

# RETENTION AND DESTRUCTION OF RECORDS

- Revision Adopted June 30, 2009 -

Financial records must be kept for five years. Records will be defined as paper and electronic medium. If any funding source or governmental regulation requires additional retention periods, these requirements will be followed. If any litigation, etc., were initiated prior to the seven-year limitation, records must be kept until the resolution of all issues arising from these actions. At the end of the required retention period, financial records will be shredded/destroyed. The records to be destroyed will be approved by the two administrative staff members (operations director, executive director and/or office manager) prior to shredding.

## **PROCESS**

In order to comply with the above-stated Retention of Records Policy, the following procedures will be enacted:

1. The seven-year period to be used will include the seven full fiscal years prior to the current year.
2. The following type of fiscal records are to be maintained:
  - General ledger
  - Subsidiary ledger
  - Transaction listings
  - Bank statement and reconciliation
  - Account payable – vendor files
  - Payroll ledgers, time sheets, and other payroll documents
  - Cash receipts – deposits documentation
  - Services invoice documents for billings
  - Reimbursement request documents for other reimbursement contracts
  - Funding contracts
  - Purchase orders and underlying invoices/receipts
3. The following table provides the minimum requirements for the stated financial documents.

<b>Type of Document</b>	<b>Minimum Requirement</b>
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently
Bank Reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases).	Permanently

Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	2 years
Expense analyses/expense distribution schedules	7 years
Year-end financial statements	Permanently
Invoices (to customers, from vendors)	7 years
Payroll records and summaries	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years

## CLIENT RECORDS

Client records must be kept for five years. Records will be defined as paper and electronic medium. If any funding source or governmental regulation requires additional retention periods, these requirements will be followed. If any litigation etc. were initiated prior to the seven-year limitation, records must be kept until the resolution of all issues arising from these actions. At the end of the required retention period, client records will be shredded/destroyed. At the end of the required retention period, client records will be shredded/destroyed. The records to be destroyed will be approved by the one administrative staff member (operations director, executive director and/or office manager) and the program manager prior to shredding.

## PROCESS

In order to comply with the above-stated Retention of Records Policy, the following procedures will be enacted:

1. The seven-year period to be used will include the seven full fiscal years prior to the current year
2. The following type of client records are to be maintained:
  - Demographic information for each household served
  - Services provided
  - Back-up detail/documentation when required by funding source

## OTHER AGENCY RECORDS

The following records and documents will be maintained for the stated required period. At the end of the required retention period, these records will be shredded/destroyed. The records to be destroyed will be approved by two administrative staff members (operations director, executive director and/or office manager) prior to shredding.

Type of Document	Minimum Requirement
Contracts, mortgages, notes, and leases (expired)	7 years
Contracts (still in effect)	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Employment applications	3 years
Insurance policies (expired)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years
Inventories of products, materials, and supplies	7 years
Minute books, bylaws, and charter	Permanently
Patents and related papers	Permanently
Personnel files (terminated employees)	7 years
Timesheets	Permanently
Trademark registrations and copyrights	Permanently