

# 3003. Records Management Policy

## 1. Purpose

This Policy establishes a “**Record Retention and Destruction Policy**” identifying standards for retaining and destroying essential physical and electronic records, following generally accepted standards such as the IRS, IndependentSector.org or NonprofitLaw.com as required by §3.9 of Policy 1007, “Standards of Accountability.”

## 2. Policy

Theler Center shall retain records<sup>[1]</sup> for the period of their immediate or current use, unless longer retention is necessary for historical reference, or to comply with contractual or legal requirements, or for other purposes determined by the Board. Records will be retained as indicated in Appendix 3003A.

Documents and other materials that do not constitute “records” in Appendix 3003A, may be destroyed when no longer needed.

### 2.1. Types of records

**Permanent records.** Permanent records are records required by law to be permanently retained. Permanent records shall be retained in accordance with Level 1 standards.

**Essential records.** Essential records are records necessary for the continuity of Theler Center and the protection of the rights and interests of individuals. These are critical to Theler Center’s mission or business operations, which, if damaged, destroyed or lost, would have major impact on Theler Center mission or business operations. Essential records shall be retained in accordance with Level 1 standards.

**Computer records.** Computer records include incoming e-mail messages, including attachments, as well as all documents created or stored on Theler Center computers. Computer records shall be retained in accordance with Level 2 standards.

**Current records.** Current records are records which for convenience, ready reference or other reasons are retained in the office space and equipment of Theler Center. Current records shall be retained in accordance with Level 3 standards.

### 2.2. Record retention

- 2.2.1. **Level 1.** Original documents and photocopies shall be retained by the Manager and Board Secretary as indicated in Appendix 3003A. Paper documents shall be scanned<sup>[2]</sup> and stored on a **PERMANENT RECORDS** CD or DVD. One copy of the CD/DVD shall be retained in the Manager’s office and one copy shall be maintained by the Board Secretary off site. Permanent Records CD/DVDs should be stored in a fire-resistant container.<sup>[3]</sup> Level 1

<sup>1</sup> Records include computer files and hardcopy documents that support the mission and operation of Theler Center.

<sup>2</sup> “The authenticity of duplicates, which are an accurate reflection of the original documents, is accepted as evidence in most state and federal courts. The Federal Rules of Evidence do not require that a duplicate be exact. The legal standard involves a showing of ‘authenticity’ and whether the ‘techniques [used] accurately reproduce the original.’ A digitally scanned image meets the threshold definition requirements of a duplicate. Therefore, it should be admissible unless there is a question as to its authenticity.” Jackson, Stacy O’Neil & John Fuex. “Admissibility of Digitally Scanned Images.” InfoEdge Technology Inc. <[http://www.pagebid.com/Tools/article\\_jacksonfuex.pdf](http://www.pagebid.com/Tools/article_jacksonfuex.pdf)> Downloaded 8/7/2007

<sup>3</sup> Certified by Underwriter’s Laboratory to protect documents for up to 30 minutes at 1550F°

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documents shall be scanned at 300 dots per inch or higher and stored in a “minimally lossy”<sup>[4]</sup> format, preferably in Portable Document Format (PDF)<sup>[5]</sup> format or in Tagged Image File Format (TIFF or TIF) or as a minimum as “lossless”<sup>[6]</sup> Joint Photographic Experts Group (JPEG or JPG) files.

- 2.2.2. **Level 2.** Incoming e-mail to official Theler Center e-mail accounts shall be retained. Spam (bulk messages), promotional, salacious or offensive e-mail shall be deleted. Computer files should be retained in commonly available formats, primarily Microsoft Word for Windows® (DOC), Microsoft Excel® (XLS), or ASCII text (TXT) files.<sup>[7]</sup> All computer data files, including incoming e-mail and attachments, and created and stored electronic documents shall be stored on a **BACKUP** CD or DVD monthly. One copy of the CD/DVD shall be retained in the Manager’s office and one copy shall be maintained by the Board Secretary off site. Backup CD/DVDs shall be retained for at least one year (12 monthly backups) prior to disposal. Backup CD/DVDs should be stored in a fire-resistant container.
- 2.2.3. **Level 3.** Original documents, photocopies or computer files shall be retained the Manager’s Office, reception office or Exhibit Center as appropriate.

## 2.3. Record disposal

Original records, photocopies and media copies of records may be discarded in normal trash containers. Documents that are private, confidential, or sensitive; or which contain information that would aid fraud or identity theft shall be rendered unreadable by a strip-cut or preferably a cross-cut shredder prior to disposal. CDs or DVDs containing sensitive files should be shredded or otherwise rendered unreadable before disposal.

## 3. Transparency

Access to records by Board directors, staff, volunteers, the public, the media, and all stakeholders shall be in accordance with Policy 1005, “Transparency.”

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<sup>4</sup> [http://en.wikipedia.org/wiki/Lossy\\_compression](http://en.wikipedia.org/wiki/Lossy_compression)

<sup>5</sup> Open Standards ISO 32000, <http://en.wikipedia.org/wiki/PDF>

<sup>6</sup> <http://en.wikipedia.org/wiki/Jpeg>

<sup>7</sup> [http://en.wikipedia.org/wiki/List\\_of\\_file\\_formats](http://en.wikipedia.org/wiki/List_of_file_formats)

# Appendix 3003A: Record Retention [8][9]

S=Board Secretary, M=Manager's office, P=Permanent records CD or DVD, B=Monthly backup CD or DVD, W=Web site, T=Board Treasurer, Q=Quickbooks.com

Description of Record	Including	Original Electronic Document	Original Paper Document	Photocopy	PDF copy	Disposition
<b>Corporate documents</b>						
Foundational documents	Articles of incorporation, Bylaws		M	S	P, W	Permanent
Tax exemption documents	IRS Form 1023, IRS de-termination letter		M	S	P, W	Permanent. Federal law requires copies of these documents to be held at organization's headquarters office. These records must be made available for public inspection upon request.
Board actions	Meeting/board documents including agendas, minutes and related documents	<u>P</u>	<u>M</u>	<u>S</u>	P, W	Permanent
Accountability testaments	Code of Conduct statement by each Board member		<u>M</u>	<u>S</u>	P	Permanent
	Annual Disclosure statement by each Board member and the Manager		<u>M</u>	<u>S</u>	P	Permanent
Policies and Procedures		<u>P</u>	<u>M</u>	<u>S</u>	P, W (See Note)	Permanent. Selected policies and procedures should be available for download on the Web site as determined by the Board or the Manager

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 \* <http://www.nonprofitlaw.com/retention.shtml>

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<b>Financial Records</b>									
Year end Treasurer's financial report/statement									Permanent
Treasurer's periodic reports									Three years
Financial records									Seven years
Accounts payable ledgers									Seven years
Bank statements									Three years
Cancelled checks									Three years
Check register									Permanent
Bank deposit slips									Two years
Depreciation Schedules									Permanent
Expense Analyses/expense distribution schedules									Seven years
Federal tax filings									Seven years (Federal law requires that at least the three most recent years' returns be kept in the organization's headquarters office and be made available for public inspection upon request.)
Independent audit reports									Permanent
Internal audit reports									Three years
Invoices									Seven years
L&I and other State tax and insurance filings									Seven years
Year-end financial statements									Permanent
<b>Legal Documents</b>									

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Theler Will, codices and court directives			M		P, W	Permanent
Deeds, mortgages, and bills of sale			M		P	Permanent
Memoranda of Understanding and similar documents			M		P, W	Permanent
Contracts			M		P	Permanent
Grants			M		P	Permanent
<b>Correspondence</b>						
General			M			Two years
Correspondence (legal and important matters)			M	S	P	Permanently
Correspondence (with customers and vendors)			M			Two years
<b>Other documents</b>						
Personnel documents for employees			M		P	Permanent (Confidentiality of information must be maintained)
Personnel documents for terminated employees			M		P	Seven years (Confidentiality of information must be maintained)
Employment applications			M			Three years
Insurance Policies (expired)			M			Three years
Insurance records, current accident reports, claims, policies, etc.			M		P	Permanent
Payroll records and summaries			M			Seven years
Timesheets			M			Seven years
<b>Computer files</b>						
Incoming e-mails and attachments						One year (see §2.2.2)
Created and stored files						One year (see §2.2.2)