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**Schedule No. 5**

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**Local Government  
Accounting/Financial  
Records Schedule**

**Adopted by the Local Government  
Records Committee, 1996  
Last Revised – May 2019**

## Local Government Records Management

Per the duties and responsibilities set forth in 2-6-1202 MCA, the [Local Government Records Committee](#) (LGRC), has approved this records retention schedule to assist you in managing your records. If you have questions or comments about the schedule, procedures or want to request a change to the retention schedule, please contact us:

### Local Government Records Committee

Local Government Services

P.O. Box 200547

Helena MT 59620-0547

[SOSLocalGovtRecCom@mt.gov](mailto:SOSLocalGovtRecCom@mt.gov)

### About retention periods

Retention periods assigned to records are minimums. Local governments are not required to destroy or otherwise dispose of records at the end of the minimum time frame outlined in a retention schedule. If a retention period in a record schedule refers to a fiscal year, the records retention clock begins the month the local government receives the final fiscal year audit report relating to those records.

### Disposition & Destruction of Public Records

By state law (7-5-4124 MCA), all requests to dispose municipal records must be approved by the governing body. Local governments may dispose of records that have met their retention requirements provided they are:

- not subject to a legal or regulatory hold
- the disposal is carried out in accordance with federal/state/local laws and a retention schedule approved by the LGRC (2-6-1202 MCA,) and/or
- a court order

Local governments should follow best practices and document the disposal of their public records. There are two different legal procedures that must be followed before disposing public records. The first relates to records under ten years old and records that contain confidential information. The second process relates to public records that are over ten years old. State law (2-6-1205 MCA) requires that non-confidential records must first be offered on a central registry in case entities like the Montana Historical Society-State Archives, colleges/universities, historical museums, genealogy societies, and the general public want to claim them. Follow the priority order listed in the statute if you get multiple requests for the records.

#### Retention schedule says: NO RM60\* REQUIRED or (Disposal form RM88\*)

Applicable to: Records **under** ten years old and to records **that contain** confidential information

1. Complete Form RM 88\* listing each record series to be disposed.
2. Present the form to your governing body for approval.
3. Dispose of the records, sign and date the bottom of Form RM88\* and note the means by which the records have been disposed. Retain the completed Form RM88\* for 30 years.

#### Retention schedule says: (Disposal form RM60\*)

Applicable to: Records **over** ten years old that **do not contain** confidential information.

1. Completed Form 60 listing each record series to be disposed.
2. Present the form to your governing body for approval.
3. Email the form to the LGRC at [SOSLocalGovtRecCom@mt.gov](mailto:SOSLocalGovtRecCom@mt.gov).
4. The LGRC will review and route the form for approval by:
  - a. Local Government Services (DOA)
  - b. Montana Historical Society
  - c. Local Government representative
5. The form is forwarded to the Secretary of State's Records and Information Management (RIM) Division to post on the [local government records listserv](#). They note the date the records were placed on Form RM60 for the 60-day notice period required by 2-6-1205.
6. Form RM60 will be returned to you, and you can dispose of the records 60 days after the date listed by the State RIM Division on the form if the records haven't been claimed.
7. Dispose the records, sign and date the bottom of Form RM60 and note the means by which the records have been disposed. Retain the completed Form RM60 for 30 years.

### Confidential records

The local government unit bears responsibility to determine if records are confidential and should note which records are confidential on each request for disposal. If you have questions, please see the Montana Constitution, Article II, [Section 9](#) and [Section 10](#), Title II statutes at [2-17-553, MCA](#), and consult legal counsel.

**Legal and regulatory records holds**

Local government units should not dispose of records subject to litigation, a legal proceeding, an audit and/or a formal investigation, even if the records have met their retention requirements.

**Electronic records and recordkeeping systems**

The Local Government Records Committee has adopted the Association of Records Managers & Administrators (ARMA) International's Generally Accepted Recordkeeping Principles® for local governments using electronic systems to store long-term records, ©2014 ARMA International, [www.arma.org](http://www.arma.org). Local governments should use them as the framework to design, implement, operate, and decommission the systems and to manage the records and data within the systems. Planning should include preservation considerations to ensure records are trustworthy, complete, accessible, and durable over time. Best practices for electronic records preservation include the creation and routine maintenance of a preservation plan. Samples and guidance can be requested from LGRC. If you digitize your paper or microfilm records, the LGRC recommends that your local government unit take official action through an official adopted policy or resolution declaring your electronic records as the official records. Use the procedures above under “Disposition & Destruction of Public Records” to document the disposal of the paper or microfilm.

**Microfilm/Microfiche**

If a local government unit uses archival-quality microfilm or microfiche, as the official storage medium, the unit should carefully review the microfilm before disposing the original paper records to ensure readability. Microfilm or microfiche may be considered as a long-term or permanent, low-cost, storage medium for public records, provided that the filming process, development, and storage of the film master meets certain national standards. To verify whether your film meets these standards, contact the Secretary of State Records and Information Management Division by email or by phone at (406) 444-9000. If you microfilm your paper records, the LGRC recommends that your local government unit take official action declaring your microfilm records as the official records. Procedures above under “Disposition & Destruction of Public Records” should be used to document the disposal of the paper records.

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## **MONTANA LOCAL GOVERNMENT RETENTION SCHEDULE**

**DEPARTMENT: COUNTY ACCOUNTING/FINANCIAL**

<b>ITEM</b>	<b>RECORD TITLE AND DESCRIPTION</b>	<b>COMMENTS</b>	<b>RETENTION TIME</b>
1.	1099 Form: Statement of earnings over \$600.00 of earnings for services for Federal Tax purposes		4 years <b>Disposal Form RM88*</b>
2.	ANNUAL FINANCIAL REPORT: Report to Dept. of Administration and Board of County Commissioners		Permanent
3.	AUDIT REPORTS		3 years <b>Disposal Form RM88*</b>
4.	BANK STATEMENTS and CANCELED CHECKS	If only a list of checks cashed is returned, attach the list to the bank statement	*Audit + 7 years <b>Disposal Form RM88*</b>
5.	BUDGET: APPROVED FISCAL YEAR COUNTY Shows what is approved for each department for the fiscal year.	May be microfilmed.	Permanent: 1 copy in Clerk and Recorder office.
6.	CASH RECEIPTS: Shows amount received, from who, and what fund it went to.		*Audit + 1 year <b>Disposal Form RM88*</b>
7.	CHART OF ACCOUNTS	Original is kept in Helena.	Until superseded or no longer used. <b>Disposal Form RM88*</b>
8.	CLAIMS a. Invoice Schedules-used by auditors to show that invoices have been approved, paid, and entered into the accounting system. b. Payments to vendors for services and goods.		a. Audit plus 1 year b. *Audit + 7 years <b>Disposal Form RM88*</b>
9.	CLAIMS LIST/ REGISTER: May be kept by auditor if county has one. Report of all warrants paid to vendors.	If on computer, may be put on COM**	Permanent
10.	DETAIL POSTING BY ACCOUNT OR DEPT: Monthly listing of all transactions for each line item.	If on computer, may be put on COM.**	*Audit + 7 years <b>Disposal Form RM88*</b>
11.	DISBURSEMENT / EXPENDITURE REPORT: Monthly listing of expenses paid per line item.	If on computer, may be put on COM**	*Audit + 7 years <b>Disposal Form RM88*</b>

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**AF 2**

\*RM60 and RM88 are records disposal request forms issued by the Local Government Records Committee. Form RM60 is required if records are not confidential and over 10 years old. Form RM88 can be used if the records are either confidential or not over 10 years old.

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**\*\* COM IS COMPUTER OUTPUT MICROFILM  
FOR RECORD DISPOSAL SEE MCA 2-6-403**

**Last revision: 05-2019**

\*Final report received by County Commissioners

For the most current revision go to: [www.sos.mt.gov](http://www.sos.mt.gov)

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## **MONTANA LOCAL GOVERNMENT RETENTION SCHEDULE**

**DEPARTMENT: COUNTY ACCOUNTING/FINANCIAL**

<b>ITEM</b>	<b>RECORD TITLE AND DESCRIPTION</b>	<b>COMMENTS</b>	<b>RETENTION TIME</b>
12.	FIXED ASSET INVENTORY: Inventory of county property, such as machinery, office equipment, etc.		*Audit + 1 year <b>Disposal Form RM88*</b>
13.	GENERAL JOURNAL: Monthly list of each journal entry created.	If on computer, may be put on COM**	*Audit + 7 years <b>Disposal Form RM88*</b>
14.	GENERAL LEDGER/TRIAL BALANCE: Shows balance at month end of all line items.	If on computer, may be put on COM **	Permanent
15.	GRANT INFORMATION: a. Includes Budgets, financial information, financial report. b. Federal grants: such as: FEMA; fire, etc.		a. *Audit + 3 years  b. Maintain as required by contract <b>Disposal Form RM88*</b>
16.	INDEMNITY BOND FILE: Form completed by vendors when checks are lost so new check can be issued.		*Audit + 7 years <b>Disposal Form RM88*</b>
17.	INTERFACE REPORTS- Reports used by auditors about all funds.		Audit + 7 years <b>Disposal Form RM88*</b>
18.	JOURNAL VOUCHERS: Transfer of funds between two departments.	If on computer, may be put on COM**	*Audit + 7 years <b>Disposal Form RM88*</b>
19.	MISCELLANEOUS BILLS- bills not generated on a regular basis, may include: board of pardons, solid waste, fees collected on site, etc.		Audit + 7 years <b>Disposal Form RM88*</b>
20.	MONTH END RECONCILIATIONS: Balancing of cash, expense, and revenue month to month.		*Audit + 1 year <b>Disposal Form RM88*</b>
21.	MONTHLY STATUS REPORT: Expense/ revenue comparison, budgeted amount vs. actual.		*Audit + 1 year <b>Disposal Form RM88*</b>
22.	OUTSTANDING ENCUMBRANCE REPORT: Shows listing of purchase orders encumbered that have not cleared the accounts payable system.		*Audit + 1 year <b>Disposal Form RM88*</b>

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**AF 3**

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**DEPARTMENT: COUNTY ACCOUNTING/FINANCIAL**

<b>ITEM</b>	<b>RECORD TITLE AND DESCRIPTION</b>	<b>COMMENTS</b>	<b>RETENTION TIME</b>
23.	OUTSTANDING PURCHASE ORDERS: Listing of purchase orders still in unpaid status.		*Audit + 1 year <b>Disposal Form RM88*</b>
24.	PAYROLL RECORDS: a. Accruals, deductions, year and quarter to date registers, cost distributions, b. Employee history cards c. Overtime authorization and records d. Register e. Retirement Reports f. Time record/sheets g. W-2 form h. W-4 form i. Wage attachments j. Payroll personnel name and address list	If on computer, may be put on COM * *  Permanent records may be microfilmed	a. 8 years <b>Disposal Form RM88*</b>  b. Permanent c. *Audit + 1 year <b>c. Disposal Form RM88*</b>  d. Permanent e. 8 years <b>Disposal Form RM88*</b>  f. *Audit + 3 years <b>Disposal Form RM88*</b> g. 4 years <b>Disposal Form RM88*</b>  h. superseded + 5 years <b>Disposal Form RM88*</b> i. Length of attachment + 1 year <b>Disposal Form RM88*</b>  j. until superseded or no longer used <b>Disposal Form RM88*</b>
25.	RECEIPTS: Duplicate A101 - Receipt for payment of account receivable invoices and other monies due the county. Reimbursement, etc.		*Audit + 1 year <b>Disposal Form RM88*</b>
26.	REVENUE REPORT: Monthly list of income per line item	If on computer, may be put on COM**	*Audit + 7 years  <b>Disposal Form RM88*</b>

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**AF 4**

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**DEPARTMENT: COUNTY ACCOUNTING/FINANCIAL**

<b>ITEM</b>	<b>RECORD TITLE AND DESCRIPTION</b>	<b>COMMENTS</b>	<b>RETENTION TIME</b>
27.	SCHOOL DISTRICT BONDS AND COUPONS		Redeemed + 5 years <b>Disposal Form RM88*</b>
28.	SPECIAL IMPROVEMENT DISTRICT- (SID) RECORDS: Created by local governments for whatever reason necessary, May include roads, street lights, sewers, etc. Includes RSID, Rural Special Improvement Districts a. Bond Register/ Redemption reports b. Bonds and Redeemed coupons c. Payoff book d. Payoff slips e. Summary Delinquent	If on computer, may be put on COM**	a. Permanent b. Redeemed + 5 years or 5 years after bonds are paid off. c. Permanent d. 10 years e. 10 years
29.	TAX DISTRIBUTION: (Accounting's copy) Shows how each tax dollar was disbursed among accounts.	superseded	*Audit + 1 year <b>Disposal Form RM88*</b>
30.	VENDORS a. List b. Inactive Vendor W-9		a. Until superseded or no longer used. b. 5 years after last payment <b>Disposal Form RM88*</b>
31.	WARRANTS: a. Approval list and pre warrant approval list b. Warrants- paid. If paid by the bank this may include the original, an image, or any list or other version of the warrant.* c. Canceled warrant list d. Outstanding List e. Payroll f. Register	If any of the items are on computer, may be put on COM**	a. through e: *Audit + 7 years <b>Disposal Form RM88*</b>  * b. If only a list is returned, attach the list to the bank statement f. permanent
32.	WORK PAPERS AND CLOSING FILES		*Audit + 1 year <b>Disposal Form RM88*</b>

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## MONTANA LOCAL GOVERNMENT RETENTION SCHEDULE

DEPARTMENT: **COUNTY ACCOUNTING/FINANCIAL**

ITEM	RECORD TITLE AND DESCRIPTION	COMMENTS	RETENTION TIME
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<i>Revisions to Schedule</i>			
Date	Revision	Change	
08-1997	1	<b>Added:</b> Item 2: <u>ANNUAL FINANCIAL REPORT</u> Retention Time - <u>Permanent</u>  <b>Removed:</b> <u>CANCELED WARRANT LIST</u> - is already under WARRANTS: item "d." Retention Time - <u>Audit + 7 years</u>  <b>Changed:</b> APPROVED FISCAL YEAR COUNTY BUDGET title to: <u>BUDGET: APPROVED FISCAL YEAR COUNTY</u>	
05-2001	2	<b>Removed:</b> <u>OASI Report</u> from 24. PAYROLL RECORDS  <b>Added:</b> Item 15b. <u>FEDERAL GRANTS</u> under 15. GRANT INFORMATION	
08-2004	3 (2.1)	<u>Item 2. ANNUAL FINANCIAL REPORT</u> <b>Changed</b> "Commerce" to "Administration"  <u>Item 4. BANK STATEMENTS</u> <b>Added</b> "and CANCELED CHECKS" in COMMENTS column <b>Added</b> "If only a list of checks cashed is returned, attach the list to the bank statement"  <u>Item 7. CHART OF ACCOUNTS-- NEW</u> <b>Comments:</b> "Original is kept in Helena." <b>Retention:</b> "Until superseded or no longer used"  <u>Item 8. CLAIMS</u> <b>Added:</b> a. Invoice Schedules-used by auditors to show that invoices have been approved, paid, and entered into the accounting system. <b>Retention:</b> Audit + 1 year  <u>Item 17. INTERFACE REPORTS-- NEW</u> Reports used by auditors about all funds. <b>Retention:</b> Audit + 7 years	

AF 6

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DEPARTMENT: COUNTY ACCOUNTING/FINANCIAL

ITEM	RECORD TITLE AND DESCRIPTION	COMMENTS	RETENTION TIME
<i>Revisions to Schedule</i>			
Date	Revision	Change	
		<p><u>Item 19. MISCELLANEOUS BILLS-- NEW</u> bills not generated on a regular basis, may include: board of pardons, solid waste, fees collected on site etc. <b>Retention:</b> Audit + 7 years</p> <p><u>Item 24. PAYROLL RECORDS</u> <b>Added:</b> j. Payroll personnel name and address list <b>Retention:</b> Until superseded or no longer used.</p> <p><u>Item 30. VENDOR LIST-- NEW</u> <b>Retention:</b> Until superseded or no longer used.</p> <p><u>Item 31. WARRANTS</u> <b>Updated:</b> a. after <u>Approval list</u> added "and pre warrant approval list" b. after <u>Warrants-paid</u> added "If paid by the bank this may include the original, an image, or any list or other version of the warrant" <b>RETENTION TIME</b> comment: <u>added</u> "b. If only a list is returned, attach the list to the bank statement."</p>	
04-2010	4 (2.2)	<p><b>Added</b> <u>Face Page</u> with dates adopted.</p> <p><u>Item 12. EMPLOYEE FILE FOLDER / PERSONNEL FILE -- NEW</u> <b>Note: all items starting with # 12 are renumbered.</b></p>	
05-2013	5	<p><b>Deleted</b> <u>Item 12. EMPLOYEE FILE FOLDER / PERSONNEL FILE</u> This record can be found in Schedule 1, General, item no. 17. <b>Note: all items starting with # 12 are renumbered.</b></p>	
05-2014	6	<p><b>Changed</b> <u>Item 30. VENDOR LIST</u> to <u>VENDORS</u>. <b>Added to Item 30:</b> a. List – retention: Until superseded or no longer used b. Inactive Vendor W-9 – retention: 5 years after last payment</p>	
05-2019		<p><b>Changed</b> Item 24h. W-4 form: retention time changed to superseded + 5 years <b>Note:</b> IRS guidance to retain 4 years after the filing of the 4<sup>th</sup> quarter federal payroll report for the year to which the W-4 pertains</p>	

AF 7

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