

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### Department of Personnel and Administration Division of Finance and Procurement State Controller's Office Financial Records Retention Guidelines For Financial Related Documents

The following guidelines establish retention periods for selected financial records and information and identify the state agency/institution responsible for maintaining those records. These guidelines represent the minimum length of time that financial records must be maintained. Circumstances may exist that would require a state agency/institution to maintain certain financial records for longer periods of time. If longer retention periods are being used than those in these guidelines, a state agency/institution should document the reason. These guidelines permit state agencies/institutions to retain the financial records in a format that is the most appropriate for the agency/institution. (e.g. paper, microfilm, electronic, CD ROM etc.)

State agencies/institutions should develop record retention guidelines for financial records not specifically identified in these guidelines in accordance with CRS 6-17-104 which states: "Records retention period. Any record required to be created or kept by any state or local law or regulation may be destroyed after three years from the date of creation, unless such law or regulation establishes a specified records retention period or a specific procedure to be followed prior to destruction."

The Office of Information Technologies (OIT) within the Governor's Office is responsible for the operation of the Colorado Financial Reporting System (COFRS). While the State Controller's Office is the official custodian of all state financial records (see Fiscal Rule 1-3), OIT is responsible for the safekeeping of all COFRS related information, such as online tables and ledgers, and generated reports and is responsible for the retention of the COFRS information and for the reports generated by the system. INFOPAC is designated as the "Online" source of reports. OIT uses a combination of tapes and disks to store COFRS related information for longer periods of time. Information on the length of time COFRS maintains each report is available from Application Services in OIT. Departments are not required to keep COFRS generated reports unless they have documented need beyond the time frame published OIT schedule or unless specifically noted elsewhere in this document.

In addition, OIT is responsible for the record retention related to COFRS table information. COFRS tables contain point-in-time information. For purposes of record retention, COFRS will keep only the table information that exists at final year-end close. COFRS keeps on-line table information for five years for all tables. COFRS will keep selected budget tables and ledgers, including APPI, AFSI, AFSC, AFCI, LBLI, and OLBL on-line for seven years. In addition, COFRS will keep the BSOPEN, GENERAL, BUDGET, and related Year-to-Date Ledger files for 10 years. State agencies/institutions will need to maintain table related information at other points in time during the year or for longer periods based on the needs of the state agency/institution.

The guidelines are organized by subject area. In many cases, the guidelines refer to COFRS documents. Documents used in stand alone financial system that interface information to COFRS should be retained in accordance with the time frames for the similar COFRS document. All retention periods identified are based on fiscal years and are in addition to the current fiscal year.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### **A. PROCUREMENT RECORDS**

###### 1. Canceled Solicitation Files

Formal solicitations (IFB's, RFP's and DQ's) to provide products or services that were canceled prior to executing a contract. Information includes pre-solicitation documentation on requirements and specifications, offers opened prior to cancellation, documentation on government action up to the time of cancellation, and the official reason for the cancellation, as required by statute and rule.

Retention: Retained by state agency/institution requesting the bid for one year.

###### 2. Contract Controversies and Appeals Files

Files consisting of notices of appeal and acknowledgments, correspondence between parties, copy of contract, plans, specifications, exhibits, change orders and amendments, transcripts of hearings (if applicable), documents received from parties, final decision, and other relevant records.

Retention: Retained by the office processing the appeal for six years after expiration or termination of the contract.

###### 3. Contract and Purchase Order Files

Contract files that document procurements for any amount and type, including contract, requisition, purchase order, lease records, tax exemption certificates, correspondence, basis for award, contract administration records of every type including but not limited to payroll files, receipts, inspection reports, audit information, and payments.

Retention: Contracts signed by State Controller retained by the State Controller's Office for three years after the contract term ends and then sent to State Archives for an additional three years.

Contracts signed by delegated state agencies/institutions retained by delegee for six years after the contract term ends.

###### 4. Leasing Contract Files

Building or equipment leases and related records documenting agreements, services, and payments

Retention: Retained by state agency/institution entering into the lease for six years after expiration or termination of contract.

###### 5. Purchase Requisitions for amounts below purchase order threshold.

Retention: Retained by state agency/institution for one fiscal year.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### 6. Real Property Acquisition Files

Title papers documenting the acquisition of real property by purchase, condemnation, donation, exchange, or otherwise.

Retention: Retained by state agency/institution for six years and transfer to state archives to retain permanently.

##### 7. Successful Bids and Proposals

Solicited and unsolicited successful bids and proposals to provide products or services to an agency by a private contractor.

Retention: Retained by state agency/institution for six years after expiration or termination of the contract.

##### 8. Expendable-Supply Management Files

Inventory reports, documents supporting orders for/from inventory.

Retention: Retained by state agency/institution for three months.

##### 9. Tax Exemption Files

Tax exemption certificates and related records.

Retention: See contract/ purchase order file guidelines above.

##### 10. Unsuccessful Offers (Bids and Proposals)

Solicited and unsolicited unsuccessful bids and proposals to provide products or services to the state.

Retention: Retained by state agency/institution for two years after contract signed or purchase order issued.

##### 11. Electronic Records on BIDS

All official electronic information residing on the BIDS server.

Retention: Retained electronically on BIDS server for 10 years.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### 12. Protest and Appeal Records

Copies of protests, appeals, protest decisions, appeal decisions and evidence or records supporting the decisions.

Retention: Retained by state agency/institution for one year after contract or purchase order signed.

#### **B. BOND DOCUMENTS**

##### 1. Bond Official Transcripts

Official files regarding authority to permit bond negotiations with paying agent.

Retention: Retained by Department of Treasury for three years and then transferred to State Archives.  
Retained by State Archives permanently.

##### 2. Bond Registration Files

Issuing agent's copies of bond registration stubs.

Retention: Retained by state agency/institution issuing bonds for 2 years.

##### 3. Bonds, Notes and Coupons Paid

Coupons and notes redeemed throughout the life of the bond.

Retention: Retained by the Department of Treasury for one year after redeemed by paying agent.

##### 4. State General Obligation Bonds

Documents supporting debt authorized by the Legislature under the guidance of the State Bonding Committee. This debt represents an obligation supported by the full faith and credit of the State.

Retention: Retained by the bond issuer for one year after the bond is paid or otherwise retired.

##### 5. State Revenue Bonds/Notes

Documents supporting debt issued by the State that are supported by a specific revenue source of the state. Example includes Tax Revenue Anticipation Notes or TRANS.

Retention: Retained by issuing agency/institution for one year after paid or otherwise retired.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### **C. BUDGET RECORDS**

###### 1. Coded Long Bill

Annual signed appropriations act containing centralized COFRS coding for monitoring budgetary compliance.

Retention: Retained by the State Controller's Office for 10 years.

###### 2. Budget Document

State agency's annual budget request presented to the Legislature.

Retention: Retained by state agency/institution for three years.

###### 3. Budget Work Papers

Records used to assist in the preparation of the state agency /institution's annual budget request presented to the Legislature.

Retention: Retained by state agency/institution for three years.

###### 4. Annual Budget Reports

Financial accounting system reports obtained after the close of the fiscal year showing the status of a state agency/institution's compliance with annual appropriations.

Retention: Retained by state agency/institution for seven years.  
Permanent record with State Archives after seven years.

###### 5. Appropriation Documents

Accounting system transactions used to record spending authority limits approved by the executive and legislative branches.

Retention: Retained by State Controller's Office for five years. Retained by state agency/institution for two years.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### **D. CASH MANAGEMENT**

###### 1. Bank Records

Documentation of transactions within state bank accounts maintained by the Department of Treasury, or external bank accounts maintained by the agency. Information includes deposit slips, cancelled checks, debit/credit memos, bank adjustment memos, bank statements and bank reconciliation.

Retention: Retained by Department of Treasury/state agency/institution for three years.

###### 2. Cash and Credit Card Receipts

Receipt to customer for sales by the state agency/institution purchased with cash or credit cards.

Retention: Retained by state agency/institution for three years. The original credit card receipt maintained for the period stipulated by State credit card agreement, normally six months. A copy of the receipt may be kept for the remaining period.

###### 3. Deposits with State Treasurer

Deposit form and documentation of federal, cash or other funds recorded by the state agency/institution and deposited with the state treasurer.

Retention: Retained by state agency/institution for three years. Retained by the Department of Treasury (deposit form only) for three years.

###### 4. EFT Authorizations

Documentation relating to the authorization of payments via EFT

Retention: Retained by State Controller's Office for seven years after the last distribution per NACHA guidelines

###### 5. External Bank Account Authorization

Documentation of approval for external bank accounts by the state controller and state treasurer.

Retention: Current authorizations retained until accounts are closes. Closed accounts authorizations are retained by the State Controller's Office for two years.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### 6. Payment Logs/EFT and Warrant

Documentation relating to the disbursement of payment via EFT or state warrants, including EFT tape report.

Retention: Retained by State Controller's Office for five years.

##### 7. Warrant Reconciliation

Actual warrant (may be copy) issued for payment of goods and services, and warrant reconciliation and documentation.

Retention: Retained by the Department of Treasury for one year. Retained by archives for nine years, then destroyed.

##### 8. Warrant/Cancelled

Documentation relating to warrants expired and cancelled.

Retention: Retained by the State Controller's Office for five years.

##### 9. Warrant/Lost

Documentation relating to a lost and replaced warrant.

Retention: Retained by the State Controller's Office for five years.

#### **E. CONTRACTS**

##### 1. State Contracts

Contract files that document procurements for any amount and type, including contract, requisition, purchase order, lease records, correspondence, basis for award, contract administration records of every type including but not limited to payroll files, receipts, inspection reports, audit information, and payments.

Retention: Contracts signed by State Controller retained by the State Controller's Office for three years after the contract term ends and then sent to State Archives for an additional three years. Contracts signed by delegated state agencies/institutions retained by that agency/institution for six years after the contract term ends.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### 2. State Controller Delegation Authority Letters

Letters signed by the State Controller authorizing selected personnel from a department to sign contracts on behalf of the State Controller.

Retention: Retained by state agencies/institutions until such time as a new letter is issued or the delegation is rescinded by the State Controller.

Retained by the State Controller's Office indefinitely.

##### 3. Agency Signature Authority Forms

Forms completed by state agencies/institutions authorizing selected personnel to sign on behalf of the executive director or president.

Retention: Retained by state agencies/institutions until such time as it is changed by the chief executive officer of the state agency/institution.

Original letter retained by the State Controller's Office maintains a file of these authorizations indefinitely.

#### **F. EXPENDITURES**

##### 1. Employee Travel Reimbursement Vouchers and Records

Records relating to reimbursing individuals, such as travel orders, travel authorizations, per diem vouchers, transportation requests, hotel reservations, reimbursement requests, and all supporting records documenting travel by officers, employees, dependents or others authorized by law to travel.

Retention: Retained by state agency/institution for three years.

##### 2. Expenditure Accounting General Correspondence and Control Files

Correspondence or subject files maintained by operating units responsible for expenditure accounting pertaining to their internal operations and administration.

Retention: Retained by state agency/institution for three years.

##### 3. Federal 1099 Records

1099-MISC and 1099-INT original and corrected statements

Retention: Retained by State Controller's Office for four years from issuance.

Electronic tape of original and corrected 1099 information submitted to the federal government.

Retention: Retained by State Controller's Office for four years from issuance.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### 4. Inter-departmental Transfers

Prepared and used by agencies to request transfer of funds to another agency to pay for services rendered or goods provided. Information includes voucher number; date; accounting information on program or project charged; authorization; description of service or description, number and prices of units bought; selling agency, total amount charged, and all supporting documentation.

Retention: Retained by state agency/institution for three years.

##### 5. Petty Cash Records

Records verifying all money received and expended through a petty cash account. Include cash receipts, daily accounting records, reconciliation, transmittals, signed cash disbursement request with supporting receipts approved by the authorized approving authority.

Retention: Retained by state agency/institution for three years.

##### 6. Procurement Card Records

Credit card receipts and vendor receipts or bills of sale detailing the description, quantity and price of items purchased. Information showing the account charged on the accounting system and authorization for the purchase are included.

Retention: Retained by state agency/institution for three years.

##### 7. Vouchers for the Purchase of Goods and Services

Vouchers and all documentation related to the payment for agency and employee expenditures. Documentation includes original vendor invoices and statements, commitment documents, information verifying date goods or services were received, payment voucher reference number, description of transaction, date and amount of transaction, account information on projects or programs charged, and evidence of proper authorization of the charge.

Retention: Retained by state agency/institution for three years.

#### **G. FEDERAL AID BILLING (FAB)**

The COFRS Federal Aid Billing subsystem provides an automatic billing process for Federal Highway Appropriation (FHWA) projects. It specifies the funding sources for projects and then bills each source. The Department of Transportation (CDOT) is the only agency using the FAB subsystem.

Retention: Retained by state agency/institution based on federal requirements.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### H. FIXED ASSETS

###### 1. Fixed Assets (FAA)

The COFRS Fixed Asset Management subsystem provides a means of accounting for and reporting on fixed assets including programs for calculating depreciation on these assets. Currently only one state department is using this subsystem; however, all departments are required to account for their fixed assets. Fixed asset records are retained by state agencies

###### 2. Physical inventory records

Detail records showing fixed assets owned by a state agency/institution.

Retention: Retained by state agency/institution for three years.

###### 3. Depreciation schedules

Detail records showing estimated useful lives, current year depreciation expense, and total accumulated depreciation for individual assets or classes of assets.

Retention: Individual schedules retained by state agency/institution until three years after the asset is disposed. For classes of assets, depreciation schedules are retained for three years.

###### 4. Acquisition of fixed assets records

See contract and purchase order and voucher retention periods.

###### 5. Disposal of fixed assets records

Documentation supporting the sale or other disposition of state owned fixed assets. Records include the transfer of assets for disposal to the Department of Corrections, Division of Correctional Industries, Surplus Property. See "Schedule 14, Property Records" in this Records Management Manual for additional information.

Retention: Retained by state agency/institution for three years.

###### 6. Acquisition/disposal of real property

All paperwork related to the acquisition of real property.

Retention: Retained by state agency/institution as long as the property is owned. After disposition, it should be retained by the agency/institution for six years, then transferred to State Archives. See "Schedule 14, Property Records" in this Records Management Manual.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### **I. GENERAL LEDGER**

###### 1. Adjusting Journal Entries

Entries made to the accounting system that moves amounts between balance sheet and income statement accounts but does not result in the actual receipt or disbursement of cash. The entries contain the affected accounts and an explanation of the why the adjustment is being made.

Retention: Adjusting entries requiring State Controller/State Treasurer approval retained by the State Controller's Office/State Treasurer for five years. Duplicate copy retained by state agency/institution for three years.

Adjusting entry requiring only state agency/institution approval retained by state agency/institution for three years.

##### **J. GRANT FILES**

Official files regarding financial assistance received by a state agency/institution, from federal or private sources. Documentation includes: Grant award and modifications, budget, financial status reports, close out letter from grantor, and other related correspondence, reports and information as necessary to meet audit or statutory requirements of the granting agency.

Retention: Retained by the state agency/institution/grantee to satisfy the requirements of the grantor. Generally three years after the submission of the final grant report or until any pending audit, claim or litigation has been resolved.

##### **K. INVENTORY CONTROL (INV)**

The COFRS Inventory Control subsystem supports the requisition processing, inventory management, purchasing, and physical inventory reconciliation for a perpetual inventory. Other perpetual inventories may exist in the state with only totals from these subsidiary ledgers recorded on COFRS. Documents such as purchase orders, vendor invoices and payment vouchers are not part of inventory records.

Retention for these documents is addressed in other sections. Duplicate copies of these records by inventory managers are not required.

Retention: All inventory records are maintained at the state agency/institution. Each state agency/institution determines which documents, reports and other inventory records are critical to its operation. The minimum retention period for critical inventory records is one year plus the current. Reports and documents that are not critical should be kept only until the agency administrative needs are met. Year end counts and adjustments are kept for three years from the date of inventory.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### **L. LABOR DATA COLLECTION (LDC)**

The COFRS Labor Data Collection (LDC) subsystem facilitates the capture, costing and distribution of time sheet data for state employees. Labor Data Collection also facilitates position tracking and reporting of time record information. It is an integrated subsystem of COFRS and operates on a detailed cost accounting level (sufficient to capture costs for projects, grants, programs, functions, organizations and reporting categories).

Retention: All LDC transactions (e.g. AJ, TD, TS) with applicable supporting documentation (e.g. timesheets) are maintained at the agency for three years.

##### **M. PROJECTS (PRJ)**

The COFRS Project Accounting subsystem identifies and collects all project related information. It contains descriptive and financial information pertaining to project. This information is maintained in a separate ledger independent of the agency and organization structure. The ledger allows for reporting on multi-year projects. The project module is available for agency determined use.

Retention: Retained by state agency/institution based on individual state agency/institution policy and/or requirements.

##### **N. REVENUE/ACCOUNTS RECEIVABLE**

###### 1. Accounts Receivable Invoices

Invoices billing state and non-state organizations for goods or services provided by a state agency/institution.

Retention: Retained by state agency/institution for three years after receivable is paid in full.

###### 2. Loan Records

Records that document state funds disbursed by a state agency/institution with the requirement that the funds be repaid either by periodic payment or in a lump sum at some point in time in the future.

Retention: Retained by state agency/institution for three years after loan is paid in full.

###### 3. Receipt Books

Agency copy of receipts given to customers for cash payments received.

Retention: Retained by state agency/institution for three years.

# RECORDS MANAGEMENT MANUAL

## STATE GOVERNMENT AGENCIES

### SCHEDULE NO. 7

#### FINANCIAL RECORDS

##### 4. Revenue Contracts

Contracts entered into by a state agency/institution that results in earned revenue from services performed or goods supplied.

Retention: Retained by state agency/institution for three years after completion of the contract or the contract is paid in full.

##### 5. Taxpayer Records

Information obtained or generated by the Department of Revenue related to income or other taxes paid by taxpayers.

Retention: Retained by state agency/institution for 10 years.

#### **O. SECURITY RECORDS**

##### 1. Delegated Security Memorandum of Understanding

Agreements signed by each department granted the ability to maintain COFRS security for its employees. The agreement defines the effective dates, conditions, and limits of the delegation. The agreement is signed by person being delegated the responsibility to manage the security profiles, the department executive director, and representatives of the State Controller's Office.

Retention: Original agreement retained by the State Controller's Office for three years after the expiration of the agreement.

##### 2. Individual Employee Profiles

Initial set-up and changes to the security profiles of an employee. All profiles must be signed by the authorizing individual.

Retention: Retained by the state agency/institution for the duration of the authorized profile plus two years after the user's profile is changed or expires.