

# Document Retention and Destruction

Approved 5.21.2012

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## Purpose

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this **Document Retention and Destruction Policy** (hereinafter "Policy") provides for the systematic review, retention and destruction of documents received or created by the School in connection with the transaction of organization 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 the School's operations by promoting efficiency and freeing up valuable storage space.

## Document Retention

The School 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.

### Corporate Records

Annual Reports to Secretary of State/Attorney General – Permanent  
Articles of Incorporation – Permanent  
Board Meeting and Board Committee Minutes – Permanent  
Board Policies/Resolutions – Permanent  
By-laws – Permanent  
Construction Documents – Permanent  
Fixed Asset Records – Permanent  
IRS Application for Tax-Exempt Status (Form 1023) – Permanent  
IRS Determination Letter – Permanent  
State Sales Tax Exemption Letter – Permanent  
Contracts (after expiration) – 7 years  
Correspondence (general) – 3 years

### Accounting and Corporate Tax Records

Annual Audits and Financial Statements – Permanent  
Depreciation Schedules – Permanent  
General Ledgers – Permanent  
IRS 990 Tax Returns – Permanent  
Business Expense Records – 7 years  
IRS 1099s – 7 years  
Journal Entries – 7 years  
Invoices – 7 years  
Sales Records (box office, concessions, gift shop) – 5 years  
Petty Cash Vouchers – 3 years  
Cash Receipts – 3 years  
Credit Card Receipts – 3 years

#### Bank Records

Check Registers – Permanent  
Bank Deposit Slips – 7 years  
Bank Statements and Reconciliation – 7 years  
Electronic Fund Transfer Documents – 7 years

#### Payroll and Employment Tax Records

Payroll Registers – Permanent  
State Unemployment Tax Records – Permanent  
Earnings Records – 7 years  
Garnishment Records – 7 years  
Payroll Tax returns – 7 years  
W-2 Statements – 7 years

#### Employee Records

Employment and Termination Agreements – Permanent  
Retirement and Pension Plan Documents – Permanent  
Records Relating to Promotion, Demotion or Discharge – 7 years after termination  
Accident Reports and Worker's Compensation Records – 5 years  
Salary Schedules – 5 years  
Employment Applications – 3 years  
I-9 Forms – 3 years after termination  
Time Cards – 2 years  
Donor Records and Acknowledgement Letters – 7 years  
Grant Applications and Contracts – 5 years after completion

#### Legal, Insurance, and Safety Records

Appraisals – Permanent  
Copyright Registrations – Permanent  
Environmental Studies – Permanent  
Insurance Policies – Permanent  
Real Estate Documents – Permanent  
Stock and Bond Records – Permanent  
Trademark Registrations – Permanent  
Leases – 6 years after expiration  
OSHA Documents – 5 years  
General Contracts – 3 years after termination

### **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.

### **Emergency Planning**

The School’s records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping the School operating in an emergency will be duplicated or backed up at least every week and maintained off site.

### **Document Destruction**

The School’s Treasurer 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.

### **Compliance**

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against the School and its employees and possible disciplinary action against responsible individuals. The Treasurer and finance committee chair will periodically review these procedures with legal counsel or the organization’s certified public accountant to ensure that they are in compliance with new or revised regulations.

