



## Chapter 08: Administrative and Financial

# 11. Record-Keeping for Regulatory Compliance

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Maintain regulatory records to ensure compliance with aviation and business regulations.

## Purpose

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Establish systematic record-keeping procedures that ensure compliance with all applicable regulations, support audit activities, and maintain organized documentation for operational and legal requirements while protecting confidential information.

## Roles and Responsibilities

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### Finance Leader:

- Review and approve billing policies and procedures
- Oversee invoice accuracy and accounts receivable
- Monitor financial performance and budgets
- Ensure compliance with financial regulations
- Coordinate with external accounting services

### Operations Leader:

- Oversee daily operations and coordinate between departments
- Authorize emergency response procedures and resource allocation
- Monitor safety compliance and operational excellence
- Coordinate scheduling across departments for operational coverage
- Review billing disputes and approve service adjustments
- Ensure regulatory compliance across all operations

## Process Steps

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### Record Classification Phase

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- **Identify regulatory requirements** - Determine record-keeping obligations for aviation, safety, environmental, and business regulations

- **Classify record types** - Categorize records by regulatory requirement and retention period
- **Establish retention schedules** - Define how long each record type must be maintained
- **Create filing systems** - Organize records for easy retrieval and audit support

## Document Management Phase

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- **Capture records accurately** - Ensure all required information is recorded completely and legibly
- **Verify record completeness** - Review documents for accuracy and required signatures or approvals
- **Store records securely** - Maintain physical and digital records with appropriate access controls
- **Index records systematically** - Create searchable indexes for efficient record retrieval

## Compliance Monitoring Phase

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- **Review retention compliance** - Monitor records against retention schedules and dispose of expired documents
- **Audit record quality** - Regularly review record-keeping practices for compliance and completeness
- **Update procedures** - Revise record-keeping procedures based on regulatory changes and audit findings
- **Train team members** - Provide ongoing training on proper record-keeping practices and requirements

## Audit Support Phase

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- **Prepare audit documentation** - Organize records for regulatory inspections and external audits
- **Coordinate with auditors** - Provide requested documentation and support audit activities
- **Address audit findings** - Implement corrective actions for record-keeping deficiencies
- **Update procedures** - Revise record-keeping practices based on audit recommendations

## Process Mapping

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```
graph TD
    A[Record Created] --> B[Classify Record]
    B --> C[Store Securely]
    C --> D[Index/Catalog]
    D --> E[Monitor Retention]
    E --> F{Retention Met?}
```

```
flowchart TD
```

```
A[Record Created] --> B[Classify Record]
```

```
B --> C[Store Securely]
```

```
C --> D[Index/Catalog]
```

```
D --> E[Monitor Retention]
```

```
E --> F{Retention Met?}
```

F -->|Yes| G[Dispose Properly]

F -->|No| H[Continue Storage]

H --> I{Audit Request?}

I -->|Yes| J[Provide Records]

I -->|No| E

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## Tools and Resources

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- **Document Management System:** Digital record storage and retrieval capabilities
- **Record Retention Schedule:** Detailed requirements for each record type
- **Filing Systems:** Physical and digital organization methods
- **Access Control System:** Security measures for confidential records
- **Audit Tracking Tools:** Systems for managing audit requests and responses
- **Regulatory Update Services:** Notifications of changes affecting record-keeping requirements

## Success Metrics

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- **Completion Time:** All regulatory records filed and indexed within 24 hours of creation.

**Quality Standard:** 100% of required records maintained with complete documentation and proper retention.

**Safety Standard:** Safety and maintenance records support regulatory compliance and audit requirements.

**Client Satisfaction:** Record-keeping supports efficient service delivery and client information protection.

## Common Issues and Solutions

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- **Issue:** Missing or incomplete records discovered during audits or inspections
- **Solution:** Implement daily record review procedures and establish backup documentation processes. Create checklists for required documentation and conduct regular internal audits.

**Issue:** Records stored in multiple locations making retrieval difficult

**Solution:** Centralize record storage using document management system with consistent indexing. Establish single source of truth for each record type and eliminate duplicate storage.

**Issue:** Team members not following proper record-keeping procedures

**Solution:** Provide regular training on record-keeping requirements and consequences of non-compliance. Implement supervisor review procedures and establish accountability measures.

## Safety Considerations

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⚠ **WARNING:** Ensure safety and maintenance records are maintained per FAA requirements to support continued airworthiness

⚡ **CAUTION:** Protect confidential client and team member information with appropriate access controls and security measures

i **NOTE:** Record retention requirements vary by regulation - ensure compliance with longest applicable retention period

✅ **BEST PRACTICE:** Use digital document management systems to improve record security, accessibility, and disaster recovery

## Regulatory References

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- **14 CFR Part 91** - General Operating Rules (aircraft and maintenance record requirements)
- **14 CFR Part 61** - Certification: Pilots, Flight Instructors, and Ground Instructors (training records)
- **OSHA 29 CFR 1910.1020** - Access to Employee Exposure and Medical Records
- **Fair Labor Standards Act (FLSA)** - Team member record-keeping requirements