



Creating Friendships for Peace, Inc.

Document Retention Policy

It is important to keep business records in case of an IRS audit or other examination. A document retention schedule that considers state and federal regulations, as well as industry standards, is intended to manage risks without the inefficiencies of keeping unnecessary records. The following guidelines were proposed by the accounting firm of Postlethwaite & Netterville and apply to both paper and electronically stored records.

Document	Retention Period
Accident reports/claims	7 years
Accounts payable ledgers and schedules	7 years
Accounts receivable ledgers and schedules	8 years
Audit reports	Permanently
Bank statements	3 years
Capital stock and bond records	Permanently
Cash books	7 years
Charts of accounts	Permanently
Checks (canceled checks for important payments, special contracts, purchase of assets, payment of taxes, etc. Checks should be filed with the papers pertaining to the underlying transaction)	Permanently
Checks (canceled except those above)	7 years
Contracts and leases (expired)	7 years
Correspondence, general	2 years
Correspondence, legal and tax related	Permanently
Deeds, mortgages and bills of sale	Permanently
Deposit slips	7 years
Depreciation schedules	Permanently
Employee personnel records (if applicable)	7 years
Employee applications (if applicable)	3 years
Expense Reports	7 years
Financial statements (year-end)	Permanently

General ledgers, year-end trial balance	Permanently
Insurance policies (expired)	3 years
Insurance records, accident reports, claims, policies, etc.	7 years
Internal audit reports (miscellaneous)	3 years
Inventory records	7 years
Invoices to customers from vendors	7 years
IRA/Keogh plan contributions, rollovers, transfers, and distributions (if applicable)	Permanently
Minute books of directors, stockholders, bylaws and charter	Permanently
Payroll records, summaries and tax returns (if applicable)	7 years
Petty cash vouchers (if applicable)	3 years
Purchase orders	3 years
Receiving sheets	1 year
Retirement plan records (if applicable)	Permanently
Safety records (if applicable)	6 years
Sales records	7 years
Tax returns, revenue agents' reports, and other documents relating to determination of income tax liability	Permanently
Time cards and daily reports (if applicable)	7 years
Trademark registration, patents and copyrights	Permanently
Trial balances (monthly)	3 years
W-2 and W-9 Forms (if applicable)	7 years

Note: Guidelines for maintaining records are primarily based on a taxing authority's statutory power and limitations on auditing these records.