

Gonzaga University
Financial Document Retention and Destruction Policy
Approved by Chuck Murphy June 5, 2009
Updated for finance department comments 5/20/09

I. Purpose

This policy is established with the purpose of meeting the finance department's legal requirements, reducing costs associated with office space, and increasing efficiency, while ensuring that records of permanent value are preserved and obsolete records destroyed. In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention and destruction of documents received or created by Gonzaga University's Finance Department in connection with the transaction of organization business. This policy covers all finance records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed.

This policy does not give guidance to the document retention or destruction for Student Accounts, Financial Aid, Human Resources, University Relations, Legal, Insurance, Security, or any other non-finance related departments. Questions on document retention related to non-finance departments should be directed to responsible officers in those departments.

II. Document Retention

Gonzaga University's Finance Department follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time. If you have any questions about policy clarification or exceptions, contact the Controller or Assistant Controller.

Corporate Records

| | |
|---------------------------------------|----------------------------|
| Articles of Incorporation | Permanent |
| Trustee Meeting and Committee Minutes | Permanent |
| Board Policies/Resolutions | Permanent |
| By-laws | Permanent |
| Property Records | Permanent |
| Patent and Trademark Records | Permanent |
| IRS Determination Letters | Permanent |
| Business Contracts | While active plus 10 years |
| Licenses | While active plus 7 years |
| Leases | While active plus 7 years |
| Conflict of Interest Disclosure Forms | 7 years |

Financial Records

| | |
|--|---|
| General Ledgers in Banner | Permanent (limited to Banner historical capabilities) |
| Annual Audits (including A-133) and Financial Statements | Permanent |
| Athletic Department Agreed-Upon Procedure Reports | Permanent |
| Audit & Agreed-Upon Procedures Supporting Workpapers | 7 years |
| Journal Entries (Including BARs) & Supporting Documents | 7 years |
| Account Reconciliations | 7 years |
| Credit Card Receipts & Statements | 7 years by cardholders |
| Cash Receipts | 7 years |
| Information Surveys & Support (IPEDS, etc) | 7 years |
| Sales Records (box office, concessions, bookstore) | 5 years |
| Petty Cash Vouchers | 3 years |
| DMT Internal Audit Reports & Suggestions | 3 years after issue resolved |
| Signature Forms | Maintain current forms |
| Chart of Accounts | Maintain current chart |
| Policies and Procedures Manuals | Maintain current documents |

Federal Tax Records

| | |
|---------------------------------------|-----------|
| IRS Form 990 Tax Returns and Support | Permanent |
| IRS Form 990T Tax Returns and Support | Permanent |
| Unitrust Tax Returns and Support | 7 years |

State and Local Tax Records

| | |
|---|---------|
| State Sales & Use Tax Reports (Includes Excise Reports) | 7 years |
| Unclaimed Property Filings and Support | 7 years |

Bank Records

| | |
|---|-------------------------------|
| Bank Deposit Records | 7 years |
| Bank Statements | 7 years |
| Account & Safe Reconciliations and Support | 7 years |
| Electronic Fund Transfer Records (Kept in the JE files) | 7 years |
| Cancelled Checks on CD | 7 years (electronically only) |

Grant Records

| | |
|--|--------------------------|
| Indirect Cost Rate Calculations | 7 years |
| Grant Files including Applications and Contracts | 5 years after completion |

Endowment & Investment Records

| | |
|--|-----------|
| Signed Endowment Agreements & Historical Records | Permanent |
| Stock & Bond Certificates | Permanent |
| Investment Statements & Manager Correspondence | 10 years |

Capital Property Records

| | |
|---|---------------------------|
| Property Records | Permanent |
| Improvement Records Inc. Asbestos Removal and Testing | Permanent |
| Property Tax Exemption Records – Plant Services | Permanent |
| Tax-Exempt Bond Documents & Support of Disbursements | While active plus 7 years |
| Mortgage and Other Long Term Debt Agreements | While active plus 7 years |
| Inventory of Equipment Purchased with Federal Funds | 7 years |
| Fixed Asset & Depreciation Schedules | 7 years |
| Fixed Asset Disposals and Sales | 7 years |

Payroll and Employment Tax Records

| | |
|--|----------------------------|
| Payroll Registers | Permanent (in Banner only) |
| Earnings Records | Permanent (in Banner only) |
| Garnishment Records | Permanent |
| Payroll Tax Returns (Including 941, WA State Employment Security Form 5208, Labor & Industry Returns, and State Tax Returns) | Permanent |
| W-2 Statements | Permanent (in Banner only) |
| W-4 Forms | Permanent |
| Form 945 | Permanent |
| Time Cards | 5 years |

Accounts Payable Records

| | |
|-------------------------------------|---------|
| Processed Purchase Orders | 7 years |
| Original Invoices | 7 years |
| Vendor Contracts (after expiration) | 7 years |
| Expense Reimbursement Reports | 7 years |
| IRS 1099 and 1042 Reports | 7 years |
| Check Registers | 7 years |

III. Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

IV. Emergency Planning

Gonzaga University’s records will be stored in a safe, secure and accessible manner. Electronic finance department documents will be backed up every night.

V. Document Destruction

Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files.

For any material of historical significance, please contact the Foley Library Archivist to have the document stored in the Archives in Foley Library.

Destruction of financial, personnel, student, or other confidential information must be shredded or otherwise rendered unreadable or electronically unrecoverable.

If you believe, or if Gonzaga management informs you, that Gonzaga's records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. This exception supersedes any previously or subsequently established destruction schedule for those records. In addition, the Vice President for Finance should be informed of any situation that might give rise to legal action as soon as the situation becomes apparent.

VI. Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against Gonzaga University and its employees and possible disciplinary action against responsible individuals. The Vice President of Finance will periodically review these procedures with legal counsel to ensure that they are in compliance with new or revised regulations.