

Financial Records Retention

The Methodist University accounting offices maintain in their respective offices (at a minimum) files and records containing data relating to the current and prior fiscal year. Additional years may be stored in the respective offices if spacing permits. All other files and records are stored in the Records Room in the Maintenance Building.

When a determination is made to send files to the storage records room, said files and records are packed in storage boxes. The contents of the box are clearly marked on the outside of the box as well as a "DESTROY AFTER" date that coincides with the retention period (outlined below) assigned to the type of files being stored. These markings provide easier access for later retrievals when necessary and aid maintenance personnel in purging old files to make room for newer storage records. Maintenance staff periodically (generally annually, but may be longer) survey the records storage room for the purpose of purging older files. When it is determined that files can be removed and no longer retained, maintenance personnel contact the respective department directors to alert them to the intended destruction of said files. Depending upon the confidential nature of records, department directors may be called upon to verify and observe the destruction of records. Records are generally destroyed through the contracting of a professional shredding company that provides shredding services on the university campus.

The typical retention periods for various files stored by Methodist University are as follows:

Accounts Payable Invoices and proof of payment	7 years
Accounts Receivable/Student Accounts Files	7 years after collected or deemed uncollectible
Books of accounts	7 years
Banking records	7 years
Financial Statement; annual reports to government Agencies	Permanent
Budgets	Permanent
Payroll records	Permanent
Employee Personnel Records	5 years from termination; Permanent
Hourly Employee Timesheets	7 years
Retirement Plan records	5 years; permanent
Tax returns and supporting records	7 years at a minimum
Purchase Orders	7 years
Real Property Records	Permanent
Insurance Policies	Permanent
Design and Construction contracts	Life of Building
Other contracts	7 years after termination
Patent, trademark and other intellectual property records	Permanent
Litigation, claims, risk management, incident reports	7 years