



Board of Accountancy

Records Retention Schedule

Prepared by the State Records Branch
Archives and Records Management Division

Approved by the State Libraries, Archives, and Records Commission



Kentucky Department for Libraries and Archives

This records retention schedule governs retention and disposal of records created, used and maintained by the Board of Accountancy. **Government records in Kentucky can only be disposed of with the approval of the State Archives and Records Commission (the Commission). If records do not appear on a Commission-approved records retention schedule, agencies should not destroy those records.** This agency-specific schedule was drafted by Board of Accountancy personnel and Archives and Records Management Division staff, and reviewed and approved by the Commission. This schedule provides the legal authority for the Board of Accountancy to destroy the records listed, after the appropriate retention periods have passed.

Board of Accountancy personnel should use this agency-specific schedule in combination with the *General Schedule for State Agencies (General Schedule)*, also approved by the Commission. The *General Schedule* applies to records that are created, used and maintained by staff at all or most state agencies. Agency-specific retention schedules are used only by specific agencies and apply to records that are created only by a particular state agency, or to records that a state agency is required to retain longer than the approved time period on the *General Schedule*. The *General Schedule* and agency-specific retention schedule should cover all records for the Board of Accountancy.

This retention schedule applies to state agency records and information regardless of how it is created or stored. For example, information created and sent using e-mail is as much a public record as materials created or maintained in paper. Kentucky law defines public records, in part, as "documentary materials, *regardless of physical form or characteristics*, which are prepared, owned, used, in the possession of or retained by a public agency" (KRS 171.410[1]). This means that records management standards and principles apply to all forms of recorded information, from creation to final disposition, regardless of the medium. Records retention scheduling is important in developing, using, and managing computer systems and other electronic devices. Records management practices encourage cost-effective use of electronic media through accurate retention scheduling and legal destruction of records.

All state government employees are responsible for maintaining records according to the retention schedule, whether those records are stored electronically or in paper. Information must be accessible to the appropriate parties until all legal, fiscal, and administrative retention periods are met, regardless of the records storage medium.

This retention schedule covers the content of records created by the Board of Accountancy, including records created or stored using computers and computer systems. The *General Schedule for Electronic and Related Records* applies to records related to computers or a computer system. Examples of these include system documentation and use records, backup files, or website format and control records.

Audits and Legal Action

Agency records may be subject to fiscal, compliance or procedural audit. If an agency should maintain records longer than the approved retention period, as may be the case with some federal audits, then all affected records should be retained until the audit has been completed and the retention period met. In no case should records that are subject to audit be destroyed until the audit has been completed and retention periods met, or the records have been officially exempt from any audit requirements.

Records may also be involved in legal or investigative actions, such as lawsuits, administrative hearings or open records matters. These records must be retained at least until all legal or

investigative matters have concluded, regardless of retention period. This includes all appeals of lawsuits.

Vital Records

Vital records are essential to the continued functioning of an agency during and after an emergency. Vital records are also essential to the protection of the rights and interests of an agency and of the individuals for whose rights and interests it has a responsibility. Vital records are identified in the retention schedule with a (V).

Confidential Records

While all records created, used and maintained by government agency personnel are public records, not all of those records are open to public inspection. Whether a record is open to public inspection is determined by the state's Open Records laws and other relevant state or federal statutes and regulations. Restriction of public inspection of confidential records may apply to the whole record or only to certain information contained in the record.

Kentucky's public records are considered open for public inspection unless there is some specific law or regulation that exempts them. Agency personnel who believe certain records are confidential should submit a citation from Kentucky Revised Statutes, Administrative Regulations, Code of Federal Regulations, or similar authority. **State agency heads have the responsibility to know all the appropriate confidentiality laws, statutes and regulations that apply to the records maintained by their agency and to see that those laws are enforced.** Even though a record series may or may not be marked confidential on a retention schedule, contradictory laws or regulations that are passed after the schedule has been approved must be honored.

Copies of Records

Agency personnel often make copies of records for internal use or reference purposes. Agencies should designate one copy as the official copy and make sure it is retained according to the records retention schedule. Agencies can destroy all other copies when no longer useful.

Updating the Retention Schedule

Per 725 KAR 1:010, the head of each state government agency is required to designate a member of his or her staff to serve as a records officer. The agency records officer represents that agency in its records-related work with the Archives and Records Management Division. The agency records officer is responsible for assisting the Archives and Records Management Division in drafting a records retention schedule, and in finding any schedule updates to bring before the Commission. The retention schedule should be reviewed on a regular basis to suggest appropriate changes to the Commission.

Board of Accountancy

Most occupations and professions that require a state license are licensed and regulated by one of thirty-six boards and commissions. Kentucky is an autonomous board state, which means that these thirty-six agencies are not organized under an umbrella agency, but rather function as independent, autonomous units of state government. The basic organizational structure and functions of the boards and commissions are quite similar. Licensure boards are comprised of board members appointed by the Governor, generally for four years, with staggered terms.

The Kentucky State Board of Accountancy is the state agency responsible for protecting the public by licensing and regulating Certified Public Accountants (CPAs) and CPA firms in Kentucky. It administers Kentucky Revised Statute Chapter 325 and the Kentucky Administrative Regulations stemming from this law. The Board consists of seven members appointed by the Governor. Six of the members are CPAs. One is the public member.

RECORDS RETENTION SCHEDULE

Signature Page

Board of Accountancy
Agency

March 11, 2010
Schedule Date

Unit

Change Date

March 11, 2010
Date Approved By Commission

APPROVALS

The undersigned approve of the following Records Retention Schedule or Change:

[Signature]
Agency Head
[Signature]
Agency Records Officer

3/25/10
Date of Approval
3/25/10
Date of Approval

[Signature]
State Archivist and Records Administrator
Director, Public Records Division

3/11/10
Date of Approval

[Signature]
Chairman, State Archives and Records Commission

3/11/2010
Date of Approval

The undersigned Public Records Division staff have examined the record items and recommend the disposition as shown:

[Signature]
Records Analyst/Regional Administrator

3/11/2010
Date of Approval

[Signature]
Appraisal Archivist

3/11/2010
Date of Approval

[Signature]
State/Local Records Branch Manager

11 MAR 10
Date of Approval

The determination as set forth meets with my approval.

[Signature]
Auditor of Public Accounts

3-11-10
Date of Approval

STATE ARCHIVES AND RECORDS COMMISSION
Archives and Records Management Division
Kentucky Department for Libraries and Archives

STATE AGENCY RECORDS
RETENTION SCHEDULE

General Government
Accountancy, Board of

Record Group
Number
0020

Series	Records Title and Description	Function and Use
00828	Master Folder - Certified Public Accountants (V)	This series documents those who have completed the necessary requirements to be licensed as a certified public accountant pursuant to KRS 325.261. The Board of Accountancy (BOA) has the responsibility to ensure that all applicants have met the requirements of the Board prior to the granting of the license to practice public accounting in Kentucky. Renewals occur biennially. If license is not renewed, the BOA investigates to determine the reason and if the individual is still practicing public accounting. Once certified, continuing education requirements must be fulfilled.
	Access Restrictions	KRS 61.878(1)(a) Personal Information.
	Contents	Series may contain: License application; Examination application; Transcripts; Exam scores; Renewal information; Proof of continuing education; Interstate exchange of information; Personal information; Related documents and correspondence.
	Retention and Disposition	Destroy 100 years after date of birth or one (1) year after notification of death. Update files as needed.
04131	Accounting Firm Files (V)	This series documents the firms that have met the necessary requirements to practice public accounting within the Commonwealth and have registered to do so pursuant to KRS 325.301. The Board of Accountancy (BOA) has the responsibility to ensure that certified public accounting firms are properly registered. The Board reviews and approves all applications. Renewals occur biennially. The files are reviewed if renewal doesn't occur within a sufficient amount of time. The files are reviewed and revised as changes occur, partners or associates change, branch offices open, etc. Renewals provide the best opportunity to update information of the status of firms.
	Access Restrictions	KRS61.878(1)(a)(h) Personal Information/Investigation.
	Contents	Series may contain: Firm registration form; Renewal documents; Documents from Secretary of State's office; Branch office information; Names of partner/shareholder/CPA associates; Peer review reports/acceptance letters; Related documents and correspondence.
	Retention and Disposition	Destroy five (5) years after dissolution of the corporation or partnership. Update files as needed.
04132	Examination Applications File (V)	This series documents those individuals who applied for admission to take the Uniform CPA Examination and were approved, but for some reason did not pass the exam or complete the examination process (i.e., lack of interest, moved to another state). An application is completed 1) for examination and 2) for licensure. If the individual fails to pass a section of the exam the individual must file a re-examination application. One must pass the examination before applying for licensure. Also, upon passing the exam, the individual must complete one year of experience pursuant to KRS 325.261. If the examination application is completed and the exam is not taken the application is retained for two years. Upon passing the examination, the application will be transferred to the Pending Licensure Application File (04134).
	Access Restrictions	KRS 61.878(1)(a)(h) Personal Information/Investigation.
	Contents	Series may contain: Examination application; Education credentials; Personal information; Correspondence; Examination results.
	Retention and Disposition	Destroy two (2) years after last contact with an incomplete applicant's file, or with an unsuccessful applicant. Transfer successful Examination Application File to Pending License File (04134).
04133	Examination Scores List (V)	This series documents the results of the certified public accountant's examination as required by the Kentucky Board of Accountancy (BOA) for licensure. The passing of the exam is required to become a certified public accountant in all states. The American Institute of Certified Public Accountants conducts the examination eight months of the year. The National Association of State Boards of Accountancy provides score results to the BOA. The BOA develops a grade report.
	Access Restrictions	KRS 61.878(1)(a) Personal Information.
	Contents	Series may contain: Name; Identification #; Date of exam; Score; Personal information; Related documents and related correspondence.
	Retention and Disposition	Destroy sixty (60) years after exam completion.

STATE ARCHIVES AND RECORDS COMMISSION
Archives and Records Management Division
Kentucky Department for Libraries and Archives

STATE AGENCY RECORDS
RETENTION SCHEDULE

General Government
Accountancy, Board of

Record Group
Number
0020

Series	Records Title and Description	Function and Use
04134	Pending License File (V)	This series documents those individuals that have successfully passed the Certified Public Accountant (CPA) examination and have submitted an application to obtain a license in the state of Kentucky. An application for licensure must be submitted within five years after having passed the CPA examination. This series will also document the completion of license requirements to practice public accounting within the Commonwealth. This requirement includes one year of experience. Upon the completion of one year experience, this file is transferred to the Master Folder of Certified Public Accountants (00828).
	Access Restrictions	KRS 61.878(1)(a)(h) Personal Information/Investigation.
	Contents	Series may contain: Photograph; Education credentials; Personal information; Certificate of experience; Interstate exchange of information forms, Exam application; Grade results; Related documents and related correspondence.
	Retention and Disposition	Upon completion of the experience and education requirements, transfer to Master Folder of Certified Public Accountants (00828). If the experience and education requirements are not met or if failure to apply, destroy five (5) years after notification of completion of the CPA examination.
04135	Complaint File - No Disciplinary Action Required (V)	This series documents those cases where a complaint was filed, and a response or investigation was required. In this series, no disciplinary action is warranted. The information would normally come to the attention of the Board by letter (documented in writing), however, there are cases where the information was provided in an "unofficial" nature, i.e., the telephone. The file will document action taken regarding the complaint. An investigation is conducted and the finding is brought to the Board for review and action. Final action of an investigation will be noted in the Board Minutes (M0008). If the complaint is not dismissed due to the investigation or Agreed Order, a hearing will be scheduled. If there is no disciplinary action taken, the name of the individual under investigation is withheld in the Board Minutes (identified by case number). Complaints resulting in disciplinary action will be documented in the Complaint File Resulting in Disciplinary Action (04136). The file also documents any court action that would take place on an unlicensed individual where a Board hearing is not required.
	Access Restrictions	KRS 61.878(1)(a)(h) Personal Information/ Investigation.
	Contents	Series may contain: Original complaint; Letter to complainant requesting response; Related correspondence and documents; Investigative report; Agreed Order; Disposition of case; Date of Board action; Dismissal of complaint; Findings of Fact and Conclusions of Law.
	Retention and Disposition	Destroy five (5) years after closure of case.
04136	Complaint File Resulting in Disciplinary Action (V)	This series documents that disciplinary action was taken against a licensee due to an initial complaint and investigation. The nature of the discipline may include censure, fine, probation, suspension or revocation of the license. Action can be taken in the form of an Agreed Order. Appeals are filed with the Franklin Circuit Court within 30 days.
	Access Restrictions	KRS 61.878(1)(a)(h) Personal Information; Investigation.
	Contents	Series may contain: Investigative information; Nature of complaint; Disposition of complaint; Name and address of licensee or organization; Complainant information; Correspondence; Notice of hearing; Transcript of hearing; Agreed Order.
	Retention and Disposition	Destroy thirty (30) years after closure of case.

STATE ARCHIVES AND RECORDS COMMISSION
Archives and Records Management Division
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STATE AGENCY RECORDS
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General Government
Accountancy, Board of

Record Group
Number
0020

Series	Records Title and Description	Function and Use
04137	Peer Review Program File (V)	This series documents adherence, or the lack thereof, to technical reporting standards as promulgated by the American Institute of Certified Public Accountants and as required in 201 KAR 1:160. Firms performing audits, reviews, or compilations are required to be enrolled in a peer review program and submit a report and acceptance letter. If the report is classified as "pass" the report is destroyed. If the report is classified as "failed" or the second consecutive report is classified as "pass with deficiencies" the report is kept in the file. Enrollment letters and acceptance letters are also kept in the file. Reports classified as failed or second consecutive reports with pass with deficiencies are referred to the Board for review and further action if deemed necessary.
	Access Restrictions	KRS 61.878(1)(a) Personal Information.
	Contents	Series may contain: Reports and related documents and correspondence; Enrollment letters; Acceptance letters.
	Retention and Disposition	Pass reports may be destroyed upon receipt. Retain all other reports for six (6) years.

Electronic System With Included Records Series

General Government Cabinet

Board of Accountancy

System Description: This database houses records pertaining to licensure of individual Certified Public Accountants and Certified Public Accounting firms licensed in Kentucky. This includes exam information, personal information and case file information.

System Contents: License and Firm--name, address, phone #, DOB, SS#, email address, employer, exam results, license and firm #, license issued date; Exam and pending license--name, address, phone #, SS#, DOB, exam results, email address; Cases--name, case #, license #, allegation, complaint received and closed date, results.

General Schedule Items:

System Title: Kentucky Board of Accountancy Access Database **Alternate Title:**

Series #:	Series Title:	Disposition Instructions:	Total Retention:
00828	Master Folder - Certified Public Accountants	Destroy 100 years after date of birth or one [1] year after notification of death. Update files as needed.	I
04131	Accounting Firm Files	Destroy five [5] years after dissolution of the corporation or partnership. Update files as needed.	I
04132	Examination Applications File	Destroy two [2] years after last contact with an incomplete applicant's file, or with an unsuccessful applicant. Transfer successful Examination Application File to Pending License File (04134).	I
04134	Pending License File	Upon completion of the experience and education requirements, transfer to Master Folder of Certified Public Accountants (00828). If the experience and education requirements are not met or if failure to apply, destroy five [5] years after notification of completion of the CPA examination.	I

System Title: **Kentucky Board of Accountancy Access Database** *Alternate Title:*

<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	<i>Total Retention:</i>
04136	Complaint File Resulting in Disciplinary Action	Destroy thirty [30] years after closure of case.	I