

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

**Office of the Treasurer**

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**RECORD RETENTION**

The problem of record retention is a difficult one and perhaps I see more problems than the next person due to the nature of my profession. Nonetheless I do not think a one or two-year retention is sufficient. I will attempt to get the Executive Council to adopt an official policy on this along the following lines.

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, I believe it is best to retain our records of income and expenses, including all bank records, for a period of 6 years, and records of capital assets until six years after disposal. Therefore for records of the year ended 12/31/91, keep them until 12/31/97. If someone else replaces you in the meantime, you should of course turn all retained records over to your successor.