

Sample Firm Records Retention Schedule

*The schedule below has been included for illustrative purposes only. The illustrative material does not conform to the requirements of any particular state. Since record retention requirements vary from state to state and have been the subject of increasing regulatory activity, practitioners should consult legal counsel before establishing record retention policies.**

	<i>Retention Period in Years</i>
Accounting records	
General ledgers	Indefinite
Journals	Indefinite
Accounts payable records (including invoices)	10
Client invoices and other billing information	10
Payroll records (journals, W-2s, 940s, 941s, etc.)	Indefinite
Expense reports	10
Time reports	10
Firm financial statements (annual)	Indefinite
Firm interim statements	7
Firm tax returns and supporting documents	Indefinite
Depreciation schedules	Indefinite
Bank statements and cancelled checks**	10
Correspondence	3
Partnership/shareholder agreements, by-laws, minutes, and other "firm governance" documents	Indefinite
Agreements with managers, other key employees	During employment and 7 years thereafter
Licenses and related information	Indefinite
Leases and contracts	10 (after expiration)
Equipment-related documents	During period equipment is owned and 6 years thereafter
Litigation-related documents	7 (after termination of matter, though some materials should be retained indefinitely if needed for licensing, regulatory or insurance purposes)

*Whenever the firm or its counsel learns that documents in its possession may relate to an ongoing or contemplated governmental investigation or pending or threatened private litigation (even if the firm is not directly involved), those documents should be retained and counsel should be consulted, even if the documents have not yet been subpoenaed. Under no circumstances should such documents be discarded or altered, even if they might be due for destruction under the firm's document retention/destruction policy.

**Checks, invoices, and other documents that are related to the acquisition or disposition of assets, as to which the determination of basis may be important at an indeterminate future date, should be retained indefinitely.

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	<i>Retention Period in Years</i>
Insurance policies, applications and claims materials	10 (after expiration of policy or resolution of claims)
Personnel data	
Applications, contracts, reviews, salary data	During employment and 7 years thereafter
Training and CPE records	During employment and 7 years thereafter
INS I-9 forms	During employment and 7 years thereafter
Counseling records	During employment and 7 years thereafter
Hiring data	
Applications, resumes, tests, job advertising and replies relating to persons not hired	1 year after completion
Applications, resumes, tests, job advertising and replies relating to persons hired	During employment and 7 years thereafter