazines, motels, museums, newspapers, religious institutions, schools, unions, universities, and other organizations are indexed and filed according to the names written on their letterheads.

Rule 9 Identical Names

When personal names or names of businesses or organizations are identical, filing order is determined by the address. Compare the addresses in this order: city names, state or province names, street names (including Avenue, Boulevard, Drive, Road, or Street), house or building numbers.

Rule 10 Government Names

Government names are indexed first by the name of the governmental unit—country, state, county, or city. For example, the first indexing unit of a United States government agency name is *UNITED STATES GOVERNMENT.* Next, index the name of the department, bureau, office, or board. Rearrange the units, if necessary, so the more distinctive parts come first. For example, the name *Dept. of Public Safety, Baltimore, Maryland* would be indexed in five units: *MARYLAND, PUBLIC, SAFETY, DEPT, OF.*

To see examples of each rule, refer to *Reference Guide Section F* in the *Student Activities and Simulations* workbook.

guides are used in a name file to help you file and retrieve records efficiently. If you were looking for a folder labeled *Emma Jo Dorsey*, you would find the primary guide *D* and search for the individual folder for Emma Jo Dorsey. By using the guides, you should be able to locate the folder quickly without having to thumb through all the folders. If you do not find an individual folder for the record, file the record in the appropriate general folder.

WORKPLACE CONNECTIONS

Employees must understand proper filing procedures in order to store records in the correct folders and ensure that the records can be found later.

Carrie: "Roy, there is no folder labeled Dalton Real Estate in the file. Where do I file this letter?"

Roy: "If there is no individual folder for Dalton Real Estate, file it in the general folder behind the D guide. When we have several more letters to or from Dalton Real Estate, we'll set up an individual folder for those records."

CHAPTER 9: RECORDS MANAGEMENT SYSTEMS

Filing by Subject

When a **subject filing** system is used, records are arranged according to particular subjects. Marketing, office machines, and public relations are examples of topics that might be used. A subject file is used when records are requested by their contents more often than by the names of individuals or companies. Subject titles are used as captions for primary guides. In Figure 9-2.6, you can see that the primary guides are *Advertisers*, *Applications*, and *Audiovisual Equipment*.
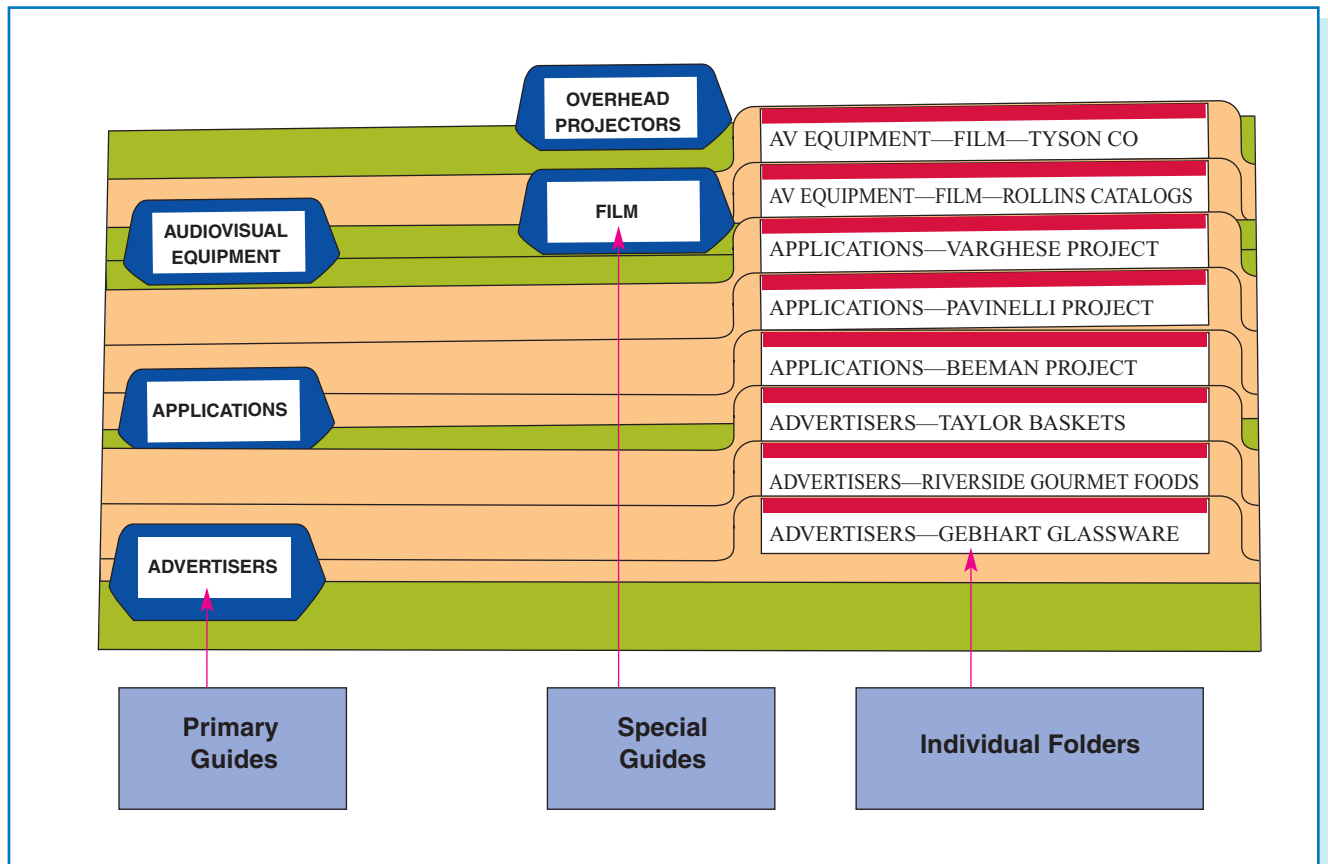
subject file: records arranged by topic

Diagram with file guides:
- OVERHEAD PROJECTORS
- FILM
- AUDIOVISUAL EQUIPMENT
- APPLICATIONS
- ADVERTISERS

Folder labels:
- AV EQUIPMENT—FILM—TYSON CO
- AV EQUIPMENT—FILM—ROLLINS CATALOGS
- APPLICATIONS—VARGHESE PROJECT
- APPLICATIONS—PAVINELLI PROJECT
- APPLICATIONS—BEEMAN PROJECT
- ADVERTISERS—TAYLOR BASKETS
- ADVERTISERS—RIVERSIDE GOURMET FOODS
- ADVERTISERS—GEBHART GLASSWARE

Labels: **Primary Guides**, **Special Guides**, **Individual Folders**

Figure 9-2.6

In subject files, the special guides identify subdivisions of the main subjects.

You may use special guides to identify subdivisions within the main subjects. In Figure 9-2.6, the main subject *Audiovisual Equipment* is divided by special guides into subdivisions of *Film* and *Overhead Projectors*. You may use names, geographic locations, numbers, or subjects as captions for special guides.

As you can see in Figure 9-2.6, the label for an individual folder behind a primary guide includes the primary guide caption (*Advertisers*, for example) and the caption for the folder (*Gebhart Glassware*, for example). The label for an individual folder behind a special guide should include:

- The primary guide caption (*AV Equipment*, for example, and note that you may abbreviate *Audiovisual* as *AV*)
- The special guide caption (*Film*, for example)
- The caption for the folder (*Rollins Catalogs*, for example)

377

Topic 9-2: *Paper Records Systems*

Filing by Geographic Location

geographic file: records arranged according to locations

In a **geographic file**, records are stored according to locations. The file may use sales territories, states, or cities in a single state, for instance, as divisions. Typical users of geographic filing are publishing houses, mail-order houses, radio and television advertisers, and real estate firms. Organizations dealing with a large number of small businesses scattered over a wide area may also use this type of file. Refer to Figure 9-2.7 as you read about the parts of a geographic filing system.

Figure 9-2.7

In a geographic file, the primary guides identify the largest geographic locations within the file.
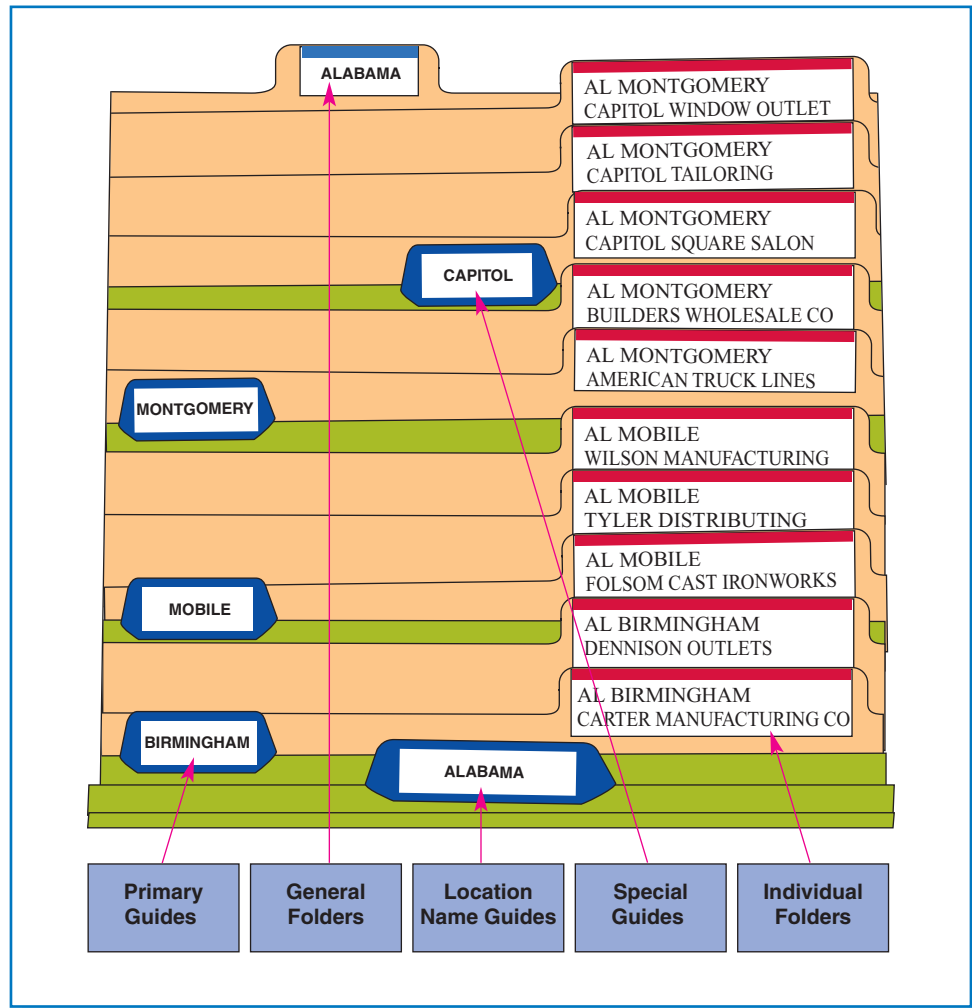
Guides and Folders

The main divisions used in a geographic file, such as states or countries, are placed on guides in the front of the file drawers. These divisions are sometimes called the *key units.* The primary guides in a geographic file are named for the largest divisions below the level of the key units. For example, in Figure 9-2.7, the primary guides are based on cities. The key unit (*Alabama*) appears on a guide placed in the center front of the file. The special guide (*Capitol*) is used to pinpoint the location of several individual folders.

A general folder is placed behind each location name guide. In the figure, the general folder and the location name guide bear the same caption (*Alabama*). When you prepare labels for individual folders, give the location on the first line (*AL Birmingham*, for example). On the second line, indicate the caption for the individual folder (*Carter Manufacturing Co*, for example). These complete labels tell you behind which primary and special guide to refile the folder.

Alphabetic Index

To retrieve a record in a geographic file, you must know the geographic location of each person or company. Because you may not remember all this information, you will need an alphabetic index. This index can be in a computer database or a printed list. The index is arranged according to the names in the file. The record for each organization or individual shows the geographic location under which records are filed.

WORKPLACE CONNECTIONS

The firm where Carlota Diaz works uses a geographic filing system based on states. This morning, her supervisor needed a record pertaining to Wonderland Toy Company. To retrieve the record, Carlota first checked the alphabetic index file. She learned the toy company was located in Richmond, Virginia. She scanned the drawer labels and opened the drawer labeled *Virginia.* She then searched through the primary guides until she came to the city of Richmond. Then locating the folder for Wonderland Toy Company was easy. Carlota's supervisor appreciated her ability to locate the record so quickly.

Numeric Filing Systems

In a **numeric file**, records are stored by number. Files arranged in simple numeric order use a consecutive numbering method. Other numbering methods, such as terminal-digit or middle-digit, are discussed later in this topic.

numeric file: records arranged by numbers

The numeric method of filing is often used when records are already arranged in numeric order. For example, insurance companies may arrange their records according to policy number. Utility companies often identify records by customer account number. Some companies file records by number even though they are not already numbered before the filing process. For example, a number may be assigned to each name or subject in a file. The caption on the individual folder would then be a number (for example, *3877* for *Global Security Systems* or *8551* for *West Coast Development Project*) rather than a name or a subject.

Guides

The guide captions in a numeric system are numbers instead of letters or words. Look at the consecutive numeric file shown in Figure 9-2.8. Notice how the numbered special guides highlight divisions within the primary guide category. Special guides help you retrieve records quickly.

Figure **9-2.8**

Insurance companies may arrange records by policy number using a numeric file.
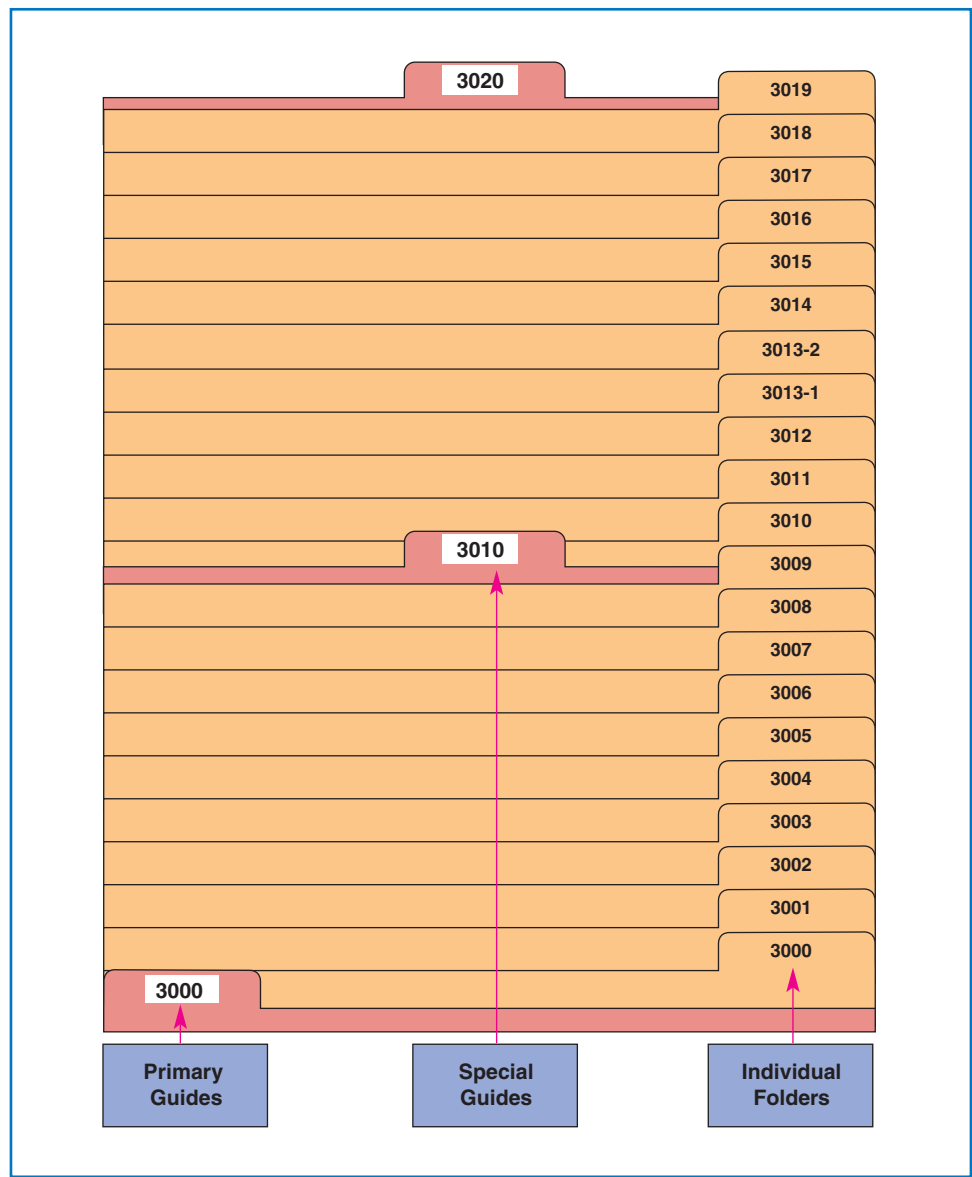
Individual Folders

In a numeric filing system, the caption on an individual folder is the number assigned to the person or organization whose records will be placed in the folder. An advantage to a numeric system is that it helps you keep records confidential. Scanning the numeric captions on folders will not tell a casual observer much about the contents.

Accession Log

To set up an individual folder, you first refer to an **accession log**, also called an accession file, book, or record. An accession log lists in numeric order the numbers already assigned. It also shows the name or subject related to each number. In Figure 9-2.9, you can see that the last number, 3877, was assigned to Global Security Systems. The next number you assign will be 3878. By keeping an accession log, you avoid assigning the same number to more than one name or subject. Such a log might be written by hand in some offices. In other offices, the accession log is kept using a computer database. Using a computer database allows you search for entries easily, either by number or by name.

accession log: list of numbers assigned in a numeric filing system

Accession File		
Number	**Indexed Name**	**Date**
3873	PAYROLL REGISTER	1/4/2002
3874	JOSEPH E FULINE CO	1/4/2002
3875	MONTHLY PRODUCTION REPORT	1/5/2002
3876	ROGERS COLLECTION AGENCY	1/5/2002
3877	GLOBAL SECURITY SYSTEMS	1/10/2002

Figure **9-2.9**

This database accession log shows the number assigned to each name or subject in the file.

General Alphabetic File

In a numeric system, a general folder is not included behind each numeric guide. Instead, a separate alphabetic general file is used. Records that do not have an individual numeric folder are filed in the general alphabetic file by name or subject. When enough records related to one name or subject are collected, an individual numeric folder is created for that name or subject.

WORKPLACE CONNECTIONS

Today is Carlos's first day of work. Mimi Yung, Carlos's supervisor, briefed him on the filing system they use:
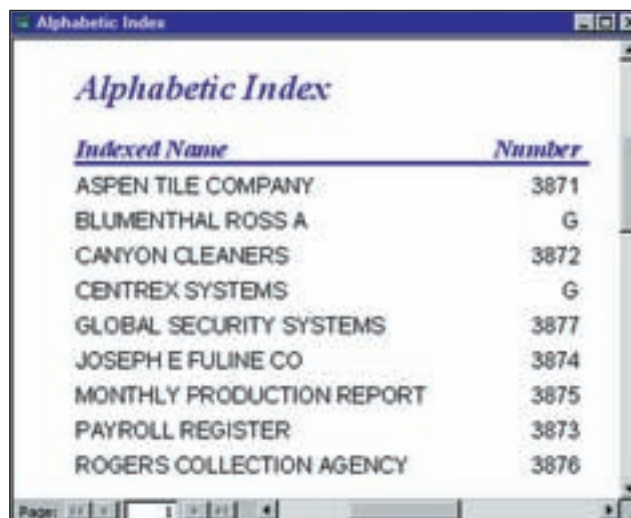
Carlos, the records in our department are confidential. We use a numeric filing system so that unauthorized people cannot locate specific records easily. To keep these files secure, we have a policy that allows only workers in our department to have access to the alphabetic index and the accession file.

Topic 9-2: *Paper Records Systems*

Alphabetic Index

A numeric file must have an alphabetic index. An alphabetic index is a list showing each name or subject in the file and the number or code assigned to it. When you must retrieve a record, you refer to the alphabetic index to learn the correct file folder number. If the accession log is kept in a computer database, this database can be searched by name. This file eliminates the need for a separate alphabetic index file. For records filed in the general alphabetic file, a *G* is entered in the number field. The letter indicates that the record is in the general alphabetic file. Fields can be included in the database for information such as mailing address and telephone number.

A G *indicates that a record is stored in the general alphabetic file.*

Terminal-Digit and Middle-Digit Filing Systems

Sometimes in a numeric filing system numbers can be quite long. A social security number, for instance, is nine digits. Some insurance policy numbers might be fifteen or more digits. To improve the accuracy of filing in numeric filing systems, terminal-digit or middle-digit numbering methods are often used.

Terminal-Digit Filing

Terminal-digit filing is a kind of numeric filing in which the last two or three digits of each record number serve as the primary division under which a record is filed. Numbers are assigned consecutively, just as in numeric filing. However, they are read from *right to left* in small groups beginning with the terminal (final) group of numbers.

Record numbers are divided into three groups of two or three digits each. If numbers have too few digits for three equal groups, zeros are added to the *left* of each number. These groups of digits are called primary, secondary, and tertiary (third). The right (terminal) group of digits is primary, the middle group is secondary, and the left group is tertiary. The primary number (right group) is used as the number of the file section, drawer, or shelf. The secondary number (middle group) is used for the guide. The tertiary number (left group) is the folder/record number. Just as in regular numeric filing, an alphabetic index file is used.

Middle-Digit Filing

Middle-digit filing is a method of numeric filing in which the middle two or three digits of each record number are used as the primary division under which each record is filed. Numbers are assigned consecutively; however, for filing, numbers are read from *middle to left to right.*

Just as in terminal-digit filing, groups of digits are identified as primary, secondary, or tertiary. In this system, the middle group is primary, the left group is secondary, and the right group is tertiary. Drawer, file, or shelf numbers are from the primary (middle) group. Guide numbers are from the secondary (left) group. Folder numbers are from the tertiary (right) group. As in other types of numeric filing, an alphabetic index file is used.

Chronologic Filing Systems

In a **chronologic file**, records are filed according to date. Chronologic files can help you keep track of tasks you need to complete each day. A desk calendar and a tickler file are two kinds of chronologic files used for this purpose.

chronologic file: records arranged according to date

You may also use chronologic filing in combination with name, subject, geographic, or numeric systems. In these situations, individual folders are all coded in the normal way of that system. However, records within the individual folder are organized by date. Usually the most recent document is placed at the front of the folder.

REVIEWING THE TOPIC

1. What are the three parts of a filing system?
2. What is the difference between indexing a record and coding a record?
3. Why are guides used in a filing system?
4. Describe an advantage of using color-coded labels.
5. Where should the tabs on primary guides be located? Why?
6. Name three frequently used alphabetic filing systems.
7. Why do you need an alphabetic index file in a geographic or numeric filing system?
8. What is an accession log or file? Why is it necessary to use an accession log?
9. In what direction are the numbers read in a terminal-digit filing system? In a middle-digit filing system?
10. When would you most often use a chronologic file?

THINKING CRITICALLY

For three months you have worked in the office of Davis Rider, Inc. a company with 12 employees. When you began the job, your supervisor, Ms. Davis, told you that you would be generally in charge of the files as well as having other duties. Although everyone has access to the files, she explained that you need to make sure the files are neat and that materials do not stack up.

Although the task seemed simple when Ms. Davis explained it to you, it has become a source of frustration. Some employees remove records and do not return them for several weeks. Other employees open file drawers and place folders on top of the other folders instead of inserting them in their proper places. Needless to say, the files are not being managed well. Because you are generally in charge of the files, you are being held accountable for the situation.

1. What steps could you take regarding your own work habits to help correct this problem?
2. What steps could you ask others to take to help correct this problem?

REINFORCING ENGLISH SKILLS

Using *it's* and *its* incorrectly is a common writing mistake. *It's* is a contraction of *it* and *is* or *has*. *Its* is a possessive pronoun. To help you know which term to use, ask yourself: "Could I substitute the words 'it is' or 'it has' in the sentence and have it make sense?" If you can, use *it's*; if not, use *its*. Key or write the following eight sentences, inserting either *it's* or *its*, whichever is appropriate.

1. You need to put the folder back in ____ place.
2. ____ time to remove the inactive files from active storage.
3. He replied, " ___ necessary to charge out each record."
4. This folder has lost ____ label.
5. ____ been returned to the files.
6. Please let me know when ____ ready.
7. The company improved ____ image.
8. ____ on the top shelf of the bookcase.

Topic 9-2 : ACTIVITY 1

DATABASE

RECORDS MANAGEMENT

Accession Log and Alphabetic Index

You work for Philips Associates, a company in Miami, Florida. To help keep the records confidential, a numeric filing system is used. You have been asked to create a database file to serve as both an accession log and an alphabetic index.

1. Open the *Access* file *CH09 Files Index* from the data files. This file contains information about the names of people and organizations in a numeric file.
2. Open the Names List table. The personal and company names, along with addresses and telephone numbers, have already been entered in the table. In the Indexed Name field, key the name as it would be indexed for filing on a paper record. (Review the alphabetic indexing rules in Figure 9-2.5 on pages 375 and 376.)
3. Create a query using the Names List table. Include only the Number and Indexed Name fields. Sort the data in the report by the Number field in descending order. In the Criteria row for the Number field, key **Not G.** Save the query using the name **Accession Log** and print the query results table. What number will be assigned to the next company or business for which an individual numeric folder is created?

385

Topic Review

4. Create a report named **Alphabetic Index** using the Names List table. Include only the Indexed Name and Number fields. Sort the data in the report in ascending order by the Indexed Name field. Adjust the format as needed for an attractive report and print the report.

5. Create a query named **General File** using the Names List table. The query results should show the Indexed Name and Number fields for all the people or companies whose records should be stored in the general alphabetic file. Sort the names in alphabetic order. Print the query results.

6. Keep this database for use in a later activity.

RECORDS MANAGEMENT

Topic **9-2** **ACTIVITY 2**

Numeric Filing

Numeric filing systems are widely used in businesses. Practice your numeric filing skills in this activity.

1. List the 16 numbers below, arranging them in order for a consecutive numeric filing system. Ignore the spaces in the numbers for this step.

2. List the 16 numbers below, arranging them in order for a terminal-digit numeric filing system. Spaces in the numbers indicate the number groups.

3. List the 16 numbers below, arranging them in order for a middle-digit numeric filing system. Spaces in the numbers indicate the number groups.

786	67	1258	231	55	2187
303	99	2891	189	40	2891
947	28	6314	287	29	6314
502	64	9284	502	64	9485
786	67	1269	287	40	2756
303	89	2977	647	28	6325
502	63	8922	287	29	2341
946	40	2891	303	52	2977

Summary

In this chapter, you learned about the equipment, procedures, and supplies used in paper filing systems. As an office worker, you will probably be involved in some aspect of records management. Review the following key points from this chapter:

- A records management system is used to organize, store, retrieve, remove, and dispose of records.
- You may be called on to manage records on various media such as paper, magnetic or optical disks, and microfilm. Storage equipment and supplies should be chosen with specific storage media in mind.
- Removing a record from the files and noting information about the record is called charging out.
- Microimaging systems reduce documents to photos a fraction of their original size to fit on microfilm.
- An imaging system converts documents to electronic data that can be read by a computer.
- Costs are involved with managing records. These costs may include buying equipment and supplies, leasing storage space, and paying office workers to file and retrieve records.
- Records are categorized as vital, important, useful, or nonessential.
- The phases of the record life cycle include creation or collection, distribution, use, maintenance, and disposition.
- A retention schedule identifies how long types of records should be kept.
- A disaster recovery plan provides procedures to be followed in case of an event that results in a partial or total loss of records.
- In a paper filing system, records are stored in folders. These folders are labeled and organized according to a records management system.
- Records can be organized alphabetically by name, by subject, or by geographic location. Records can also be organized using numbers or dates.
- An accession log lists in numeric order the numbers already assigned and the name or subject related to each number.
- An alphabetic index is a list showing each name or subject in the file and its corresponding number, code, or geographic identifier used for filing.

Key Terms

accession log
alphabetic file
archive
caption
charging out
chronologic file
coding
digitized
filing
flash drive

floppy disk
folder
geographic file
guide
hard disk
imaging system
indexing
label
magnetic media
magnetic tape

medium or media
microfiche
micrographics
numeric file
record
records disposition
records management
 system
retention schedule
subject file

RECORDS MANAGEMENT

Chapter **9**

ACTIVITY 1

Tickler File

You work in the Accounts Payable Department in a small company. One of your duties is to determine payment dates for invoices to take advantage of discounts offered by vendors. You then file the invoices by payment date in a tickler file. You check the tickler file each day to see what invoices should be paid in the next couple of days. This ensures that payments are made within the discount periods and saves money for the company.

1. Determine the payment dates for each invoice shown on page 389 according to terms given. For example, terms *2/10, net 30* mean that a 2 percent discount may be taken if the invoice is paid within 10 calendar days of the invoice date. If the invoice is dated June 1, the payment date would be June 11. Terms *net 30* mean no discount is available, and the invoice should be paid in 30 days.

2. Determine the filing order of the invoices, arranging the invoices chronologically by payment date. If more than one invoice has the same payment date, arrange them alphabetically by company name. Refer to the alphabetic indexing rules in Figure 9-2.5 on pages 375 and 376.

3. For checking purposes, indicate the order of the invoices by listing their item numbers.

ITEM	COMPANY NAME	INVOICE DATE	TERMS
1.	Centrex Systems	May 18	2/10, net 30
2.	James Office Supply	June 6	1/10, net 30
3.	Frank Brothers, Inc.	May 22	1/10, net 30
4.	Caldwell Industries	July 2	2/10, net 30
5.	Baker and Sons	June 9	1/10, net 30
6.	Rodriguez and Parker	June 9	net 30
7.	Ralston, Inc.	July 2	1/10, net 30
8.	Ace Plumbing	May 18	2/10, net 30
9.	5 Star Producers	July 2	1/10, net 30
10.	Paragon Cable	June 6	2/10, net 30
11.	All State Products	May 18	net 30
12.	Freedom Motors	May 2	net 30
13.	Franklin Associates	May 22	1/10, net 30
14.	Rodgers Design	June 30	1/10, net 30
15.	Bakersfield Market	May 20	net 30

Chapter 9   ACTIVITY 2

Sorting Records Geographically

Businesses such as publishers, mail-order houses, radio and television advertisers, and real estate agencies often file records geographically. Practice sorting records geographically in this activity.

1. Open the database *CH09 Files Index* that you edited in Topic 9-2 Activity 1, which contains records for Philips Associates.
2. Create a query named **Geographic Index** using the Names List table. Show the City and Indexed Name fields in the query results. Sort the records first by city and then by indexed name in ascending order. Print the query results table.

Chapter Review