



To : Agnes Wong-Nickerson,
Associate Vice President for Fiscal Affairs

From : Tammie Ridgell
Manager, Auxiliary Business Services

Date : **November 29, 2011**

Subject: **Records Retention Policy for Auxiliary Business Services**

I. References/Authority

Federal

OMB Circular A-110, Subpart C_.53
Sarbanes-Oxley Act of 2002, Section 802
U.S. Securities and Exchange Commission, 2003-11: Rule 2-06

State

California Government Code, Section 14755, 14756
State University Administrative Manual (SUAM), Sections 4801, 4863, 4864
State Education Code, Section 89045
California Records and Information Management, Records Retention Handbook

Other Educational Institutions

Harvard University
University of California
Long Beach State University
San Diego State University
Sonoma State University

II. Purpose

This document outlines the policy and procedures governing the retention and destruction policy for Auxiliary Business Services.

III. Scope

This policy applies to all Accounts Payable, Payroll and Monthly Journal records.

IV. Definitions

- Record – a document or set of documents used by Accounts Payable in the processing of a payments; this includes invoices and backup documentation which supports the expenditure; Payroll register reports from payroll service; Monthly journals which include journal input sheets and backup documentation which supports the journal entry; check logs and check registers.
- Image – the electronically stored version of an original record.
- Records Retention Schedule – a written statement of actions to be taken with respect to all records maintained by Auxiliary Business Services; such a schedule should be used as a training aid, for purging instructions and as a reference to track increases in workload, changes in procedures and reorganizations. The schedule is a planning device that provides the legal basis of departmental records treatment and destruction.
- Perm = Permanent
- FISOP = June 30 the ending fiscal year for the destroy or purge date
- EOCY = December 31 of the calendar year for the destroy or purge date

Disposal of Paper Records after Transfer to Other Media:

Compact storage methods provide a space saving and often cost efficient means of storing records originally in paper form. Extreme care will be used when transferring information to a storage medium. Records will be verified that are readable and accurate before destroying paper copies. The stored electronic records will be maintained for the retention period specified in this policy. **All paper records containing sensitive and/or confidential information shall be shredded not trashed**

V. Policy/Procedures

Accounts Payable

- An imaged reproduction will be deemed to be the original public record of the Auxiliary Business Services for all purposes, including introduction in courts of law and state agencies.
- Check registers are available via CFS for an indefinite period; there are no plans to purge this type of data from the system at this time.
- Original paper records will be maintained for the current fiscal year only for all records which are scanned. At the end of the fiscal year all A/P

records that have been scanned will be destroyed during the month of July each year. For A/P records that are not scanned they will be retained for the seven year retention period.(See Records Retention Schedule)

- All original paper records will be scanned once they have been processed for payment before being filed.
- Images will be retained in the Imaging System for a period of seven (7) fiscal years.
- At the completion of the required seven year retention period, imaged records will be purged following the seventh year. (See Records Retention Schedule)

Bank Records

- An imaged reproduction will be deemed to be the original public record of the Auxiliary Business Services for all purposes, including introduction in courts of law and state agencies.
- Original paper canceled checks will be maintained for a period of seven (7) fiscal years, plus the current year-to-date. Records pertaining to the seventh previous year will be destroyed during the month of July each year. (See Records Retention Schedule)
- If checks are included in the scanning process all checks will be scanned upon completion of the monthly bank reconciliation before being filed.
- Images will be retained in the Imaging System for a period of seven (7) fiscal years.

Financial Records

- An imaged reproduction will be deemed to be the original public record of the Auxiliary Business Services for all purposes, including introduction in courts of law and state agencies.
- Original paper records for monthly journals **which are not** scanned will be maintained for a period of seven fiscal years. If journals are scanned as part of the retention records policy the current fiscal year will be maintained for paper records only and destroyed the next fiscal year during the month of July each year. (See Records Retention Schedule)
- For all scanned journals including corresponding backup will be scanned once they have been entered and posted in CFS before being filed.
- Images will be retained in the Imaging System for a period of seven (7) fiscal years.

Payroll Records

- An imaged reproduction will be deemed to be the original public record of the Auxiliary Business Services for all purposes, including introduction in courts of law and state agencies.

- All paper records prior to 5/05 will be scanned. After 5/05 all payroll records will be received directly from ADP on CD. The CD will become part of Auxiliary Business Services permanent record.
- Images will be retained in the Imaging System for a period of five (5) fiscal years.
- At the completion of the required five year retention period, imaged records for the fiscal year to be purged will be burned to CD or other electronic storage medium, one copy will be retained by Auxiliary Business Services and a second copy will be retained by Fiscal Affairs Business Systems (FABS). (See Records Retention Schedule)

VI. Records Retention Schedule

Description of Records	Media	Period	Destroy Dt	Media	Period	Purge Dt	To CD Dt
Account Payable Records							
Aux Inv/Pymt Docs	Paper	1 yrs		Image	7yrs	FISOP	FISOP
A/P Check Register	Paper/Electronic	7 yrs	FISOP	Electronic	Perm		
1099 reports	Paper/Electronic	7 yrs	EOCY				
1042 Reports	Paper	7yrs	EOCY				
Bank Records							
Bank Statements	Paper	7 yrs	FISOP				
Deposit Records	Paper						
Bank Reconciliation & Support	Paper	7yrs	FISOP				
Canceled Checks	Paper	7yrs	FISOP	Image	5 yrs	FISOP	FISOP
Financial Records							
Monthly Journals and backup (including budget entries)	Paper/Electronic	7 yrs	FISOP	Image	7 yrs	FISOP	
Audited Financial Reports	Paper	Perm					
Audit Prep and support reports of the Annual Audit	Paper/Electronic	7 yrs					
Trial Balance	Electronic	Perm					
Payroll Records							
Payroll Register	Paper/CD	Perm		Image	5 yrs	FISOP	FISOP
W-2	CD	Perm					
Form 941	Paper	Perm					