



Shredding, a Key to Security and Compliance

- *Wendy Gittleson*

An efficient, secure and legally compliant records management program starts where it ends...with an efficient and legally compliant retention and destruction program. Proper destruction of records is the key component in keeping a company safe from corporate espionage, data theft, identity theft, hackers, and data breaching. It also helps ensure customer and shareholder satisfaction. When implementing a retention/destruction program, procedures must be locked tightly in place. A reliable and legally compliant vendor must be chosen. Chain of custody must be thoroughly tracked. The most important, and possibly the most difficult portion of implementation, is to get everyone on board.

Locking Procedures in Place

The first step is to define a record. A record should be defined as anything, either paper or electronic, that contains information about the company, its vendors or its clients.

The second step is to determine how long a record is to be held and how it is to be destroyed. GRM Document Management advises that a company consult its legal counsel or compliance expert to determine regulatory requirements for its particular industry. A destruction date should be assigned to each record at its inception and should be noted in a database. Printouts of electronic records should be immediately destroyed. All confidential records should be shredded and non-confidential records can be recycled. Paper and electronic records are both held to the same retention standards.

The third step is to communicate procedures to employees. This may require some formal training and retraining. Many companies choose to make adherence mandatory. It's important that employees understand that any lapse in the Chain of Custody tracking can have serious ramifications for the company.

Choosing a Vendor

While there is no legal requirement that a company chooses an outside vendor for its destruction needs, it is advisable for one reason: **a qualified shredding vendor can provide proof of a record's destruction.**

A company can choose either onsite or offsite shredding.

A common misconception is that onsite shredding is done inside the office. It is not. Onsite shredding requires a truck that is equipped with a shredder. The truck will drive to the company's facility. The secured shredding bins are taken to the truck, opened, and



mechanically lifted to the opening in the truck. The contents are then poured into the shredder and shredded. Despite all precautions, it is possible for sudden weather occurrences, such as wind, to cause some papers to be lost. Onsite shredding is typically more expensive than offsite shredding.

Offsite shredding requires that the secured bins are loaded onto the vendor's truck. They are replaced in the office by empty bins. The full bins are then taken to the indoor shredding facility, opened, poured into the shredder and shredded. This process is done inside, ensuring that it will not be effected by weather. Regardless, some companies choose onsite shredding because of legal obligation or company policy. Most companies, however, choose offsite shredding. A qualified vendor such as GRM Document Management will be able to provide both services.

Many companies choose a single vendor, like GRM Document Management for their offsite records storage and for their shredding. This gives the company the advantage of convenient Chain of Custody tracking and destruction upon assigned date. A qualified vendor will confirm before shredding, even on the assigned date.

The vendor should be certified through the National Association for Information Destruction or NAID. The NAID Certification Program establishes standards for a secure destruction process including such areas as operational security, employee hiring and screening, the destruction process, responsible disposal and insurance. An audit is part of NAID's certification requirements and they randomly audit once a vendor is certified. When a vendor has multiple locations, each office must be individually certified.

There are several methods of shredding, including shredding to various sizes and turning the paper into pulp, which is called "pulping". When done by a qualified vendor, all methods are secure. A qualified shredding vendor will provide Chain of Custody tracking and a Certificate of Destruction. It's advisable that a company chooses a shredding vendor that is equipped to destroy electronic media as well as paper.

A vendor should do periodic audits of a company's account, ensuring that the company's shredding needs are being met efficiently and economically. GRM Document Management will often suggest alternatives like different sized bins and different layouts throughout the office, to maximize use and minimize cost.

Implementation

For a company's destruction policies to be followed, they will have to be implemented in a way that is both efficient and convenient. Shredding bins are available in various sizes. All shredding bins are completely secure. An office is typically given only one key, to be held by the program administrator or an executive. It's recommended that a company



place several smaller containers throughout the office, so they are easy to access for each employee. Copies of electronic records can be shredded on a simple desk shredder.

The policy should be in writing, along with a clear definition of what is categorized as a record. Again, all printed copies of electronic records should be immediately shredded. Many companies require employees to sign an agreement showing that they understand how they are to handle sensitive documents.

Training and follow up training is advised. It's difficult to establish new habits. Reminders like signs near the printer and copier can be effective in helping employees adhere to policies. Many companies adopt a "No Paper in Wastebaskets." policy. If it is paper and it is sensitive, it should be shredded. If it is paper and it is not sensitive, it can be recycled.

In Conclusion

In today's business environment, shredding has gone from being advisable to being a key component to avoiding liability. Protecting your business requires firm policies, regular monitoring and follow up.

For more information, contact GRM Document Management at 866.947.6932 or at www.GRMDocumentManagement.com.