



Fiscal Affairs

**FISCAL AFFAIRS
RECORD RETENTION POLICY
February 2006**

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

II. Purpose

This document outlines the policy and procedures governing the retention and destruction of records within the Fiscal Affairs Department.

III. Scope

This policy applies to all Fiscal Affairs' units (Accounts Payable, Accounting, Procurement Services, Bursar, Fiscal Affairs Business Systems (FABS), and Auxiliary Business Services) records and backup tapes regardless of the Fund used for payment or the department approving transactions.

IV. Definitions

- Record – a document or set of documents used by Fiscal Affairs in the processing of a payment; this includes, but is not limited to, invoices and backup documentation which supports the expenditure; purchase requisitions, purchase orders, contracts, and associated backup documentation; check logs and check registers; collections and disbursement of funds either financial aid funds or university revenues; journal entries (legal and GAAP); lead sheets; Financial Statements, FIRMS submissions (validation reports); Asset Management conversion reports; all recharge documents; check

- reconciliations; A/R credit memos, refund requests, paid invoices and reconciliations report; invoices written off; agency checks, salary advance documents; all reconciliations, i.e. revolving fund, bank, bank deposit and accountability documents; SCO reconciliation, cancelled warrants, payroll warrant register form SM62 (05-02); Federal Reports Std 269 and 272; State Trial Balance and Budget Reports; Statement of Changes in Fund Balance, Financial Condition and Reconciliation of State Controller's Accounts with Agency; General and Subsidiary Ledgers; Aging Reports; Remittance to State Treasury; Notice of Transfer of Funds; Escheat of Cancelled Warrants; Title IV Programs, Perkins Repayment Records.
- 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 Fiscal Affairs; 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.

V. Policy/Procedures

Accounts Payables

- An imaged reproduction will be deemed to be the original public record of the Accounts Payable Department for all purposes, including introduction in courts of law and state agencies.
- Check logs are maintained electronically, and will be purged after five years.
- Check registers are available via FMS for an indefinite period
- All original paper records will be scanned upon receipt, prior to any processing; they will be scanned a second time once all processing, including SCO claims, has been completed.
- Once the processed paper invoice has been imaged, and the image quality has been verified, it will be destroyed.
- Images will be retained in the Imaging System for a period of five (5) fiscal years.
- General Fund images for a given fiscal year will be destroyed after the completion of five (5) years. (See Records Retention Schedule)
- At the completion of the required five year retention period, Grants & Special Projects imaged records for the fiscal year to be purged will be copied to CD or other electronic storage medium. One copy will be provided to the Office of Research and Sponsored Programs (ORSP) and a second copy will be retained by Fiscal Affairs Business Systems (FABS). (See Records Retention Schedule)

Procurement

- An imaged reproduction will be deemed to be the original public record of the Procurement Department for all purposes, including introduction in courts of law and state agencies.
- Purchase requisitions and Purchase Orders are submitted electronically in FMS and will be maintained in their electronic format in FMS for a period of (5) five years. At the completion of the required five year retention period, all electronic records for the fiscal year to be purged will be copied to CD or other electronic storage medium and maintained for an additional five years.
- Purchased order back up will be scanned upon receipt and maintained in the Imaging System. Original paper records will be destroyed upon quality control verification of the scanned image. Purchase order backup will be retained in accordance with the same schedule as the related purchase order.
- Active contracts and related documentation will be retained in hard copy in the procurement department for as long as the contract is active. Files for completed

- contracts will be retained in hard copy for (3) three years following contract completion.
- At the end of the third year, contract documents will be scanned to the Imaging System. Imaged records will be maintained in the Imaging System for (2) two years. At the end of the second year records for the fiscal year to be purged will be burned to CD or other electronic storage medium and maintained for an additional (5) five years.
- Insurance certificates relating to purchase orders and contracts will be scanned upon receipt into the Imaging System. Original Paper records will be destroyed upon quality control verification of the scanned image. Imaged records will be maintained in the Imaging System for a period of (3) three years. At the end of the third year records for the fiscal year to be purged will be burned to CD or other electronic storage medium and maintained for an additional five years.

Bursar's

- An imaged reproduction will be deemed to be the original public record of the Bursar's Office and FABS for all purposes, including introduction in courts of law and state agencies.
- Check logs are maintained electronically, and will be purged after five years.
- Original paper records will be maintained for a period of two fiscal years, plus the current year-to-date. Records pertaining to the third previous year will be destroyed during the month of July each year. (See Records Retention Schedule)
- All original paper records will be scanned within 5 business days.
- Images will be retained in the Imaging System for a period of five (5) fiscal years.
- Images for a given fiscal year will be destroyed after the completion of five (5) years. (See Records Retention Schedule)
- 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, the copy will be retained by Fiscal Affairs Business Systems (FABS). (See Records Retention Schedule)

Financial Reporting

- Most if not all documentation for the Financial Reporting unit is either paper or electronic form
- An imaged reproduction will be deemed to be the original public record of the unit for all purposes, including introduction in courts of law and state agencies.

Governmental Accounting

- All documentation is in paper form with the exception of Agency Checks.
- Journal Entry Batches, Salary advance forms, Revolving Fund Reconciliation, Bank Reconciliation, Bank Deposit and Accountability, SCO Reconciliation, SCO Cancel Warrant and SCO Payroll Warrant Register form SM62 (05-02) will be retained for 4 years and then destroyed
- All Recharge documentation will be retained for 5 years and then destroyed
- Agency Checks paper and image are retained for 10 years
- An imaged reproduction will be deemed to be the original public record of the unit for all purposes, including introduction in courts of law and state agencies.

Trust and Special Project Accounting

- All documentation is in paper form and at this time will not be scanned

- All sponsored programs (federal, state, local and private) – records (including 269 & 272) pertinent to Grants and Contract shall be retained for a period of 3 years from the date the final expenditure reports are submitted.
- All State – Trail Balance, Budget Reports, Statement of Changes in Fund Balance, Statement of Financial Condition and Reconciliation of State Controller's Accounts with Agency shall be retained for 2 years after audit or 4 years without audit, whichever occurs first.
- General and Subsidiary Ledgers will be retained for no less than 2 years at the end of the last entry.
- Accounts Receivable Aging Reports, Remittance to State Treasury, Notice of Transfer of Funds and Escheat of Cancelled Warrants will be retained 2 years after audit or 4 years without audit.
- All Title IV Programs will be retained for 3 years from the end of the award year in which the report was submitted except for Perkins Loans.
- Perkins Repayment Records will be retained for 3 years from the date on which the loan is assigned to ED, cancelled or repaid.

(Revised May 2006 – see Addendum 1)