

**Financial Policy and Procedure Instructions Manual
FPI J-7 Record Retention**

I. PURPOSE

To set forth policies on retaining University financial records under Federal and State laws. To retain records in a manner which best recognizes the public interest and minimizes cost.

II. GENERAL

- A. Policy on record retention is included in this instruction.
- B. The Director of Business and Financial Services will establish the University's record retention policy in accordance with applicable Federal and State Laws. Questions concerning policies and procedures described here should be referred to the Director of Business and Financial Services's Office.
- C. All department heads are responsible to ensure that records are retained in accordance with this instruction. To ensure continuity when staffing changes are made, written departmental procedures should be prepared.
- D. Records should be filed in a manner that permits an orderly and timely retrieval.

III. RECORD RETENTION POLICY

- A. Per Colorado statute, financial records will generally be retained for a period of three (3) years unless otherwise required by law, regulation, litigation or claim that may have been started before expiration of a 3-year period, joint custody situations such as certain student loan records which must be retained for the life of the loan, or other exceptions specified in this instruction. Specific known exceptions are included in this instruction. After three (3) years, records may be destroyed according to applicable laws or regulations. Where laws and regulations are silent about the retention period for such records, the three (3) year retention limit will apply.
- B. Records related to income taxes will be retained for a period of four (4) years.
- C. Records other than Federally sponsored programs will generally be retained as follows:

DOCUMENT	RESPONSIBLE AREA	RETENTION PERIOD
Accounts Payable ledgers and schedules	Accounts Payable	3 years
Bank reconciliations	General Accounting	1 year
Cash books	Cashier's Office	Permanently
Charts of accounts	Director of Business and Financial Services's Office and Office of Sponsored Programs	3 years
Cancelled checks	Payroll Office, Accounts Payable, Cashier and General Accounting	3 years
Contracts and leases (expired)	Responsible department, General Counsel and Purchasing	3 years
Correspondence	All departments	3 years
Depreciation schedules	Property Accounting and General Accounting	Permanently
Deposit slips	Originating departments and Cashier's Office	1 year
Employee personnel records	Human Resource Services	Permanently

**Financial Policy and Procedure Instructions Manual
FPI J-7 Record Retention**

Expenses analyses and expense distribution schedules	All departments	3 years
Financial statements	General Accounting	5 years
General ledgers	Business and Financial Services	6 years
IMOs and Electronic Journal Entry documentation	Property Accounting and all departments for IMOs not processed through accounting	6 years
Journal Entries, Electronic Journal Entries & documentation for automatic system feeds	All departments	6 years
Payroll Time & Leave Reports	All departments	6 years
Purchase Orders/Bid Documents	others that do their own Pos	6 years
Purchasing, Bookstore, Library, Housing, Food Service and all Purchase Requisitions & Departmental Purchase Orders	All departments	6 years
All documentation for Revolving Fund billings, billing rates and equipment use logs	All departments	6 years
Student and Commercial Receivable invoices	Accounts Receivable	6 years
Subsidiary ledgers	Business and Financial Services	6 years

- D. Records associated with Federally sponsored programs must be retained for three (3) years following submission of the final financial report or until any existing audit questions have been resolved. Depending on the length of the project, the retention period for specific documents may exceed the general retention period defined in section III(C). Departments and/or principal investigators will be responsible for retaining all documents associated with federally sponsored projects if the time period will exceed those defined in Section III (C).
- E. Records associated with Revolving Fund billings to Federally sponsored projects must be retained for three (3) years following submission of the final financial report or until existing audit questions have been resolved. Depending on the length of the project, the retention period for Revolving Fund billings, billing rate documentation and equipment usage logs may exceed the five (5) years specified in section III(C). Revolving Fund managers should consult with the principal investigator for the project or the Office of Sponsored Programs for guidance.

IV. ELECTRONICALLY IMAGED RECORD STORAGE

Financial Policy and Procedure Instructions Manual
FPI J-7 Record Retention

Effective September 1, 2002

A notification has been sent to the U.S. Department of Health and Human Services on July 29, 2002 in accordance with OGAM AT 99-1.

As an addition to the current University policy, J-7, Management of University Financial Records, the following will be included:

Departments may select electronically imaged record storage over paper media. Departments will follow this policy when electronically imaging (digitizing) the original documents.

- A. Creation and use of electronic records.
 - I. Department personnel will make a determination that documents are ready for archiving. Documents will be sorted in order by document type and numerical order with supporting documentation immediately following the official form.
 - II. The information will be organized by project number, document number, or other appropriate method that reflects typical filing processes. This may be accomplished with electronic pointers for the project number.
 - III. Documents are fed into a digital sender that creates a Portable Document Format (PDF) file. This file is sent to the operator.
- B. Validation of authenticity.
 - I. The operator opens the file with Adobe Acrobat (or other suitable software) and the information is reviewed for accuracy and readability, pages are rotated to view easily and blank pages deleted.
 - II. Another person reviews the archived file to spot check for possible errors.
- C. Retrieval, retention, disposition and destruction of electronic records.
 - I. To comply with FAR 4.703(c)(3), which states, "the contractor or subcontractor retains the original records for a minimum of one year after imaging to permit periodic validation of the imaging systems," original records are stored for one year after imaging.
 - II. All digitized records will comply with the standard retention policy for that type of record. For federally sponsored programs: 3 years following submission of the final financial report or until any pending audit, claim, or litigation has been resolved.
 - III. Digitized (electronic) records may be destroyed once they have passed the record retention date for that award.
- D. Security of stored records and secure transmission/dissemination of records.
 - I. The finalized file may be saved to a server directory or other medium that is password protected to allow viewing only by appropriate personnel.

Financial Policy and Procedure Instructions Manual
FPI J-7 Record Retention

- II. Once the finalized file is accurate, the file is copied to two compact disks (CD) as backup to the network file. One CD copy will be stored on site and the other stored at a remote site.
- E. Selection and maintenance of electronic mediums.
- I. The CD was selected as a source of backup because the projected life of a CD is about 50 years and this medium is projected to be compatible with future formats.
 - II. The PDF developed by Adobe Systems was selected because it is projected to be compatible with future formats and is easily readable with the Acrobat Reader for easy dissemination of information.
 - III. New mediums and standards will be evaluated in the future for technological changes. Any changes to the proposed selection of electronic mediums and standards will be determined by the agreement of the Controller and Information Systems and with the consultation of the departments affected by the change. Implementation of the migration to the new mediums and standards will be coordinated with the approval of the University Controller.