

Alabama Office of the State Treasurer

**Functional Analysis
&
Records Disposition Authority**

**Revision
Presented to the
State Records Commission
October 25, 2006**

Table of Contents

Functional and Organizational Analysis of the Alabama Office of the State Treasurer	<u>1-1</u>
Sources of Information	<u>1-1</u>
Historical Context.	<u>1-1</u>
Agency Organization	<u>1-1</u>
Agency Function and Subfunctions	<u>1-2</u>
Reporting	<u>1-2</u>
Banking	<u>1-2</u>
Issuing Bonds	<u>1-3</u>
Investing	<u>1-3</u>
Administering Unclaimed Property Laws	<u>1-4</u>
Serving on Boards, Commissions, and Authorities	<u>1-4</u>
Administering Internal Operations	<u>1-4</u>
Organizational Chart	<u>1-6</u>
Analysis of Record Keeping System and Records Appraisal of the Alabama Office of the State Treasurer	<u>2-1</u>
Agency Record Keeping System	<u>2-1</u>
Records Appraisal	<u>2-1</u>
Temporary Records	<u>2-1</u>
Permanent Records	<u>2-3</u>
Permanent Records List	<u>2-6</u>
Alabama Office of the State Treasurer Records Disposition Authority	<u>3-1</u>
Explanation of Records Requirements	<u>3-1</u>
Records Disposition Requirements	<u>3-2</u>
Reporting	<u>3-2</u>
Banking	<u>3-2</u>
Issuing Bonds	<u>3-4</u>
Investing	<u>3-4</u>
Administering Unclaimed Property Laws	<u>3-5</u>
Serving on Boards, Commissions, and Authorities	<u>3-6</u>
Administering Internal Operations	<u>3-6</u>
Requirement and Recommendations for Implementing the Records Disposition Authority	<u>3-9</u>

Functional and Organizational Analysis of the Alabama Office of the State Treasurer

Sources of Information

Representatives of the Alabama Office of the State Treasurer
Acts of Alabama, 1819
Code of Alabama 1876
Code of Alabama 1975, Sections 36-17-1 through 36-17-19; 41-14-1 through 41-14-16;
41-14-30 through 41-14-38; 16-33C-1 through 16-33C-8; and 35-12-20 through 35-12-50
Constitution of Alabama 1819, 1861, 1868, 1901
Alabama Government Manual (2002), page 21
Holdings of the Department of Archives and History for the Alabama Office of the State Treasurer
Government Records Division, State Agency Files (1985-ongoing)
Comprehensive Annual Financial Report
“The Treasury Note”

Historical Context

The Alabama Office of the State Treasurer developed from the Office of the Treasurer of the Territory of Mississippi, created in 1803. The treasurer was appointed by the governor and was charged to keep the monies of the territory, to disburse them, to keep accounts of receipts and expenditures of the public monies, and to report regularly to the General Assembly. In 1817, the U.S. Congress passed an act establishing the Alabama Territory, which stipulated that all offices and laws formerly of the eastern portions of the Territory of Mississippi should continue to exist and be in force. The Alabama Constitution of 1819 provided for a state treasurer to be elected annually by a joint vote of both houses of the General Assembly. The Alabama Constitution of 1866 provided for the first popular election of the state treasurer. The Alabama Constitution of 1901 extended the term of the state treasurer from two to four years.

Agency Organization

The state treasurer is a constitutional officer chosen by popular election for a four-year term and is eligible for one successive term. Currently the Office of the State Treasurer is organized into seven divisions: Administrative; Unclaimed Property; Securities for Alabama Funds Enhancement (SAFE); College Savings; Cash Management; Bonds; and Fiscal & Internal Operations. The staff is composed of various merit system employees, including accountants, computer operators and analysts, administrative support personnel, and unclassified employees. An organizational chart is attached.

Agency Function and Subfunctions

The mandated functions of the state treasurer are to maintain custody of all state funds deposited with the state and to make payments on the state debt. In pursuit of these functions, the treasurer has access to all records relating to receipts and disbursements of the treasury in any other department or agency of the state. The Office of the State Treasurer is the state's central banking agency. It is one of the agencies primarily involved in carrying out the Financial Management subcategory of the Administrative Support Operations function of Alabama government.

In the performance of its mandated function, the agency may engage in the following subfunctions:

- **Reporting.** The state treasurer must make an annual report of the receipts and disbursements of the Office of the State Treasury (Code of Alabama 1975, Section 36-17-2). This report is printed and bound with the Comprehensive Annual Financial Report (CAFR) of the state that is prepared by the Department of Finance. Other reports may be published by the state treasurer as necessary.
- **Banking.** The state treasurer is responsible for maintaining the funds of the state and its agencies. Banking includes receiving all monies due the state and depositing them in proper accounts, issuing receipts for all payments, filing receipts and warrants, numbering them in chronological order for each fiscal year, and keeping account of the receipts of public money.

The state treasurer pays all warrants duly executed by the state comptroller, and pays for funds electronically transferred by the state comptroller after determining that there is sufficient money for payment in the fund from which they are drawn (Code of Alabama 1975, Section 41-4-50). All checks drawn on state funds are signed by the state treasurer or chief clerk of the state treasurer's office, and countersigned by the state treasurer's special assistant. The state treasurer also furnishes the state comptroller with a list of outstanding warrants (Code of Alabama 1975, Section 36-17-3).

The state treasurer holds custody of all monies, bonds, and other securities held in the sinking fund. Treasury funds may be deposited in "authorized institutions," banks and trust companies that have a contract with the state treasurer specifying procedures for safekeeping and for substitution policies (Code of Alabama 1975, Sections 36-17-3[8] to 36-17-3[9]).

The state treasurer also administers the Securities for Alabama Funds Enhancement (SAFE) program, which provides oversight for securities pledged as collateral for all public funds on deposit with qualified public depositories in the state (Code of Alabama 1975, Section 41-14A-2).

Under the Linked Deposit Loan program, small businesses and agricultural operations may borrow money from their banks at rates up to two percent below the retail rate. The state treasurer, in turn, deposits a matching amount of state money with the participating bank for

the life of the agreement, which may be either one year or two years. Agricultural linked deposits are renewable for up to four years. These funds are also available as interim loans to disaster victims.

- **Issuing Bonds.** Although the Alabama Constitution prohibits the state from spending more than it takes in, the state may incur bonded indebtedness. The Office of the State Treasurer is responsible for paying the principal and interest on the state debt (Code of Alabama 1975, Section 36-17-3[7]). Until 1983 all bonds issued by the state were bearer bonds with interest coupons attached. Financial institutions serve as fiscal agents, with the State treasurer as a co-paying agent. When the holder of the bond presents the proper coupon and receives payment, the fiscal agent of the state treasurer cancels the coupon and forwards it to the state treasurer. The state treasurer is the custodian of all redeemed bonds and paid coupons of the state. All bonds of the state redeemed or paid are canceled and filed in the Office of the State Treasurer and are registered in a book kept for that purpose. Once the Examiners of Public Accounts have examined the canceled bonds and coupons, they are destroyed (Code of Alabama 1975, Section 36-17-13). Since 1983 all bond issues have been registered issues, with payment of interest by checks issued by the state treasurer payable to the bond holder. Bonds may be issued in book-entry form only in agreement with the Depository Trust Company acting as securities depository for the bonds. As paying agent, the state treasurer makes principal, premium, and interest payments to the Depository Trust Company for distribution. Records are maintained in two computerized bond systems.

When a registered bond of the state is lost or destroyed, the state treasurer issues a duplicate in the same amount, bearing the same interest, and executed and marked in the same manner as the bond that was lost or destroyed. The owner files a penal bond with the state treasurer, and a copy certified by the state treasurer is admissible in evidence in any court (Code of Alabama 1975, Section 36-17-14). The state treasurer is also authorized to prescribe regulations for the registration and conversion of coupon bonds to registered bonds of the same series or of registered bonds into coupon bonds of the same series.

- **Investing.** The state treasurer maintains demand and time deposits in designated state depositories, which include most of the state's financial institutions. Additionally, up to 20 per cent of state moneys may be invested in obligations of the U. S. Treasury and U.S. Agency securities . Daily repurchase agreements are made for investment of liquid cash. This activity may result in considerable additional income to the state.

The state treasurer administers the accounting functions for the Alabama Trust Fund and serves as the Secretary to the Board. This is an irrevocable trust fund established by amendments to the Alabama Constitution to enable the state to invest money received from oil and gas leases.

The state treasurer also manages the Prepaid Affordable College Tuition (PACT) program, which was established in 1989. This is an educational trust fund through which individuals

may prepay a portion of a child's tuition in advance through prepaid tuition contracts (Code of Alabama 1975, Section 16-33C-1 to 16-33C-8). Contributions to a child's account are invested, and when he/she enters a college or university, payments from the account are made directly to the institution.

The Alabama College Education Savings (ACES) program, also administered by the state treasurer, provides individuals an opportunity to open savings accounts according to savings agreements for the payment of qualified higher education costs for a designated beneficiary at eligible educational institutions.

- **Administering Unclaimed Property Laws.** Act 96-724 of the 1996 Legislature transferred the administration and enforcement of the state's unclaimed property law (Uniform Disposition of Unclaimed Property Act, Code of Alabama 1975, Sections 35-12-70 to 35-12-96) from the Revenue Department to the Office of the State Treasurer, effective October 1, 1996. Banks and other financial institutions, insurance companies, utility companies and other legal entities doing business in Alabama must report annually to the State treasurer concerning any unclaimed property they may hold, and they must deliver it to the state treasurer unless otherwise authorized. After receiving the property, the state treasurer must attempt to notify the owner in the form of a published notice. The Division of Unclaimed Property holds sales of the various types of unclaimed properties at regular intervals. The Office of State Treasurer is mandated to maintain records of unclaimed property indefinitely because a claim may be filed at any time either for the property or for the proceeds of its sale.

- **Serving on Boards, Commissions, and Authorities.** The state treasurer serves on numerous boards, commissions, and authorities including the State Board of Adjustment, Board of Control of the Teacher's Retirement System, Board of Control of the Employees' Retirement System, Board to Approve Contracts for Public Printing, the Alabama Highway Authority, various bond commissions, Alabama Trust Fund, the Securities for Alabama Funds Enhancement Program, and the Alabama College Education Savings Program. The state treasurer also acts as state treasurer of the Alabama Education Authority, Alabama Trade School and Junior College Authority, Public School and College Authority, and the Coosa Valley Development Authority.

Although the state treasurer does not serve on the Board of Compromise, the Code of Alabama 1975, Section 41-1-3, mandates that the records of this board, which adjusts, compromises or settles claims of the state against any individual or corporation that owes money to the state, be maintained by the state treasurer.

- **Administering Internal Operations.** A significant portion of the agency's work includes general administrative, financial, and personnel activities performed to support the programmatic areas of the agency.

Managing the Agency: Activities include internal office management activities common to most government agencies such as corresponding and communicating; scheduling; meeting; documenting policy and procedures; reporting; litigating; drafting, promoting, or tracking legislation; publicizing and providing information; managing records; and managing information systems and technology.

Managing Finances: Activities involved in managing finances may include the following: budgeting (preparing and reviewing the budget package, submitting the budget package to the Department of Finance, documenting amendments and performance of the budget); purchasing (requisitioning and purchasing supplies and equipment, receipting and invoicing for goods, and authorizing payment for products received); accounting for the expenditure, encumbrance, disbursement, and reconciliation of funds within the agency's budget through a uniform system of accounting and reporting; authorizing travel; contracting with companies or individuals; bidding for products and services; and assisting in the audit process.

Managing Human Resources: Activities involved in managing human resources may include the following: recruiting and hiring eligible individuals to fill vacant positions within the agency; providing compensation and benefits to employees; supervising employees (evaluating performance, disciplining, granting leave, and monitoring the accumulation of leave); and providing training and continuing education for employees.

Managing Properties, Facilities, and Resources: Activities involved in managing properties, facilities, and resources may include the following: inventorying and accounting for non-consumable property and reporting property information to the appropriate authority; constructing buildings and facilities; leasing and/or renting offices or facilities; providing for security and/or insurance for property; and assigning, inspecting, and maintaining agency property, including vehicles.

Analysis of Record Keeping System and Records Appraisal of the Alabama Office of the State Treasurer

Agency Record Keeping System

The Alabama Office of the State Treasurer operates a hybrid system composed of paper and electronic records.

Paper: The agency continues to maintain most of its records in paper form in its offices.

Computer Systems: The Office of the State Treasurer uses several computer systems via an Ethernet local area network. The primary system is a Unisys Clearpath LX5100 with a Windows 2000 advanced server operating system, executing Windows 2000 in two logical partitions and Unisys MCP/AS in the other. The Unisys MCP/AS (Master Control Program/A Series) system is for accounting, bonding, banking and investing. The network is administered from a Windows NT 4.0 server and the Unclaimed Property application and database resides on this same server. All servers are backed up daily, and the tapes are stored in a vault in the capitol building. However, the department is in the process of migrating all applications and data into the Finance ISD system. Treasury information will reside on both virtual servers and data servers maintained by Finance ISD. The migration should be completed during fiscal year 2008. The Treasury Department will no longer use or maintain the Unisys Clearpath or MCP/AS systems after 2008. Backup of individual PC's is the responsibility of the users.

Microfilm: Prior to June 28, 1999, warrant records were microfilmed. Since that time, warrants are digitally imaged by the Federal Reserve Bank and stored on CD's.

Website: The agency maintains a website at www.treasury.alabama.gov.

Records Appraisal

The following is a discussion of the two major categories of records created and/or maintained by the Office of State Treasurer: Temporary Records and Permanent Records.

I. Temporary Records. Temporary records should be held for what is considered their active life and be disposed of once all fiscal, legal, and administrative requirements have been met.

- **Applications to Become a State Depository.** Banks wishing to become approved as depositories of state funds must submit an application to the Office of the State Treasurer. These applications are maintained for reference and re-approval purposes.
- **Redeemed Bearer Bond Books.** The redeemed or paid bonds and coupons are destroyed in accordance with the Code of Alabama 1975, Section 36-17-13, after their numbers and the

dates are entered in bond books, which must be “carefully preserved” by the state treasurer as evidence of the issuance and redemption of the bonds. These books are maintained in the vault of the Office of the State Treasurer.

- **Bonds of Indemnity.** These are records created when a bond has been lost or stolen and must be replaced by the state treasurer with a duplicate. The records must be maintained in the Office of the State Treasurer in case the original bond is ever found.
- **Warrants.** These are records of checks issued by the state comptroller on behalf of the state. Records of unpaid warrants are maintained in the State Auditor’s Office for one year. Records of all warrants, paid and unpaid, are imaged and maintained by the State treasurer. Code of Alabama 1975, Section 36-17-16, authorizes the state treasurer to destroy any canceled state warrant one year after the close of the fiscal year in which the warrant was issued, “provided such warrants have been photographed or microphotographed as authorized by law.” Code of Alabama 1975, Section 41-4-60 deems any warrant outstanding and unpaid one year from date of issue is void and payment stopped by the state treasurer. These expired warrants are maintained through the Unclaimed Property program. Prior to 1999, all warrants were microfilmed. Since that time, warrants are digitally imaged and stored on CDs.
- **Prepaid Affordable College Tuition (PACT)/ Alabama College Education Savings (ACES) Purchaser Account Records.** These records contain all information related to an individual’s contributions to a trust fund account, investment earnings, and payments from the fund to a college or university.
- **PACT Trust Fund Investment Policy.** These records document investments by the PACT fund. Their retention should parallel that of the PACT Purchaser Account Records to document investment policy during the active period of a purchaser account.
- **Unclaimed Property Reports and Claims for Abandoned Property.** All institutions and legal entities which have unclaimed property of any sort must make a report of this property annually to the state treasurer. These records must be maintained for several years in the agency in order to track the disposition of the property. Any claims for abandoned property must be verified, and a record maintained of successful claims in case another claim is made for the same property in the future.
- **Securities for Alabama Funds Enhancement (SAFE) Program Administrative Files.** All banking/financial institutions wanting to accept public funds (state, county, and/or municipal) for deposit must complete a package of agreements to include a Contingent Liability Agreement, a Collateral Security Agreement, an Authorized Representatives and Signature Certification, and Certification of Adoption of Director’s Resolution. Once these documents have been completed to the satisfaction of the State Treasurer’s Office, a Certificate of Qualified Public Depository is issued by the State Treasurer’s Office to the

bank/financial institution. These documents form the legal basis for the relationship between the State Treasurer's Office and the bank/financial institution. In the event of the failure/default of a qualified public depository, these documents set forth the obligations of both parties and the procedures to be followed in preventing the loss of public funds. These records should be kept for one audit cycle following the financial institution's withdrawal from the program.

II. Permanent Records. The Government Records Division recommends the following records as permanent.

Reporting:

- **Report of Bonded Indebtedness.** The report shows the bonds for which the agency acts as the paying agent. This report is compiled once a year by the state examiner. (RDA page 3-2) **(Bibliographic Title: Report of Bonded Indebtedness)**

- **Annual Reports/Other Published Reports.** The annual reports (formerly biennial reports) show the condition of the Treasury and include published copies, and in some instances original documents. After 1939, the report of the state treasurer became part of the Comprehensive Annual Financial Report (CAFR) of the state. A separate published report is created detailing the bonded indebtedness of the state. These reports summarize activities in all of the financial subfunctions of the Office of the State Treasurer and are particularly important in providing evidence of banking, paying the state debt, and investing. (RDA page 3-2) **(Bibliographic Title: State Publications)**

- **Programmatic Informational/Educational Publications.** These brochures, pamphlets, and/or reports describe to the public the activities of the various programs offered by the Office of the State Treasurer, such as the Linked Deposit Program, the Prepaid Affordable College Tuition Program, Alabama College Education Savings (ACES) Program, and Unclaimed Property. These publications provide concise summaries of programs in the subfunctions of banking, investing, and administering unclaimed property laws. (RDA page 3-2) **(Bibliographic Title: State Publications)**

Banking:

- **Securities for Alabama Funds Enhancements (SAFE) Board Meeting Minutes:** These records document proposed and executed proceedings of the board. Included are meeting agendas and minutes. (RDA page 3-2) **(Bibliographic Title: Meeting Minutes of Securities for Alabama Funds Enhancements Board)**

Issuing Bonds:

- **Bond Transcripts.** These are bound volumes which contain the history and supporting

documentation, such as official statement and specimen bond, for each bond issue. These volumes should be preserved permanently if the state treasurer serves as the secretary to the bond authority. For bonds that the state treasurer serves only as the paying agent, the retention should be three (3) years after the issue is paid in full as permanent bond transcripts are maintained by each bond authority (most are retained by the state debt manager within the Department of Finance) (RDA page 3-5) **(Bibliographic Title: Bond Transcripts)**

Investing:

- **Prepaid Affordable College Tuition (PACT) and Alabama College Education Savings (ACES) Program Administrative Files.** This series consists of board meeting minutes, program regulations and procedures, and other related documents. These records document an effort by the state to encourage both the practice of saving for a college education and the enrollment of the state's youth in institutions of higher education. (RDA page 3-5) **(Bibliographic Title: Administrative Files of the Prepaid Affordable College Tuition and Alabama College Education Savings Program)**

- **Meeting Agendas, Minutes, and Packets of the Alabama Trust Fund Board.** The Alabama Trust Fund (ATF) was created by Amendment 450 to the Alabama Constitution and ratified in 1985. The ATF was established as an investment vehicle for the management of oil and gas capital payments generated from drilling activity in Alabama's offshore waters. The fund is under the management and control of the Alabama Trust Fund board with a membership of nine trustees. The governor serves as chairman, the director of finance as vice chairman, and the state treasurer as secretary. Amendment 450 provides that "the board shall use the facilities of the state treasurer in the administration of the trust fund, including, but without limitation thereto, the keeping of records, the management of bank accounts, the transfer of funds and the safekeeping of securities evidencing investments." This series contains information on proposed and executed proceedings of the board. In addition to minutes, this series also includes meeting agendas and other supporting or reference documents. The meeting minutes of the board provide important documentation of the board's actions that may not be found elsewhere. (RDA page 3-6) **(Bibliographic Title: Meeting Agendas, Minutes, and Packets of the Alabama Trust Fund Board)**

Administering Unclaimed Property Laws:

- **Unclaimed Property Database.** Established in 1971, the primary purpose of the Alabama Unclaimed Property Program is to receive unclaimed property (assets, securities, and safe deposit box contents) and reunite assets with legal owners through the receipt, management, and disposition of various unclaimed property. Primary records of the program is maintained within a computer database, which captures owner information, reporting business, and financial/claim transactions. All property data and transactions have been retained on a permanent basis since the program's inception in 1971. (RDA page 3-7) **(Bibliographic Title: Unclaimed Property Database)**

Serving on Boards, Commissions, and Authorities:

- **Meeting Minutes and Orders of the Board of Compromise.** The state treasurer is mandated to keep these records, although the state treasurer does not serve on the board, which is made up of the attorney general, the auditor, and the governor. These records document the decisions of a board that is empowered to settle debts to the state that may involve large amounts of money. Currently, they are not routinely deposited in the Office of the State Treasurer, and many cannot be located. (RDA page 3-7) **(Bibliographic Title Meeting Minutes and Orders of the Board of Compromise)**

Administering Internal Operations:

- **Administrative Correspondence of the State Treasurer.** This correspondence documents the state treasurer's administration and coordination of all of the subfunctions carried out by the Office of the State Treasurer and provides evidence of policy and decision-making in all areas. (RDA page 3-7) **(Bibliographic Title: Administrative Correspondence)**
- **Website.** The agency has a website at www.treasury.state.al.us. Information on the website includes program descriptions of all divisions, staff and contact directory, meeting notices, photos, reports, manuals, and requests for proposals. The website should be preserved as it serves as an important medium for communication with the public.(RDA page 3-7) **(Bibliographic Title: Website)**

Permanent Records List

Alabama Office of State Treasurer

Reporting

1. Report of Bonded Indebtedness
2. Annual Reports/Other Published Reports
3. Programmatic Informational/Educational Publications

Banking

1. Securities for Alabama Funds Enhancement (SAFE) Board Meeting Minutes

Issuing Bonds

1. Bond Transcripts (if the state treasurer is the secretary for the bond authority)

Investing

1. Prepaid Affordable College Tuition Program(PACT)/Alabama College Education Savings (ACES) Administrative Files
- _____2. Meeting Agendas, Minutes, and Packets of the Alabama Trust Fund Board)

Serving on Boards, Commissions, and Authorities

1. Meeting Minutes and Orders of the Board of Compromise

Administering Unclaimed Property Laws

1. Unclaimed Property Database

Administering Internal Operations:

1. Administrative Correspondence of the State Treasurer
2. Website

Alabama Office of the State Treasurer Records Disposition Authority

This Records Disposition Authority (RDA) is issued by the State Records Commission under the authority granted by the Code of Alabama 1975, Sections 41-13-5 and 41-13-20 through 21. It was compiled by the Government Records Division, Alabama Department of Archives and History (ADA), which serves as the commission's staff, in cooperation with representatives of the Office of the State treasurer. The RDA lists records created and maintained by the Alabama Office of the State Treasurer in carrying out its mandated functions and activities. It establishes retention periods and disposition instructions for those records and provides the legal authority for the Alabama Office of the State Treasurer to implement records destruction.

Alabama law requires public officials to create and maintain records that document the business of their offices. These records must be protected from "mutilation, loss, or destruction," so that they may be transferred to an official's successor in office and made available to members of the public. Records must be kept in accordance with auditing standards approved by the Examiners of Public Accounts (Code of Alabama 1975, Sections 36-12-2, 36-12-4, and 41-5-23). For assistance in implementing this RDA or for advice on records disposition or other records management concerns, contact the ADA Government Records Division at (334) 242-4452.

Explanation of Records Requirements

- This RDA supersedes any previous records disposition schedules governing the retention of the Alabama Office of the State Treasurer's records. Copies of superseded schedules are no longer valid and should be discarded.
- The RDA establishes retention and disposition instructions for records regardless of the medium on which those records may be kept. Electronic mail, for example, is a communications tool that may record permanent or temporary information. As for records in any other format, the retention periods for e-mail records are governed by the requirements of the Subfunctions to which the records belong.
- Some temporary records listed under the Administering Internal Operations subfunction of this RDA represent duplicate copies of records listed for long-term or permanent retention in the RADS of other agencies.
- Certain other records and records-related materials need not be retained as records under the disposition requirements in this RDA. Such materials include: (1) duplicate record copies that do not require official action, so long as the creating office maintains the original record for the period required; (2) catalogs, trade journals, and other publications received that require no action and do not document government activities; (3) stocks of blank stationery, blank forms, or other surplus materials that are not subject to audit and have become obsolete; (4) transitory records, which are temporary records created for short-term, internal purposes, may include, but are not limited to, telephone call-back messages, drafts of

ordinary documents not needed for their evidential value, copies of material sent for information purposes but not needed by the receiving office for future business, and internal communications about agency social activities. They may be disposed of without documentation of destruction.

- Any record created prior to 1900 shall be regarded as permanent unless there is a specific action by the State Records Commission to authorize its destruction.

Records Disposition Requirements

This section of the RDA is arranged by subfunctions of the Alabama Office of the State Treasurer and lists the groups of records created and/or maintained by the agency as a result of activities and transactions performed in carrying out these subfunctions. The agency may submit requests to revise specific records disposition requirements to the State Records Commission for consideration at its regular quarterly meetings.

■ Reporting

ANNUAL FINANCIAL REPORTS

Disposition: PERMANENT RECORD.

REPORT OF BONDED INDEBTEDNESS

Disposition: PERMANENT RECORD.

PROGRAMMATIC INFORMATIONAL/EDUCATIONAL PUBLICATIONS

Disposition: PERMANENT RECORD.

■ Banking

SECURITIES FOR ALABAMA FUNDS ENHANCEMENT (SAFE) BOARD MEETING MINUTES

Disposition: PERMANENT RECORD.

Securities for Alabama Funds Enhancement (SAFE) Application and Authorization Files

Disposition: Temporary Record. Retain 3 years following the financial institution's withdrawal from the program.

Applications to Become a State Depository

Disposition: Temporary Record. Retain 20 years.

Linked Deposit Loan Application Files

Disposition: Temporary Record. Retain 3 years after termination of agreement.

Monthly/Quarterly Statements of Linked Deposits

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Certificates of Deposit Received from State Agencies

Disposition: Temporary Record. Retain 1 year after audit.

Deposit Tickets

Disposition: Temporary Record. Retain 7 years.

Bank Statements

Disposition: Temporary Record. Retain 7 years.

Daily Bank Reconciliation Reports (SS20)

Disposition: Temporary Record. Retain 7 years.

Monthly Transaction Register (SS130)

Disposition: Temporary Record. Retain 4 years.

Paid Bank Drafts

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the transaction occurred.

Monthly Draft Register (SS150)

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Cash Receipt Register by Fund (A680)

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

Cash Disbursement by Fund (A690)

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

Cash Balance by Fund after Receipt and Disbursements Update - CABAL

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

Warrants

Disposition: Temporary Record. Retain for 7 years.

Warrant Journals

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

■ Issuing Bonds

BOND TRANSCRIPTS (IF THE STATE TREASURER IS THE SECRETARY FOR THE BOND AUTHORITY)

Disposition: PERMANENT RECORD.

Bond Transcripts (if the state treasurer is the paying agent for the bond authority)

Disposition: Temporary Record. Retain 3 years after issue is fully paid.

Registry of Bondholders

Disposition: Disposition: Temporary Record. Retain 3 years after issue is fully paid.

Bearer Bond Books

Disposition: Retain in office. (Code of Alabama 1975, Section 36-17-12).

Bonds of Indemnity

Disposition: Retain in office. (Code of Alabama 1975, Section 36-17-14).

Redeemed Bearer and Registered Bonds

Disposition: Temporary Record. Retain for the completion of one audit and the release of the audit report (destruction witnessed by Examiners of Public Accounts, per Code of Alabama 1975, Section 36-17-13).

Broker Transmission Letters/Request for Registration

Disposition: Temporary Record. Retain for life of bond.

Bond Principal and Interest Payments

Disposition: Temporary Record. Retain 6 3 years after issue is fully paid.

Debt Service Schedule

Disposition: Temporary Record. Retain for useful life.

Internal Revenue Service (IRS) Form 1099

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

■ Investing

PREPAID AFFORDABLE COLLEGE TUITION (PACT)/ALABAMA COLLEGE EDUCATION SAVINGS (ACES) PROGRAM ADMINISTRATIVE FILES

Disposition: PERMANENT RECORD.

MEETING AGENDAS, MINUTES, AND PACKETS OF THE ALABAMA TRUST FUND BOARD)

Disposition: PERMANENT RECORD.

Fund Bank and Financial Statements

Disposition: Temporary Record. Retain 7 years.

Fund Accounting Files

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

General Journal Sheets

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

PACT Program Reconciliation and Fund Certification

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the last transaction occurred.

PACT Purchaser Account Records

Disposition: Temporary Record. Retain 2 years after account is closed.

PACT College Tuition Invoices and Payment Records

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Custodial Reports

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

■ **Administering Unclaimed Property Laws**

UNCLAIMED PROPERTY DATABASE

Disposition: PERMANENT RECORD.

Unclaimed Property Remittance Reports

Disposition: Temporary Record. Retain 10 years after fiscal year received (Code of Alabama 1975, Section 35-12-90).

Claims for Abandoned Property

Disposition: Retain 7 years after the fiscal year in which the claim was paid.

Unsuccessful Claims for Abandoned Property

Disposition: Temporary Record. Retain 1 year after the fiscal year in which the records were created (Code of Alabama 1975, Section 35-12-85).

Unclaimed Property Interstate Operations

Disposition: Temporary Record. Retain for useful life.

Unclaimed Property Tangible Records

Disposition: Retain 5 years after the fiscal year in which the item(s) were disposed.

Unclaimed Securities Sales Files

Disposition: Retain 5 years after the fiscal year in which the item(s) were sold or otherwise converted to cash.

■ **Serving on Boards, Commissions, and Authorities**

MEETING MINUTES AND ORDERS OF THE BOARD OF COMPROMISE

Disposition: PERMANENT RECORD.

■ **Administering Internal Operations**

Managing the Agency:

ADMINISTRATIVE CORRESPONDENCE OF THE STATE TREASURER

Disposition: PERMANENT RECORD.

WEBSITE

Disposition: PERMANENT RECORD. PRESERVE A COMPLETE COPY OF WEBSITE ANNUALLY OR AS OFTEN AS SIGNIFICANT CHANGES ARE MADE.

Printouts of Acknowledgment from the Secretary of State Relating to Notices of Meetings Posted by State Agencies

Disposition: Temporary Record. Retain 3 years.

Routine Correspondence (includes requests for information)

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Mailing Lists

Disposition: Temporary Record. Retain for useful life.

Agency Legal Files

Disposition: Temporary Record. Retain 10 years after closure or final disposition of case.

Administrative Reference Files

Disposition: Temporary Record. Retain for useful life.

Records documenting the implementation of the agency's approved RDA (copies of transmittal forms to Archives or the State Records Center, evidence of obsolete records destroyed, and annual reports to the State Records Commission)

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Copy of RDA

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the RDA is superseded.

System documentation (hardware/software manuals and diskettes, warranties)

Disposition: Temporary Record. Retain documentation of former system 3 years after the end of the fiscal year in which the former hardware and software no longer exists anywhere in the agency and all permanent records have been migrated to a new system.

Recordings of Meetings in which policy decisions are voted upon

Disposition: Temporary Record. Retain until the official minutes are adopted and signed.

Recordings of Meetings in which policy decisions are not voted upon

Disposition: Temporary Record. Retain for useful life.

Managing Finances:

Records documenting the preparation of a budget request package and reporting of the status of funds, requesting amendments of allotments, and reporting program performance

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Records documenting the requisitioning and purchasing of supplies and equipment, receipting and invoicing for goods, and authorizing payment for products

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Records of original entry or routine accounting transactions such as journals, registers, and ledgers; and records of funds deposited outside the state treasury, including bank statements, deposit slips, and cancelled checks

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Records documenting requests for authorization from supervisors to travel on official business and other related materials, such as travel reimbursement forms and itineraries

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Contractual records established for the purpose of services or personal property

Disposition: Temporary Record. Retain 6 years after expiration of the contract.

Records documenting the bid process, including requests for proposals and unsuccessful responses

- a. Original bid records maintained in the purchasing office of the agency for contracts over \$7500

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in

which the bids were opened.

- b. Duplicate copies of bid (where originals are maintained by the Finance Department - Division of Purchasing)
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the bids were opened.

Agency Audit Reports

Disposition: Temporary Record. Retain 6 years after end of the fiscal year in which the records were created.

Managing Human Resources:

Job Recruitment Materials

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Application Materials

Disposition: Temporary Record. Retain 1 year.

Position Classification Records

Disposition: Temporary Record. Retain 4 years after reclassification of the position.

Records documenting payroll (e.g. pre-payroll reports, payroll check registers)

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Records documenting payroll deduction authorizations

Disposition: Temporary Record. Retain 6 years after separation of employee from the agency.

Records documenting payroll deductions for tax purposes (including Form 941)

Disposition: Temporary Record. Retain 3 years after end of year in which the records were created.

Records documenting employee hours worked, leave earned, and leave taken

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting sick leave donations

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records of final leave status (Cumulative leave)

Disposition: Temporary Record. Retain 6 years after separation of employee from the agency.

Records documenting an employee's work history - generally maintained as a case file

Disposition: Temporary Record. Retain 6 years after separation of an employee from the agency.

Employee Flexible Benefits Plan Files (applications and correspondence)

Disposition: Temporary Record. Retain 6 years after termination of participation in program.

Records documenting the State Employee Injury Compensation Trust Fund (SEICTF) Claims

Disposition: Temporary Record. Retain 6 years after separation of the employee from the agency.

Employee Administrative Hearing Files

Disposition: Temporary Record. Retain 6 years after separation of the employee from the agency.

Section/Division Personnel Files

Disposition: Temporary Record. Retain until separation of an employee from the agency.

Weekly Activity Reports

Disposition: Temporary Record. Retain for useful life.

Records Documenting agency provision of training and professional development

Disposition: Temporary Record. Retain 3 years.

Managing Properties, Facilities, and Resources:

Semiannual Inventory Lists

Disposition: Retain in office (Code of Alabama 1975, Section 36-16-8[1]).

Agency Copies of Transfer of State Property Forms (SD-1)

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Property Inventory Cards and/or Computer Files

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Receipts of Responsibility for Property

Disposition: Temporary Record. Retain until return of item to property manager.

Records documenting the lease or rental of office or warehouse space for the department

Disposition: Temporary Record. Retain 6 years after expiration of the lease.

Requirement and Recommendations for Implementing the Records Disposition Authority

Under the Code of Alabama 1975, Section 41-13-21, “no state officer or agency head shall cause any state record to be destroyed or otherwise disposed of without first obtaining approval of the State Records Commission.” This Records Disposition Authority constitutes authorization by the State Records Commission for the disposition of the records of the Alabama Office of the State Treasurer

(hereafter referred to as the agency) as stipulated in this document.

One condition of this authorization is that the agency submit an annual Records Disposition Authority (RDA) Implementation Report on agency records management activities, including documentation of records destruction, to the State Records Commission in January of each year. In addition, the agency should make every effort to establish and maintain a quality record-keeping program through the following activities:

- The agency should designate a records liaison, who is responsible for: ensuring the development of quality record keeping systems that meet the business and legal needs of the agency, coordinating the transfer and destruction of records, ensuring that permanent records held on alternative storage media (such as microforms and digital imaging systems) are maintained in compliance with national and state standards, and ensuring the regular implementation of the agency's approved RDA.
- Permanent records in the agency's custody should be maintained under proper intellectual control and in an environment that will ensure their physical order and preservation.
- Destruction of temporary records, as authorized in this RDA, should occur agency--wide on a regular basis—for example, after the successful completion of an audit, at the end of an administration, or at the end of a fiscal year. Despite the RDA's provisions, no record should be destroyed that is necessary to comply with requirements of the state Sunset Act, audit requirements, or any legal notice or subpoena.
- The agency should maintain full documentation of any computerized record-keeping system it employs. It should develop procedures for: (1) backing up all permanent records held in electronic format; (2) storing a back-up copy off-site; and (3) migrating all permanent records when the system is upgraded or replaced. If the agency chooses to maintain permanent records solely in electronic format, it is committed to funding any system upgrades and migration strategies necessary to ensure the records' permanent preservation and accessibility.

The staff of the State Records Commission or the Examiners of Public Accounts may examine the condition of the permanent records maintained in the custody of the agency and inspect records destruction documentation. Government Records Division archivists are available to instruct the agency staff in RDA implementation and otherwise assist the agency in implementing its records management program.

The State Records Commission adopted this records disposition authority on October 25, 2006.

Edwin C. Bridges, Chairman, by Tracey Berezansky
State Records Commission

Date

Receipt Acknowledged:

Kay Ivey
State Treasurer

Date