

# Policy on Records Management



**The Right Reverend Scott B. Hayashi, Eleventh Bishop of Utah**  
**Policy Number: D007**  
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# The Episcopal Diocese of Utah Policy on Records Management

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December 2017, Rev. 1

## PURPOSE

This policy offers guidelines on practical issues that treasurers and administrators will encounter with business records. It is applicable to the Diocese and all congregations, however denominated, within the Diocese of Utah.

## REFERENCE

*Manual of Business Methods in Church Affairs*, published by the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the USA. The manual can be found at: [www.episcopalchurch.org/page/manual-business-methods](http://www.episcopalchurch.org/page/manual-business-methods).

## POLICY

Chapter IX of the *Manual of Business Methods in Church Affairs*, described above, provides helpful guidance on records management. Following the guidance and practices of the Manual will assist in complying with the federal and state laws regarding records retention.

The Diocesan Council and Vestries have a custodial responsibility for the Diocese or congregation's records. The policy described here is the official policy that applies to the Diocese. The Vestry of each congregation should adopt a specific records retention policy and review it regularly to ensure that congregational records are being properly managed.

**It is the policy of the Diocese of Utah that all congregations within the Diocese adopt a policy that follows the practices set out in the Manual.**

The following discussion is designed to summarize some of the most important points in the Manual, and at times to clarify or revise the Manual's provisions to make them more applicable to the Diocese of Utah. Note that federal and state laws may change. When in doubt, retain records and seek guidance from the Diocesan Chancellor.

**Safekeeping.** Records should be kept in a safe, accessible location. Records that are in paper form only should be kept in a fireproof container and serious consideration should be given to digitizing the records (most congregations will have members who can readily do so). Records that are kept on electronic media should be duplicated, with the duplicate copy being kept either in a fireproof container or in an off-site location. The Council or Vestry should approve the location of all stored records.

The Council will designate two persons to be responsible for record keeping. These individuals will create and maintain a log or other record of the information, its categorization (see below), and the dates for destruction.

**Categorization.** Records are categorized into two basic designations:

**Expiring Records:** Records that are maintained for the purpose of fulfilling a temporary administrative, fiscal, or legal requirement. These can be destroyed at the end of the retention



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period. Some examples are accounts payable, cancelled checks, balance sheets, bank reconciliation's, etc.

***Permanent Records:*** Records that have an enduring informational value, such as building plans, annual reports, property inventories, restricted gift documents, deeds, meeting minutes, parish records etc.

**Records Retention and Destruction.** Expiring records should be retained only for a designated period of time, and then should be destroyed. The Manual contains a suggested retention schedule. The Council has adopted the retention schedule attached to this Policy. Vestries should adopt a specific retention schedule, which should only be revised with Vestry approval.

Some important points on records destruction:

- Records should be shredded when destroyed to protect confidential or private information.
- The two people responsible for records should verify destruction and sign the destruction log.
- Records should never be destroyed in anticipation of litigation.
- When in doubt about the appropriateness of destruction, contact the Diocesan Chancellor for an opinion.

## Diocesan Records Retention Schedule

Record Title	Disposition <sup>1</sup>
<b>Financial Records</b>	
Accounts payable files	Destroy after 7 years
Assessment data (parish assessments)	Destroy after 5 years
Audit working papers and back-up	Destroy 4 years after audit
Audits	Permanent
Balance sheets - annual	Permanent
Balance sheets - monthly/quarterly	Destroy after 2 years
Bank deposit books	Destroy after 7 years
Bank deposit slips	Destroy after 3 years
Bank reconciliations	Destroy after 2 years
Bonds - cancelled	Destroy 3 years after cancellation
Budgets - approved and revised	Permanent
Budgets - draft and worksheets	Destroy after administrative use ceases
Cancelled checks	Destroy after 7 years
Cash journals - general receipts, disbursements	Destroy after 7 years
Certificates of deposit - cancelled	Destroy 3 years after redemption
Charts of account	Retain until superseded
Check registers and stubs	Destroy after 7 years
Computer accounting records	Refer to retention periods for specific types of records. Make archival copy of permanent records. Retain programming documentation for the life of the system.
Contracts - loans and notes	Destroy 6 years after termination
Correspondence files - transactional (payments, receipts, transmittals, credits, etc.)	Destroy after 5 years
Discretionary account records	Destroy after 7 years
Financial statements - annual	Permanent
Financial statements - monthly	Destroy after 2 years
Grant applications - successful	Retain proposal, final report, and substantive correspondence permanently
Invoices and paid bills for major construction and renovation	Permanent
Invoices and paid bills for general accounts	Destroy after 7 years
Journals - general and special funds	Permanent
Journal entry sheets	Destroy after 7 years
Journals - payroll	Destroy after 7 years

<sup>1</sup> The destruction date is the number of years after the end of the year of the action identified.

<b>Record Title</b>	<b>Disposition<sup>1</sup></b>
Ledgers	Permanent
Legacies	Permanent
Lists and schedules of subscribers/donors	Permanent
Loan schedules	Destroy after loan discharges or all administrative use ceases.
Memorial gifts register	Permanent
Pension records	Destroy 6 years after termination of benefit or later when administrative need ceases
Pension plans and literature	Retain for the life of the plan or until superseded
Petty cash receipts and accounts	Destroy after 7 years
Pledge cards and journals	Destroy 7 years after date of last entry, or keep permanently if summary records are not kept
Purchase orders	Destroy after 7 years
Receipts - general accounts	Destroy after 7 years
Sales slips	Destroy after 7 years
Shipping and freight records	Destroy after 3 years
Special fundraising subscriptions	Permanent
Tax returns and filings	Destroy after 7 years unless administrative action is pending
Tax-exempt certificates and Forms 990	Permanent
Trial balances - closing	Destroy after 7 years
Trust fund files	Retain copies of conditions, restrictions, legal opinions, and summary distribution history permanently. Destroy distribution notices and courtesy correspondence after 7 years.
Trust fund registers	Permanent
Vouchers	Destroy after 7 years
<b>Legal Records</b>	
Acts and Certificates of Incorporation	Permanent
Bequest and estate papers	Permanent
Bylaws	Permanent. Transfer previous versions to archives after amendment.
Constitution and bylaws, and revisions	Permanent
Contracts - active	Indefinite
Copyright registration	Permanent
Correspondence - legal (tax, real estate, probate, etc.)	Permanent
Injury reports	Destroy 6 years after settlement of all claims
Insurance policies	Destroy 6 years after termination or cancellation of policy
Insurance plans	Retain for the life of the plan
Litigation papers	Permanent. Destroy non-substantive documentation (notes, abstracts, routine duplicate copies and drafts, etc.) 3 years after resolution of litigation.

<b>Record Title</b>	<b>Disposition<sup>1</sup></b>
Minutes	Permanent
Wills, testaments, codicils	Permanent
<b>Personnel Records<sup>2</sup></b>	
Employment applications - unsuccessful	Destroy after 1 year
Contracts - employment	Destroy 6 years after termination of contract
Employment taxes, contributions, payments	Destroy after 7 years
Earnings and benefits records	Destroy 4 years after termination of employment
Employee contracts	Destroy 6 years after termination of contract
Employee salary schedules	Destroy 6 years after termination of employment
Employee withholding statement - Form W-2, state withholding	Destroy after 7 years
Employee withholding certificate - Form W-4	Destroy 6 years after termination of employment
Form I-9 - employment eligibility verification	Destroy 6 years after termination of employment
Employee insurance records, including notification of claim payments	Destroy 1 year after settlement of all claims
Personnel files/records	Destroy 7 years after termination of employment
Time sheets	Destroy after 3 years
Workers compensation claims and filings	Destroy 7 years after filing or settlement, whichever is later
<b>Property Records</b>	
Appraisals	Retain until superseded
Certificates of title to property	Permanent
Contracts - construction	Destroy after 6 years
Contracts - leases	Destroy 6 years after termination
Deeds, including conveyances, covenants, easements	Permanent
Property and equipment inventories	Retain until superseded by new versions. Refer old copies and photos to Archives for review.
Manuals - operating and procedural	Retain until superseded. Refer to Archives for review.
Mortgage deeds	Permanent
Property files	Retain unique files permanently. Destroy duplicate files after administrative use ceases.
Property surveys and plans	Permanent
Building and design specifications	Permanent
Title search and certificate papers	Permanent
Warranties	Destroy after expiration of warranty
<b>Other Records</b>	
Correspondence files - alphabetical	Retain substantive files permanently. Destroy routine

<sup>2</sup> All records pertaining to employment are confidential and must be shredded upon destruction.

<b>Record Title</b>	<b>Disposition<sup>1</sup></b>
	courtesy correspondence after 5 years.
Correspondence files - chronological	Destroy after 2 years if alphabetical files exist
Office files - alphabetical	Review annually. Destroy resource materials, duplicate files, vendor files when administrative use ceases. Retain permanent records.
Parochial reports	Destroy after 5 years
Policy statements	Permanent. Refer superseded versions to Archives for review.
Records schedules and destruction logs	Permanent
Statistical summaries	Retain until administrative use ceases. Refer to Archives for review.

