

Standard Operating Procedure (SOP): Electronic and Physical Invoice Storage and Archiving

This SOP details the procedures for **electronic and physical invoice storage and archiving**, ensuring secure, organized, and accessible management of invoices. It includes guidelines for proper invoice labeling, storage location requirements, data backup processes, retention periods, and compliance with relevant legal and regulatory standards. The objective is to maintain accurate financial records, facilitate efficient audits, and protect sensitive information from loss or damage.

1. Scope

This SOP applies to all company personnel responsible for handling, storing, archiving, and retrieving both electronic and physical invoices.

2. Definitions

- **Electronic Invoice:** A digital document that records a transaction requesting payment.
- **Physical Invoice:** A paper document that records a transaction requesting payment.
- **Archiving:** The process of securely storing records for a prescribed period.

3. Responsibilities

- Finance Department: Oversee implementation, periodic review, and compliance.
- All Employees: Adhere to the procedures defined in this SOP.

4. Procedure

4.1 Invoice Labeling

- All invoices must display a unique identifier (invoice number), date, vendor/customer name, and amount.
- Electronic invoices should use standardized filenames: *YYYYMMDD_VendorName_InvoiceNumber.pdf*
- Physical invoices must include a visible label with corresponding details.

4.2 Storage Location

- **Electronic Invoices:**
 - Store in the designated secure network folder or approved document management system.
 - Access restricted to authorized personnel only.
 - Backups must be performed according to **Section 4.3**.
- **Physical Invoices:**
 - Store in locked filing cabinets or secure storage rooms.
 - Maintain a log of stored physical invoices.

4.3 Data Backup (Electronic Records)

- Backups must be automated daily and stored at an offsite or cloud-based secure location.
- Periodic restoration tests must be carried out quarterly.
- Audit logs of backups must be maintained.

4.4 Retention Periods

Invoice Type	Retention Period	Disposal Method
Electronic	7 years (or as mandated by law)	Permanent deletion from systems and backups
Physical	7 years (or as mandated by law)	Document shredding by authorized provider

4.5 Access and Retrieval

- Only authorized personnel may access stored invoices.
- Maintain an access log (manual or digital) for invoice retrievals.

4.6 Compliance

- All procedures must comply with local, state, and federal regulations (e.g., tax law, data protection).
- Periodic audits should be performed to ensure adherence.

5. Revision and Audit

- This SOP is to be reviewed annually or upon significant changes in applicable regulations or operations.
- Amendments should be approved by the Finance Department manager.

6. Attachments

- Invoice labeling templates (electronic & physical)
- Backup and restoration procedure guide
- Access log template