

**STATE OF LOUISIANA
OFFICE OF FINANCIAL INSTITUTIONS
BATON ROUGE, LOUISIANA**

**Revised Effective January 1, 2007
Reviewed January 1, 2012**

**POLICY NO. DI-01-2007
(B,SB,SL,CU,HC)**

**[Rescinds Policy Nos. B-02-97,
SL-02-97, SB-02-97, CU-01-97]**

DEPOSITORY INSTITUTION RECORDS RETENTION PROGRAM

PURPOSE:

To provide a schedule of minimum records to be retained by state-chartered depository institutions and used for the regulation and supervision of such institutions by this Office. This policy also provides additional guidelines which should be used to formulate an internal record retention program, consistent with the needs of the individual depository institution.

TO WHOM THIS POLICY APPLIES:

All Bank, Savings and Loan Association, Savings Bank, Credit Union and Holding Company examiners.

SPECIFICS:

The Depository Institution Records Retention Rule, LR 23:705 (June, 1997), significantly streamlines the existing bank record retention rule, LR 9:680 (October, 1983), by requiring that state-chartered depository institutions maintain minimum records and for appropriate minimum retention periods as deemed necessary by the commissioner for the proper examination and supervision of these institutions by this Office.

The Commissioner will develop and maintain a "record retention schedule" which outlines such minimum supervisory-related records and retention periods and may revise this schedule on a periodic basis. Any revisions will be sent out to all state-chartered depository institutions under the supervision of this Office on at least an annual basis or upon request.

It should be understood, however, that this schedule does not replace the institution's responsibility to create, implement, and maintain its own comprehensive record retention program, consistent with the institution's specific goals, objectives, strategies. (See ATTACHMENT #2.)

John Ducrest, Commissioner
ATTACHMENTS

OFI's Records Retention Schedule¹ for Depository Institutions and Holding Companies

A. Depository Institution's and their Subsidiaries' and Parent Companies' and their Subsidiaries' General Records

1. To be retained **at least 4 years**
 - a. Internal and external audit reports (including directors exams, supervisory committee audit reports, audited financial statements, external audit management letters, internal and external information technology audit reports, risk assessment reports, and audit report responses), and any other reports (i.e., loan reviews) performed by outside consultants
 - b. Reports of Condition and Income (Call Reports) and records supporting all call report schedules²
 - c. Annual, semiannual, or quarterly reports submitted to the Federal Reserve (e.g. FR Y-6, FR Y-9, etc.) and records supporting the schedules contained therein
 - d. Daily overdraft reports
 - e. General ledger and general ledger transaction reports w/ supporting vouchers and tickets (should show the daily amounts of federal funds sold to each institution)
 - f. Monthly deposit statements for directors and executive officers
 - g. Records of savings accounts, demand accounts, certificate of deposits, etc.
 - h. Reconciliation of "due to" and "due from" bank accounts
 - i. State and federal tax records/returns
 - j. Asset chargeoff and recovery records

¹ Records to be retained by Louisiana state-chartered depository institutions and their subsidiaries, related holding companies, and non-bank affiliates for the regulatory and supervisory purposes of this Office.

² Call Reports and related records include, but are not limited to, the following: deposit/checking account trial balance; loan trial balance; income statements and dividends; and consolidated financial statements.

- k. Annual budget
 - l. Internal asset classification report or watch list
 - m. Quarterly analysis of the adequacy of allowances for loan and lease losses (ALLL)
 - n. Records associated with permissible activities at parent company
 - o. Interest rate risk (IRR) reports
 - p. Agreements for fed funds lines or other borrowings
 - q. Letters of credit
 - r. Investment securities records of sales
 - s. Customer complaints
 - t. Documentation of responses to Section 314(a) customer matching requests from FinCEN
2. To be retained **at least 5 years**
- a. Suspicious Activity Reports (SARs) filed with the Financial Institutions Crime Enforcement Network (FinCEN) and any SAR-related supporting documentation
 - b. Kiting Suspect Reports
 - c. Currency Transaction Reports (CTRs) and supporting documentation, including exempt persons list
 - d. Monetary instrument log
3. To be retained **at least "Life +"**³
- a. Insurance records and policies

³ "Life +" means the life of the transaction plus a reasonable time period thereafter, with such time period being at least three years. With respect to trust and holding company records, "Life +" means the life of the trust account or holding company record plus a reasonable time period thereafter, with such time period being at least five years.

- b. Investment securities records of purchases
 - c. Investment safekeeping receipts
 - d. Loan files (including supporting documentation and payment histories)
 - e. Other real estate owned files (including supporting documentation and records)
 - f. Leases
 - g. Fixed asset records
 - h. Contracts w/ service providers (i.e. EDP, NDIP, etc.)
 - i. Salaries and related benefit plans
 - j. Records of any debt instruments
 - k. Liquidation account records (applicable to stock thrifts that were formerly mutual)
4. To be retained at least **Life + 5 years** -- Customer identification information, including descriptions of documents relied upon for verification, descriptions of methods and result of non-documentary means of verification, and descriptions of resolution of any discrepancies discovered when verifying information provided by the customer
5. To be retained **permanently**⁴
- a. Articles of Incorporation, Bylaws, and Amendments
 - b. Minutes of meetings of stockholders/shareholders, board of directors, and committees
 - c. Stock ledger

B. Depository Institution's Consumer Credit Records

1. To be retained **at least 4 years**

⁴ This does not include records of an institution that merged into or was consolidated with another institution and no longer exists.

- a. Death Claims
 - i. Copy of death certificate
 - ii. Copy of checks or other confirmation of claim payment received from insurance company
 - iii. Copy of check indicating payment to secondary beneficiary, if applicable
 - b. All other insurance claims
 - c. Attorney accounts
 - i. Amount paid to attorney, with attorney fees and court costs shown separately
 - ii. Receipt from clerks of court indicating court costs or schedule reflecting the institution's court costs
 - d. Judgments
 - i. Similar documents as for attorney accounts [See B(1)(c)]
 - ii. Copy of signed judgment
2. To be retained **at least "Life +"**³
- a. Consumer loan agreements and files (including notes, disclosure statements, supporting documentation and payment histories)
 - b. Agreements w/ outside credit card providers
 - c. Insurance premium finance agreements
- C. Depository Institution's Trust Department Records
- 1. To be retained **at least 4 years**
 - a. Annual report of trust assets and supporting documents
 - b. Journal sheets for accounting division and stock transfers
 - c. Tax records/returns

2. To be retained **at least "Life +"**³
 - a. Document files
 - b. Fee cards
 - c. Ledger records

3. To be Retained **Permanently** -- Trust committee and trust investment committee minute books

[LAST REVISED 01/01/2007; REVIEWED 01/01/2012]

Attachment #2

Record Retention Guidelines for Depository Institutions

A depository institution should maintain its own record retention schedule because such a schedule provides a means for systematic, consistent disposal of obsolete and unnecessary records under a continuing authority from the board of directors, it helps prevent overcrowding of files and improves efficiency, as unnecessary records hamper the finding of essential material, and it reduces the cost of storing records.

When determining which records a depository institution should retain and the retention period applicable to such records, the following **factors** should be considered: the time period for which a particular record might be reasonably requested; the difficulty in recreating the record from other sources; the cost of storage; and statutory record retention requirements (state and federal).

A depository institution should **periodically review and revise** (as deemed necessary) its record retention schedule. Management should consider the following factors: changes in state and federal reporting requirements; changes in institution services and/or products; changes in overall complexity; changes in consumer compliance requirements; technological advances; and changes in storage costs.