

RECORD RETENTION GUIDE

The following list has been compiled in response to requests from Posts that have asked how long to retain certain files and records. Please keep in mind that this list does not have the effect of law, and a judicious amount of common sense should be used when applying it to your Post.

| <u>Record Name</u> | <u>Retention Period</u> |
|--|--------------------------------|
| Accounts payable invoices | 7 years |
| Accounts payable ledger | 7 years |
| Accounts receivable ledger | 7 years |
| Annual financial reports | Permanent |
| Annuity & deferred payment plans | Continuing record |
| Audit reports, annual | 10 years |
| Audit reports, periodic | 2 years |
| Audit Work Papers | 5 years |
| Balance sheets | 5 years |
| Bank deposit slips | 5 years |
| Bank statements | 5 years |
| Bills of Lading | 2 years |
| Bonds - Fidelity | 3 years after termination |
| Bonds - Surety | 3 years after termination |
| Budgets | 5 years |
| By-Laws | Until superseded |
| Cancelled checks | 7 years |
| Cash receipt records | 7 years |
| Certified Annual Financial Statements | Permanent |
| Community Activity Reports | 3 years |
| Contracts | 7 years after termination |
| Correspondence, executive | 10 years |
| Correspondence, general | 3 years |
| Depreciation schedules | Permanent |
| Election of Officer Reports | 5 years |
| Employee records | 4 years after termination |
| Employee contracts | 7 years after termination |
| Employee withholding records | 7 years |
| Employee accident reports | 30 years after settlement |
| Employee insurance records | 11 years after termination |
| Employee termination | 7 years |
| Entertainment, gift & gratuity records | 3 years |
| Expense vouchers | 7 years |

| <u>Record Name</u> | <u>Retention Period</u> |
|--------------------------------|---------------------------------|
| Fidelity bonds | 3 years after termination |
| Financial reports, periodic | 2 years |
| Financial reports, annual | Permanent |
| Freight bills | 3 years |
| Freight claims | 2 years |
| Garnishments | 7 years after termination |
| General ledger | Permanent |
| Income statements, annual | Permanent |
| Income statements, periodic | 2 years |
| Incorporation Papers | Permanent |
| Inspection Reports | 3 years |
| Insurance records, general | 4 years after Policy expiration |
| Inventory records | Permanent |
| Labor Cost Records | 3 years |
| Lease Records | 3 years after termination |
| Membership Applications | Permanent (see note 1) |
| Membership Rosters | 5 years |
| Minutes of Post Meetings | 5 years (see note 2) |
| Payroll register | 7 years |
| Periodic Financial Reports | 2 years |
| Petty Cash Records | 3 years |
| Postal records | 1 year after end of fiscal year |
| Property records | Permanent |
| Quartermaster reports | 5 years (see note 3) |
| Shipping & Receiving documents | 2 years |
| Tax records | Permanent |

Note 1: Membership applications should be retained as a permanent record to aid in establishing length of membership, original eligibility, and other items of historical value.

Note 2: In some instances, it may be advisable to retain the minutes of Post meetings when those minutes contain policy decisions. Normally, however, those policy decisions would have been incorporated into the Post By-Laws, and the minutes would only be of minor historical significance.

Note 3: Monthly Quartermaster reports usually prove to be "dead files" once the quarterly and annual audit reports are completed. However, it is recommended that they be retained for a period of five years, should a detailed reconstruction of the Post's financial situation be required by an auditor or IRS.

Obviously, the foregoing list is not all-encompassing, nor is it intended to be. A good rule of thumb in determining what files and records to keep is that if the file or record has no financial or historical significance, then it is probably time to dispose of it.