Educational Event
Spring 2015

The Destruction Schedule
Steve Formica, Managing Director, Consulting Services, Iron Mountain
Iron Mountain Acquisition
## A. COLLECTIONS AND ENFORCEMENT RECORDS

<table>
<thead>
<tr>
<th>ITEM NUMBER</th>
<th>RECORD SERIES TITLE &amp; DESCRIPTION</th>
<th>APPROVED RETENTION PERIOD</th>
<th>NOTES &amp; CITATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Delinquent Taxpayer Statistics</td>
<td>Continuous updated</td>
<td>Some data is published on the Department of Revenue Services website.</td>
</tr>
<tr>
<td></td>
<td>Consists of delinquent state taxes, including the names, addresses, tax type, and amount due (tax, interest, and penalties).</td>
<td>– 0 –</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Payment Plans</td>
<td>Continuous updated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Consists of payment plans for collections and enforcement of taxes.</td>
<td>– 0 –</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Sales Statistics</td>
<td>Continuous updated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Consists of retail sales and tax receipts by town.</td>
<td>– 0 –</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Special Investigation Cases – Closed with Arrest</td>
<td>10 years from date of case closed</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>– 0 –</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Special Investigation Cases – Closed without Arrest</td>
<td>7 years from date of case closed</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>– 0 –</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Uniform Commercial Code Lien Statements</td>
<td>5 years from date of statement</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>– 0 –</td>
<td></td>
</tr>
</tbody>
</table>

## B. TAX AUDIT RECORDS

<table>
<thead>
<tr>
<th>ITEM NUMBER</th>
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<th>APPROVED RETENTION PERIOD</th>
<th>NOTES &amp; CITATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.</td>
<td>Appellate Case Files</td>
<td>Continuous updated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Including but not limited to: case files, briefs, opinions, and final orders.</td>
<td>– 0 –</td>
<td></td>
</tr>
</tbody>
</table>

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COPY
Has it really changed?
Retention Schedule Truth.

• “We don’t need one. We have one.”

• “It’s not written down. Yet everyone knows it by heart.”

• “It’s never enforced. Yet you have perfect compliance.”
Never means never.

• Retention schedules default to “never” because we never use them to get rid of digital information.

• Why are big, sophisticated companies storing petabytes of data that represents lots of risk?
Why is that?

Past

Present
A new metaphor

• You need a destruction schedule, not a retention schedule.

**Destruction** vs. **Retention**

**Destruction**
- Active
- Verb-like
- Motion
- Eliminate ROT
- Cost cutting

**Retention**
- Passive
- Noun
- Keeping something
- Continual possession
- Implies cost
A destruction schedule...

- Speaks business.
- Speaks computer.
- Speaks IT.
- Knows data.
- Is modular and functional.
- Is legally rock solid.
A new formula.

- May we?
- Can we?
- Should we?
The Business Case is Good

- Lower eDiscovery costs
- Lower storage costs
- Content consolidation & eliminate redundancy
- Lower licenses costs
- Fine and penalty avoidance
Is that enough?

- Best: Legal or compliance reasons
- Best: Revenue influence
- Good: Cost cutting (with ROI)
- OK: Cost or risk avoidance

\[ E(X) = x_1 p_1 + x_2 p_2 + x_3 p_3 \ldots \]