## 'Debt' Is Erased With $0.00 Check

ST. LOUIS, Feb. 18 (AP) A St. Louis insurance agent sent a check for $0.00 to a San Francisco automobile insurance company today to try to stop a computer from hounding some of his clients.

Jerome V. Toohey said the insurance company's computer had been sending bills for $0.00 to Mr. and Mrs. John F. Gornati, claiming that is what they owe to complete a premium payment.

The Gornatis received a bill yesterday marked "final notice" and saying their policy would be terminated if they did not pay $0.00 immediately. So Toohey sent the check.

DDS BRIEFING ON RECORDS MANAGEMENT
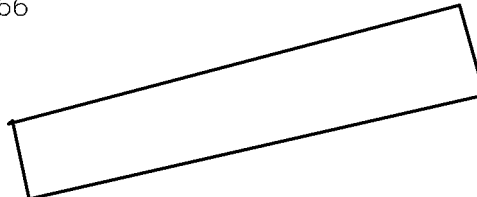
14 February 1966

STAT

DDS Briefing on Records Management, 14 February 1966

I am glad to have this opportunity to tell you about the Agency Records

Management Program.

Records have received a lot of attention from top management since

1949 when the Hoover Commission first dealt with this subject. A Second

Hoover Commission in 1955 created even more interest. More recently,

Congressman Olsen has expressed his concern about the large amount of paperwork

employers are required to complete for the Federal Government. President

Johnson has also indicated his interest. On two occasions he has reminded

the Cabinet of the necessity to eliminate needless paperwork. In February

1965, the President declared a Moratorium on the Purchase of Filing

Equipment.

As one of the top officials in the Agency, you are interested in

effective management. Records Management is your program too and its proper

use will improve efficiency.

As a taxpaper, you pay a part of the cost of keeping records. *100/年*

The rate of growth for records in the Agency is increasing year by

year.

We have 18 feet of records per employee as contrasted to ___2.6___

for the rest of the Federal Government and ___3.___ for Industry.

Cost to locate & keep our records $500 million

These are some of the reasons you should be interested in your

Records Management Program.

ILLEGIB

WHAT IS RECORDS MANAGEMENT?

Records Management is a specialized profession deling with the problems and practices of Paperwork. Originally, primary concern was with Disposition and the arrangement of paper. As a result, a negative and narrow view predominated. Now we concern ourselves with all *phases* of Paperwork including Punch Cards, Magnetic Tape and Reproduction processes.

Records Management is not concerned soley with bits and pieces of paper--it dels with the entire life cycle from Creation to Creamation.

Records Management is emerging as a recognized profession and there are now 3 professional Societies: AREA, ARMA, SAA

Industry now depends upon the professional records manager to solve its paperwork problems. (See article from the Wall Street Journal).

WHY DO YOU NEED RECORDS MANAGEMENT?

First - It saves Manpower==I estimate more than $7 Million are required

to maintain our records. By clearing out *inactive and* ~~useless~~ records no longer

needed, we reduce filing and finding time.

Second - To save space--we require over ~~2000~~ *two hundred thousand* square feet of office space

for records.

Third - To Control Growth --We create about Two Hundred Million pieces

of paper per year--equivalent to 12,500 safes. One Agency office created

28,~~000~~ *million* pieces in a year. We also collect a lot of paper--~~Six~~ *18* Million

pieces last year.

Fourth - To comply with the Law--The Federal Records Act prescribes

standards to follow.

Fifth - To Protect important records. --Those needed to reconstruct

operations after loss from natural disaster or enemy action.

WHO IS RESPONSIBLE FOR RECORDS MANAGEMENT?

The 81st Congress Enacted PL 754, Federal Records Act in 1950.

The Administrator of GSA prescribes regulations and standards and audits Agency Programs. He operates all Federal Records Centers and the National Archives.

Heads of each Agency are required by law to establish a program. Our General Counsel requires us to comply with this law.

The Director has responsibility to establish a program. Our authority is in _____ Our program is decentralized.

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This Regulation shows the responsibility of each Deputy Director and the CIA Records Administration Officer.

The CIA Records Administration Officer issues standards, guides, gives advice and conducts the Agency Program.

ELEMENTS INCLUDED IN RECORDS ADMININSTRATION

We are concerned with the managing of records in all phases--
while they are being made; while they are being used and in their final
stages of preservation or destruction. Specifically, these three phases:

CREATION - Forms, Reports and Correspondence

USE - Filing Systems, Filing Equipment, Filing Supplies, Vital Records

DISPOSITION - Records Inventories, Records Control Schedules,

Archives and Records Center Operations

Let's look at each of these elements of records administration and
see how they can help operations.

FORMS MANAGEMENT

This is a continuous Cost Reduction Program. Forms are probably the most widely used type of records. A lot of them are printed each year for Agency use. This chart (Handout) shows the number of copies printed, annually, since 1952. Last year almost 53 million copies were printed.

Our activity in Forms Management is concerned with these things:

1. NEW AND REVISED FORMS -- we review those that are prepared by Records Officers and sent to us for approval. We prepare specifications on these and see that they are properly printed and distributed. We also prepare forms for Agency offices--we design them, prepare printing specifications and see that they are properly distributed.

2. GOOD DESIGN- One of our primary concerns in Forms Management is with good design. Good design saves time and permits the form to be filled in easily, manually or mechanically. (Illustration: Domestic Travel Order).

3. CORRECT SIZE - The correct size is important. The form must fit standard office machines and filing equipment. (Illustration: Form 88).

4. OBSOLETE FORMS - We are also concerned with eliminating obsolete forms. Those that have outlived their usefullness. About 2200 of these have been taken out of the supply channels.

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5. SURVEYS

   a. OCR

     1. 36 Forms revised and developed

     2. 24 Forms eliminated

     3. Procedures changed on logging.

     4. Procedures changed on Routing.

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b. MEDICAL

1. 23 new or revised forms completed.

2. 12 forms eliminated

3. Procedures changes eliminating 2,000 file cards, annully.

c. ORR

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1. Eliminated 100 Bootleg forms and substituted 23 official forms

2. Eliminated 29 Obsolete forms

3. Changed Procedures for Time Clerks

4. Changed Method of Printing

d. OFFICE OF SECURITY

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1. Created and Revised - 18 forms

2. Obsoleted - 15 forms and destroyed 67,000 copies of these forms.

3. Discontinued the use of 40# paper for forms - substituted 26# or 32# paper which is $5.00 cheaper per M and saved 4000 per year and 1" filing space per M.

4. Recommended the purchase of continuous index card to eliminate each card being hand fed into typewriter.

5. Combined 61 bootleg forms (used in case processing) into 12 form letters.

6. Eliminated the printing by O/S of their own forms (official and bootleg forms) by having them sent to Printing Services Division

6. SYSTEMS DEVELOPMENT

Office of Personnel

NOTIFYING FIELD PERSONNEL REGARDING CIA RETIREMENT AND DISABILITY SYSTEM

BEFORE	AFTER
1. Five dispatches were prepared on the flex-owriter.	1. Five preprinted memorandums.
2. Each of the five dispatches were prepared in feminine, masculine or the personal "you" depending on the person it was addressed to.	2. All memorandums printed in the personal form of "you".
3. Four of the dispatches were 2 pages in length.	3. All five memorandums were re-worked and re-worded to fit on one page.
4. Each dispatch consisted of Original and 9 copies (this meant adding 6 letterex sheets to the Dispatch form)	4. All five were made up in Original and 3 copies (pre-collated with carbon)
5. Each dispatch was individually signed by D/OP or his designee.	5. Signature (pseudo) of D/OP was preprinted on Form.
6. Usual mechanics of the Dispatch was used: dispatch No., releasing officers signatures, and etc.	6. Taken out of the realm of the Dispatches, forms can be sent O/S by merely listing on the Pouch Manifest.
7. Time spent on each dispatch was 35 - 45 minutes.	7. Time spent on each form about 4 minutes to enter name, a deadline date and log on Pouch Manifest.

SAVINGS: Time - 31-41 minutes per form

Filing & Paper - 6 sheets of paper on the 1 page Dispatches
                 16 sheets of paper on the 2 page Dispatches

Routing - for signature of D/OP, and releasing officers on each form

Equipment - Flexowriter, and 15 paper tapes

Guides and Standards have been developed and issued to Component

Records Officers. We have also recommended training for them where

appropriate.

FUTURE PROGRAM

     1. Eliminate Bootleg Forms - Probably 10-20,000.

     2. Control New and Revised

     3. Eliminate Obsolete

     4. Surveys and Systems

We spent about $273,000 last year to print forms. This represents

only apparent cost. The real cost is in processing, filing, reference

work and finally, disposal. Industry and Government estimate that the

cost of processing forms is 20 time printing costs. On this basis, our

forms last year cost almost $6 Million. So here is an area where potential

Savings are great. This chart shows annual savings.

Today we have 2,417 officials forms. They are for Agency-wide use

and they concern almost every conceivable function in Headquarters and

throughout the world.

This chart shows the distribution of forms by Component- i.e., the

Office of Primary Interest.

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REPORTS MANAGEMENT

Why should be be concerned with Reports.

1. They create about 12 million pieces of paper per year. These are Administrative Reports.

2. Reports are costly--we estimate about $30,Million last year for them.

3. Very little has been done in this area.

We made one surveys in 1956 in DDI and DDS Areas and found that about 60% of all reports were internal--they did not cross major organizational lines.

These surveys resulted in estimated savings of $25,000.

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Computers produced a lot of reports. A Computer can turn out a 100 cu. ft. per day, contrasted an inch a day by typewriter.

Some effort is being made now by OL and Communications to control reports. OTR also has done some work. For instance, in October our Director of Training eliminated 3 copies of training reports just by changing routing.

We have issued Guides and Standards for offices to use in establishing their own programs. We do not have Staff time available to assist them.

CORRESPONDENCE   **STAT**

This is an area to where we have done very little. We are concerned,

however, with standard practices for uniformity in correspondence,

improvement in quality and lower costs.

Some of the results are:

limited use of Form Letters

Wide use of Letterex and very extensive use of a new procedure

using Speedletter.

Speedletter is being used to good advantage by Contacts, OL, FBIS,

Security and NPIC. Her is how it works: (Describe by reading from

Handout).

In the future, we should continue our efforts to reduce the volume of

Correspondence from the present more than 8 million pieces a year and

reduce costs from an estimated $3.50 per letter. In addition, we should

see what we can do to control the volume of 73,000 sheets of paper per

workday for Cables.

The Correspondence Handbook should be up-dated.

Probably the best advice in this field is to limit the preparation of

copies and delegate authority.

Correspondence

Need for a standardized correspondence handbook to give
wide circulation to accepted principles, practices and procedures.

Introduction of Speed Letter, Self Mailers, the Memorandum
OF-10 and Form Letters have helped to expedite correspondence in
the Agency.   Greater use of form letters is advocated.

Too many copies are being made -- either on the typewriter
or on copying machines.   These fill up the pipe lines, increase
costs, are filed when they could be destroyed or eliminated
altogether.   A good file copy is sufficient.

A current trend is toward NCR or carbonless forms.   While
they xxx cost more they do make the typist's job easier--no carbons
to insert and destroy.

Combination of the courier receipt and log operations has
expedited handling of mail.

Standardization of envelopes and folders reduced storage
costs, procurement costs and speeds up handling of mail.

A good example bf a combination of these practices is the
Form 1709, used in O/Logistics.   This is a form letter, on NCR paper,
goes outside the Agency, can be used in a window envelope, and is a
self-mailer.   A simple but expeditious contact between Logistics
and a vendor.   The Library in OCR also finds wide use for self
mailers.

This program is concerned with identifying records essential for

continued operations inthe event of an emergency or for the reconstruction

of our records inthe event they are lost or destroyed through natural sources.

Vital Records Deposit Schedule have been prepared for all offices.

Our Vital Records amounted to 3.3% of total holdings. This compares

favorably with the suggested 2-5% recommended by the NRMC.

In the future, we should be concerned with revision of our schedules

to conform to current conditions. In addition, we should conduct tests to

determine the adaquacy of relocated records.

Consider the possible use of the GSA [   ]   STAT
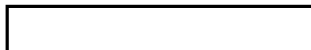
SYSTEMS-EQUIPMENT

In this area of our program we are concerned with the arrangement of papers to that they can be easily found, the storage of paper in space saving equipment and the use of the proper kinds of supplies.

I. Uniform Filing System - Subject-Numeric

    1. WHAT TECHNIQUES DO WE USE?

        a. Office of Training Orientation Program for new agency Employees.

        b. Records Administration Staff conducts File System Workshop*S* - *Beatley - Finance - NPIC*

    2. ISSUE GUIDES AND STANDARDS.

        a. Handbook for Subject Filing.

        b. Guides instructing persons in method of converting from present system to agency approved Subject-Numeric system.

        c. Provide standard labels and guides for use in approved uniform system.

    3. WHAT RESULTS DO WE HAVE?

        a. Adoption of system permits for ease in classifying filing, finding and ultimate disposition of materials.

        b. This uniform system permits for rotation of personnel.

        c. Effects economies in purchasing filing equipment and supplies. Folders, guides, labels, etc., have been standardized.

        d. [   ] Subject-Numeric throughout the Agency.   STAT

    4. WHAT DO WE NEED TO DO?

        a. Urge all Records Officers in all major components and offices to install the Subject-Numeric system.

        b. Remind the Records Officers of our File System Workshop.

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II. Equipment and Supplies

Standard filing equipment is outlined in this handbook we
issued several years ago. It provides that the following standard
equipment and supplies will be carried in our supply system:

1. SAFES AND CABINETS - six types instead of 17 in 1952.

2. FILE FOLDERS - Nine types instead of 54 in 1952.

All standard equipment can be issued with the approval of the
component records officers.

All special equipment requires the approval of the Component
Records Officer and the Records Administration Staff.

Here are some of the specialty type items we are concerned with:

1. SHELF FILING - Approximately 85 different installations -
Savings about $410,000

2. MECHANIZED EQUIPMENT - Use of surplus Time Magazine Card-
Veyer Files for Punch Cards.
We obtained 12 for cost of transportation - $1049.
The market value: $41,000. *Savings about $40,000*

3. USE OF SURPLUS - We work with Logistics and OperatingOffices =
Estimated dollar value of equipment reused $50,000.

WHAT DO WE NEED TO DO?

1. Control Specialty file equipment use

2. Continue research for space saving equipment Conservamatic V
(Handout).

This is probably the most productive element in the entire Records

Management Program. It is the most difficult phase, however, because we

must decide on what to keep and what to throw away.

Our best tool is what we call the Records Control Schedule. It

is prpared after we inventory the records. The Records Control Schedule

describes the records, shows volume, and indicate the records disposition -

~~Here is a sample Records Control~~ Schedule.

When we initially prepare Records Control Schedule we usually have

these results: (See Chart)

Records Control Schedules have been prepared for all Headquarters

offices. Here is yours. [   ] follows it and schedules are being

followed farily well in most offices.

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Despite the success that we have had in removing paper from office

space we find that it is accumulating at a greater rate than we can get

rid of it. (See Chart)—→ *Records Holdings*

This Chart shows the Records Holdings from 1957 through 1965 Fiscal

Years. You will note that for 3 consecutive hears the rate of growth declined.
                  same
During this ~~time~~ period you will see that there was an increase in the

Holdings at the Records Center. This activity is probably attributable

to some extent to the move to Headquarters Building. I am sorry to have to

point out however, the significant increase in Headquarters holdings for

1964-1965

Before we try to analyze the reason for this increase in Headquarters,
                              other
lets take a look at this chart.' — *Records Destroyed*

It shows a substantial increase in Records Destroyed--both in Head-
quarters and Records Center. One of the factors which accounts for the
increase in records holdings in office is a tremendous growth of records
holdings in NPIC. They practically doubled in one year. Another reason
is the greater use of Computers. Several offices are converting manual
operation to computers and we must hold the hard copy until the mechanized

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Copying Machines of all kinds have a serious effect on paper growth.
In one year (September - October 1963-1964) these quick copying machines
ground out about 38 million pieces of paper. The paper alone cost $280,000

Some of the significant benefits from our Records Disposition Program
are:

1. Permanent Records have been reduced from 25% in 1952 to 5.2% today.

This is in contrast to the government wide experience of 26% in 1952
and 24% today.

2. More than 300,000 cubic feet have been removed from Agency offices

STAT

by destruction or by transfer to the Center.

3. The application of standards for controlling the accumul
intelligence materials produced in this Agency or others collected in the
Community resulted in the removal of about 8,000 cubic feet from our offices
to the Center and later destruction of 3,000 cubic feet. In addition, DIA
advises us that they are profiting to the extent of eliminating 1500 cubic
feet per year. These actions have produced tangible savings of over $400,000.

Our future efforts in Disposition should be to reduce retention periods
and prepare revised Records Control Schedules.

There are no Record Control Schedules for Support records Overseas.
They should be developed. I propose we do this in several large instal-
lations such as Frankfurt and Tokyo and then use this experience to develope
a general schedule to cover all Support records*overseas*.

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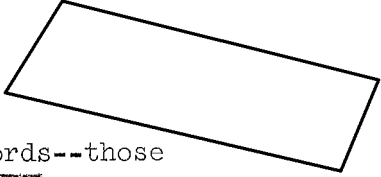
RECORDS CENTER

The purpose of the Records Center is to store inactive records--those

that are not needed in offices everyday but which cannot be destroyed because

of administrative or legal requirements. We also keep in the Center our

Permanent and Historical records. We supply Reference Services to offices re-

questing it and this amounts to about 800 actions per workday.

The Records Center was built in 1955 and expanded in 1958. Our total

investment is [   ]

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The Records Center has received from Headquarters offices 173,397 cubic

feet of records, the equivalent of about 20,000 safes and File Cabinets. The

prorated Dollar value of the equipment that these records were stored in at

Hqs. amounts to about $4½ Million.

The Center has destroyed 86,757 cubic feet of the paper they received,

the equivalent of about 10,000 safes valued at about $2 Million. You can

see therefore, that the investment at our Records Center has been profitable.

We now have in the Center 86,640 cubic feet. The Center is about 82%

STAT

filled. These charts show the receipt and disposal of records at the Center

since it began operating in 1949. (Red and Green--Blue)

(on Easel)

This chart indicates the exceptional experience that we have had in

recent years to balance what we took in with what we destroyed. Last Fiscal

year we almost had a Zero balance.

Based on our experience in the past, the present Records Center space

will probably last another 2-3 years.

We have made arrangements, however, to use a Vault area in the new GSA

STAT

Records Center [   ] We hope that by the time

this bldg. is ready for use about Mid-1967 that we can transfer all of the intelligence materials there --about 20,000 cubic feet. This will extend the life of our Center almost indefinitely.

In the future, we plan to eliminate from the Center those records which initially were transferred there before we had Records Control Schedules or where the retention period was either indefinite or long term. Included in this category are such things of about 1500 cubic feet of records from the IR which was abolished several years ago.

RECORDS MANAGEMENT SURVEYS

1. Undertaken by Request Only.

    a. Public Affairs

    b. Biographic Register

    c. WH Division Registry

    d. Medical Office

    e. Contact Services - Index Branch

    f. Executive Registry

2. Areas Covered

    Organization

    Functions

    Procedures

    Equipment

    Space

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3. Results - (continued)

    WH/Registry - Findings: Outmoded requirements and procedures in use

                            Duplicate or overlapping files found

                            Retention of files far beyond established limits

                                (eg cables kept 18 mos instead of 6 mths)

                                sometimes 2 yrs

                            No definite operational policy and plans --

                                operations quite flexible

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                            Misuse of filing equipment

                            Poor utilization of skills of some employees

                            Unnecessary logging and control of documents

                  Recommendations

                        Streamlining procedures, realigning assignments,

                  discontinue maintenace of duplicate files, eliminate

                  unnecessary detailed operations, and reduce overtime

                  by 85%.

                  Action by WH

STAT

                          Logging operations curtailed

                            Duplicate files discontinued

                            Improvement in procedures to be gradual

3. Results - (continued)

    OO/Contact Div/Index Br. -

        Findings: Backlog of work

Unnecessary detailed operations

Cumbersome procedures

Records Control Schedule not followed resulting

    in duplicate files, obsolete records, machine

    listings, and slow retirement of records to

    Records Center

Excess filing equipment.

Too many reports, bootleg forms

    Recommendations: Reduce overtime

        Streamline procedures

        Convert to shelf filing

        R emove excess equipment, supplies and

           furniture

        Reorganize personnel and functions

        Reduce copies for dissemination of OO

           reports

        Eliminate keeping the NIS

        Conduct a reports and a forms survey

        Prenumber folders

3. Results - (continued)

STAT

00/Contact Div/Index Br. -

Action by Domestic Contact Div

Overtime discontinued - 10,000 hrs. - except for an

occassional special search *Saved #*

NIS file discontinued - resp with Libr

Backlog of work reduced to minimal amount

Overstaffing eliminated

Conversion to shelf filing - 90 cabinets turned in

in vault areas - 20 safes replaced with 5 dr cabs

Changed index equipment from

5 rotary stands   to

3 tiered A-frame stands increased filing capacity

50% in same floor space

Branch reorganized, renamed and procedures simplified

Copies of 00 reports for distribution within the

Branch reduced from 18 copies to 6 (incl

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Forms and Reports programs activiated reptg cut 50% -

forms now controlled

Folders are prenumbered

Source jackets date stamped to facilitate retirement

Files realigned--ten individual files combined into

one alpha file with definite cutoff period

for purging

PROBLEM AREAS

Too Little Time Spent on Program - DDI DDS

1. <u>OCR</u> - 60% of all DDI Records--Largest single holder of records in Agency. No professional RMO. (Contrast with NPIC Records Management Program) *NPIC*

   STAT

   a. Trained/taught 200 people on different phases of Records Management in about 10 different official training sessions. This includes a 1/2 hour briefing of Executive Director and Division/Staff Chiefs.

   b. In 7 months destroyed 6,352 cubic feet of records.

   c. Approved records schedule for 28,139 cubic feet of records.

   d. Separate notice on disposition of film. First official authorization for disposition of film after 10 or more years of existence.

   e. Correspondence Handbook--only up-to-date handbook in existence.

   <u>Office of Finance</u> - 5979 cubic feet of Records now in Center and being accumulated at rate of 154 cubic feet annually.

3. <u>DDP</u> - Approximately 11,000 cubic feet of records in Center cannot be destroyed. until WALNUT project is successful.

4. <u>Office of Security</u> - 250 cubic feet of records cannot be destroyed until Automation completed.

5. <u>Copying Machines</u> - 35,581, 800 pieces of paper created by them in one year. Oct. 1963-1964. Cost: $204,986 for paper alone.

6. <u>Personnel</u> - Future - Promotion- Rotation - consideration for Other Positions.

7. <u>Replacement of Personnel</u> - Fully Trained.

8. <u>Continuity</u> - No provision now.