RECORDS MANAGEMENT SYSTEM – FILENET AUDIT

NUMBER OF RECOMMENDATIONS

PRIORITY 1	PRIORITY 2	PRIORITY 3
0	5	1

Contents:

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A. Overview

Key Outcomes

The City of Glendale's Information Technology Department (ITD) administers the FileNet records management system. All current City departments, with the exception of Library, Arts & Culture, have used FileNet in the past or are actively using it to store documents. Based upon Internal Audit's review of over 5 million records, FileNet's current role in the City's records management strategy is not clear, as only five of 14 (36%) City departments are actively storing records on FileNet. Departmental interviews determined that the system generally provides the functions needed by users, as most users are able to locate records and have various methods to upload documents into FileNet. It was however noted that City departments, do not monitor their records for retention or purging and the January 18, 2022, adopted Citywide Records Retention Schedule (CRRS) is not being used to manage the FileNet records. Controls related to system confidentiality and integrity can also be improved by documenting and comprehensively monitoring FileNet user access.

The following improvement opportunities have been identified 1) Document FileNet system management policies and procedures and the use of the CRRS, 2) Establish and enforce controls over records monitoring, retention and purging, 3) Evaluate and document FileNet's role in the City's records management strategy, 4) Establish controls over record entry and streamline record upload options, 5) Establish controls over access provisioning, and 6) Train users on how to use FileNet more efficiently.

Impact Dashboard

This table summarizes the applicable value-added categories (total 15) for the six recommendations based on their priority rankings.[1]

	Value-Added Categories			
	Compliance	**Cost Saving**	**Efficiency**	**Risk Reduction**
Priority 1 **0**	0	0	0	0
Priority 2 **5**	4	0	4	5
Priority 3 **1**	0	0	1	1

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[1] Each audit recommendation may have more than one value-added category. The Definitions of Priority Rankings and Value-Added Categories are located at Appendix 1.

B. Action Plan and Target Completion Dates

The action plan and target completion dates are summarized in the table below. Internal Audit will perform quarterly status follow-up to provide assurance that management is taking appropriate and timely corrective action to address audit recommendations.

| Ref.	Management Action Plan	Completion Date
	Priority 2	
1.	Update existing and establish new policies and procedures for managing FileNet by ITD and City departments, ensuring that departments utilize the CRRS and appoint records coordinators for each City department. ***Value added:*** *Compliance, Efficiency, Risk Reduction*	03/31/2025
2.	Assign, verify, document, and enforce retention period compliance for all FileNet document types per the CRRS. ***Value added:*** *Compliance, Efficiency, Risk Reduction*	06/30/2025
3.	Evaluate and document FileNet's role in the City's records management strategy. ***Value added:*** *Compliance, Efficiency, Risk Reduction*	06/30/2025
4.	Establish controls over FileNet document entry and streamline and document the criteria used for selecting a document upload method by City department. ***Value added:*** *Efficiency, Risk Reduction*	12/31/2024
5.	Remove inactive user groups, establish controls for critical permission levels and set-up audit logs for all FileNet Object Stores. ***Value added:*** *Compliance, Risk Reduction*	12/31/2024
	Priority 3	
6.	Provide periodic training to FileNet users on how to upload documents and perform searches. ***Value added:*** *Efficiency, Risk Reduction*	03/31/2025

C. Background

Internal Audit has completed a system audit of the City's FileNet records management system managed by ITD.

FileNet System Overview

FileNet is an enterprise records management system acquired by IBM and first implemented in the City in 2003. FileNet's records management process aids the organization to electronically store, manage, and track documents that are declared as records. FileNet is managed by ITD staff including access provisioning, document type[2] template creation, document search template creation, and general system maintenance, such as system updates. Since inception, 13 of 14 (93%) City departments have used FileNet to store records. Exhibit 1 below, shows a breakdown of departmental FileNet usage by activity level.

**Exhibit 1: Departmental FileNet Usage by Activity Level[3]**
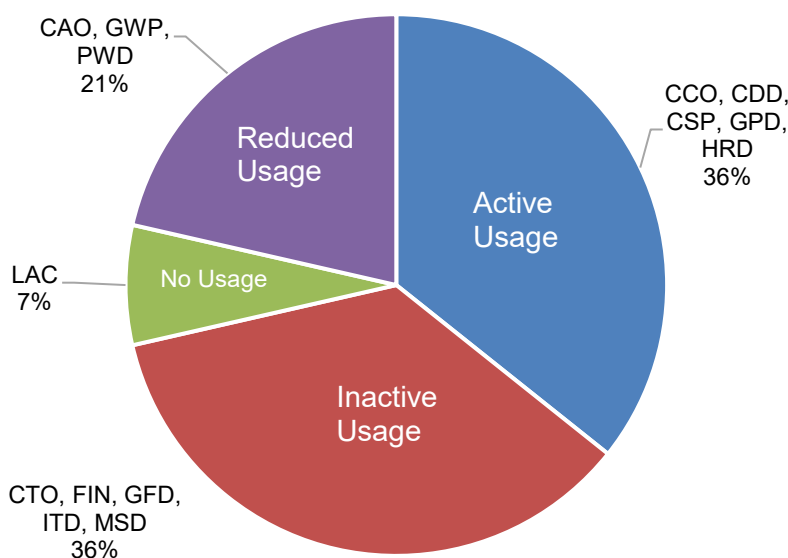
FileNet Records Overview

As of February 2024, FileNet contained approximately 5,313,280 records. The records are categorized into 15 distinct Object Stores in FileNet. Most Object Stores correspond to departments or divisions within departments. Exhibit 2 shows the number of FileNet records categorized by City department.

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[2] Note, in FileNet, the document type is under the "Document Class" data field.
[3] CAO (City Attorney's Office), CCO (City Clerk's Office), CDD (Community Development Department), CTO (City Treasurer's Office), CSP (Community Services and Parks), FIN (Finance), GFD (Glendale Fire Department), GPD (Glendale Police Department), GWP (Glendale Water and Power), HRD (Human Resources), ITD (Information Technology Department), LAC (Library, Arts and Culture), MSD (Management Services Department), PWD (Public Works Department).

Exhibit 2: Number of FileNet Records by City Department as of February 2024
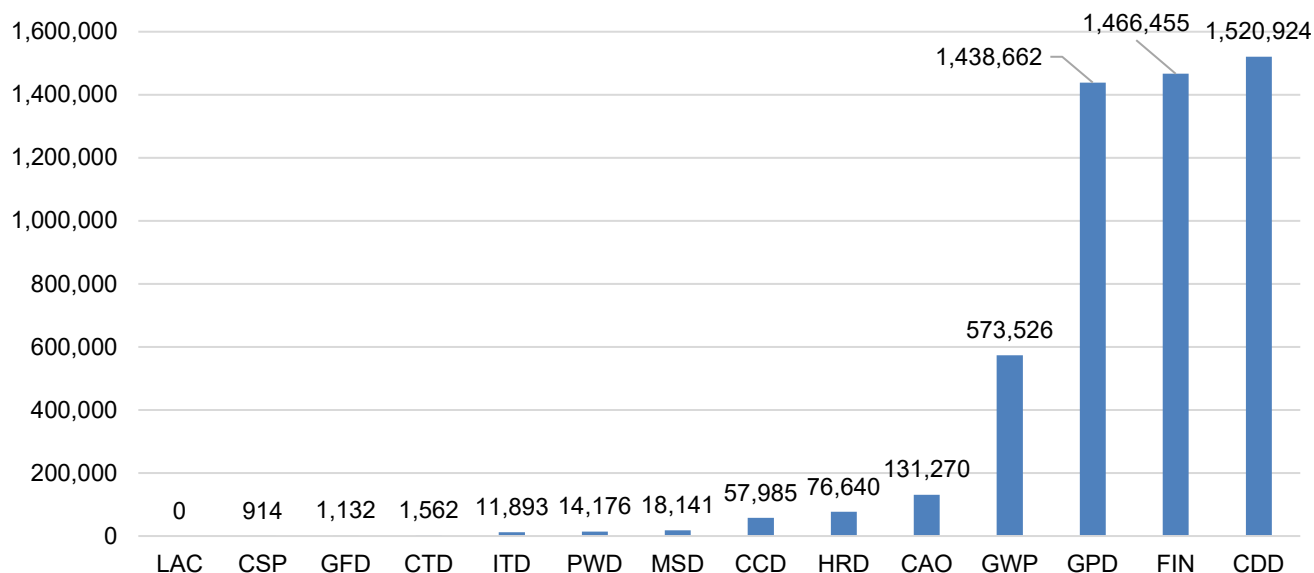
FileNet Records Management

In 2022 the City Council adopted a resolution to establish a CRRS and a policy for authorizing destruction of certain City records. The CRRS is a result of engaging the services of Gladwell Governmental Services Inc. The CRRS provides the period of time a record type is to be retained. Currently, FileNet records management is decentralized, with each department being responsible for their FileNet Object Stores and the records therein; to date, only GPD has been actively reviewing their FileNet records, since they have a dedicated Records Bureau.

Because most records in FileNet precede the adoption of the CRRS, any records retention periods assigned may not agree to the CRRS guidelines. Records retention periods are assigned to FileNet records in a decentralized manner. Records referred to as having a "precise system retention period" include those with retention periods that are "Permanent", "Indefinite", retention periods that have specific purge dates or are attribute-based; examples of "attribute-based retention periods" include "Separation + 3 Years", "Term of Office + 4 Years", "Expiration + 2 Years".

FileNet Record Upload Procedures

The 5,313,280 records in FileNet are broadly categorized into 205[4] document types by department, for instance, "Refund", "Ordinance", "Minutes", etc. These document types are created by ITD at the request of each department. During document upload, staff can select to upload under a specific document type (template), and if they do not, the document is uploaded under no specific type and defaults to "Document" – which does not provide specificity as to what type of document it is. Once a document is uploaded under a specific document type, the "Object Store" is a mandatory field that needs to be

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[4] The 205 document types exclude system documents. It also excludes the "Document" document type as it is not a specific document template that is created by ITD.

selected. All other fields, such as any specific document type attributes, for instance retention period, can either be selected or left blank by the user.

Kofax is a system tool that can be used to integrate scanned PDF documents into FileNet. Several City departments are currently using Kofax to export scanned documents into FileNet, such as Glendale Water & Power (GWP), Community Development Department (CDD) and GPD. The advantages of using Kofax to import documents into FileNet are that it allows for data mapping such that the document's indexed fields and other data points get auto filled into FileNet Object Store indexes.

Currently, various methods are used to upload documents into FileNet. As Exhibit 3 shows below, five (38%) departments are not uploading documents to FileNet, but have existing records, four (31%) departments are performing manual uploads, three (23%) departments are using a combination of Kofax and manual uploads, and one (8%) department is using a combination of Kofax, manual upload, and ITD bulk import of certain document types.

Exhibit 3: FileNet Document Upload Methods
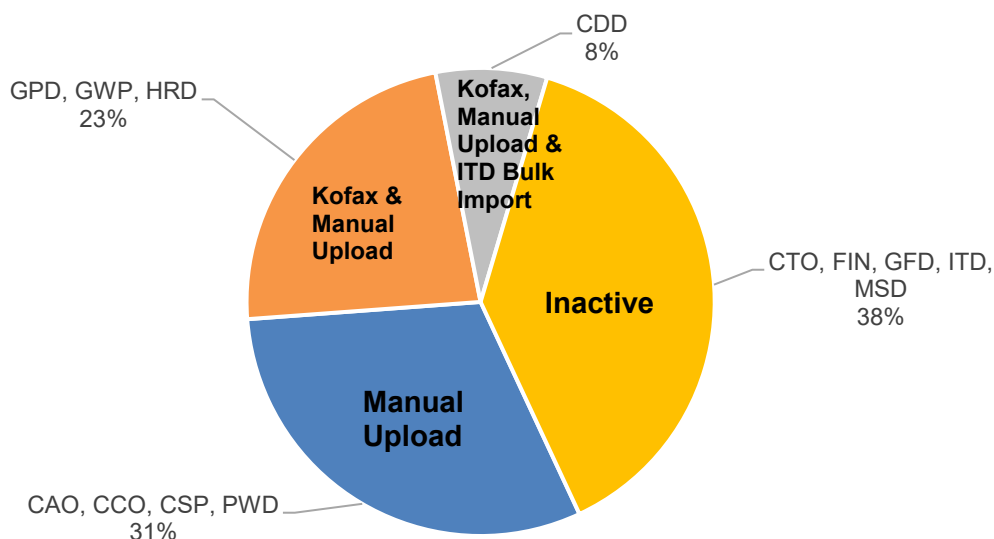
FileNet Access Provisioning

FileNet access is requested by an email to the City's ITD Help Desk. In the body of the email, the requester is asked to specify the level of required access. Requesters often provide the name of an individual whose level of access they would like to duplicate; ITD will then configure the access permissions accordingly. At a high level, FileNet provisions access based on group membership, and the user is authenticated before granting access to FileNet. Document permissions are typically set at the Document Class level; however, FileNet does allow permissions to be set at the individual document level, if desired.

D. Objective, Scope and Methodology

The objective of the audit is to determine whether controls are in place to ensure the FileNet system is providing the functions needed by the users and to ensure the confidentiality, integrity, and availability of the system and its associated data.

The scope of the audit covers all FileNet records (5,313,280 documents[5]) as of February 2024, and includes broad areas of record retention.

To accomplish the audit objective, Internal Audit performed the following:

- Interviewed City staff that manage the FileNet system.

- Interviewed all City departments regarding their FileNet system usage and their system records. Provided each department with a summary of their FileNet document types and detailed record titles and requested verified retention period assignments to all FileNet document types from City departments based on the CRRS.

- Performed detailed analysis of FileNet system records to obtain descriptive statistics on key data fields.

- Conducted detailed data quality review on all FileNet system records as of February 2024.

- Conducted detailed review of the Active Directory's FileNet user access listing.

As a result of these audit procedures performed, six observations were identified and are detailed in the Observations, Recommendations, and Management Responses Matrix beginning on the following page.[6]

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[5] Note, 5,313,280 records include all versions of each record. 1,906 (0.04%) of 5,313,280 records are system documents that were excluded from this audit analysis. As of May 2024, there were 5,255,898 records in FileNet in their latest version.

[6] This report does not include two audit observations identified during the audit. This information has been omitted due to its confidential or sensitive nature. The omission of this information is necessary to comply with Government Code Sections 7927.700, (disclosure of personnel records, the disclosure of which would constitute an unwarranted invasion of personal privacy); 7929.210 (disclosure of record that would reveal vulnerabilities to, or increase potential for an attack on information technology systems); 7927.705 (disclosure of records, the disclosure of which is exempted or prohibited pursuant to federal or state law, including but not limited to CA Labor Code Section 1776 et. sec. and CA Government Code Section 11549.5 et. sec.) and to protect against potential damage that misuse of this information may cause. This information has been communicated in a separate report to responsible management and staff.

E. Observations, Recommendations, & Management Responses Matrix

Ref	Observation	Recommendation	Management Response
1.	**Policies and Procedures**		
Priority 2	Based on Citywide departmental interviews, the following was noted: a. ITD does not have documented policies and procedures for managing the FileNet system. b. Departments do not have comprehensive documented policies and procedures on managing their FileNet records. c. Nine (or 69%) of 13 departments do not have a designated staff member that manages records for their departments including records on FileNet. d. The existing APM Retention Policy is outdated and does not reference the CRRS. e. Departments need more guidance on how to use and comply with the CRRS. The City Clerk's Office (CCO) is currently working on Policies and Procedures that will provide direction to the City departments on how to use the CRRS.	It is recommended that the following be performed: a. ITD establish policies and procedures for managing the FileNet system, including general administration, general access and permission levels provisioning, access request form with business need and permission levels, records retention compliance, and roles and responsibilities of ITD and other departments. b. CCO, in coordination with Management Services Department (MSD), direct City departments to establish FileNet records management procedures including the document types that should be stored in FileNet, document entry conventions, retention period assignment, and records monitoring and purging. c. CCO direct departments to appoint staff to be responsible for monitoring all records, including FileNet electronic records. d. CCO update the APM Retention Policy to reference the CRRS. e. CCO complete and communicate the CRRS Policies and Procedures to City departments, including the required Request for Records Destruction form.	Agree and will implement by March 31, 2025. The implementation of this item is pending the hiring of additional resources.

Ref	Observation	Recommendation	Management Response
2.	**Records Retention Period Compliance**		
Priority 2	Based on a review of 15 Object Stores containing 5,313,280 FileNet records, it was noted that departments have not been monitoring their records to ensure that each has a CRRS period assigned and is purged accordingly. Detailed testwork identified the following: a. 3,102,888 (or 58%) records have an unverified system retention period. • 3,102,853 have a precise system retention period. • 35 have a vague retention period, such as, "0", "1/13", "5 years". b. 2,122,953 (or 40%) records do not have a retention period assigned. c. It is unclear whether attribute-based records retention periods, such as "Termination date + x years", have a mandatory field for the attribute basis in the document entry template.	It is recommended that ITD management perform the following to facilitate records management, including periodic purging, and ensure compliance with the CRRS: a. Work with departments to ensure that all FileNet records are populated with a verified CRRS period by document type. b. Document policies and/or procedures to ensure that all document entry templates have a mandatory records retention period field. c. Review the attribute-based retention periods to ensure the applicable attribute is included in the document entry template. For attributes that cannot be populated at the time of entry, such as an employee's future termination date, departments should document an alternate compliance monitoring procedure.	Agree and will implement by June 30, 2025.

Ref	Observation	Recommendation	Management Response
3.	**FileNet's Role in City's Records Management Strategy**		
Priority 2	Based on Citywide departmental interviews and review of existing FileNet records, the following was noted: a. Per ITD management, FileNet is the City's main records management system, however, out of 14 City departments, only five (or 36%) are actively using FileNet to store records, while five (36%) are not active users, three (21%) appear to have reduced usage in the last two years and one (7%) department has never used FileNet. b. Per ITD, an assessment has not been performed to ensure that FileNet is currently the best product to meet the City's records management needs.	It is recommended that the following be performed: a. MSD in coordination with ITD evaluate and document the role of FileNet in the City's records management strategy. Based on the evaluation, determine whether all City departments should be using FileNet to store records and communicate this directive to City departments. To aid in this effort, management should consider utilizing the CRRS to determine which systems are being used by each department to store their document types. b. ITD perform a market assessment to identify whether FileNet is currently the best records management system to meet the City's evolving needs.	Agree and will implement by June 30, 2025. ITD will budget for a market assessment for a records management system for FY 2025-26.

Ref	Observation	Recommendation	Management Response
4.	**Data Entry Controls**		
Priority 2	Based on Citywide departmental interviews, and a data reliability review of all FileNet records, the following was noted: a. The "Document Title" field, which is used to identify a record by its title, had 9,379 (0.18%) blank values. b. 11,908 (0.22%) records have been uploaded to FileNet under no specific document type and by default have been categorized under the generic "Document" type field. c. The eight departments that actively upload records to FileNet use different record upload methods; it is unclear whether a single method should be the preferred option to reduce staff time. d. Per ITD staff, an instance was noted where documents manually uploaded into FileNet by the CCO did not have the Optical Character Recognition (OCR) feature enabled, which resulted in the records being uploaded as images without the ability to be searchable in FileNet.	It is recommended that ITD management perform the following: a. Ensure that the "Document Title" is a mandatory field during document upload into FileNet. b. Ensure that "Document Type" is a mandatory field and if possible, block users from manual uploads. c. Review the existing document upload methods, streamline to the most efficient method, and assign and document the criteria used to determine the most efficient document upload method by department within the policies and procedures. d. Ensure that all City department scanners used to manually upload records to FileNet have the OCR feature enabled.	Agree and will implement by December 31, 2024.

Ref	Observation	Recommendation	Management Response
5.	**Access Controls**		
Priority 2	Based on Citywide departmental interviews and a review of 5,710[7] users' access to 171 unique FileNet user groups, the following was noted: a. 3,223 (56%) users were identified as members of four inactive test groups. b. The "Right to Delete" permission level and business need are not documented and/or properly segregated. c. 14 of 15 (93%) Object Stores do not have an audit log enabled. As a result, record deletions are not monitored, and recovery of deleted records is limited to 14 days.	It is recommended that ITD management perform the following: a. Remove the four FileNet test groups, if not needed. b. Review the existing "Right to Delete" permission levels, document the business need, and establish proper segregation of duties. c. Set-up audit logs for all Object Stores, periodically monitor deleted records, and assess record recovery methods based on risk.	Agree and will implement by December 31, 2024.

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[7] As access was reviewed by FileNet group and user, a single user may appear in multiple FileNet groups.

Ref	Observation	Recommendation	Management Response
6.	**User Training**		
Priority 3	Based on ITD staff and Citywide departmental interviews, the following was noted: a. The City does not offer periodic FileNet user training. Per Citywide departmental interviews, two of eight (or 25%) departments that currently use FileNet, expressed interest in user training on how to upload documents to FileNet, including City Attorney's Office (CAO) and Community Development Department (CDD). The rest of the departments, either do not actively use FileNet to upload documents or said their duties are clear. b. Per Citywide departmental interviews, nine of 14 (64%) departments expressed interest in user training on how to search for documents within FileNet.	It is recommended that ITD management perform the following: a. Provide periodic FileNet training on best practices for uploading documents into FileNet. b. Provide periodic training on how to perform successful searches of records in FileNet.	Agree and will implement by March 31, 2025.

Appendix 1: Definitions of Priority Rankings and Value-Added Categories

Definitions of Priority Rankings

The priority rankings are assigned by internal auditors based on their professional judgment. They are also agreed to by management based on their evaluation of the alignment with the strategic goals, priorities and available resources. A timeline has been established based on each priority ranking:

a.   **PRIORITY 1** - Critical control weakness that exposes the City to a high degree of combined risks. Priority 1 recommendations should be implemented within **3 months** from the first day of the month following report issuance or sooner if so directed.

b.   **PRIORITY 2** - Less than critical control weakness that exposes the City to a moderate degree of combined risks. Priority 2 recommendations should be implemented within **6 months** from the first day of the month following the report issuance or sooner if so directed.

c.   **PRIORITY 3** - Opportunity for good or better practice for improved efficiency or reduce exposure to combined risks. Priority 3 recommendations should be implemented within **9 months** from the first day of the month following the report issuance or sooner if so directed.

Definitions of Value-Added Categories

The four value-added impact categories are defined based on their impact from the audit recommendations:

a.   **COMPLIANCE** - adherence to laws, regulations, policies, procedures, contracts, or other requirements.
b.   **COST SAVING** - lower the costs related to conducting City business.
c.   **EFFICIENCY** - ability to avoid wasting resources (money or time) in achieving goals.
d.   **RISK REDUCTION** - lower the risks related to strategic, financial, operations and compliance.