

# 19. Record Retention

(34 CFR, Part 80.42)

## Overview

A school district must obtain and have access to all financial programmatic records, supporting documents, statistical records and any other records pertaining to federal or state programs. Record retention requirements are contained in both state and federal guidelines.

## Requirements

All recipients of federal funds must keep records that fully disclose the amount and use of those funds, the total cost of activity for which the funds are used, the share of cost provided from other sources, and such other records as will facilitate an effective financial or programmatic audit.

The federal retention period is three years for all financial and programmatic records. The starting date of retention begins on the day the final expenditure report is submitted. The retention period for equipment records starts on the date of disposition or replacement or transfer. If any litigation, claim, negotiations, audit or other action involving the records started before the end of the three year period, the records must be retained until completion of the action and resolution of all issues or until the end of the three year period, whichever is later.

The state Public Records Board requires records on federal funds be kept the current year, plus four (4) years after the close of the fiscal year, unless litigation is started (see above). This action was taken to insure school districts kept records for sufficient time because not all federal grants are issued on a fiscal year basis (July 1 through June 30).

## Resources

Federal guidance document at: <http://www.ed.gov/policy/fund/reg/edgarReg/edlite-part80c.html>

Department of Public Instruction Financial Management Handbook for Federal and State Grant Programs at <http://www.dpi.state.wi.us/sms/handbook.html>