

DOCUMENT RETENTION AND DESTRUCTION POLICY

I. Purpose

This policy provides for the systematic review, retention, and destruction of documents received or created by [ORGANIZATION NAME] in connection with the transaction of [ORGANIZATION NAME]'s business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate [ORGANIZATION NAME]'s operations by promoting efficiency and freeing up valuable storage space.

II. Document Retention

[ORGANIZATION NAME] follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

III. Corporate Records

Type of Document	Minimum Requirement
Accident Reports and Workers Compensation records	7 years
Accounts Payable Ledgers and Schedules	7 years
Annual Reports to Secretary of State/Attorney General	Permanently
Appraisals	Permanently
Articles of Incorporation	Permanently
Audit Reports	Permanently
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Board Meeting and Board Committee Minutes	Permanently
Board Policies/Resolutions	Permanently
By-laws	Permanently
Cash Receipts	3 years
Checks (for important payments and purchases)	Permanently
Contracts	7 years after expiration
Construction Documents	Permanently
Copyright Registrations	Permanently
Correspondence (general)	3 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Credit Card Receipts	3 years
Deeds and Bills of Sale	Permanently
Depreciation Schedules	Permanently
Donor Records and Acknowledgement Letters	10 years

Duplicate Deposit Slips	2 years
Earnings Records	7 years
Electronic Fund Transfer Documents	7 years
Employment Applications	7 years
Environmental Studies	Permanently
Expense Analyses/Expense Distribution Schedules	7 years
Filings with the Registry of Charitable Trusts	10 years
Financial Statements	Permanently
Fixed Asset Records	Permanently
Garnishment Records	7 years
General Ledgers	Permanently
Grant Applications and Contracts	7 years after completion
I-9 Forms	3 years after termination
Insurance Policies, Records, Current Accident Reports, Claims	Permanently
Intellectual Property and Trade Secrets	Life of the Trade Secret
Internal audit reports	5 years
Inventories of products, materials, and supplies	7 years
Invoices (to customers, from vendors)	7 years
IRS Application for Tax-Exempt Status (Form 1023)	Permanently
IRS Determination Letter	Permanently
IRS Annual Return (Form 990 or 990-EZ) and Worksheets	Permanently
IRS 1099s	7 years
Journal Entries	7 years
Leases	7 years after expiration
Legal Files	generally 10 years
Minute Books and Charter	Permanently
Mortgages	7 years after expiration
Notes	7 years after expiration
OSHA Documents	5 years
Patents and Related Papers	Permanently
Payroll Records and Summaries	7 years
Payroll Registers	Permanently
Payroll Tax Returns	7 years
Personnel Files (terminated employees)	7 years
Petty Cash Vouchers	3 years
Press Releases	Permanently
Records Relating to Promotion, Demotion, or Discharge	7 years after termination
Retirement and Pension Plan Documents	Permanently
Salary Schedules	5 years
Sales Records (box office, concessions, gift shop)	5 years
Solicitations for Contributions	10 years
State Sales Tax Exemption Letter	Permanently
State Tax Returns and Worksheets	Permanently
State Unemployment Tax Records	Permanently
Stock and Bond Records	Permanently
Timesheets	7 years

Trademark Registrations	Permanently
W-2 Statements	7 years
Withholding Tax Statements	7 years

IV. Glossary of Terms

1. Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in the **[ORGANIZATION NAME]**'s minute book.
2. Commercial Fundraiser. A commercial fundraiser for charitable purposes must maintain during each solicitation campaign, and for not less than 10 years following the completion of each solicitation campaign, records including any electronic records, containing information regarding:
 - a) The date and amount of each contribution received as a result of the solicitation campaign and, for non-cash contributions, the name and mailing address of each contributor.
 - b) The name and residence address of each employee, agent or other person involved in the solicitation campaign.
 - c) Records of all revenue received and expenses incurred in the course of the solicitation campaign.
 - d) For each account into which the commercial fundraiser deposited revenue from the solicitation campaign, the account number and the name and location of the bank or other financial institution in which the account was maintained.
 - i. If commercial fundraiser sells tickets to events and represents that they will be donated for use by another, then he or she must keep the number of tickets purchased and donated by each contributor, name address of all orgs receiving donated tickets.

[ORGANIZATION NAME] must maintain a copy of its contract with the commercial fundraiser and records of solicitations and donations according to the table above.

3. Contracts. Final, executed copies of all contracts entered into by the **[ORGANIZATION NAME]** should be retained. **[ORGANIZATION NAME]** should retain copies of the final contracts for at least seven years beyond the life of the agreement, and longer in the case of publicly filed contracts.
4. Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to **[ORGANIZATION NAME]** and are protected as a trade secret where **[ORGANIZATION NAME]**:

- a) derives independent economic value from the secrecy of the information; and
 - b) **[ORGANIZATION NAME]** has taken affirmative steps to keep the information confidential.
 - c) **[ORGANIZATION NAME]** should keep all documents designated as containing trade secret information for at least the life of the trade secret.

- 5. Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

- 6. Personnel Records. State and federal statutes require the Company to keep certain recruitment, employment and personnel information. **[ORGANIZATION NAME]** should also keep personnel files that reflect performance reviews and any complaints brought against **[ORGANIZATION NAME]** or individual employees under applicable state and federal statutes. **[ORGANIZATION NAME]** should also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file. Personnel records should be retained for seven years.

- 7. Press Releases/Public Filings. **[ORGANIZATION NAME]** should retain permanent copies of all press releases and publicly filed documents under the theory that **[ORGANIZATION NAME]** should have its own copy to test the accuracy of any document a member of the public can theoretically produce against **[ORGANIZATION NAME]**.

- 8. Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning **[ORGANIZATION NAME]**'s revenues. Tax records should be retained permanently. Payroll tax returns can be retained for only seven years.

V. Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

VI. Emergency Planning

[ORGANIZATION NAME]'s records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping **[ORGANIZATION NAME]** operating in an emergency will be duplicated or backed up at least every week and maintained off site.

VII. Document Destruction

[ORGANIZATION NAME]'s chief financial officer is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

VIII. Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against **[ORGANIZATION NAME]** and its employees and possible disciplinary action against responsible individuals. The chief financial officer and finance committee chair will periodically review these procedures with legal counsel or the **[ORGANIZATION NAME]**'s certified public accountant to ensure that they are in compliance with new or revised regulations.