

RETENTION OF LEGAL AND FINANCIAL RECORDS

Because churches in the United Church of Christ own their own buildings, call their own pastors, create and adopt their own bylaws, elect their own leaders, and control their own affairs, it is important that they maintain good records. It is recommended that a local church create a policy describing the retention of various files and who is responsible for doing this. Consider the following recommendations for file retention.

Legal and Property Related Documents

To be kept Permanently:

- Articles of incorporation
- Church Bylaws
- Minutes of all congregational meetings
- Minutes of the governing board and official committees
- Church policies and procedures
- Tax-exempt status reports and documentation of the congregation's nine-digit federal employer identification number
- Deeds, titles, surveys, leases, mortgages, easements, blueprints and bills of sale
- Insurance policies (current and retired) – including claims
- Copies of letters of call to the pastors and employment contracts for lay church workers
- Documentation creating endowment funds and policies for bequests, gifts, and endowments
- Personnel handbooks and employee benefit programs
- Legal correspondence
- Property appraisals

Financial Records

Financial Records should be in Hard Copy or computerized (if computerized, will need to be updated as computer storage data changes)

To be kept Permanently:

- Annual audit report
- Treasurer's report and the congregation's budget should be attached to the minutes of the annual congregational meeting
- Information on permanent bequests, gifts, and endowments
- Chart of Accounts
- Canceled checks made for important payments such as taxes, purchase of property, special contracts, etc.
- List of all bank accounts, account numbers - purpose, date opened and date closed.

To be kept for Seven Years

- Canceled checks or copies of canceled checks (other than those listed for permanent record)
- Bank reconciliations
- Payroll administration records such as W-2, W-4 forms and payroll registers
- Cash receipt journals
- Journals and ledgers: accounts receivable journals, account payable journals payroll journals
- Record of member giving (All records related to congregational spending are open. All records related to member giving are confidential and should be secured)
- Annual inventory records of furniture, fixture and equipment, materials, etc.

To be kept for Three Years...

- General invoices (for major purchases, you may wish to keep receipts or canceled checks as evidence of ownership for insurance purposes)

No need to retain offering envelopes

Personnel Records

To be kept Permanently:

- Letters of Call with pastors and contracts with lay workers
- Information relating to worker's compensation or other claims by an employee
- Information that relates to a possible claim or lawsuit by others involving the employee's conduct or duties
- Information, including background checks and letters of recommendation, that attest to the employee or volunteer's fitness to fulfill a responsibility or perform a service should be retained for up to 40 years.

Church Register: Vital Statistics

There should also be a permanent record of church statistics that include:

- Permanent roll of members
- Baptisms
- Marriages
- Funerals
- Pastors of the Congregation
- Other professional lay workers of the congregation such as Christian educators and music directors
- Roster of officers of the congregation.

The information above has been adapted primarily from "Records Management for Local Churches" produced by the Congregational Library. The entire booklet can be downloaded from the website: www.congregationallibrary.org.