

RECORDS RETENTION CHECKLIST

Business records, especially those which are voluminous and bulky, should be disposed of as soon as they outlive their usefulness. In fact, of the staggering volume of paper kept by business firms, it is estimated that the majority could be destroyed just after three or four years. By systematically following the check list below of many common business documents, you should be able to reduce unnecessary records to a minimum. Developed from the requirements specified in over 900 federal and state regulations, the list summarizes the practices of a large number of companies.

	YEARS	1	2	3	4	5	6	7	8	9	10	INDEF.
<u>ACCOUNTING</u>												
Bank Statements & Deposit Slips												
Payroll (timecards)												
Dividend Checks (cancelled)												
Expense Reports												
Subsidiary Ledgers (including A/P & A/R ledgers)												
Trial Balances (monthly)												
Checks (payroll & general)												
Payroll (individual time reports & earning records)												
Vouchers (for payments vendors, employees, etc.)												
Audit Reports												
General Ledgers & Journals												
<u>CORPORATE RECORDS</u>												
Mortgages, Notes, & Leases (expired)												
Bylaws, Charter, & Minute Books												
Cash Books												
Capital Stock & Bond Records (including stock certificates & transfer lists)												
Checks (taxes, property, & fulfillment of important contracts)												
Contracts & Agreements												
Copyrights & Trademark Registrations												
Deeds & Easements												
Labor Contracts												
Patents												
Proxies												
Retirement & Pension Records												
Tax Returns & Working Papers												

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<u>CORRESPONDENCE</u>												
General		█	█									
License, Traffic & Purchase		█	█	█	█	█	█					
Production		█	█	█	█	█	█	█	█			
Legal & Tax		█	█	█	█	█	█	█	█	█	█	█
<u>INSURANCE</u>												
Policies (all types - expired)		█	█	█	█							
Accident Reports		█	█	█	█	█	█					
Fire Inspection Reports		█	█	█	█	█	█					
Group Disability Records		█	█	█	█	█	█	█	█			
Safety Reports		█	█	█	█	█	█	█	█			
Claims (after settlement)		█	█	█	█	█	█	█	█	█	█	
<u>PERSONNEL</u>												
Contracts (expired)		█	█	█	█	█	█					
Daily Time Reports		█	█	█	█	█	█					
Disability & Sick Benefit Records		█	█	█	█	█	█					
Personnel Files (terminated)		█	█	█	█	█	█					
Withholding Tax Statements		█	█	█	█	█	█					
<u>PURCHASING & SALES</u>												
Purchase Orders		█	█	█								
Requisitions		█	█	█								
Sales Contracts		█	█	█								
Sales Invoices		█	█	█								
<u>TRAFFIC (RECEIVING & SHIPPING)</u>												
Export Declarations		█	█	█	█							
Freight Bills		█	█	█	█							
Manifests		█	█	█	█							
Shipping & Receiving Reports		█	█	█	█							
Waybills & Bills of Lading		█	█	█	█							

Statute of Limitations

Many business managers feel that they must keep all original records for at least a certain time (six years is most quoted), after which no action can be brought against them. In fact, there is no single statute of limitations -- there are dozens of them, and the time period for each statute varies depending on the particular law and state. Record-keeping policies must be guided by the rule of reason and the probability and dollar amount of risk involved--not by statutes of limitations alone. For further information, obtain a copy of Guide to Record Retention Requirements, Government Printing Office, Washington, DC 20401.