

## **Document Retention Policy**

The destruction of business records and documents is a process that must be carefully monitored. This policy specifies how important documents (hardcopy, electronic, or other media) should be retained, protected, and eligible for destruction. The policy also ensures that documents are promptly provided to authorities in the course of legal investigations or lawsuits.

### **Document Protection**

Documents (hardcopy, electronic copy, or other media) will be stored in a protected environment for the duration of the Document Retention Schedule. (See Document Retention Schedule.)

### **Document Destruction**

Hardcopy of documents will be destroyed by shredding after they have been retained until the end of the Document Retention Schedule. Electronic copies will be destroyed by proved means to destroy such media after they have been retained until the end of the Document Retention Schedule.

### **Provision of Documentation for Legal Investigations or Litigation**

Documents requested and subpoenaed by legally authorized personnel will be provided within five business days. The Board Chair and Executive Director will authorize provision of requested documents. No documents will be concealed, altered, or destroyed with the intent to obstruct an investigation or litigation.

## Document Retention Schedule

This Document Retention Schedule is part of Nonprofit Network’s Document Retention Policy.

### Document Retention Schedule

The following types of documents will be retained for the following periods of time. At least one copy of each document will be retained according to the following schedule.

Definition of original: first copy of archetype; that from which another instrument is transcribed, copied, or imitated.

Type of Document	Time to Retain	How to Retain
Accounts Payable Ledgers and Schedules	7 Years	Originals
Annual Tax Filing (IRS Form 990)	Permanent	Originals
Article of Incorporation	Permanent	Originals
Attorney General State Solicitation License/Renewal Solicitation Application	Permanent	Originals
Audit Reports	Permanent	Originals
Bank Deposit Slips	7 Years	Current Year Originals – Previous Year Electronic
Bank Reconciliations/Bank Statements (Filed Together)	3 Years	Current Year Originals – Previous Year Electronic
Board Meeting Minutes & Committee Meeting Minutes/Notes	Permanent	Originals
Board Policies	Permanent	Originals
By Laws & Charter	Permanent	Originals
Business Expenses Documents – Bills from Vendors	7 Years	Current Year Originals – Previous Year Electronic
Check Stubs (for Important Payments and Purchases – i.e. Fixed Asset Purchases, Settlements, Other Payouts)	Permanent	Current Year Originals – Previous Year Electronic
Contracts, Mortgages, Notes and Leases (Expired)	7 Years	Originals
Contracts (Still in Effect)	Permanent	Current Year Originals – Previous Year Electronic
Correspondence (General)	2 Years	Current Year Originals – Previous Year Electronic
Insurance Policies (Expired)	3 Years	Current Year Originals – Previous Year Electronic
Insurance Claims Applications	Permanent	Current Year Originals – Previous Year Electronic
Insurance Disbursements/Denials	Permanent	Current Year Originals – Previous Year Electronic
Insurance Records, Accident Reports, Claims, Policies, etc.	Permanent	Current Year Originals – Previous Year Electronic

Type of Document	Time to Retain	How to Retain
Inventories of Products, Materials, and Supplies	7 Years	Current Year Originals – Previous Year Electronic
Investment Records (Deposits, Earnings, Withdrawals)	7 Years	Current Year Originals – Previous Year Electronic
Invoices (To Customers)	7 Years	Current Year Originals – Previous Year Electronic
IRS Form 1023 Application for Tax Exempt Status	Permanent	Original
Letter of Determination from Granting Tax Exempt/Charitable Status (501(c)(3) Letter)	Permanent	Original
Patents and Related Papers	Permanent	Original
Payroll Ledger and Summaries	7 Years	Current Year Originals – Previous Year Electronic
Payroll Tax Returns and Worksheets (Forms 941, 1028 and 5080)	Permanent	Current Year Originals – Previous Year Electronic
Correspondence (Legal and Important Matters)	Permanent	Originals
Credit Card Receipts	7 Years	Current Year Originals – Previous Year Electronic
Deeds, Mortgages, and Bills of Sale	Permanent	Original
Depreciation Schedules	Permanent	Original
Directors and Officers Insurance Policy	Permanent	Current Year Originals – Previous Year Electronic
Documents Involved in a Current Investigation or Litigation	7 Years After Appeal Period	Originals
Employment Applications	3 Years	Electronic
Financial Software Backups	7 Years	Electronic
Financial Statements	7 Years	Electronic
Financial Statements – Year End (Audited)	Permanent	Current Year Originals – Previous Year Electronic
General Ledger Permanent	7 Years	Electronic
General Liability Insurance policy	Permanent	Current Year Originals – Previous Year Electronic
Personnel Files (Terminated Employees)	7 Years	Electronic
Petty Cash Receipts/Documents	3 Years	Electronic
Property Insurance Policy	Permanent	Original
Retirement and Pension Records	Permanent	Electronic
SIMPLE Plan	7 Years	Current Year Originals – Previous Year Electronic
State Nonprofit Corporation Annual Report	7 Years	Current Year Originals – Previous Year Electronic
State Sales Tax Exemption Documents (Sales Tax Exemption Certificates – Form #3372)	5 Years	Current Year Originals – Previous Year Electronic
Timesheets	7 Years	Current Year Originals – Previous Year Electronic

Type of Document	Time to Retain	How to Retain
Trademark Registrations and Copyrights	Permanent	Original
Withholding Tax Statements W4's (Federal/State/City)	7 Years	Current Year Originals – Previous Year Electronic
Workers' Compensation Insurance Policy Permanent	Permanent	Current Year Originals – Previous Year Electronic
Workers' Compensation Records/Claims and Internal Audit	Permanent	Current Year Originals – Previous Year Electronic
W-2 Statements and 1099's	7 Years	Current Year Originals – Previous Year Electronic
W-9 and Vendor Ins. Certificates	7 Years	Current Year Originals – Previous Year Electronic

*This Policy Approved by the Nonprofit Network Board of Directors 1/28/2016*