

RECORD RETENTION SCHEDULE

<u>Item</u>	<u>Retention Period</u>	<u>Item</u>	<u>Retention Period</u>
Accounting Records		Administrative and Corporate Records	
Accounts payable/receivable ledgers and schedules	7 years	Annual reports	6 years
Audit reports and financial statements	Permanently	Articles of incorporation (include any amendments)	Permanently
Bank statements, cancelled checks, deposit slips and reconciliations	7 years	Ballots and proxies	6 years
Budgets	2 years	Buy-sell agreements	Permanently
Cash receipts/disbursement journals	Permanently	By-laws	Permanently
Chart of accounts	Permanently	Capital stock and bond records, ledgers, transfer registers, stubs showing issues, record of interest coupons, options	Permanently
Checks (cancelled for important payments, i.e. taxes, property purchases, special contracts; file with papers pertaining to underlying transaction)	Permanently	Contracts and leases (expired)	7 years
Correspondence (general)	3 years	Contracts and leases still in effect	Permanently
Customer/vendor invoices	7 years	Correspondence (legal and important matters only)	Permanently
Depreciation schedules	Permanently	Deeds, mortgages and bills of sale	Permanently
Expense analysis and distribution schedules	7 years	Insurance policies (expired)	3 years
General ledgers and end-of-year trial balances	Permanently	Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years	Mergers and combinations records	Permanently
Inventory records (products, materials and supplies)	7 years	Reorganization records	Permanently
Petty cash vouchers	4 years	Trade mark registrations, patents and copyrights	Permanently
Property records – including costs, depreciation schedules, blueprints and plans, environmental reports	Permanently	Minute books of directors and stockholders	Permanently
Purchase orders	7 years	Option records (expired)	7 years
Sales and production records	7 years	Partnership agreements	Permanently
Subsidiary ledgers (A/R, A/P, etc.)	7 years	Property appraisals	Permanently
Vouchers for payments to vendors and employees (includes allowances and reimbursements of travel and entertainment expenses)	7 years	Personnel Records	
Special Rules Regarding Computerized Records		Employee manuals/handbooks	Permanently
Generally, record-retention periods are the same for computerized records as for hard-copy documents. However, retrievability is crucial. Not only must certain records be maintained, the IRS must be able to access those records. In other words, if your computerized records are stored in a format that is becoming, or has become, obsolete, you need to upgrade those records to more current media. Remember, keep off-site backups of all important computer files and update those frequently. Otherwise any disaster that damages your computer will damage your backups as well.		Employee personnel records (current)	Permanently
		Employee personnel records (after terminations)	7 years
		Employee applications	3 years
		Payroll records, summaries, tax returns, including payments to pensioners	7 years
		Time cards and daily time reports	7 years
		Pension/profit-sharing – Form 5500, plan and trust agreements, IRS approval letter, actuarial reports	Permanently
		Tax Records	
		Tax returns and workpapers, revenue agents' reports and documents relating to determination of income tax liability	Permanently

This listing is only a rough guide requiring adjustment to specific needs and statutory requirements. Consulting with legal counsel is advisable before putting a record retention policy and schedule into effect.