

**The NATIONAL FRATERNITY of the
SECULAR FRANCISCAN ORDER - USA**

Office of the Treasurer

RECORD RETENTION

The Internal Revenue Service requires records be kept for at least three years for income and expenses related to a filed tax return. For an organization such as ours, which is not required to file tax returns, a longer retention would be appropriate since any review by the IRS would cover all years for which returns have not been filed. In addition, records dealing with capital purchases, such as a computer, or a car, etc., must be kept with records for the year of disposal of the asset. Another consideration is the possibility of an audit by the Executive Council itself, since they have the right to do so at any time. However their requirements would probably not exceed those of the IRS.

Based on these general principles, we believe it is best to retain our records for a period of six (6) years. This includes records of all transactions - income and expenses (with supporting documentation), plus all bank records and investment information. Records of capital assets are maintained until six years after disposal. Therefore financial records of the year ended 12/31/17 would be kept until 12/31/23.

Records should be maintained in yearly binders as well as duplicate information kept electronically on flash drives. It is recommended that at the Regional and National level an accounting program such as Excel or Quicken be utilized to facilitate record keeping and backup information.

If someone else replaces you in the meantime, you should of course turn all retained records over to your successor.

4-22-18