

FISCAL OPERATIONS

Fiscal operations encompasses most activities undertaken by agencies to manage, account for, collect, and expend funds. Records Disposition Authorizations for this section are subdivided into five functional areas as follows:

- Fiscal Administration
- Purchasing/Claims and Payments
- Revenue and Collections
- Accounting Records
- Bank Transactions.

Records related to budget preparation or payroll are covered in other sections of this schedule.

***Note:** Chapter 13 of the State Finance Law, known as the “False Claims Act,” allows a state agency to bring a civil action to recover financial losses from a fraudulent claim. This statute may require that certain records covered by items in the Fiscal Operations and other sections be retained longer than their stated legal minimum retention periods, in some cases up to 10 years. In instances involving potential actions under the “False Claims Act,” agency officials may wish to consult with their attorney to verify whether any specific records warrant longer retention.*

***Note:** This section includes items that are applicable to records maintained by the Statewide Financial System (SFS), Business Services Center (BSC), and agencies. For transactions processed within SFS, SFS holds the official record of the transactions and, in some cases, the associated attachments, and is responsible for retention and disposition of SFS records. Consult the Office of the State Comptroller’s Guide to Financial Operations and SFS’s Records Retention within the Statewide Financial System (SFS) document for up-to-date information on what SFS modules are fully operational and what attachments are maintained as part of the official record of the transaction in SFS. Agencies or BSC are responsible for the retention and disposition of attachments that may be deleted within SFS and are not retained as part of the official record. As SFS continues to evolve, periodically check the resources noted above and update your retention policy accordingly.*

This section includes terms that refer to specific terminology and types of transactions used by SFS. Definitions for those terms are as follows:

- “Approved” and “posted” transactions are those that have been submitted to and approved by OSC after approval by agency business unit or BSC. They do not refer to transactions that have been approved only at the agency level.
- “Denied” transactions are those that are not approved by the agency business unit, BSC, or OSC and returned to the requester who must modify and resubmit it.

- *“Rejected” and “canceled” transactions are those that are terminated by the agency business unit or OSC and cannot be resubmitted to the SFS workflow. Incomplete or withdrawn transactions are categorized as rejected.*

Control Agencies: The State Comptroller is the chief fiscal officer for New York State government and heads the Office of the State Comptroller (OSC). OSC audits agencies, oversees the State Finance Law, and prescribes methods of bookkeeping, filing, and rendering accounts. The Division of the Budget (DOB) oversees agency budget preparation and must preapprove the expenditure of allocated funds by agencies. The Statewide Financial System, the project, is responsible for managing New York state government's accounting and financial management system. The Office of General Services (OGS) operates a centralized contracting service for purchases of common goods and services by agencies and the Business Services Center provides both human resource and finance transactional services.

Records Not Covered:

- *Records created or maintained by control agencies (e.g., OSC, DOB, or OGS) that are used to carry out or document government-wide approval, control, audit, or oversight responsibilities. Records related to the development, planning, and overall administration of SFS (excluded are SFS transactional records).*
- *Records related to capital construction. These records may have longer retention periods than other fiscal records. For example, contracts and related records which document the design and construction of a structure generally should be maintained for the life of the structure plus 3 years to protect an agency against tort claims.*
- *Records related to the acquisition or sale of real property. Contracts and related records involving the state's rights in or title to real property, the rents or profits therefrom, or a citizen's real property claims by virtue of Letter Patent or a grant from the state, have a statute of limitations on a claim against such a contract of twenty years after expiration (CPLR, sec. 211 (c) and (d)). This statute of limitation exceeds the "6 years after expiration of contract" statute of limitation applied to most other contracts. Moreover, some fiscal records related to the acquisition or sale of real property may contain information of long-term value for research purposes. These records must be scheduled separately and should be evaluated by the State Archives before destruction.*
- *Records that document the receipt, management, and/or expenditure of federal funds and which are subject to specific federal retention requirements longer than the retention periods authorized in this schedule. These records must be scheduled separately to meet federal retention requirements.*

FISCAL ADMINISTRATION -- Fiscal administration includes agency fiscal policy development and implementation, ensuring compliance with state fiscal policies and procedures, reporting financial status and activities, reconciling accounts, and responding to audits.

90100 General Subject and Correspondence Files -- Records used to support general agency fiscal management (usually arranged alphabetically by subject), including correspondence, memoranda, and reports pertaining to budget preparation, purchasing, general fiscal matters, and internal fiscal policies and procedures.

Minimum Retention and Disposition: Destroy 3 fiscal years after creation.

Justification: This retention ensures that any supporting material for audits is retained and allows weeding of obsolete and superseded records on a 3-year cycle. Agencies may wish to keep certain records in this series longer than the legal minimum.

Note: Agencies should not use this item for records which are covered by separate authorizations in this schedule.

◆◆ **90101 State Fiscal Policies and Procedures Records** -- Agency copies of memoranda, rules, orders, procedural instructions, regulations, bulletins, notices, and any other instructions issued by OSC, DOB, OGS, or other control agencies which are directive in nature or explain policies or procedures relating to the fiscal and administrative responsibilities of an agency's fiscal office.

Minimum Retention and Disposition: Destroy after superseded or obsolete.

Justification: DOB, OSC, OGS, SFS, and other control agencies maintain the record copy of these records for an extended retention period. Once a policy or procedure is superseded or obsolete it has no value to an agency.

Records Not Covered: Record copies of policies and procedures maintained by DOB, OSC, OGS, SFS, or other control agency.

◆◆ **90389 Budget Journals and Budget Transfers** -- Budget journals, formerly “budget certifications,” are used to establish or change the budgeted amount for controlled or tracked budgets. The budget transfer process in SFS allows for both Intra-Agency budget transfers (within an agency) (known as an interchange) and Inter-Agency budget transfers (between agencies) (known as a suballocation).

a. Approved and posted transactions:

Minimum Retention and Disposition: Destroy 6 fiscal years after lapse of funds.

b. Denied transactions:

Minimum Retention and Disposition: Destroy 6 fiscal years after lapse of funds.

c. Canceled transactions:

Minimum Retention and Disposition: Destroy after 90 days.

Justification: Records are retained 6 years after lapse of funds to meet OSC's audit requirements and the statute of limitations for felony prosecutions.

◆◆ **90103 Routine Internal Status and Activity Reports** -- Internal statistical and narrative reports created by an agency on the routine operations and functions of a fiscal office, including weekly, monthly, and quarterly reports used for operations, management analysis, and planning.

Minimum Retention and Disposition: Destroy after report is updated, superseded, or obsolete.

Justification: Most reports have limited value after they are superseded or updated. Agencies may choose to retain selected summary reports longer to track operational trends or for planning.

Records Not Covered: All audit reports and reports created outside the agency.

◆◆ **90104 Nonroutine Financial Reports and Studies** -- Reports and studies created for fiscal, accounting, and administrative review or analysis by the agency, another state agency, a federal agency, or an external party, including equity and escrow reports, fringe benefit studies, facility usage reports, cost comparison studies, sales reports, and investment practice studies.

Minimum Retention and Disposition: Destroy 3 fiscal years after creation.

Justification: Records are maintained for audit purposes, as well as for budget and long-range financial planning. Some reports have reference value beyond the 3-year retention period and may be retained longer.

Records Not Covered: All audit reports and reports created outside the agency.

◆ **90105 Audit Reports, Responses and Work Papers** -- Agency copies of audit reports created by OSC, agency internal auditors, and other state, federal, or private agencies that monitor, examine

and verify the accounts and fiscal affairs of an agency, and agency responses. Also includes work papers for agency internal audits.

Minimum Retention and Disposition: Destroy reports and responses 3 fiscal years after the issuance of the report. Destroy work papers 1 year after completion of report.

Justification: After 3 years, audit reports normally become obsolete for administrative purposes. Agencies may want to keep audit reports for longer than the minimum retention period for reference and administrative purposes. Work papers can be used for reference for 1 year following completion of report.

Records Not Covered: Official copies created by OSC or other control agencies in performing their auditing function. Also does not cover audit reports and responses which are subject to longer retention requirements of federal or other funding agencies. Agencies should submit separate disposition requests for any records subject to longer retention requirements.

90106 Reconciliation Work Papers -- Intermediate fiscal records of receipts and disbursements used to reconcile accounts, including spreadsheets, proof sheets or trial balance worksheets, and abstracts of receipts, disbursements, or claims.

Minimum Retention and Disposition: Destroy 3 fiscal years after creation.

Justification: These records are retained for audit purposes.

◆◆ **90390 Credit Card Administration Records** -- Records documenting the application and approval to use procurement (P-cards) and travel (T- and NET- cards) credit cards issued to individual agency staff or offices, including credit card applications, approvals, change requests, and card recipient acknowledgment forms.

Minimum Retention and Disposition: Destroy application documents 6 fiscal years after account closed and destroy supporting documentation after 6 years plus the balance of the calendar year of (i) the payment or (ii) the delivery of the goods and services related to the purchase, whichever occurs later.

Justification: These records are retained for audit purposes.

Records Not Covered: Monthly credit card summary reports and supporting records.

◆◆ **90391 Monthly Credit Card Summary Reports and Supporting Records** – Records documenting the reconciliation and approval of procurement credit card (P-card) transactions, including a monthly procurement log, monthly credit card statement and supporting documentation, such as original order, invoice, receipts, correspondence, and receiving notices.

Minimum Retention and Disposition: Destroy 6 years plus the balance of the calendar year after (i) the payment or (ii) the delivery of the goods and services related to the purchase, whichever occurs later.

Justification: These records are retained for audit purposes.

PURCHASING/CLAIMS AND PAYMENTS -- This section covers all contract and non-contract records related to purchases of goods and services or payment of claims, except for records of contracts related to capital construction or land purchases.

◆◆ **90392 Purchase and Contract Records** -- Records related to the purchase of goods and services (approved and denied transactions) including purchase requisitions and justifications, vendor solicitations, requests for proposal, price quotations, contracts, leases, bonds, bid proposals, specifications, procurement and procurement contact records, procurement record checklists, purchase orders, and justification of vendor selection and price reasonableness

Minimum Retention and Disposition: Destroy 6 years plus balance of the calendar year after contract expiration or denial, completion of procurement, or final payment, whichever occurs later.

Justification: An agency's copy of records related to an agency-let contract file, including supporting documentation, must be maintained for 6 years after expiration of the contract to satisfy the statute of limitations on litigation involving a contract (Civil Practice Law and Rules, Article 2-213). Agency procurement records must be maintained for 6 years after the completion of the procurement and related activity to develop new purchases, track purchasing trends, facilitate agency management oversight and internal audits and satisfy OSC's audit requirements. While OSC also maintains copies of contracts, certain important supporting documentation is maintained only by agencies.

Records Not Covered: OSC copies of contracts, OGS-let term (centralized) contracts, real property acquisitions or sales contracts, and capital construction contracts are not included in this item and are not covered by this schedule. Agencies should schedule real property acquisitions and sales and capital construction records separately.

Note: Before disposing of these records, agencies must ensure that no legal actions have been initiated which might require access to them. If a case-by-case review of files is

impractical, the Office of the Attorney General advises retaining the records an additional 3 months beyond the minimum retention period.

◆◆ **90393 Accounts Payable Records** -- Records used by an agency accounts payable/claims office to track and monitor the claims and payment process on a daily basis, including manual and automated logs, registers, price listings, receipts and other payment history records, invoice requests, merchandise receipts, vendor invoices, vouchers, vendor records submitted to the agency in support of invoices and/or vouchers, service reports, purchase order logs, requisition logs, and reports showing encumbrance of funds.

a. Approved and closed transactions:

Minimum Retention and Disposition: Destroy 6 years plus the balance of the calendar year after (i) the payment or (ii) the delivery of the goods and services related to the purchase, whichever occurs later.

b. Denied transactions:

Minimum Retention and Disposition: Destroy after 6 fiscal years.

c. Rejected transactions:

Minimum Retention and Disposition: Destroy after 6 fiscal years.

Justification: Accounts payable records are used for up to 6 years after the balance of the calendar year in which they were created to develop new purchases, track purchasing trends, facilitate agency management oversight and internal audits, and satisfy OSC's audit requirements and the statute of limitations for felony prosecutions. OSC no longer maintains accounts payable records for agency vouchers.

Note: *Before disposing of these records, agencies must ensure that no legal actions have been initiated which might require access to them. If a case-by-case review of files is impractical, the Office of the Attorney General advises retaining the records an additional 3 months beyond the minimum retention period. In addition, where applicable in the case of a product or service warranty, agencies should retain accounts payable records including proof of purchase, proof of payment and any other record necessary to substantiate a warranty claim for the life of the warranty (the warranty period.)*

◆ **90376 Vendor and State Contracts Reference Files** -- Information on supplies, equipment, computer hardware and software, and other products and their vendors, including price lists, and vendor evaluations.

Minimum Retention and Disposition: Destroy after records are no longer needed for

reference.

Justification: These records have no value once they are no longer needed for reference purposes.

Records Not Covered: *Master copies of state contracts are retained by OGS.*

◆◆ **90367 Cancelled Bids File** -- Agency records pertaining to bids for goods or services which were cancelled without an award being made. Records include purchase requisitions and justifications, vendor solicitations, requests for proposals (RFPs), and price quotations.

Minimum Retention and Disposition: **Destroy 1 year after award of contract for subsequent procurement of the same goods or services, or 1 year after agency decision to not purchase such goods or services.**

Justification: Records have no administrative value after retention period.

Records Not Covered: *Records of bids (successful and unsuccessful) for which awards were made should be disposed based on item #90392.*

◆◆ **90394 Employee Travel Authorizations and Expense Reports** -- Records of employees' requests for reimbursement or payment of expenses for state-related travel, including encumbrance records, requests for travel advance, travel vouchers, receipts, and justifications.

a. Approved and paid requests:

Minimum Retention and Disposition: **Destroy 6 fiscal years after payment or overpayments are returned by the employee, whichever is later.**

b. Denied requests:

Minimum Retention and Disposition: **Destroy after 6 fiscal years.**

c. Rejected requests:

Minimum Retention and Disposition: **Destroy after 90 days.**

Justification: Records are retained 6 years after payment to meet OSC's audit requirements and the statute of limitations for felony prosecutions.

Note: *Before disposing of these records, agencies must ensure that no legal actions have been initiated which might require access to them. If a case-by-case review of files is impractical, the Office of the Attorney General advises retaining the records an*

additional 3 months beyond the minimum retention period.

REVENUE AND COLLECTIONS -- This section covers records related to billing, receipt of funds, and management/disposition of funds received by an agency.

◆◆ **90395 Accounts Receivable Records** -- Revenue accounting records of billing, receipt, and subsequent disposition of monies, including bills, invoices, cash receipts records, cash disbursement records, cashier's reports, refunds of appropriations, reports of monies received, reports of revenue transfers, transmittals, master control records, and journal vouchers.

Minimum Retention and Disposition: Destroy 6 fiscal years after receipt of funds.

Justification: Records are retained 6 years after payment to meet OSC's audit requirements and the statute of limitations for felony prosecutions.

Records Not Covered: This records series is not applicable to agencies established as collection agencies or engaged in revenue/collection activities as a significant part of their function (e.g., Department of Taxation & Finance, Gaming Commission, and certain operations of Department of Motor Vehicles). Bank account records are covered by items #90124 and #90125.

ACCOUNTING RECORDS -- The Statewide Financial System is a centralized system to account for all receipts and expenditures of agency funds.

◆◆ **90396 General Ledger** -- Accounting record used by agencies to keep track of financial transactions. The General Ledger is comprised of ledgers of each agency. Within SFS, a journal entry is used to record financial transactions directly to the General Ledger, including to transfer spending or revenue between programs, accounts, funds, or other categories either within or between agencies.

a. Approved and posted transactions:

Minimum Retention and Disposition: Destroy after 6 fiscal years.

b. Denied and unposted transactions:

Minimum Retention and Disposition: Destroy after 6 fiscal years.

c. Deleted transactions:

Minimum Retention and Disposition: Destroy after 90 days.

Justification: Records are retained 6 years after payment to meet OSC's audit requirements and the statute of limitations for felony prosecutions.

BANK TRANSACTIONS -- Many agencies hold separate accounts with banks and other financial institutions to manage funds outside of the Statewide Financial System.

◆◆ **90124 Revenue Bank Account Files** -- Records of bank transactions for revenue or income accounts, including bank statements, deposit slips, summaries of the status of accounts, uncollectable checks, and balances of funds over a specified period.

Minimum Retention and Disposition: Destroy after 6 fiscal years.

Justification: Records are retained for 6 years to satisfy OSC audit requirements.

Note: Agencies should maintain documentation on uncollected obligations, such as copies, images, or electronic versions of uncollected checks, as part of item #90395 Accounts Receivable Records.

◆◆ **90125 Payment Bank Account Files** -- Records of bank transactions for payments, including bank statements, listings of deposits, cancelled checks, cancellations of payment, bank reconciliations, check stubs, bad check advices, schedules of outstanding checks, other back-up statements and documents, and other records reflecting the status of an agency's accounts relating to petty cash, travel expenses, and escrow payments.

Minimum Retention and Disposition: Destroy 6 fiscal years after payment, except schedules of outstanding checks should not be destroyed until those checks are written off to the general fund and relevant identifying information is submitted to the Office of the State Comptroller.

Justification: Records are maintained for 6 fiscal years after payment to satisfy OSC audit requirements. Outstanding checks are written off to the general fund pursuant to Section 102 of State Finance Law.

FORMS MANAGEMENT

Forms management involves agency activities to control, standardize, design, create, and monitor use of forms.

90288 Forms History Files -- Records created and maintained to control the creation, design, printing, use, and revision of agency forms and documentation of the forms review and approval process. These records typically include program unit requests for preparation of forms, memoranda and other records concerning forms design and use, draft forms, a record copy of each form created by the agency, and related records.

Minimum Retention and Disposition: Destroy 2 years after the form is discontinued.

Justification: Agencies may refer to forms history files for up to 2 years after a form is discontinued to plan revisions of current forms or to reinstate a discontinued form.

90289 Forms Inventory Records -- Inventories of agency forms used to control the creation, use, and proliferation of forms.

Minimum Retention and Disposition: Destroy when superseded by an updated inventory.

Justification: Outdated forms inventories have no legal, fiscal, or administrative value.

90290 Forms Management Program Subject Files -- Records used to support the administration of an agency forms management program, arranged by subject, and consisting of correspondence, memoranda, reports, guidelines, articles, vendor literature, studies, copies of internal policies and procedures, and related records on forms design, management, and control.

Minimum Retention and Disposition: Destroy when obsolete or superseded.

Justification: These records have no legal or fiscal value.

Note: Agencies should not use this item for records which are covered by separate authorizations in this schedule.