

VCBA Records Retention And Destruction of Association Files

Background

The Ventura County Bar Association (VCBA), like many others, has experienced a proliferation in the number and amount of files that it retains on its premises. The proliferation has resulted not only from the increase in the volume of work performed by the program and services of the VCBA, but also from the uncontrolled collection of duplicative and unnecessary materials within files and the lack of reasonable policy concerning the destruction of outdated files.

Given the important role of the attorney in society and the Bar's singular authority over the provision and providers of legal services, the bar is committed to maintaining its records in a manner that makes them as open and available to the public as reasonably as possible. Opening, using and storing files consumes valuable association resources. "To retain documents beyond their periods of usefulness runs certain risks should an antitrust or other investigation be brought against an association."¹

The Internal Revenue Code specifically requires organizations that have federal income tax exempt status to maintain records and make them available for inspection by IRS agents, for example, an audit.

Accounting Ledgers – 7 years
Agendas/Minutes of Governing Bodies – Permanently
Bank Reconciliation (Cancelled checks and other supporting documentation for income and expenses) – 7 years
Cancelled Checks – years
Contracts – 7 years (After expiration/termination of contract)
CPA Audited Annual Report – Permanently
Employee Personnel Records – 7 years (After separation of employment)
Insurance Policies – 7 years (After date of expiration/termination of the policy)
Invoice Records – 7 years
Legal Correspondence – 7 years
Payroll Records – 7 years
Petty Cash Records – 7 years
Payment Records – 7 years
Tax Return Records – Permanently

The method for records destruction shall be at the discretion of the Executive Director.

¹ Jerald A. Jacobs, Association Law Handbook, Third Edition. 1996, p.67.