**NAME:** End of Year Close-Out

**PURPOSE:** To establish a policy and procedure for CTRAC Staff to close-out a fiscal/calendar year.

**POLICY:**  CTRAC Staff shall close-out a fiscal/calendar year by January 15th of each year.

**REVISIONS:** Original 11.15.17

**PROCEDURE:**

During the down time in December, CTRAC Staff should close-out the current year.

1. All records that are no longer required to be kept per the CTRAC Records Retention Schedule should be shred appropriately.

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| **RECORD RETENTION SCHEDULE** | |
| **Description** | **Length of Retention** |
| Accident reports & claims | 7\* |
| Appraisals | P |
| Articles of incorporation, by laws | P |
| Assets records | 7\* |
| Bank statements, reconciliations | 4 |
| Bills of sale-assets | 7\* |
| Budgets & projections | 2 |
| Cancelled checks – general | 4\*\* |
| Capital stock & bond records | P |
| Charts of accounts | P |
| Check vouchers, stubs | 4 |
| Contracts & agreements | 7\* |
| Correspondence |  |
| * Credit and collection | 7 |
| * Routine with customers or vendors | 1 |
| * Other | 4\*\*\* |
| Credit memos | 4 |
| Damage and theft reports | 7 |
| Deeds | P |
| Deposit slips | 4 |
| Depreciation schedules | 7\* |
| Employee records |  |
| * Contracts | 7\* |
| * Disability, unemployment claims | 7 |
| * Employment applications | 4 |
| * Expense reports | 4 |
| * Personnel files | 7\* |
| * Time reports, earnings records | 4 |
| * Withholding & exemption certificates (W-2, W-4, etc.) | 4\* |
| Financial reports |  |
| * Annual, audited | P |
| * Interim | 4 |
| Freight bills, bills of lading | 4 |
| Insurance policies & records | 4 |
| Internal reports, memos, work orders, etc. | 2 |
| Inventory records | 4 |
| Invoices |  |
| * Fixed assets | 7 |
| * Sales & general expenses | 4 |
| Leases | 7\* |
| Ledgers & journals |  |
| * Cash receipts & disbursements | P |
| * General ledger, journal entries | P |
| * Payroll journal | 4 |
| Licenses | 4\* |
| Minute books | P |
| Mortgages | 7\* |
| Notes | 7\* |
| Pension & profit-sharing records | P |
| Purchase orders, invoices | 4 |
| Purchases & sales | 7 |
| Receiving reports | 4 |
| Repair & maintenance records | 4 |
| Shipping reports | 4 |
| Subsidiary ledgers (receivables, payables, etc.) | 7 |
| Tax returns and related records |  |
| * Income | P |
| * Payroll | 4 |

P means records should be kept permanently

\* Retention period begins with settlement of claims, disposal of asset, termination of contract, etc.

\*\* Some should be kept longer, e.g. checks for tax payments should be kept with the tax returns, checks for asset acquisitions should be kept with bill of sale, etc.

\*\*\* Legal and important correspondence should be kept as long as the documents to which they relate.

1. All old calendars should be filed and new calendars put up.
2. Accounting close-out is not officially done until an audit (if applicable that year) and tax return are completed.
3. In preparation for the new year, the Manager should contact CPA to ensure appropriate depreciation is set correctly.
4. In preparation for the new year, the Manager will contact current landlord for CTRAC Offices/Storage to confirm amount of donated facilities/lease agreements.

**WRITTEN BY: Jennifer Henager, RAC Manager**

**APPROVED: DATE:**