



Judicial Council of California

Administrative Office of the Courts

Trial Court Financial Policies and Procedures

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RECORD RETENTION

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Record Retention

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(Revised 8/02)

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2.0 Purpose

(Original 8/01)

The purpose of this policy is to establish uniform guidelines for the trial court to retain financial and accounting records.

3.0 Policy Statement

(Revised 8/02)

It is the policy of the trial court to retain financial and accounting records in compliance with all statutory requirements. Where legal requirements are not established, the trial court shall employ sound business practices that best serve the interests of the court. The trial court shall apply efficient and economical management methods regarding the creation, utilization, maintenance, retention, preservation, and disposal of court financial and accounting records.

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4.0 Application (Original 8/01)

This policy applies to all trial court officials and employees who create, handle, file, and reproduce accounting and financial records in the course of their official responsibilities.

5.0 Definitions (Revised 9/10)

Refer to the Glossary for the following key terms used in this policy.

Record

6.0 Text

6.1 General Guidelines

(Revised 8/02)

1. The trial court is part of the judicial branch of the California state government. As such, the court shall observe all applicable requirements of the State of California Government Code. However, statutory requirements are not specific to all trial court accounting and financial records.
2. In the absence of a statutory or AOC-required retention period, trial court management shall follow reasonable and generally accepted business practices to maintain court records for as long as they serve the needs of the court. Generally, a retention period of three years is considered to be reasonable in the absence of a stated legal requirement.

(Revised 9/10)

3. Some departments or court officers may find it advisable to preserve certain records, papers, or documents for longer periods if their content is material to the administration of their duties or if the records may have future value to the court. The main reason for retaining records is for research purposes and to support audits and litigation.
4. The trial court shall establish and administer a records management program to efficiently and economically manage the retention, utilization, preservation, and disposal of court financial records.
5. As shown in the following table, the AOC has established a five-year (current year plus four) retention period as the standard for retention of a wide range of court financial documents. The trial court must comply with this standard in the absence of a specific retention period

required by statute or the AOC. Specific record retention periods are provided in Section 6.2, Specific Record Retention Requirements.

Trial Court Financial and Business Record Retention Standards

Type of Record	Required Minimum Retention Period
Accounts Receivable	Current year plus four additional years
Accounts Payable	Current year plus four additional years
General Ledger, Journals	Current year plus four additional years
Payroll	Current year plus four additional years
Cash Statements	Current year plus four additional years
Claims and Warrants	Current year plus four additional years
Receipts for Fines, Fees, Penalties Collected and other collection receipts	Current year plus four additional years (or from the close date of the State Controller's Office audit, whichever is longer)
Budgets	Current year plus four additional years
Fixed Assets	Current year plus four additional years
Inventory Records	Current year plus four additional years

6.2 Specific Record Retention Requirements (Revised 9/10)

The following sub-sections provide the record retention periods for specific types of documents as established by statute or by the AOC in the absence of a statute or state guideline. The court shall follow the requirements provided in this procedure for documents in its control.

However, for documents that are in the county's possession, county retention policies apply.

6.2.1 Claims and Warrants

Claims and warrants documents/documentation shall be retained for five years. The trial court may destroy any claim, warrant, or other paper issued as a warrant voucher that is more than five years old. Any index or warrant register may also be destroyed after five years. These records may be destroyed at any time if they have been permanently reproduced and the copies are retained for five years after the date of the document. Any index or warrant register that is more than five years old may be destroyed without being reproduced.

6.2.2 Deposit Certificates

The County Treasurer cannot accept a deposit to the treasury unless it is accompanied by the certificate of the County Auditor/Controller. The trial court shall obtain copies of the certificates and retain them for five years, or shall ensure that the county shall retain the certificates for five years. The original certificates may be destroyed after one year if they are permanently reproduced and the copies are retained for five years (or from the close date of the State Controller's Office audit, whichever is longer) after the date of the document.

6.2.3 Receipts

Receipts issued for money collected by the court shall be retained for a period of five years.

6.2.4 Bank Account Records

Bank deposit books, deposit slips, bank statements, check stubs, and cancelled checks must not be destroyed until approval has been given to do so by the State Controller's Office and the Presiding

Judge or assigned designee for bank records associated with Government Code sections 68101 through 68103, and only the Presiding Judge or assigned designee for other bank records. These records must be available to allow auditors to perform required audits.

6.2.5 Contracts

Records pertaining to all contracts involving expenditures of public funds in excess of \$10,000 shall be retained for a period of five years after final payment has been made under the contract.

6.2.6 Purchase Requisitions

Purchase requisitions shall be retained for three years. After the three-year retention period has expired, these records may be destroyed. Purchase requisitions do not need to be permanently reproduced (GC 25501.5).

6.2.7 Grant Records

Financial records, supporting documents, and other records pertinent to a grant shall be retained by the trial court for a period of three years after submittal of the final grant expenditure report. Records related to audits, appeals, litigation or the settlement of claims arising out of a grant program or project shall be retained until such audits, appeals, litigation or claims have been resolved or until the end of the normal three year retention period, whichever is later (28 CFR Section 66.42).

6.2.8 Other Financial Documents

Financial documents including, but not limited to, Quarterly Financial Statements, annual financial reports, audit reports, etc. shall be retained for five years.

6.3 Destruction of Records

6.3.1 Authorization

(Revised 9/10)

The destruction of court financial records may only be authorized in writing by the Court Executive Officer or written designee.

6.3.2 Duplicate Records

(Original 8/01)

The Court Executive Officer may at any time authorize the destruction of any duplicate record, paper or document if the original or a permanent photographic reproduction is in a court file.

6.3.3 Permanently Reproduced Records

1. The Court Executive Officer may authorize the destruction of any original or duplicate record, paper or document that is not expressly required by law to be filed and preserved, if it has been permanently reproduced. Acceptable reproduction media for payment retention include:
 - a. Photographs.
 - b. Microphotographs.
 - c. Reliable electronic medium.
 - d. Film of a type approved for permanent photographic records by the National Bureau of Standards.

6.3.4 Two Year Retention

1. The Court Executive Officer may authorize the destruction of any original or duplicate record, paper, or document that is more than

two years old if either of the following conditions applies (GC 26202):

- a. It was prepared or received in a manner other than pursuant to a statute.
 - b. It was prepared or received in a manner pursuant to a statute or a county charter, but is not expressly required by law to be filed and preserved, if the Court Executive Officer determines that retention is no longer necessary.
2. Such records do not need to be reproduced for permanent retention.

6.4 Record Indexing, Filing and Retrieval

(Revised 8/02)

1. The trial court shall develop and implement an effective indexing and filing system to facilitate the timely and convenient identification and retrieval of retained financial and business records. The trial court filing system shall establish:
 - a. Consistent standards and procedures for classifying, indexing and filing court records.
 - b. The official-file locations for records retained on various media.
 - c. The trial court personnel responsible for the management, maintenance and disposition of trial court financial and business records.
 - d. Standard procedures for finding, charging out, and refiling records stored on various media to minimize the risk of loss or unauthorized additions, deletions or alterations.
2. Trial court financial documents shall be segregated by fiscal year. Documents from more than one fiscal year shall not be filed or stored together.

3. Document file folders, file drawers, storage boxes, and shelves shall be clearly and consistently labeled according to standards established by the trial court.
4. A database of retained documents shall be established and maintained to facilitate the retrieval of stored business and financial documents. At a minimum, the following information shall be included in the database:
 - a. The type of document being filed or stored (e.g., bank statements, accounts payable, inventory, etc.).
 - b. The time period covered by the record or records (e.g., Fiscal Year 2001, January through March).
 - c. The location where the record or records will be kept (e.g., Trial Court Records Room, File Cabinet or Box No., Shelf No.).
 - d. The date the record or records are originally put into storage.
 - e. The department that submitted the record or records for storage.
5. The trial court shall inform employees about the types of records that must be retained and the procedures for record filing, retrieval and refiling.

6.5 Record Storage and Preservation

(Revised 8/02)

1. Depending on its recordkeeping arrangement with the county, the trial court shall establish the following provisions:
 - a. All records, whether reproduced or retained in original form, shall be stored so as to be conveniently accessible.
 - b. Provisions must be made for preserving, examining, and using retained records. Security measures will be taken to prevent the loss of records and to safeguard information.

- c. Microfilm will be stored in a fireproof cabinet to ensure the safety of those records for the specified retention periods. Adequate equipment shall be provided to view and provide printouts of stored records.
- d. Information that is maintained on a computer shall be retained on a reliable medium for the time periods prescribed. The trial court may transfer computer data in machine-readable form from one reliable computer medium to another.
- e. The trial court's computer data retention and transfer procedures shall maintain the integrity, reliability and security of the original computer data. For the record retention time periods prescribed, the court shall not destroy, discard, delete, or write over such computer data.

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7.0 Associated Documents
(Original 8/01)

None