

How Long Should a Parish Retain Contribution Envelopes from Parishioners

If you look at the records retention document posted on the Bismarck Diocese website under the Parish Resources tab of the Finance Office it does not specifically state how long a parish should retain contribution envelopes.

A parish needs to retain proper records for tax purposes for 7 years. Among those records are the electronic records of contributions for your parishioners and used to generate their contribution statements. Contribution envelopes, though they are a good reference source to check against when questions that may arise from parishioners regarding contribution statements, they do not provide proof of their contribution. Only their cashed check provides proof of their contribution.

Best Practices – Though many parishes send year end contribution statements to parishioners it is a better practice to send statements quarterly or semi-annually allowing parishioners to check their records against your parish records. Those statements could contain language such as "Any documentation, including offering envelopes, that the church relied upon in preparing this summary will be disposed of within six months. Therefore, please review this summary carefully, and inform the church treasurer of any apparent discrepancies within six months of the date of this summary." A parish that follows this practice gives a public stated policy on the retention of contribution envelopes.

If your parish does not follow this best practice method but is rather following a practice of reporting annual contribution statements to parishioners it is recommended that you retain the envelopes for a full year afterward. Example: contribution envelopes from 1/1/2010 through 12/31/2010 should be retained until at least 2/1/2012 then destroyed.

For more information on records retention see the USCCB link on our Bismarck Diocese website:

<http://bismarckdiocese.com/uploads/4/ParishRecordsRetention.pdf> or read the recordkeeping section of the IRS Compliance Guide for Public Charities <http://www.irs.gov/pub/irs-pdf/p4221pc.pdf>