



**Records Management as a
Governance Function:
A Case Study**

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BMO Financial Group**

*Session M24
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Executive Summary

Records Management as a Governance Function: A Case Study

How does a Corporate Records Management department with two full-time positions operate in a multi-national organization with 35,000+ employees?

Learning Objectives

- Examine whether the governance model for records management is suited to your organization
- Apply what you have learned to help prioritize work efforts
- Develop techniques to leverage organizational processes

Specifically the following questions will be answered:

1. Where does the records management program live at BMO Financial Group?
2. What is the records management governance framework?
3. How was the records management program established within this framework?
4. Has BMO's records management governance approach been effective?

BMO Corporate Records Management At A Glance

	2006	2010
Retention Schedule	<ul style="list-style-type: none"> ▪ Multiple ▪ Unsubstantiated retentions ▪ Not maintained 	<ul style="list-style-type: none"> ▪ Enterprise-wide ▪ Validated retentions ▪ Maintained quarterly
Records Classification & Indexing	<ul style="list-style-type: none"> ▪ Erratic & often insufficient ▪ Optional 	<ul style="list-style-type: none"> ▪ Defined ▪ Mandatory
Destruction Practices	<ul style="list-style-type: none"> ▪ Inconsistent practices & timing ▪ Implicit authorization 	<ul style="list-style-type: none"> ▪ Annual enterprise-wide procedure ▪ Explicit authorization
Offsite Storage	<ul style="list-style-type: none"> ▪ 74% with preferred supplier ▪ Varied processes & tools 	<ul style="list-style-type: none"> ▪ 90% with preferred supplier ▪ Defined processes & tools
Education & Awareness	<ul style="list-style-type: none"> ▪ Variable 	<ul style="list-style-type: none"> ▪ Extensive resources & training materials
Roles & Responsibilities	<ul style="list-style-type: none"> ▪ Undefined ▪ Optional 	<ul style="list-style-type: none"> ▪ Defined ▪ Oversight required

Agenda

1. The Organization

- BMO Financial Group
- Risk Management
- Information Management Governance & Quality
- Corporate Policy & Standard

2. Records Management Governance

- Policies & Standards
- Consulting
- Education & Awareness
- Monitoring & Reporting

3. In Conclusion

- BMO Records Management Program Maturity
- 2010 Focus Areas & Key Partnerships
- Lessons Learned
- Review of Learning Objectives

BMO Financial Group - Overview

Vision: To be the bank that defines great customer experience

- Founded in 1817 as Bank of Montreal, Canada's first bank
- Now, a highly diversified financial services organization providing a broad range of retail banking, wealth management and investment banking products and solutions
- Total assets of \$388 billion as at October 31, 2009
- 10 million + customers
- 36,000 + employees

1. Personal and Commercial Banking

- Canada: BMO Bank of Montreal
- U.S.: Harris

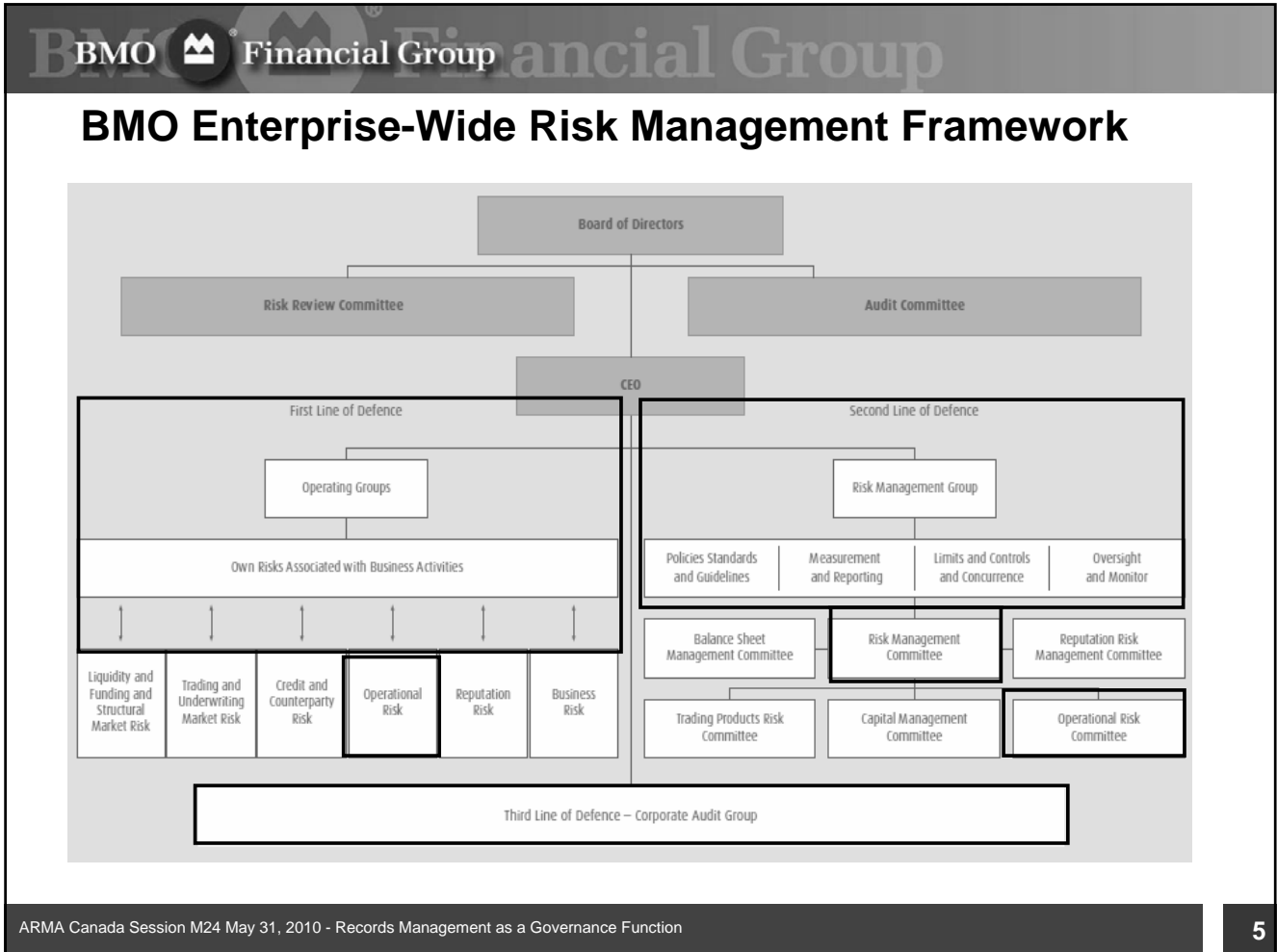
2. Private Client Group: Wealth Management

- Canada: BMO Nesbitt Burns, BMO InvestorLine
- U.S.: Harris Private Bank

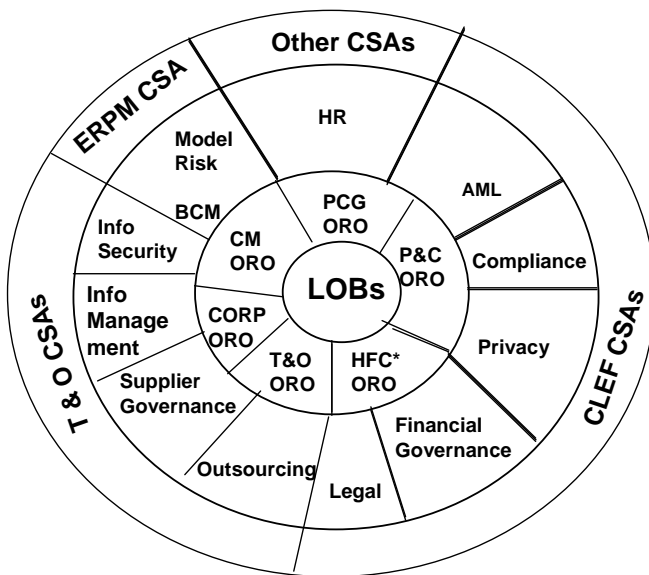
3. BMO Capital Markets: Investment and Corporate Banking

- North America
- International





Operational Risk Governance Model



Note: This chart depicts existing Operational Risk CSAs only

Enterprise Operational Risk Management (EORM)

- Develops and provides guidance on the Operational Risk Management Framework (ORMF)
- Allocates operational risk capital
- Reports to senior management and risk committees including the Board
- Escalates operational risk issues

Corporate Support Area (CSA)

- Develops and oversees Corporate Policy and Standard(s) on an Enterprise-wide basis for their Risk type according to the ORMF
- Monitors the effectiveness of the control framework for their area
- Reports relative risk levels at an enterprise and operating group level

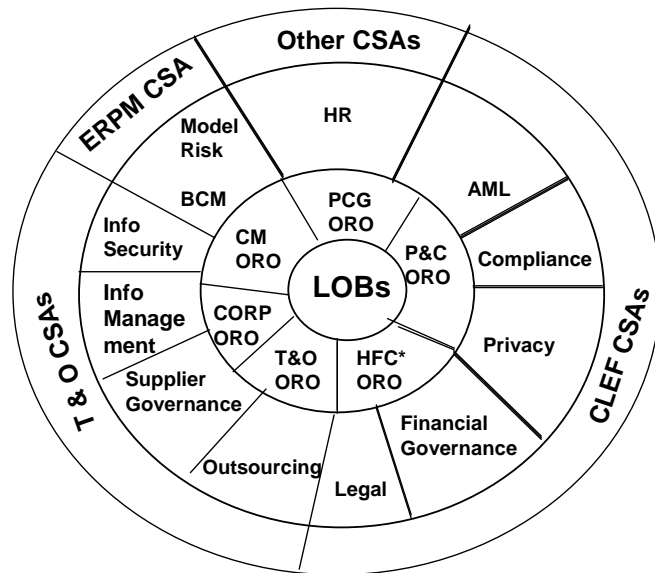
Operational Risk Governance Model

Business Pillars

- CM = BMO Capital Markets
- CLEF = Corporate Legal Economics Finance
- CORP = Corporate Services
- HFC = Harris Financial Corp.
- P&C Canada = Personal and Commercial Banking Canada
- PCG = Private Client Group
- T&O = Technology & Operations

Line of Business (LOB) & Operational Risk Officer (ORO)

- Identifies, measures, manages, monitors and reports operational risk
- Escalates any operational risk process or policy deficiency
- Reports their operational risk profile to both senior management and EORM in compliance with policies and standards



Note: This chart depicts existing Operational Risk CSAs only

Information Management Governance & Quality

The Information Management Corporate Support Area is the 2009 winner of the TDWI (The Data Warehousing Institute) Data Governance Award

Business Managed Applications

- BMAs are information systems designed to perform and/or support a business function not developed using internal IT processes and controls
- Mitigates risks posed by the use of BMAs and addresses regulatory requirements for greater control over these applications

Data Integrity

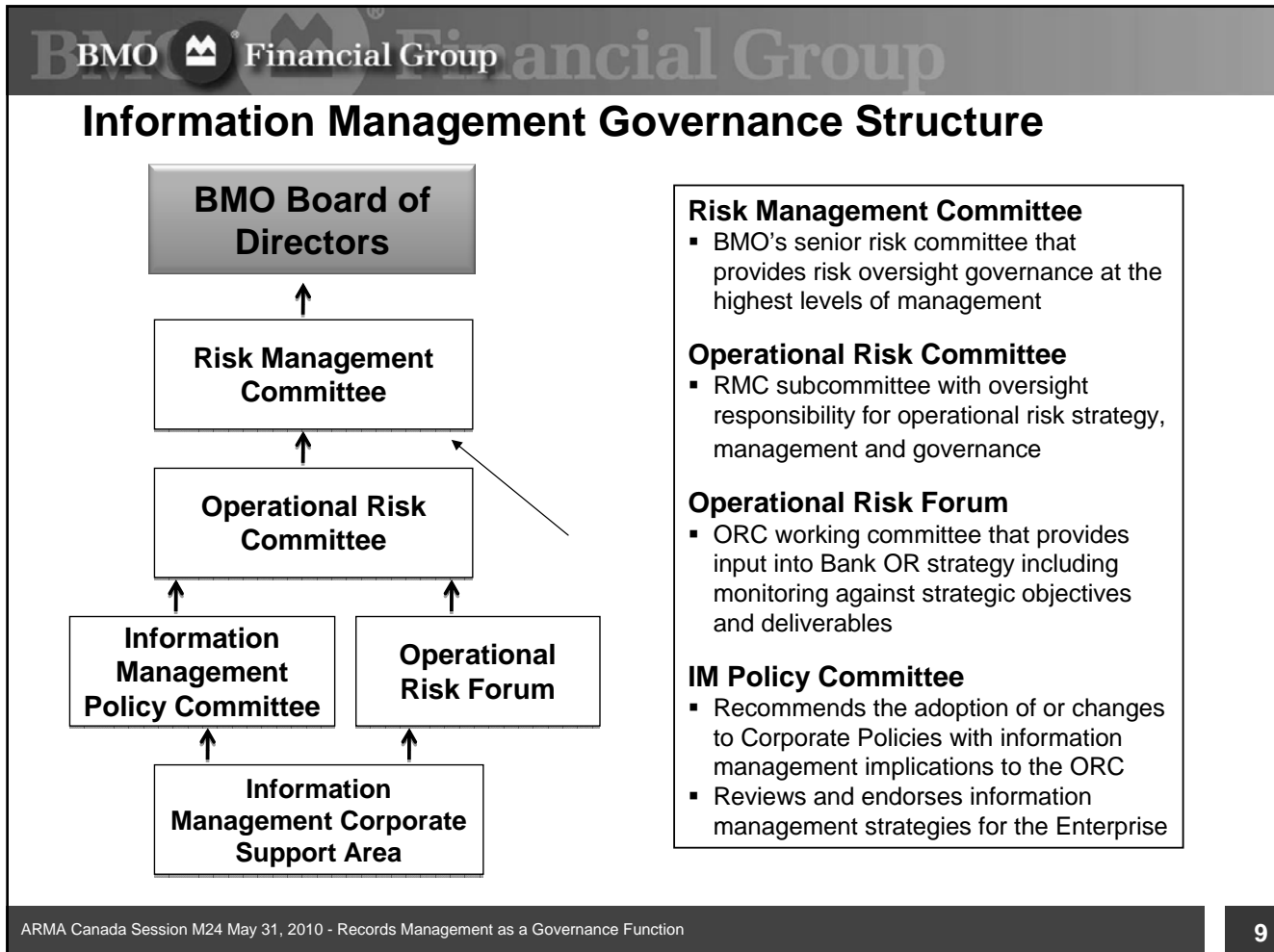
- Provides assurance that accountabilities and controls for information are in place so the Bank can trust the information it uses and that information shared with regulators is accurate
- Maintains enterprise classifications focused on key information risk areas (i.e. customer information, financial information)

Metadata

- Metadata provides an information pedigree, ensuring that information meaning is understood
- The Enterprise Metadata Repository (EMR) is an internal portal that allows users across the Bank to retrieve information
- Winner of 2007 Wilshire Award for Best Practices in Metadata Management

Records Management

- Information Management – Corporate Records Management Office (IM-CRMO) manages risks associated with records retention and disposition to ensure the Bank meets legal and regulatory requirements.

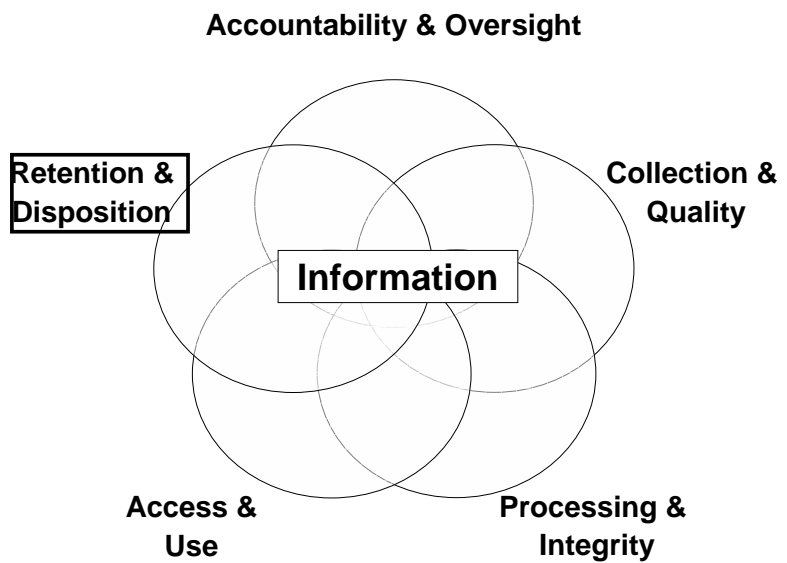


Information Management Policy

The Policy objective is

- *to provide a framework to manage information as an integrated asset throughout the Enterprise*
- *in a disciplined and coordinated manner*
- *and optimize the value of information assets to achieve business strategies and goals*

BMO Board of Directors
May 2004



Information Management Framework

The Enterprise uses, manages and protects its information assets proportionate to its risk and value and following legal and regulatory requirements throughout its life-cycle.

Source: BMO Information Management Policy



Information & Records Management Corporate Standard

On a media-neutral basis, the Enterprise's Records are used, protected and retained for as long as is necessary to satisfy business, legal and regulatory requirements.

1. Manage Information during collection / creation, access and usage	<ul style="list-style-type: none"> I. According to legal and regulatory requirements II. Commensurate with risk and value to ensure: <ul style="list-style-type: none"> ▪ Security ▪ Data integrity (e.g., completeness, validity, consistency, timeliness and accuracy) ▪ Appropriate use III. Where appropriate, designate specific accountabilities including identifying executives accountable for data integrity and developing Operating Procedures
2. Retain Information throughout its life-cycle on the basis of	<ul style="list-style-type: none"> I. Business requirements II. Legal and regulatory requirements as identified in the Enterprise Records Retention Schedule
3. Dispose of Information at the end of its life-cycle	<ul style="list-style-type: none"> I. According to established Enterprise practices, including: <ul style="list-style-type: none"> ▪ The Information Security Manual ▪ IM-CRMO Annual Records Destruction Procedure ▪ Operating Group procedures

Records Management Governance Framework

	IM CSA Roles & Responsibilities
Policies & Standards	<ul style="list-style-type: none"> ▪ Maintain the Information Management Corporate Policy, related Standard(s) and Enterprise Records Retention Schedule
Consulting	<ul style="list-style-type: none"> ▪ Define the principles and guidelines for effective internal controls and management activities for Information Management risk ▪ Provide Information Management subject matter expertise, specialist support, and oversight to the Enterprise
Education & Awareness	<ul style="list-style-type: none"> ▪ Promote Information Management awareness and capability through communications, education and training
Monitoring & Reporting	<ul style="list-style-type: none"> ▪ Define the requirements for the identification of Information Management risk ▪ Define the criteria for determining the relative profiles of Information Management risk in each Operating Group ▪ Define monitoring criteria and monitor compliance with the Information Management Policy and related Standard(s) ▪ Escalate issues regarding an Operating Group's Information Management risk profile to their respective applicable executives, Operational Risk Officer, Enterprise Operational Risk Management and/or the Operation Risk Committee, as appropriate



Policies & Standards: RRS

The BMO Enterprise Records Retention Schedule

- Applies to Canada and the U.S. and is the minimum for international operations
- Is organized into 21 business functions and not by organizational structure
- Classifies records into 230 "Records Series" or buckets by business process
- Designates how long each Series needs to be retained to fulfill legal and regulatory requirements, as well as business needs
- Identifies the action required when records have met retention requirements
- Is maintained by IM-CRMO and revised on a quarterly basis

BMO FINANCIAL GROUP ENTERPRISE RECORDS RETENTION SCHEDULE SUMMARY

AUDIT (AUD)

Includes all Records related to BMO's monitoring and audit functions for compliance with requirements imposed by statutes, rules, regulations, ordinances, judicial decisions, and other standards and requirements.

Record Series Code	Record Series Title and Description / Scope Note	Official Retention	Final Disposition
AUD100	Customer Account Reviews	7 Years	D
AUD110	Financial Audits - External	10 Years	D
AUD125	Operational Audits - Internal	7 Years	D
AUD140	Operational Audits - Banking	7 Years	D
AUD150	Operational Audits - Construction and Facilities	3 Years	D
AUD160	Proofs and Certifications	7 Years	D

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Consulting: Supplier Governance

The IM-CRMO manages the supplier relationship for offsite storage and secure shredding services to ensure that the Bank's outsourcing governance requirements are met.

Contract	Infrastructure
<ul style="list-style-type: none"> ▪ Participates in negotiations 	<ul style="list-style-type: none"> ▪ Develops procedural controls and tools to support business partners in managing records according to CS requirements
<ul style="list-style-type: none"> ▪ Manages the supplier relationship for Canada 	<ul style="list-style-type: none"> ▪ Streamlines processes for consistency and standardization of practice
<ul style="list-style-type: none"> ▪ Ensures the supplier meets Service Level Agreement requirements 	<ul style="list-style-type: none"> ▪ Advocates on behalf of business partners

Iron Mountain Canada Corporation (Iron Mountain) is the preferred supplier to Bank of Montreal (BMO) for offsite records retention and destruction. Iron Mountain has given BMO its permission to use its name throughout this presentation when BMO is describing its arrangement with Iron Mountain.

By naming Iron Mountain, BMO in no way is endorsing or otherwise encouraging your use of Iron Mountain for any services. BMO is not making any representation that you should or may rely on. BMO does not accept any responsibility for any problems that might arise should you choose Iron Mountain as your service provider, whether or not your choice was influenced by this presentation.

Consulting: Program Implementation

Objective: *To establish an Enterprise-wide, legally-defensible Records Management Program*

Drivers	<ul style="list-style-type: none"> ▪ Litigation Risk Management ▪ Compliance Management ▪ Operational Cost Control ▪ Access to Information ▪ Program Consistency ▪ Increase Awareness of the Importance of Information Management
Deliverables	<ul style="list-style-type: none"> ▪ Enterprise-wide Records Retention Schedule ▪ Procedures Manual ▪ Training Program ▪ Intranet Site and Resources
Focus Areas	<ol style="list-style-type: none"> 1. Paper Records: Day-forward 2. Paper Records: Pre-existing 3. Structured Data 4. Unstructured Data

Consulting: Program Implementation

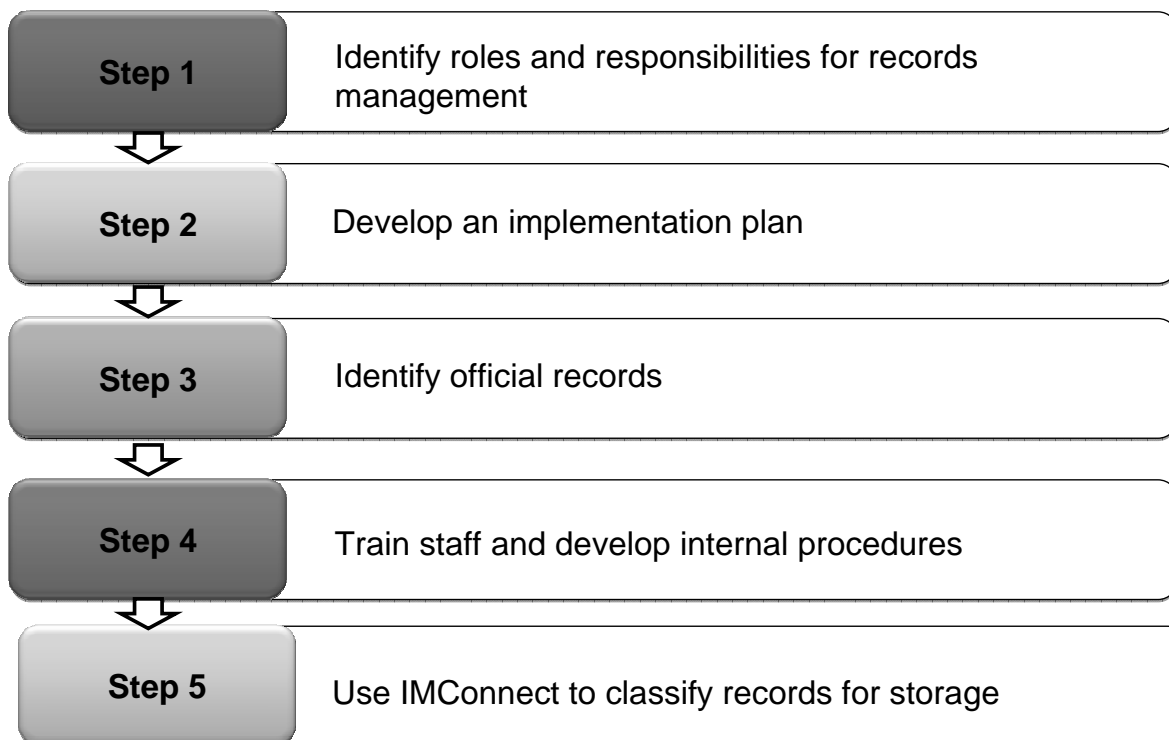
Objective: To establish an Enterprise-wide, legally-defensible Records Management Program

Drivers	Deliverables	Focus Areas
<ul style="list-style-type: none"> ▪ Litigation Risk Management ▪ Compliance Management ▪ Operational Cost Control ▪ Access to Information ▪ Program Consistency ▪ Information Management Awareness 	<ul style="list-style-type: none"> ▪ Enterprise-wide Records Retention Schedule ▪ Procedures Manual ▪ Training Program ▪ Intranet Site ▪ Support Resources 	<ol style="list-style-type: none"> 1. Paper Records <ul style="list-style-type: none"> ▪ Day-forward 2. Paper Records <ul style="list-style-type: none"> ▪ Pre-Existing 3. Structured Data 4. Unstructured Data

Consulting: Change Management

- 1. Operational Risk Officers will assist Information Management to:**
 - Identify key contacts in all business groups
 - Escalate as necessary
- 2. Information Management – Corporate Records Management Office will work with business group contacts to help them understand:**
 - Corporate Standard requirements
 - The standard implementation process
- 3. Each business group will:**
 - Allocate resources
 - Develop an implementation timeline
- 4. IM-CRMO will lead a kickoff meeting and provide ongoing support to implementation teams, namely:**
 - A communications outline
 - Extensive resources including reusable templates
 - Baseline training for different audiences
 - Offer to review and provide feedback on inventory lists and internal procedures
 - Attend team meetings
 - Answer questions as they arise

Consulting: Standard Implementation Process



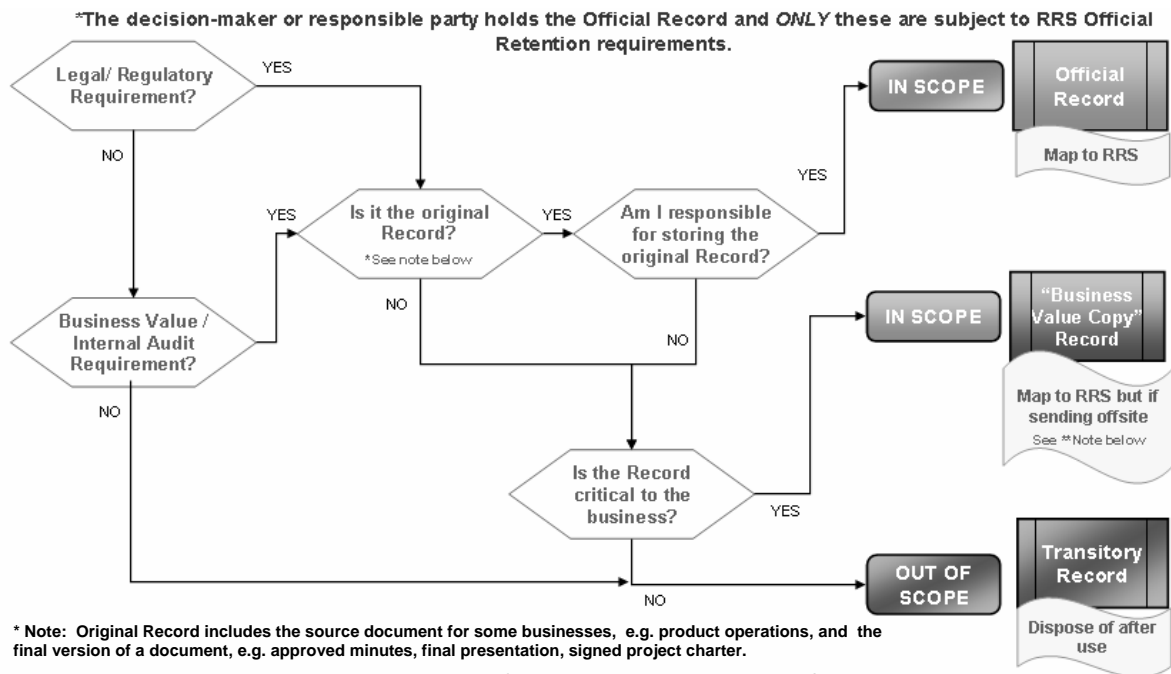
Consulting: Implementation Step 1

Roles	Responsibilities
Oversight	<ol style="list-style-type: none"> 1. Ensure staff receive adequate records management training appropriate to their role 2. Develop and approve internal records management procedures compliant with the Corporate Standard 3. Review, confirm and sign-off on records destruction as the Destruction Authorized User (DAU) 4. Apply legal records holds as directed by the Legal Group 5. Liaise with IM-CRMO
Processing	<ol style="list-style-type: none"> 1. Follow approved internal procedures to box Records and place orders with Iron Mountain 2. Classify Records according to the RRS 3. Describe box contents with sufficient detail that records are identifiable and retrievable 4. Advise oversight designee regarding records management process and procedure improvement
All Employees	<ol style="list-style-type: none"> 1. Understand which business area records are official 2. Manage official records in compliance with the RRS 3. Follow approved internal records management procedures

Consulting: Implementation Step 2

BMO Corporate Records Management Implementation Plan	Date	Status
1. Identify implementation team members		
2. Hold a "How to Implement Corporate Records Management" kickoff meeting		
3. Designate records management responsibilities for Oversight and Processing		
4. Identify and map official records to the Enterprise Records Retention Schedule (RRS)		
5. Conduct education and awareness activities to ensure team members are adequately trained to fulfill their Records Retention-related responsibilities <ul style="list-style-type: none"> ▪ Corporate Records Management Overview brochure reviewed by all staff ▪ Corporate Records Management Training (45-90 min) completed by staff with program oversight responsibility and team members 		
6. Develop internal processes and procedures to sustain records management practices		
7. Implement IMConnect for records classification <ul style="list-style-type: none"> ▪ IMConnect training for Records Processors ▪ Offsite Storage Authorization Form (Canada or U.S.) 		

Consulting: Implementation Step 3 Decision Tree



* Note: Original Record includes the source document for some businesses, e.g. product operations, and the final version of a document, e.g. approved minutes, final presentation, signed project charter.

** Note: Recommended maximum retention period of 3 years (may be longer but not longer than RRS Official Retention period). These records should not be sent to offsite storage; however if necessary, LOBs are advised to use Record Series Code ADM121- Department Files and in the Box Content Description field use the first 6 characters to indicate the classification, i.e. COMXXX for all Compliance record types.

Consulting: Implementation Step 3 Decision Tree

- If you answer **Yes** to all of the following questions, you have identified an Official Record:
 1. Is there a legal or regulatory requirement to keep the Record that you are aware of?
 2. Does the Record have business value (i.e. used for decision-making) or internal audit value?
 3. Is it the original Record?
 4. Am I responsible for storing the original Record?
- If the Record in question is a **copy** of an Official Record held elsewhere but is critical to your business, it is a Business Value Copy Record.
 - These Records have a recommended maximum 3-year retention period and MUST be disposed of when the Official Retention period, as designated in the RRS, expires.
 - It is recommended that business units not send these records to offsite storage. However, if this is necessary it is advisable to complete the Record Series field with ADM121 and in the Box Contents Description field use the first 6 characters to indicate the classification, i.e. COMXXX for all Compliance record types. This will ensure that searches are efficient and capture both Official Records and Business Value Copy Records.
- If the Record in question is a copy and does not have critical business value, it is Transitory.
 - Transitory Records should be destroyed after they have fulfilled their usefulness.
 - Transitory Records should NOT be sent to Offsite Storage.
 - Transitory Records MUST be disposed of when the Official Retention period for those Records, as designated in the RRS, expires.

Consulting: Customized Implementation Approaches

	P&C Branch Network	Capital Markets
Description	<ul style="list-style-type: none"> ▪ 1400 branches across Canada ▪ Priority is customer-facing activities ▪ Centralized operations support 	<ul style="list-style-type: none"> ▪ 27 offices on 5 continents with 14 in North America ▪ Command and control environment
Process	<ul style="list-style-type: none"> ▪ Updated existing Records Management Policy & Procedure document to align with CS requirements and RRS retentions ▪ Issued a communication and set an effective date ▪ Offsite storage operations remained distributed 	<ul style="list-style-type: none"> ▪ Project Management team identified and classified records ▪ Created a records management intranet site ▪ Offsite storage operations were centralized
Resources	<ul style="list-style-type: none"> ▪ 1.5 FTE over 9 months ▪ Annual P&P revision day-forward 	<ul style="list-style-type: none"> ▪ 3 FTE for 6 months ▪ 1.5 FTE ongoing
Pros	<ul style="list-style-type: none"> ▪ Minimal impact on front-line staff with look and feel of records management P&P retained 	<ul style="list-style-type: none"> ▪ 100% compliance in 6 months ▪ Significantly reduced front-line staff involvement
Cons	<ul style="list-style-type: none"> ▪ Decision to use paper transmittals risks non-compliance 	<ul style="list-style-type: none"> ▪ Duplication of effort with intranet ▪ Ongoing support required

Consulting: Pre-Existing Paper Records Strategies

Reclassifying paper records that pre-date the Corporate Records Management Program to confirm alignment with the RRS requires significant resources while providing little value.

Not finding a solution exposes the organization to the risk of discovery during litigation.

The following approaches were endorsed by the Information Management Policy Committee.

Boxes With Destruction Dates	<ul style="list-style-type: none"> ▪ Analysis of previous retention schedules indicated that the majority of retentions were consistent with the RRS ▪ Pre-defined destruction dates are honoured ▪ Business units are encouraged to reclassify records if they can be easily identified
Boxes Without Destruction Dates i.e. “Legacy Records”	<ul style="list-style-type: none"> ▪ A conservative ultimate statute of limitations period was selected as a standard retention parameter ▪ Records older than this are included on eligibility lists during the enterprise Annual Records Destruction Procedure ▪ Business owners review these lists and take one of the following actions: <ol style="list-style-type: none"> i. Authorize records for destruction ii. Reclassify iii. Apply a Legal Record Hold



Consulting: Electronic Records Strategies

Structured Electronic Records

Transactional Systems	<ul style="list-style-type: none"> ▪ The existing service level agreement process between T&O custodians and business owners of data now includes a requirement to confirm RRS retention periods ▪ IM is regularly consulted on projects to advise regarding Information Management requirements
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Unstructured Electronic Records

BMO does not have an ERM system, therefore applying retention is a manual process.

Email	<ul style="list-style-type: none"> ▪ Email is currently identified as a Records Series in the RRS ▪ Strategy is to apply broker-dealer retention periods to high-risk business areas and a 3 year period to the remainder
File Shares	<ul style="list-style-type: none"> ▪ Retention is a manual process ▪ IT storage management initiatives are driving retention
Enterprise Content Management	<ul style="list-style-type: none"> ▪ A committee with broad representation has defined an enterprise-wide ECM strategy to manage electronic records throughout their life-cycle ▪ System infrastructure will include a robust way to classify information including retention requirements, at the beginning of the life-cycle
SharePoint	<ul style="list-style-type: none"> ▪ An Information Risk Governance committee has been struck and is triaging sites by respective risk levels and putting in place associated controls

Consulting: Practical Tips

Competing Business Priorities	<ul style="list-style-type: none"> ▪ Sell don't tell: align with business objectives to the extent possible ▪ Be clear about the ask
Limited Resources	<ul style="list-style-type: none"> ▪ Make it as easy as possible for businesses to comply ▪ Develop a repeatable process and review regularly to refine
Corporate Culture of Consensus	<ul style="list-style-type: none"> ▪ Understand accountabilities and roles ▪ Be patient: implementation takes time
Fragmented and Highly Variable Implementations	<ul style="list-style-type: none"> ▪ Creative solutions are required when change does not occur uniformly ▪ Be flexible
Reluctance to Change	<ul style="list-style-type: none"> ▪ Change management is critical to success ▪ Identify WHAT needs to be done and be flexible about HOW that happens ▪ Leverage existing good practices
Pre-existing Paper Records	<ul style="list-style-type: none"> ▪ Evaluate what is right versus what is practical within the context of risk tolerance

Records Management Governance Framework

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Education & Awareness: IM-CRMO Intranet Site

BMO Financial Group IM - Corporate Records Management Office

IM-CRMO Home | Retention Schedule | Tool Kit | Education & Training | Iron Mountain

Useful Links

- Corporate Archives
- Information Management
- Information Security Manual - Information Disposal
- IMConnect
- BMO Capital Markets LoB Records Management
- P&C Canada P&P 735-06
- AWARE (Are We At Risk Everyday?)
- Add new link

Key Industry

- AIM
- ARMA
- ARMA Toronto
- Iron Mountain
- Add new link

DSFI Links

- Data Maintenance at IRB Institutions

Welcome to the IM-CRMO

Welcome to the Corporate Records Management Office (CRMO), part of the Information Management Corporate Support Area (CSA).

The [Information and Records Management Accountabilities Corporate Standard](#) supports the [Information Management Corporate Policy](#), and is specifically of interest to those employees within Canada and the U.S. It provides a framework for managing a special subset of information called **Official Records (Records)** which are deemed to have business value to the Enterprise.

Records are created and used to conduct business and are evidence of these activities and transactions, regardless of medium or format. Because of their unique value as corporate assets, responsible Records Management is a business priority and a legal obligation that BMO takes very seriously.

BMO's [Enterprise Records Retention Schedule \(RRS\)](#) specifies what needs to be kept for compliance with BMO's legal regulatory and business requirements.

All BMO employees have Records Management responsibilities, namely:

- Identifying their official Records;
- Managing official Records in compliance with the RRS, and;
- Following approved internal procedures for Records Management.

For questions and suggestions please contact: IM.CRMO@bmo.com

BMO Stock Quote

CAD	\$64.15	▼	-0.37
US	\$63.46	▲	0.02

20 min. delayed quote
Market Watch

What's New

Effective February 9, 2010, classification of all boxes through [IMConnect](#) will be enforced. For more information please visit Iron Mountain tab >> [Offsite Storage](#) page >> [FAQ](#)

[2010 Iron Mountain Service Rates](#) are now available

[BMO Enterprise Records Retention Schedule - Updated to Version 1.9](#)

[Requesting Reports in IMConnect](#) brochure is now available

Objective is to make it as easy as possible for business groups to meet Corporate Standard requirements

- The Bank's central repository for records management program information
- IM-CRMO's primary communication tool for promoting awareness
- Main categories:
 1. Homepage
 2. Retention Schedule
 3. Tool Kit
 4. Education & Training
 5. Offsite Storage and Secure Shredding

BMO Financial Group

Education & Awareness: Tool Kit

IM - Corporate Records Management Office

Education & Training Iron Mountain

Records Management Tool Kit

Corporate Policy

- [Information Management](#)

Corporate Standard

- [Information and Records Management Accountabilities](#)
 - [Minimum Requirements](#)
- [BMO Enterprise Records Retention Schedule \(RRS\)](#)
 - [RRS Revision Process](#)
 - [RRS New Record Series Request Form](#)
 - [RRS Record Series Change Request Form](#)

Procedures (Enterprise-Wide)

- [Annual Records Destruction Procedure](#)
- [Onsite Records Destruction Authorization Form - PDF](#)
- [Onsite Records Destruction Authorization Form - Word](#)
- [Legal Records Holds Procedure \(under development by the Legal Group\)](#)

Best Practices

Trifold Brochure Printing Instructions: Print double-sided on standard paper. From Properties select [File on Edge](#).

- [Records Management Overview](#)
- [Electronic Records Management](#)
- [Offsite Storage/IMConnect](#)
 - [Getting Started with IMConnect](#)
 - [Preparing Records for Offsite Storage](#)
 - [Searching/Retrieving Boxes & Ordering Supplies in IMConnect](#)
 - [Requesting reports in IMConnect](#)

Program Implementation

- [How to Implement Corporate Records Management](#)
- [How to Perform a Records Clean Up](#)
- [Implementation Plan Components](#)
- [Records Inventory Template](#)
- [Frequently Asked Questions:](#)
 - [General](#)
 - [Offsite Storage/IMConnect](#)
 - [Enterprise Records Retention Schedule \(RRS\)](#)
 - [Shredding](#)

- **Policy**
- **Standard**
- **CS Minimum Requirements**
- **Enterprise Records Retention Schedule (RRS)**

Enterprise-Wide Procedures

- **Annual Records Destruction**

Best Practices

- **Concise, user-friendly information on frequently asked topics**

Program Implementation

- **How To Documents**
- **Reusable Templates**
- **FAQs**

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Implementation: Policy
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Education & Awareness: CS Minimum Requirements

1. Official Records in all formats and media have been identified and incorporated into the BMO Enterprise Records Retention Schedule (RRS).
2. Approved RRS retention periods are applied consistently to Official Records.
3. Records are kept in a safe and secure storage environment.
4. Records are identifiable and retrievable, i.e. classified and described according to the RRS.
5. The Enterprise-wide Legal Records Holds process (i.e. destruction of Records according to RRS Official Retention periods is suspended due to anticipated or commenced investigations, audits or litigation) is followed.
6. The Enterprise-wide Records Destruction Procedure is followed.
7. Records destruction methods are secure.
8. Responsibility for Corporate Records Management Oversight has been assigned within each LOB.
9. Responsibility for Corporate Records Management Processing has been assigned within each LOB for Processing (offsite storage-related activities).
10. Employees receive adequate training to fulfill their Records Retention-related responsibilities.

Education & Awareness: Best Practices Brochures

INFORMATION MANAGEMENT – CORPORATE RECORDS MANAGEMENT OFFICE (IM-CRMO) RESPONSIBILITIES

- ☐ Maintains the Enterprise Records Retention Schedule (RRS).
- ☐ Establishes and maintains Best Practices for Corporate Records Management and other resources and tools.
- ☐ Develops and delivers Records Management consultation, training and support to all BMO employees.
- ☐ Liaises with the Legal Group and LOB representatives to support, develop and improve the Corporate Records Management Program.
- ☐ Liaises with BMO's preferred supplier for offsite storage and shredding services (Iron Mountain).

EMPLOYEE RESPONSIBILITIES

1. Employees with designated Records Management Oversight Responsibilities
 - Ensure staff receives adequate Records Management training appropriate to their role.
 - Develop and approve internal LOB Records Management procedures.
 - Review, confirm and sign-off on Records destruction as the Destruction Authorized User (DAU).
 - Apply Legal Records Holds as directed by the Legal Group.
 - Liaise with IM-CRMO.
2. BMO employees with designated Records Management Processing responsibilities
 - Follow approved internal LOB procedures to box Records and place orders with Iron Mountain.
 - Classify Records according to the RRS.
 - Classify and describe box contents with sufficient detail that Records are identifiable and retrievable.
 - Advise LOB regarding Records Management process and procedure improvement.

IM - CRMO INTRANET SITE RESOURCES:

TOOL KIT

Best Practices Brochure Series

- ✓ Corporate Records Management Overview
- ✓ Electronic Records Management

IMConnect

- ✓ Getting Started with Iron Mountain Connect (IMConnect™)
- ✓ Preparing Records for Offsite Storage
- ✓ Searching/Retrieving Boxes & Ordering Supplies in IMConnect™
- ✓ Requesting Reports in IMConnect™

Coming Soon...

- ✓ Records Retention Schedule (RRS) Use and Maintenance
- ✓ Records Destruction and Legal Records Holds

More Tools:

- ✓ Information and Records Management Accountabilities Corporate Standard Minimum Requirements
- ✓ Annual Records Destruction Procedure
- ✓ Etc...

RECORDS RETENTION SCHEDULE (RRS)

- ✓ Key Word searchable
- ✓ Links within the document to:
 - Business Function Descriptions
 - Summary RRS
 - Detailed RRS

TEAM (RECORDS MANAGEMENT WORKING GROUP)

- ✓ Meetings Archive
- ✓ Members List

EDUCATION & TRAINING

- ✓ Corporate Records Management Training
- ✓ IMConnect Training
- ✓ FAQs
- ✓ Glossary of Records Management Terms

IRON MOUNTAIN

- ✓ Offsite Storage Information including Authorization Form
- ✓ Shredding Information

VISIT: [HTTP://SITES.BMOFC.NET/TANDOM-CRMO/DEFAULT.ASPX](http://sites.bmofc.net/tandom/crmo/default.aspx)

CONTACT: IM.CRMO@BMO.COM

CORPORATE RECORDS MANAGEMENT OVERVIEW

RECORDS MANAGEMENT (RM) IS DEFINED AS:

- The discipline of systematically managing Information Records through their complete life-cycle.
- Evaluating information content for its legal, regulatory, business and/or historic value.
- Recognizing the need to minimize risk by retaining and periodically destroying items no longer needed according to legal, regulatory and business requirements.



THE VALUE OF RECORDS MANAGEMENT

Risk Management

- Compliance with legal and regulatory requirements.
- Ability to respond to discovery requests in litigation quickly and thoroughly, and to place Legal Records Holds.
- Customer and employee personal information is secure and managed appropriately.

Cost Containment

- Compliance with legal and regulatory requirements.
- Operating and storage costs are reduced.

Access to Information

- Consistent classification and indexing allows Records to be identified and accessed quickly for better decision-making and greater efficiency.
- Front-line staff spends less time doing administrative Records-related tasks and serve customers better.
- Regular records destruction results in less information to search.

M-CRMO Best Practices Series

Reviewed: September 2009
Updated: September 2009

Education & Awareness: Best Practices Brochures

RECORDS / OFFICIAL RECORDS

- ☞ Information recorded on a tangible medium and intentionally retained and managed as evidence of an organization's activities, events or transactions, for legal, regulatory, business and/or historical purposes.
- ☞ Significant, vital, or important Records of continuing value to be protected, managed, and retained according to an established Enterprise Records Retention Schedule (RRS). Often, but not necessarily, an original.
- ☞ Also called Book of Record.
- ☞ Only one copy of the Official Record needs to be managed according to the RRS by the Office of Record.
- ☞ Records are media-neutral and include:
 - paper-based documents
 - e-mail
 - electronic files
 - databases / datamarts
 - voice recordings

BUSINESS VALUE COPY RECORDS

- ☞ Copies of Official Records deemed critical by an LOB.
- ☞ The maximum recommended retention is 3 years or, if an Event-based retention Event + 3 Years.
- ☞ Business Value Copies must not be retained beyond the RRS Official Retention period.

TRANSITORY RECORDS

- ☞ Records that should be disposed of as soon as they have served the purpose for which they were created.
- ☞ Also called Convenience Copies.
- ☞ Examples include:
 - Personal messages
 - Notices or memoranda, such as items concerning routine administrative matters
 - Copies of documents not held by the Office of Record that are not deemed critical by the LOB
 - Drafts of letters, memoranda, or reports and other informal notes which do not represent significant steps in the preparation of a final document and which do not record decisions.

LEGAL RECORDS HOLDS

- ☞ A mechanism for informing affected individuals or departments that destruction of Records must be suspended due to anticipated or commenced investigations, audits or litigation.
- ☞ If BMO is involved in litigation or another adjudicatory proceeding and a Record was needed as evidence:
 - i. The Legal Group would inform the LOB.
 - ii. The LOB would place a Legal Records Hold on that particular Record.
 - iii. The Record could then be retrieved and made available for the proceedings.
 - iv. The Record would remain on Hold and must not be destroyed, regardless of the RRS Official Retention Period, until a notice is issued by the Legal Group that the matter has been concluded.

ENTERPRISE RECORDS RETENTION SCHEDULE (RRS)

- ☞ The RRS is a detailed document that provides Official Retention periods for different categories of Records in the organization based on legal, regulatory and business requirements.
- ☞ The RRS is organized by business function, not by department or LOB name. LOBs will likely have Records in more than one function in the RRS.
- ☞ Within each Business Function are Record Series, categories of Records that support a business process and have the same retention requirements.

Example: The RRS Business Function, Accounting (ACC) includes a Record Series called Accounts Payable – Employee Expenses. Types of Records in this record series code include: Expense Reports, Credit Card statements, documentation and Receipts.

ANNUAL RECORDS DESTRUCTION PROCEDURE

- ☞ Objective: An explicit, consistently executed, Enterprise-wide Records Destruction Procedure.
- ☞ Records must be destroyed once per year, when they have fulfilled their RRS Official Retention period.
- ☞ Records destruction must be authorized prior to its taking place
- ☞ According to RRS COM230 retain for 10 years the following:
 - Onsite Records Storage: Signed original Onsite Records Destruction Authorization Form.
 - Offsite Records Storage: Signed copy of the Preliminary Destruction Listing, Final Destruction Listing and Certificate of Destruction.

RECORDS LIFE-CYCLE

STAGE 1: ACTIVE RECORDS

- ☞ From Records creation and for as long as their administrative value and use remains at its highest.
- ☞ Records related to current or in-process activities that are referred to on a regular basis.
- ☞ These are maintained in offices and close at hand. Sending Active Records to offsite storage is both inconvenient and costly.
- ☞ Active Records are kept onsite, as users require frequent and immediate access to them.
- ☞ Examples include:
 - Active personnel files
 - Contracts during negotiation
 - Documents supporting projects in process

STAGE 2: INACTIVE RECORDS

- ☞ When the administrative value declines and reference to Records becomes irregular and less frequent (less than once every 3 months).
- ☞ Records related to closed, completed or concluded activities that are no longer routinely referenced but should be retained to fulfill legal, regulatory and business requirements.
- ☞ They are moved to offsite storage, offline or archived until eligible for destruction
- ☞ Prior to transfer, Inactive Records must be properly classified with the appropriate RRS Record Code, and the contents of each box described. This ensures that Records can be located and retrieved when needed.
- ☞ Examples include:
 - Terminated personnel files
 - Closed contracts
 - Completed project files

STAGE 3: FINAL DISPOSITION

- ☞ The last process a Record goes through once it has fulfilled its RRS Official Retention period.
- ☞ There are two options:
 - Destroy (D) – the majority of records.
 - Electronic according to Information Security Manual, IS 05.07.1 – Information Disposal
 - Paper according to IM-CRMO intranet → Shredding page
 - Permanent Retention – 1%-2% of all Records are retained permanently in the BMO Corporate Archives.

Education & Awareness: Training Resources

Training Objectives

Upon completion of the following training modules, you will understand what Corporate Records Management means at BMO:

- Module 1: The Information and Records Management Accountabilities Corporate Standard
- Module 2: The Value of Corporate Records Management
- Module 3: Records Management (Definitions)
- Module 4: The BMO Enterprise Records Retention Schedule (RRS)
- Module 5: Corporate Records Management Roles and Responsibilities
- Module 6: Corporate Records Management Best Practices

Training Demonstration Modules:

- MODULE 1: IM-CRMO INTRANET SITE RESOURCES**
- [IM-CRMO Intranet Home Page Overview](#)
 - [IM-CRMO Intranet Tool Kit Tab](#)
 - [IM-CRMO Intranet Education & Training Tab](#)
 - [IM-CRMO Intranet Iron Mountain Tab](#)
 - [IM-CRMO Intranet Retention Schedule Tab](#)
- MODULE 2: BMOFG ENTERPRISE RECORDS RETENTION SCHEDULE (RRS)**
- [RRS Business Function Index](#)
 - [RRS Summary](#)
 - [RRS Details](#)
 - [Searching Inside the RRS](#)
- MODULE 3: IMCONNECT OVERVIEW**
- [Getting Started with IMConnect](#)
 - [Navigating IMConnect \(Policies and Procedures Page/Training Page/Contact Us Page\)](#)
 - [Searching in IMConnect](#)
 - [Ordering Supplies, Creating a Pickup Order, and Creating a New Order in IMConnect](#)
 - [Adding Records Description to IMConnect](#)

Corporate Records Management

- Detailed explanation of the records management program
- Quizzes at the end of each module to help promote comprehension of information
- Audience: Staff with records management responsibilities

IMConnect

- Self-directed video modules
- Focus on various aspects of the IMConnect portal including best practices for records classification
- Audience: Staff with records processing responsibilities

Education & Awareness: Offsite Storage

IMConnect is the main offsite storage and secure shredding services access point and is used to:

- Classify records via the BMO Custom Interface (below) before sending boxes offsite
- Place orders including box pickup and retrieval, and for supplies
- Generate reports to monitor inventory and service usage

Add Records function allows you to create metadata about your box and file records. Fields marked with an asterisk (*) are required. If you customise the page, be sure to save your changes before exiting.

[Customize the layout of this page.](#)

Customer:	BMOTO [BANK OF MONTREAL]		
Data Format:	Box		
Last record added:		Records Added: 2	
SKP Box/Barcode Number*:	Lock	<input type="text"/>	
Cost Center Code*:	Lock	<input type="text"/>	lookup
Record Series*:	Lock	<input type="text"/>	UNCLASSIFIED lookup
Hold Code:	Lock	<input type="text"/>	lookup
Box Content Description*:	Lock	<input type="text"/>	
Box Content Description Cont'd:	Lock	<input type="text"/>	
From Date*:	Lock	<input type="text"/>	(MM-DD-YYYY)
To Date*:	Lock	<input type="text"/>	(MM-DD-YYYY)
Event Date:	Lock	<input type="text"/>	(MM-DD-YYYY)
Eligibility Period:	Indefinite		
Destruction Date:	<input type="text"/>	<input type="text"/>	(MM-DD-YYYY)
		Reset	Add Record

Education & Awareness: Practical Tips

Awareness Activities	<ul style="list-style-type: none"> ▪ Be sensitive to creating “noise” with communications ▪ Identifying the target audience can be a challenge ▪ Consider what information to push (e.g. by e-mail) and what to pull (e.g. post on the intranet) ▪ Create a brand
Procedures	<ul style="list-style-type: none"> ▪ KISS Principle ▪ Present information in digestible chunks ▪ Long and detailed manuals may be unnecessary as evidenced by the Best Practices brochures
Support Resources	<ul style="list-style-type: none"> ▪ Use plain language ▪ Customize resources for different audiences ▪ Select carefully: there can be too much of a good thing
Classification Tool	<ul style="list-style-type: none"> ▪ Determine what information elements are essential ▪ Limit choices ▪ Create a standard interface ▪ Provide resources to support different learning styles

Records Management Governance Framework

	IM CSA Roles & Responsibilities
Policies & Standards	<ul style="list-style-type: none"> ▪ Maintain the Information Management Corporate Policy, related Standard(s) and Enterprise Records Retention Schedule
Consulting	<ul style="list-style-type: none"> ▪ Define the principles and guidelines for effective internal controls and management activities for Information Management risk ▪ Provide Information Management subject matter expertise, specialist support, and oversight to the Enterprise
Education & Awareness	<ul style="list-style-type: none"> ▪ Promote Information Management awareness and capability through communications, education and training
Monitoring & Reporting	<ul style="list-style-type: none"> ▪ Define the requirements for the identification of Information Management risk ▪ Define the criteria for determining the relative profiles of Information Management risk in each Operating Group ▪ Define monitoring criteria and monitor compliance with the Information Management Policy and related Standard(s) ▪ Escalate issues regarding an Operating Group's Information Management risk profile to their respective applicable executives, Operational Risk Officer, Enterprise Operational Risk Management and/or the Operation Risk Committee, as appropriate



Key Risk Indicators for Fiscal 2010

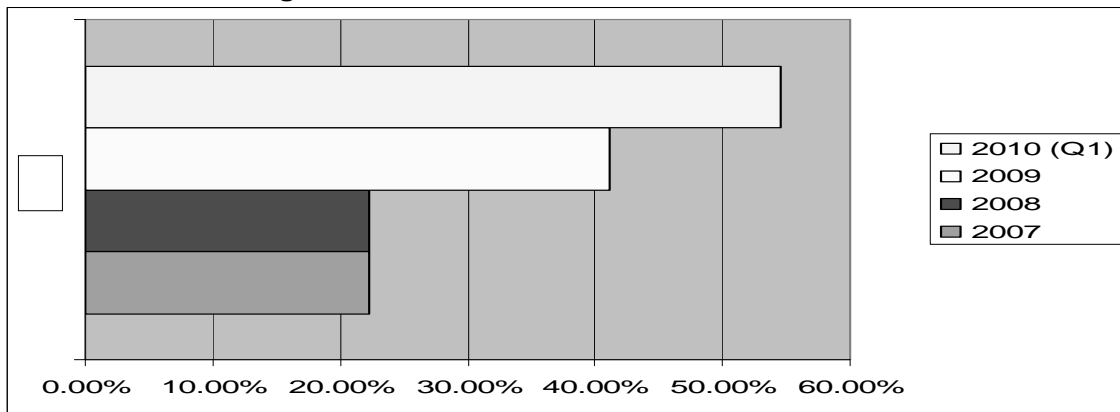
FOCUS AREA	METRIC	THRESHOLDS	RATIONALE
Records Retention for Paper Records (held by our preferred supplier)	Compliance: % of offsite paper records (sent post October 31st, 2008) with a valid Official Retention Period (per the RRS).	Green: 90-100%	This indicator tracks progress on compliance with the Enterprise Records Retention Schedule. Where records management implementation has not begun or is underway, assessments are based on progress to date.
		Yellow: 21-89%	
		Red: 0-20%	
	Annual Destruction: % of eligible paper records destroyed	Green: 90-100%	Indicates the degree to which records are being retained that have met their retention requirements.
		Yellow: 50-89%	
		Red: 0-49%	
	Legacy Records Destruction: % of paper records with no destruction dates 15 years or older	Green: 70-100%	Indicates the degree to which records more than 15 years old with no identified destruction dates are being retained.
		Yellow: 50-69%	
		Red: 0-49%	

Emerging Monitoring

Records Retention for Electronic Records	Records retention indicated for applications, via SLAs and ITAI, and disposition carried out	Green: Program in place and meeting dates	In order to ensure appropriate records management practices are followed for enterprise data, records retention needs to be aligned and integrated with existing data management practices. This will ensure regulatory compliance and reduce storage costs.
		Yellow: Program in place but delayed	
		Red: No program or substantial delays	
	Records retention program applied for enterprise e-mail and disposition carried out	Green: Program in place and meeting dates	In order to ensure appropriate records management practices are followed for enterprise e-mail, records retention needs to be aligned and integrated with existing e-mail management practices. This will ensure regulatory compliance and reduce storage costs.
Yellow: Program in place but delayed			
Red: Issue ignored or substantial delays			


RM Governance: Monitoring & Reporting

Percentage of Records With a Valid RRS Retention Period



Practical Tips

- Engage business areas to determine meaningful metrics
- Ensure that the Key Risk Indicators you select are quantitative
- KRIs will evolve with program maturity and should be reviewed annually
- Provide actionable feedback in your reporting

					
<h3 style="text-align: center;">In Conclusion: BMO RM Program Maturity</h3>					
GARP® Principle	LEVEL 1 Sub-Standard	LEVEL 2 In Development	LEVEL 3 Essential	LEVEL 4 Proactive	LEVEL 5 Transformational
Accountability A senior executive (or person of comparable authority) oversees the recordkeeping program and delegates program responsibility to appropriate individuals. The organization adopts policies and procedures to guide personnel, and ensure the program can be audited.	2				
Transparency The processes and activities of an organization's recordkeeping program are documented in a manner that is open and verifiable and is available to all personnel and appropriate interested parties.	2		→		
Integrity A recordkeeping program shall be constructed so the records and information generated or managed by or for the organization have a reasonable and suitable guarantee of authenticity and reliability.	0				
Protection A recordkeeping program shall be constructed to ensure a reasonable level of protection to records and information that are private, confidential, privileged, secret, or essential to business continuity.	0				
Compliance The recordkeeping program shall be constructed to comply with applicable laws and other binding authorities, as well as the organization's policies.	0		→		
Availability An organization shall maintain records in a manner that ensures timely, efficient, and accurate retrieval of needed information.	0		→		
Retention An organization shall maintain its records and information for an appropriate time, taking into account legal, regulatory, fiscal, operational, and historical requirements.	6			→	
Disposition An organization shall provide secure and appropriate disposition for records that are no longer required to be maintained by applicable laws and the organization's policies.	6				

In Conclusion: 2010 Focus Areas & Key Partnerships

	Legal	Information Security	Privacy	Compliance	T&O	Business Areas
RRS Maintenance	X			X		X
Information Security & Privacy Matters Enterprise Training		X	X			X
E-Discovery and Legal Holds	X			X	X	X
Enterprise Content Management		X				
Imaging & Destruction of Originals	X			X		X
Email Retention	X				X	
Email Monitoring			X			
Structured Data Retentions					X	X
Records Management Contract Language	X					X
SharePoint Governance		X	X		X	X

In Conclusion: Lessons Learned

1. Compliance ≠ Governance

- Achieving regulatory compliance is not the same as adopting best information management practices and embracing IM principles



2. Organizational maturity will be uneven

- Some areas will be early adopters, others will require more effort
- Executive sponsorship and effective change management practices are vital for success

3. Not all information is equal

- Not all information has the same value or the same risk
- An effective governance framework needs to be flexible

4. The records management governance model is a viable option

- The experience of BMO is testimony to the success that can be achieved in a relatively short period of time with limited resources



In Conclusion: Review of Learning Objectives

<p>1. Where does the records management program live at BMO Financial Group?</p>	<ul style="list-style-type: none"> ▪ Operational Risk Management Framework ▪ Information Management Governance & Quality
<p>2. What is the records management governance framework?</p>	<ul style="list-style-type: none"> ▪ Policies & Standards including the RRS ▪ Consulting ▪ Education & Awareness ▪ Monitoring & Reporting
<p>3. How was the records management program established within this framework?</p>	<ul style="list-style-type: none"> ▪ Issued a retention schedule ▪ Identified focus areas and priorities ▪ Developed a change management approach ▪ Defined an implementation process(es) ▪ Devised strategies to address pre-existing paper records and electronic records ▪ Created extensive resources and training ▪ Provide regular feedback to business areas
<p>4. Has BMO's records management governance approach been effective?</p>	<ul style="list-style-type: none"> ▪ Yes as evidenced by the GARP Maturity Model

Questions?



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