



Electronic Recordkeeping

The Office of Labor-Management Standards (OLMS) enforces certain provisions of the Labor-Management Reporting and Disclosure Act (LMRDA), including reporting and disclosure requirements for labor unions, their officers and employees, employers, labor relations consultants, and surety companies. The LMRDA requires, in part, that unions meet basic standards of fiscal responsibility. To ensure compliance with the LMRDA, every person required to file a report with OLMS must maintain records on the matters required to be reported which will provide in sufficient detail the necessary basic information and data from which the documents filed may be verified, explained, or clarified as well as checked for accuracy and completeness. These records must be maintained for a minimum of five (5) years after the filing of the report. Records must be maintained longer than five years if they are necessary to verify reports filed within the last five years, for example, meeting minutes that document approval for officer salary, stipend and allowance levels.

Labor unions often establish electronic storage systems to preserve records that they maintain in accordance with the LMRDA. For the purpose of this Compliance Tip, an electronic storage system is a system to prepare, record, transfer, index, store, preserve, retrieve, and/or reproduce records. The union's electronic storage system may be used to store documents and records that were originally created in an electronic format, as well as documents and records that were originally created in paper and then converted to an electronic format. If the following standards are fully and continuously utilized, it is not necessary to maintain paper records once an electronic version is created.

Records Management Policy

Whether a union's records are maintained in their original paper (hard copy) format or electronically, developing a records management policy is up to that union. A written policy will provide specific guidance to current and future officers, employees and members of the union and ensure consistency in recordkeeping. OLMS does not recommend any particular records management policy, but the union must maintain all records related to the matters that must be reported under the LMRDA. For more information on what records your union should maintain please refer to our Fact Sheet, "LMRDA Recordkeeping for Unions" www.dol.gov/olms/regs/compliance/lmrdarecordkeeping.htm. These records include but are not limited to receipts and disbursement journals, cancelled checks and check stubs, bank statements, employer checkoff statements, per capita tax reports, vendor invoices, payroll records, as well as:

- Credit card statements and itemized receipts for each credit card charge
- Dues records for current and former members, including member ledger cards
- Union copies of bank deposit slips
- Bank debit and credit memos
- Vouchers for union expenditures
- Internal union financial reports and statements
- Minutes of all membership and executive board meetings
- Accountants' working papers used to prepare financial statements and reports filed with OLMS
- Fixed assets inventory

OLMS suggests that each union adopt a written records management policy that covers both hard copy and electronic records and answers the following questions in as much detail as possible:

- How will records be labeled, identified, and located?
- What are the secure storage environment requirements for the records?
- How are back-up copies of electronic records maintained and archived?
- Are the records to be stored offsite, and, if so, what arrangements will be made for this?
- What are the life cycle, retention, and destruction/preservation requirements for the records?

- What are the testing requirements to ensure the legibility, accessibility, and integrity of electronic records?
- What are the requirements to retain records that are illegible or cannot be accurately or completely transferred to an electronic storage system?

Implementing an Electronic Records Storage System

If a union decides to convert to an electronic storage system, it must ensure that all records are legible and accessible for the required five-year records retention period.

General Standards: To ensure the integrity of an electronic records system, the union should meet the following standards:

- Ensure the storage, preservation, and retrieval, of electronic records.
- Ensure integrity, accuracy, and reliability of stored records through inspection and evaluation of the electronic storage system.
- Prevent and detect unauthorized creation, addition, alteration, deletion, or deterioration of electronically stored records.
- Include an indexing system that permits the identification and retrieval of records maintained in the system.
- Ensure capability to produce records that exhibit a high degree of legibility when displayed on a video display terminal and when reduced to hard copy.

Indexing System: An effective indexing system will enable the identification and retrieval of records that are maintained in the electronic storage system. For example, an indexing system might consist of assigning each electronically stored document a unique identification number and maintaining a separate database that links the number to descriptions of the stored records. An effective indexing system will contain the same information that would be found in a hard copy filing system. Reasonable controls must be in place to protect the indexing system against the unauthorized creation, addition, alteration, deletion, or deterioration of electronically stored records.

Legibility: The union must ensure that the conversion process from hard copy to electronic records maintains the legibility of the stored document. If the electronic document cannot be accurately and completely transferred, the union must maintain the hard copy record.

Electronic Records System Requirements and Procedures

The union is responsible to maintain the necessary hardware and software to satisfy the above standards. If electronic records are not maintained to these standards, OLMS will consider the union to be in violation of the LMRDA recordkeeping requirements.

System Documentation and Access: The union must maintain and make available to OLMS, upon request, a complete description of each electronic storage system used, including all procedures relating to the use and indexing of the system.

When OLMS opens a compliance audit or an investigation and requires union records, the union must:

- Retrieve and reproduce electronically stored records.
- Provide OLMS with the resources (e.g., appropriate hardware and software, personnel, documentation, etc.) necessary to locate, retrieve, read, and reproduce any stored records.
- Make available to OLMS documentation of record format or layouts, field definitions (including the meaning of all “codes” used to represent information), and file descriptions (e.g., data set name) as needed.

The electronic storage system must not be subject, in whole or in part, to any agreement that would limit or restrict OLMS’ access to the stored records.

Destruction of Original Hard Copy Records: Hard copy records may be destroyed only after the union has first completed testing the electronic storage system to ensure that the stored electronic versions of the records are being reproduced so as to comply with the standards outlined in this compliance tip.

If you have any questions, please e-mail us at olms-public@dol.gov or contact your nearest OLMS field office below.

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