

Document Management Solutions - Are You IRS Rev. Proc. 97-22 Compliant?

Regulatory compliance is an absolute necessity in today's business environment. With a growing number of rules and regulations coming from local, state, federal, and industry levels; increasingly severe risks and penalties for non-compliance, including heavy fines- it is extremely important to keep your organizational processes in order.

One way to help keep your processes in order is by incorporating a document management solution into your organization. A document management solution can assist with administering the lifecycle of critical documents, enforcing and enhancing integration processes for compliance and tracking and responding to audits and inquiries in a timely manner. Whether your organization is governed by HIPAA, Sarbanes-Oxley, Patriot Act, or SEC regulations, a document management system can alleviate your compliance worries.

For Financial Services, one leading compliance regulation that must be addressed is IRS Rev. Proc. 97-22.

Are You IRS Rev. Proc. 97-22 Compliant?

IRS Rev. Proc. 97-22 provides guidance to taxpayers that maintain books and records by using an electronic storage system that either images their hardcopy (paper) books and records, or transfers their computerized books and records, to an electronic storage media.

IRS Rev. Proc. 97-22 Summary: An electronic storage system must ensure an accurate and complete transfer of the hardcopy or computerized books and records to an electronic storage media. The electronic storage system must also index, store, preserve, retrieve, and reproduce the electronically stored books and records. According to IRS Revenue Procedure 97-22 13, an electronic storage system must include:

- (a) Reasonable controls to ensure the integrity, accuracy, and reliability of the electronic storage system;
- (b) Reasonable controls to prevent and detect the unauthorized creation of, addition to, alteration of, deletion of, or deterioration of electronically stored books and records;
- (c) An inspection and quality assurance program evidenced by regular evaluations of the electronic storage system including periodic checks of electronically stored books and records;
- (d) A retrieval system that includes an indexing system (within the meaning of section 4.02 of this revenue procedure); and



(e) The ability to reproduce legible and readable hardcopies of electronically stored books and records.

(f) The information maintained in an electronic storage system must provide support for the taxpayer's books and records (including books and records in an automated data processing system). For example, the information maintained in an electronic storage system and the taxpayer's books and records must be cross referenced in a manner that provides an audit trail between the general ledger and the source document(s).

For more information and to view the complete IRS Rev. Proc. 97-22, please consult http://www.recapinc.com/irs_97-22.htm

Incorporating document management into the agency's workflow is an effective tool in managing IRS Rev. Proc. 97-22 compliance. A document management system allows companies to manage the full scope of their compliance responsibilities while increasing agency efficiency and ultimately reducing operational costs.

For more information on document management and how PiF Technologies can assist with your IRS Rev. Proc. 97-22 compliance, please call 888.934.4443.

