Date

**RECORD RETENTION POLICY**

**HERE’S THE GREEK (the stuff our insurance company makes us say)**

It is our policy to keep work papers related to client engagements for 6 years. Upon the expiration of the 6 year period we will destroy our work papers and you, our client, will be deemed to have agreed to this unless we are specifically notified in writing (sent certified, return receipt requested) to the contrary.

Commensurate with this action, it is the responsibility of each client to keep us informed of a current address in the event communication is required or deemed appropriate.

**HERE’S THE ENGLISH VERSION (the stuff you can actually understand)**

To keep several years worth of client files is not a problem, but retaining client records for much longer can become extremely cumbersome and costly (storage space alone can cost over $100 per month).

Therefore, every CPA firm has to develop some procedure for dealing with “older” client records. Now, let’s be honest…clients would love it if we kept work papers for decades!! That sounds great, but we’d need a whole self-storage unit to do that. It’s just not practical.

So, like it says above (in Greek), after 6 years we are going to destroy our work papers. Note the use of the term “our” work papers. That’s important because we are NOT talking about any of your original documents. We give those back to you each year. You are always responsible to keep those in a safe place (yes, we have copies, but don’t rely on that solely).

What we are talking about is *our* work paper files. So, for example, a tax return file will contain a copy of the tax returns for that year, copies of pertinent documents (you keeping the originals) and some work papers we generated to complete the returns. That is what we will destroy.

Now, some of you know that we keep a special file called a CTF (Continuing Tax File) for each client. In that file we keep items of a continuing nature. For example, Articles of Incorporation, Board Minutes, lease agreements, current notes with banks, and many other such items. WE DO NOT DESTROY THESE ITEMS UNTIL THEY ARE NO LONGER CURRENT (and then we wait 6 years).

Feel free to call with any questions.

Sincerely,