

DEPARTMENT OF FINANCE



RECORD RETENTION AND DESTRUCTION POLICY

PURPOSE

The purpose of this policy is to ensure that necessary records and documents are adequately protected and maintained, as well as to ensure that records that are no longer needed by the DOF or are of no value are discarded at the proper time. This policy is also for the purpose of aiding employees of the DOF in understanding their obligations in retaining documents.

PART I: POLICIES & PROCEDURES

A. RETENTION POLICY

This policy represents the DOF policy regarding the retention and disposal of records. It is the responsibility of each division to ensure effective record retention management so that public records are not arbitrarily destroyed and that legal record keeping requirements are met. Each division shall routinely evaluate its record retention schedules to ensure compliance with federal, state and departmental requirements.

This policy covers all records and documents, regardless of physical form or characteristics, which have been made or received by the DOF in connection with transactions of Government of the Virgin Islands business.

The records of the DOF shall be classified for purposes of retention and destruction as follows:

Category 1: Permanent records. Records that are permanent or essential shall be retained and preserved indefinitely.

- Permanent records are records required by law to be permanently retained and which are ineligible for destruction unless they are microfilmed or placed on an

optical imaging system, and special measures are followed. Once these measures are followed, the original paper records may be destroyed. Duplicate copies of permanent records include project files, Board files, internal and external audits and personnel hiring and disciplinary records. Not every department will have permanent records.

- Essential records. Essential records are records necessary for the continuity of government and the protection of the rights and interests of individuals. An example is Grant Awards and Modifications.

Category 2: Current Records. Current records are records that for convenience, ready reference or other reasons are retained in the office space and equipment of the department. Current records shall be retained as follows:

- Where retention period specified by law. When federal, state, or local law prescribes a definite period for retaining certain records, the DOF will retain the records for the period specified by law. Examples of records required to be maintained for a specific period are Worker's Compensation Records, grievances and payroll records.
- Where no retention period is specified by law. Where no specific retention period is specified by law, the retention period for records that the department is required to retain for a minimum of two years, although such records may be treated as "storage records" and placed in storage at any time during the applicable retention period. Examples of current records include: correspondence, schedules and administrative records.

Category 3: Storage Records. Storage records are records that are retained offsite. Storage records are subject to the same retention requirements as current records. Examples of storage records include invoices and payroll correction reports.

Category 4: No Retention Required. Documents and other materials that are not records need not be retained unless retention is otherwise required by law or by the attached Record Retention and Destruction Schedule. Documents and other materials (including originals and duplicates) that are not otherwise required to be retained, are not necessary to the functioning or continuity of the DOF and which have no legal significance may be destroyed when no longer needed. Specific examples include telephone message slips, miscellaneous correspondence not requiring follow-up or departmental action, notepads, e-mails that do not contain information required to be retained under this policy, and chronological files.

With limited exceptions, no specific retention requirements are assigned to documents in this category. Instead, it is up to the originator or recipient to determine when the document's business utility has ended.

B. RECORDS NOT ADDRESSED IN THE RECORD RETENTION SCHEDULE

Records and other documents or materials that are not expressly addressed by the attached schedule may be destroyed at any time provided that they have been retained for the periods prescribed for substantially similar records.

C. STORAGE OF RECORDS

Records may be stored in the DOF office space or equipment if the records are in active use or are maintained in the office for convenience or ready reference. Examples of active files are research and reference files, legislative drafting files, administrative files, and personnel files. Inactive records, for which use or reference have diminished sufficiently to permit removal from the DOF office space or equipment may be sent to one of the off-site storage facilities provided by the DOF.

II. RECORD RETENTION SCHEDULE (DOF)

The Record Retention Schedule for the DOF is organized as follows:

SECTION TOPIC

1. Treasury Division
 - Revenue Audit/Reconciliation Filing System
 - Disbursement
2. Payroll
3. General Ledger
4. Government Insurance Funds
5. Business Office
6. Commissioner's Office

1. TREASURY DIVISION

A. Revenue Audit/Reconciliation Filing System

- Bank Statements Category 1
- Deposit records Category 1
- Audit report Category 1
- Bank Reconciliation Category 2
- Fund transfer document Category 2
- Correspondence documents, letters Category 2
- Cancelled checks Category 1

B. Disbursement

- Tax listing Category 4
- Register daily work files Category 4
- Log Book Category 4

2. PAYROLL

- W2's Category 2
- Sick and Annual Leave Records Category 3
- NOPAS Category 3
- Check Register Category 3
- Pay Period Information (deductions, garnishments) Category 3

3. GENERAL LEDGER

- Correspondence files Category 2
- Statement of Remittances Category 2
- Financial Reports Category 1
- Current Year Budgets Category 2
- FICA documents Category 2
- Fund Balance Analysis Category 2
- Payment Invoices/Transferred monies Category 2

4. GOVERNMENT INSURANCE FUNDS

- Government Insurance Category 2
- Small and large business Insurance Category 4
- Monthly Employee Reports Category 2
- DTM Category 2
- Refunds Category 2
- Claims Copies Category 2
- Statements of Remittance Category 2
- Deposit Reports Category 2
- Cancelled Bills Category 2
- Faxes Category 4
- Correspondences Category 4

5. BUSINESS OFFICE

- Contracts Category 2
- Notice of Personnel Actions (NOPAS) Category 1
- Retirement Category 1
- Copies of paid utilities bill Category 3
- Purchase Orders (PO's) Category 2
- Vendor Files Category 2

6. COMMISSIONERS OFFICE

- Legal Documents Category 1
- Correspondences Category 4

RECORD RETENTION SCHEDULE

(Suggested Guideline)

Keep I-6 Years
Bank deposit slips (3 years }
Bank reconciliation
Bills of Lading
Budgets (3)
Commission reports (6)
Correspondence-accounting (5), general (3)
Cost Accounting records (5)
Delivery receipts (3)

Keep 1-6 Years	Keep 7 Years	Keep 10 Years	Keep Permanently	Termination	Keep 7 Years(After disposal of the underlying asset)
Deposit Slips Copies (3)	Employee earnings records	Property tax records	<u>Checks</u> (cancelled for important payments, i.e. taxes, purchase of property, special contracts, etc. filed with the papers pertaining to the underlying transaction)	Mortgages (7)	
Equipment Leases (after expiration) (6)	Manufactures stock records	Sales and use tax returns	Contracts and leases still in effect	<u>Surety Bonds</u> (3) <u>Checks (paid and cancelled)</u>	
Equipment repair records (3)	Notes (cancelled)	Voucher register	Correspondence (legal & important)	<u>Depreciation Schedules</u>	
Interim Financial reports (3)	Option records		Deeds Mortgages and bill of sales	<u>Fixed Asset records</u>	
Fire damage reports	Payroll records and summaries including payments to pensioners		Depreciation Schedules	<u>Depreciation on property</u>	
Freight drafts, bills, claims (5)	Property damage reports		Dividend register	<u>Securities (brokerage slips)</u>	
Insurance policies (after expiration) (3)	Purchase invoices		Financial reports (audited annual)	<u>Options (7)</u>	
Internal audit reports (3)	Sales invoices		General & Private ledgers (also end of year trial balances)		
Internal reports-miscellaneous (3)	Sales slips (cash & charge)		Insurance records, current claims, policies		
Employee daily time reports (5)	Stock and bond certificates-cancel		Journal entries-year end		
Time cards, tickets and clock records (5)	Tax returns (payroll)		Stock ledger		

Keep 1-6 Years	Keep 7 Years	Keep 10 Years	Keep Permanently	Termination	Keep 7 Years(After disposal of the underlying asset)
Machinery maintenance records (5)	Tax returns (social security)		Minute books of Directors and Stockholders, including bylaws and charter		
Physical Inventory tags	Time books		Note register		
Petty Cash records (5)	Vouchers (copies)		Patent records		
Purchase order copies (3)	W-2 Forms		Pension records		
Receiving reports (1)			Property records Account ledgers Appraisal Deeds & Titles Plan and specifications Purchases Sales		
Remittance statements (3)			Stockholders reports		
Requisitions (1)			Tax returns State, Gift Income, worksheets, revenue agent reports and other documents relating to determination of liability		
Sales men's commission reports (6)			Title papers		
Shipping tickets (5)			Trademark records		
Stenographers notebooks (1)			Union (Labor) Contracts		
Stockroom withdrawal forms (1)			Warrants		
Travel records (employees) (3)			Plant Ledger		

