

Institute for Advanced Study Policy

Policy Title:	Financial Record Retention Policy	Issue date:	March 8, 2017
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POLICY STATEMENT

It is the policy of the Institute for Advanced Study (IAS) that all financial records and supporting documentation be retained for specific periods of times. These records must be managed according to procedures that are outlined in this policy.

REASON FOR POLICY

To set forth the requirements for record retention to preserve the Institute for Advanced Study's history, ensure that critical records are available to meet business needs, comply with legal requirements, ensure the preservation of records of permanent value, optimize the use of space, minimize the cost of record retention, and ensure outdated records are destroyed.

SCOPE OF THIS POLICY

This policy is applicable to all schools, departments, and/or IAS staff involved in the maintenance of records.

POLICY SECTIONS

- I. Administrative Responsibility
- II. Ownership of the Institutional Records
- III. Record Retention Periods and Disposition
- IV. Accessibility of Records
- V. Electronic Records and Use of Document Images
- VI. Records Related to Grants and Contracts
- VII. Record Retention Periods

POLICY TEXT

I. Administrative Responsibility

The Chief Fiscal Officer is responsible for developing document retention policies and standards for financial records, and for monitoring compliance with this policy and overseeing the quality, consistency and effectiveness of the Institute's financial records management systems.

II. Ownership of the Institutional Records

The Institute for Advanced Study's financial records are the property of the Institute and do not belong to those who prepare such records or to their official custodian. No employee has any personal or property right to financial records of the Institute, including those records the

employee helped develop or compile, and no employee may remove or copy such records for personal use.

III. Record Retention Periods and Disposition

Record Retention

The table below (Policy Section VII) lists how long records must be retained. No document list can be exhaustive. Questions regarding the retention period for any specific document or class of documents not included in the table should be addressed with the Chief Fiscal Officer.

Record retention periods may be increased by governmental regulation; judicial or administrative consent order, private or governmental contract, pending litigation or audit requirements. Such modifications supersede the requirements listed in this policy.

Record Retention Categories

Records fall into one of the three record retention categories:

1. Archival records (permanent);
2. Non-permanent records requiring retention for legal or audit purposes; and
3. Routine administrative records

Financial records must be retained for a minimum of seven (7) years from the fiscal year of creation, unless the retention schedule specifically states otherwise. It may be necessary to retain certain non-archival records for a period of longer than seven (7) years if they are required to support an audit, litigation or other matter.

Disposition of Records

At the end of the appropriate retention period, inactive records, including transaction records, inactive agreements and other non-permanent records, shall be destroyed according to the applicable schedule. The disposal process and methods must preserve the confidentiality of documents through the final point of disposition. Records containing personal and confidential information must be shredded. Non-confidential paper records may be put into recyclable containers.

If litigation is pending, threatened or anticipated, records bearing on such litigation must not be destroyed except by permission of the Institute's General Counsel. Similarly, documents under audit must not be destroyed. The Chief Fiscal Officer is responsible for notifying record custodians of any changes from the standard record retention period necessitated by audits or litigation.

IV. Accessibility of Records

Financial records must be easily retrievable for examination by authorized administrators, auditors and other authorized individuals. Records custodians must follow procedures for labeling and record-keeping to ensure that documents can be retrieved in a timely manner, and are responsible for retrieving documents upon request.

Records custodians, in consultation with IT professionals, are responsible for ensuring that electronic records are not rendered unusable because of changing technology or deterioration. Records in formats endangered by technology changes must be migrated to other formats in order to maintain accessibility.

V. Electronic Records and Use of Document Images

For purposes of this policy, an electronic record is any combination of text, graphics, data, audio, pictorial, or other information in digital form that is created, modified, maintained, archived, retrieved, or distributed by a computer system.

The Institute encourages the use of electronic records whenever they can increase efficiency and save resources, so long as their use meets legal and security requirements. Except as stated in Subsection A., below, when the law or the Institute policy requires a written document, individuals may meet this requirement by created and retaining an electronic record. Electronic records are legally binding and equivalent to written documents.

Except as stated in Subsection A., below, when the law or Institute policy require that a record be maintained in its original form, individuals may retain the record as an electronic record as long as:

- The electronic record is maintained in reasonable order and in a safe and accessible place, so that is readily inspected or examined;
- The electronic record is legible in its electronic form; and
- The electronic record is readily convertible into a legible paper copy.

Document imaging may be the most effective and efficient means for retaining certain types of records. Any department that is contemplating replacing original financial documentation with images of those records must consult with the Chief Fiscal Officer prior to implementing such a system. General Counsel should review proposals with the Chief Fiscal Officer and specify areas of concern. The Chief Fiscal Officer is responsible for issuing guidance to departments with regard to such implementations.

Departments proposing such systems must be prepared to demonstrate that the following requirements would be met:

- Electronic records must exhibit a high degree of legibility and readability;
- Paper copies or computerized books and records must be transferred to electronic storage media in an accurate and complete manner;
- Procedures must be developed to index, store, preserve, retrieve, and reproduce all electronically stored books and records;
- Controls must be developed to develop and insure the integrity, accuracy, and reliability of the electronic records; and
- Controls must be developed to prevent and detect the unauthorized creation, alteration, addition, deletion, or deterioration of electronically stored books and records.

A. Exceptions to Use of Electronic Records

Individuals may not use electronic records when Institute policies or federal or state laws or regulations do not allow their use. The following are important examples of records that cannot be retained electronically:

- promissory notes;
- notices involving mortgages or leases that could lead to the loss of a primary residence; and
- notices of cancellation or termination of health insurance, health benefits, or life insurance benefits.

VI. Records Related to Grants and Contracts

Refer to the Institute for Advanced Study's Financial Record Retention Policy for Federal Awards.

VII. Record Retention Table

The table below lists how long records must be retained. No document list can be exhaustive. Questions regarding the retention period for any specific document or class of documents not included in the table should be addressed with the Chief Fiscal Officer.

Record retention periods may be increased by governmental regulation; judicial or administrative consent order, private or governmental contract, pending litigation or audit requirements. Such modifications supersede the requirements listed in this policy.