
RECORD RETENTION

SUMMARY

The official copy of financial records is maintained by the Office of the Controller, except in the case of time cards and EASY receipts, where the department maintains the official record. All records are maintained consistent with federal requirements for grants, contracts, and taxes.

Financial records (electronic and paper), supporting documents, statistical records, and all other records pertinent to a sponsored award or tax return shall be retained for a period of seven years from the date of submission of the final expenditure report, or for awards that are renewed quarterly or annually, from the date of submission of the quarterly or annual financial report or seven years from the filing date of the University's tax returns. Departments need to be aware of any specific language in a contract that dictates the length of the record retention. For non-sponsored accounts, financial records are to be retained at least seven years from the date the tax returns are filed. If any litigation, claim, or audit is started before the expiration of the seven-year period, the records shall be retained until all litigation, claims, or external audit findings involving the records have been resolved and final action taken.

Records for real property and equipment acquired with federal funds shall be retained for seven years after final disposition of such property and equipment.

Departments or divisions that receive the original award document for grants and contracts are required to comply with the retention requirements of these records. Time cards and EASY receipts for all accounts, whether sponsored or non-sponsored, should be retained for at least the seven-year period.

Correspondence and other documentation generated either internally between departments and the divisional research administration offices or externally between the awarding organizations and the University should be retained as part of the grant and contract files in compliance with these retention requirements. This includes documentation supporting journal vouchers, cost transfers, personnel activity reports, grant and contract awards and modifications to these awards.

Items maintained by the Controller's Office include expenditure statements, validated deposit advices, journal vouchers, transfer forms, and supporting documents for disbursements such as invoices, check requisitions, and payroll forms. Copies of these documents on file in originating departments are "convenience" copies and may be discarded when no longer needed by the department.

INTERNAL CONTROLS

OBJECTIVES

- All appropriate records are retained by the University as required by federal law and sponsoring agencies
- Those responsible for grants and contracts are aware of retention requirements
- Minimize storage space and associated costs

RECORD RETENTION

INTERNAL CONTROLS, CONTINUED

RISKS

- Non-compliance with federal regulations
- Disallowance of funding resulting from lack of sufficient documentation
- Loss of funding due to improper disposal of records
- Incurrence of unnecessary storage expense

AUDIT CHECKLIST

	Are department employees responsible for financial records aware of retention rules?
	Are documents that the Controller's Office does not have, such as original award documents, time cards, and EASY receipts, retained in the department in accordance with record retention practices and grant and/or contract requirements?
	Does the department store its records in a secure area?
	Is the department maintaining only necessary records, so it is not using excess storage space or incurring unwarranted storage costs?

SOURCE FOR POLICY

OMB Circular No. A-110
(<http://www.whitehouse.gov/omb/circulars/a110/a110.html>)

RESOURCE FOR ASSISTANCE

Office of the Controller, 410-516-8155