



## RECORD RETENTION GUIDE

Nonprofit organizations are often confronted with the challenge of records management and retention. It is not unusual for convenience and limited space to drive these decisions; however, a variety of government regulations and best practices should be considered and lead to a formal policy that is consistently followed. Such a policy should be understood and approved by the organization’s governance board and leadership. Organizations have a responsibility to protect records in both the retention and destruction processes. Companies that specialize in the destruction of documents should be consulted to properly shred and dispose of paper copies as well as purge electronic files from the server and backup devices.

In some situations, a records retention policy covering the disposal of records should be immediately suspended. The destruction of records should cease when:

- + the organization is served with any subpoena or request for documents
- + the organization is subject to a governmental investigation or audit
- + at the commencement of any litigation against or concerning the organization

Miller Management offers the following recommended time frames that each of the listed records and documents should be retained. The following guidelines apply to both physical and electronic documents:

Accounting Records	2 years	3 years	7 years	Permanently
Invoices (after payment)			<b>X</b>	
Monthly financial reports		<b>X</b>		
Budgets		<b>X</b>		
Accounts payable/receivable ledgers & schedules			<b>X</b>	
Employee Expense reports & logs			<b>X</b>	
Bank statements		<b>X</b>		
Bank reconciliations	<b>X</b>			
Cancelled checks			<b>X</b>	
General Ledgers				<b>X</b>
Audit reports				<b>X</b>
Internal Audit Reports		<b>X</b>		
End-of-year financial statements				<b>X</b>
Checks used for important payments, such as taxes, property, etc.				<b>X</b>
Duplicate deposit slips	<b>X</b>			

<b>Contribution Records</b>	2 years	3 years	7 years	Permanently
Contribution envelopes		X		
Donor contribution receipts			X	
Contribution ledgers & schedules			X	
<b>Payroll and Personnel Records</b>				
Employment / Personnel Records (after terminated)			X	
Payroll Registers			X	
W-2 and W-4 forms			X	
Proof of deductions			X	
Retirement and pension records				X
Timesheets			X	
<b>Property Records</b>				
Leases (expired)				X
Service contracts (after termination)		X		
Property Insurance				X
Real Estate Records				X
Mortgages (expired)				X
Deeds, mortgages, and bills of sale				X
Depreciation schedules				X
<b>Tax Records</b>				
Tax bills, receipts, statements			X	
Payroll Tax Records			X	
Sales/use tax records			X	
Tax exemption letter				X
Tax and information returns				X
IRS examinations				X
<b>Corporate Records</b>				
Contracts (expired)			X	
Contracts (still in effect)				<b>Contract Period</b>
Committee minutes and bylaws				X
Articles of Incorporation				X
Insurance records				X



Other				
Correspondence (general)	<b>X</b>			
Correspondence (legal and important matters)				<b>X</b>
Patents and related papers				<b>X</b>
Correspondence (with customers and vendors)	<b>X</b>			
Employment applications		<b>X</b>		

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