

United Way of West Central Connecticut Record Retention and Destruction Policy

United Way of West Central Connecticut, like most organizations, recognizes the need to regularly dispose of unnecessary and outdated documents and files. Limiting the cost of record storage and the volume of documents can contribute to maintaining the efficiency of the organization.

On the other hand, prudent business operation requires that such disposal be undertaken with caution, lest a record be destroyed that is needed later. And the Sarbanes-Oxley Act makes it a crime to alter, cover-up, falsify, or destroy any record to prevent its use in an official proceeding. The Act turns intentional document destruction into a process that must be monitored, justified, and carefully administered.

This policy is then designed to have clear and mandatory requirements for both the **retention** of organizational records and for an intentional, periodic process for the **destruction** of records.

Figure 1, which is attached and is part of this policy, provides guidance on the retention period for a number of record types.

Policy:

It is the organization's policy to maintain complete, accurate, and high quality records, and to effectively manage those records in accordance with all applicable laws and regulations and with this policy.

All organization employees and agents are responsible for ensuring that all records are created, used, maintained, preserved, and destroyed in accordance with this Record Retention and Destruction Policy.

Records containing confidential and proprietary information will be securely maintained, controlled, and protected to prevent unauthorized access.

All records generated and received by the organization are the property of the organization. No employee, by virtue of their position, has any personal or property right to such records even though they may have developed or compiled them. The unauthorized destruction, removal, or use of such records is prohibited.

No one may falsify or inappropriately alter information in any record or document.

Records that have satisfied their required period of retention will be destroyed in an appropriate manner.

The President & CPO and Operations/Communications Director will be responsible for the administration of the Policy. The Audit Committee and the Board of Directors will approve any changes or revisions to the policy or retention schedule.

Information pertaining to unauthorized destruction, removal, or use of organization records, or regarding falsifying or inappropriately altering information in a record or document should be reported directly to any member of the Audit Committee or in accordance with the Whistleblower Policy.

Definitions:

Records: A record is recorded information, regardless of medium or characteristic, which can be retrieved at any time. It includes all original documents, papers, letters, cards, books, photographs, sound or video recordings, magnetic tape, electronic media, and other information containing media that are generated and/or received in connection with transacting the organization's business. If not stipulated otherwise, these are the records to which the retention schedule applies.

Non-Records: Non-records material includes duplicate copies of correspondence, duplicate copies of records used for short-term reference purposes, blank forms, stocks of publications, magazines, newspapers, public telephone directories, and transitory messages used primarily for the informal communication of information. Transitory messages do not set policy, establish guidelines or procedures certify a transaction, or become a receipt. Transitory messages may include, but are not limited to, e-mail messages with short-lived or no administrative value, voice mail, and telephone messages.

Notes of unofficial meetings, telephone conversations or other personal notes, when generated should be routinely discarded when they are no longer useful. For example, when informal notes are transferred to a more formal record, the notes are no longer useful and should be discarded.

Preliminary working papers and superseded drafts, particularly after subsequent versions are finalized, should be discarded.

Non-records are maintained for as long as administratively needed, and the retention schedules do not apply. Non-records may be discarded when the business use has terminated.

E-Mail Communications: E-mail communications, messages and documents transmitted by e-mail are similar to paper documents. They may be considered business records and are subject to this policy. To determine whether an e-mail message must be retained and for how long, think of it as if it were a paper memo or document. If a memo would be retained due to its content, then an e-mail message with the same content should be retained for the same length of time.

The originator of the e-mail message (or the recipient if the message is from outside the organization) is the person responsible for retaining the message. E-mail messages may be retained in electronic form in the mailbox, or be printed and filed along with other documents related to the topic. Users may delete e-mail messages that they are not required by this policy to retain (such as non-record and transitory messages) and messages that are being retained in printed form.

General Guidelines:

If any litigation, claim, or audit is started before the expiration of the stated retention period, the records relating to that subject shall be retained until all litigation claims, or audit findings involving those records have been resolved and final action taken, or until the stated retention period is expired, whichever is longest.

Unless otherwise noted, all retention periods shall begin at the end of the year when the tax return (Form 990 or otherwise) is filed for the year to which the document applies. If the statute of limitations concerning a tax year is extended, retention should be extended accordingly.

- For example, if pledge cards have a three-year retention period, the pledge cards for the 06/07 campaign would support the revenue reported in fiscal year 2007 and appearing in the IRS Form 990 for the 2006 reporting period. That form 990 would be filed in 2007 and the retention period would begin (for simplicity) on the last day of the year. Thus, those 06/07 pledge cards would be eligible for destruction on January 1, 2011.
- Similarly, vendor invoices with a three year retention period paid in fiscal year 2007, reported as expense on the Form 990 for the 2006 reporting period, filed in 2007, would be eligible for destruction on January 1, 2011.

The retention period for some records, such as fixed asset purchases, mortgages, and routine contracts begins with the disposal of the asset or the termination or expiration of the agreement or contract.

When appropriate, inactive paper records scheduled for destruction in future periods will be stored in containers (such as banker's boxes), with contents clearly labeled, and with the destruction date clearly indicated on the box.

While records should be destroyed when the retention period has passed, the historical or archival value of some records should be considered in light of future research or public relations purposes. Staff may request an exception to the policy by presenting an assessment of the particular situation to the Audit Committee (or designee).

Electronic files are considered the same as a paper file. If a document only exists electronically, it should be retained for the same retention period.

- In case of litigation, the electronic file has the same status as a paper file. Voice mail and email can be considered subject to mandatory retention in cases of litigation. While litigation issues are highly unlikely at United Way, if a case should arise the assistance of technical staff should be sought to preserve the appropriate electronic messages.
- Records on individual computers, files residing on file servers, and CD's or other electronic media should be reviewed annually for compliance with the retention and destruction policy.
- The organization backs up server files in such a manner that backup records are available for five days. Backups are done for data security in case of system failure and are not a replacement for record retention.
- Records may also be retained by third parties in web-based applications, such as online check imaging provided by our bank.
- Electronic media containing electronic files should be clearly identified and where appropriate, aggregated in individual network folders by destruction date.

Deployment:

The Record Retention and Destruction Policy will be distributed to each employee. The policy will be an annual training topic at a staff meeting.

The President & CPO and Operations/Communications Director will be responsible for notifying affected employees of changes to retention requirements in cases where litigation or pending claims extends the retention period, and will work collectively to identify records that may apply to the issue in question.

Figure 1. Document Retention & Destruction Schedule				
Category of Records	Description of Records	Manner of Record Keeping	Retention Period	Disposition
General	Correspondence	Compile and store current correspondence in appropriate subject files or in accordance with general corporate filing guidelines.	Two Years. This period may be increased or shortened depending upon importance to daily business activities.	Archive only correspondence important to business activities. Useless documents should be recycled or shredded.
Financial	Accounts payable ledgers and schedules	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Archive with financial records and shred after three years of storage.
	Accounts receivable ledgers and schedules	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Archive with financial records and shred after three years of storage.
	Agency payments reports	Compile and file records on an annual basis.	Three Years. Store with financial records.	Shred at the end of the retention period.
	Annual information returns (IRS Forms 990)	Federal law requires that the three most recent years returns be kept in the organization headquarters and be made available for public inspection.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Audit reports	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Banking statements and reconciliations	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Budgets	Compile and file records on an annual basis.	Three Years. Store with financial records.	Shred at the end of the retention period.
	Cash books	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Chart of accounts	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Cancelled checks	For important payments, i.e., taxes, purchases of property, special contracts, etc., checks should be filed with the papers pertaining to the underlying transaction. Otherwise, compile and file records on an annual basis	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Contracts (purchases and campaign)	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Depreciation schedules	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Designation payment reports and worksheets	Compile and file records on an annual basis.	Three Years. Store with financial records.	Shred at the end of the retention period.
	Duplicate deposit slips	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Endowment contribution support documents	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Expenses analyses and distribution schedules	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Financial statements (year-end, other optional)	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Fixed asset purchase documentation	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records and shred after three years of storage.

Category of Records	Description of Records	Manner of Record Keeping	Retention Period	Disposition
	General/private ledgers, year-end trial balances	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Journal entries	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Notes receivable ledgers and schedules	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Payroll records and summaries	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Petty cash vouchers	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Pledge cards and similar pledge documentation	Compile and file records on an annual basis.	Three Years. Store with financial records.	Shred at the end of the retention period.
	Pledge payment records and other cash receipts	Compile and file records on an annual basis.	Three Years. Store with financial records.	Shred at the end of the retention period.
	Property records including costs, depreciation reserves, year-end trial balances, depreciation schedules, blueprints, and plans	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Restricted contribution documentation (non-campaign)	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Archive with financial records and shred after three years of storage.
	Subsidiary ledgers (agency, grant, designation payments)	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Tax returns, worksheets, and revenue agents' reports	Compile and file records on an annual basis.	Permanent. Store with financial records.	Archive with financial records at the end of the retention period.
	Time cards	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Unrestricted contribution documentation (non-campaign)	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Vouchers (invoices) for payments to vendors, employees, etc.	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
	Withholding tax statements	Compile and file records on an annual basis.	Seven Years. Store with financial records.	Shred at the end of the retention period.
Governance	Board of Directors minutes, notes and reports from all years.	Compile and file records on an annual basis.	Permanent. Store with other corporate records.	Archive with financial records at the end of the retention period.
	Governing documents including articles of incorporation, bylaws, amendments, membership and other related documents	File documents with other corporate records.	Permanent. Store with other corporate records.	Archive with corporate records at the end of the retention period.

Category of Records	Description of Records	Manner of Record Keeping	Retention Period	Disposition
Grants	Proposals, original contract agreements, supporting data, accounting documents, financials, subrecipient policy reports, time cards, invoices for payments to subawardees, subaward agreements, procurement documents, A-133 audits and related correspondence	Compile and file records on an annual basis.	Three Years. Store with other grant records.	Archive with grant records for three years at the end of the retention period following the filing of the closing report and acceptance by the funding agency.
Human Resources	Employment applications	Compile and file records on an annual basis.	Three Years. Store with other human resources records.	Shred at the end of the retention period.
	Personnel files (current)	Compile and file records on an annual basis.	One Year. Store with other human resources records.	Shred at the end of the retention period.
	Personnel files (from date of termination)	Compile and file records on an annual basis.	Seven Years. Store with other human resources records.	Shred at the end of the retention period.
	Retirement and pension records	Compile and file records on an annual basis.	Permanent. Store with other human resources records.	Archive with human resources records at the end of the retention period.
	Records of pension paid to employees or beneficiaries (after final payment)	Compile and file records on an annual basis.	Six Years. Store with other human resources records.	Shred at the end of the retention period.
	Insurance policies (expired)	Compile and file records on an annual basis.	Three Years. Store with other human resources records.	Shred at the end of the retention period.
	Insurance records, current accident reports, claims	Compile and file records on an annual basis.	Permanent. Store with other human resources records.	Archive with human resources records at the end of the retention period.
	Payroll information (from the date of the last entry)	Compile and file records on an annual basis.	Three Years. Store with other human resources records.	Shred at the end of the retention period.
	Form I-9s	Compile and file records on an annual basis.	Three Years. Store with other human resources records.	Shred at the end of the retention period.
Legal	Business associate agreements and other HIPAA related documents	Compile and file records on an annual basis.	Six Years. Store with other relative legal records.	Shred at the end of the retention period.
	Correspondence (provided no ongoing/outstanding issues)	Compile and file records on an annual basis.	Five Years. Store with other relative legal records.	Shred at the end of the retention period.
	Deeds, mortgages, bills of sale and relative correspondence	Compile and file records on an annual basis.	Permanent. Store with other relative legal records.	Archive with legal records at the end of the retention period.
	Commercial contracts and related documentation	Compile and file records on an annual basis.	Six Years. Store with other relative legal records.	Shred at the end of the retention period.

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	Government contracts and related documentation	Compile and file records on an annual basis.	Three Years. Store with other relative legal records.	Shred at the end of the retention period.
	Financing documents, credit agreements and loan commitments	Compile and file records on an annual basis.	Seven Years. Store with other relative legal records.	Review at the end of the retention period to determine if documents should be archived or shredded.
	IRS 501c3 approval letter	Compile and file records on an annual basis.	Permanent. Store with other relative legal records.	Archive with legal records at the end of the retention period.
	Litigation files	Compile and file records on an annual basis.	Permanent. Store with other relative legal records.	Archive with legal records at the end of the retention period, as some precedence could be established that could govern how certain issues are conducted presently and/or in the future.
	Planned giving agreements (annuity gifts, life insurance, etc.)	Compile and file records on an annual basis.	Permanent. Store with other relative legal records.	Archive with legal records at the end of the retention period.
	Solicitation permits and applications (state and local)	Compile and file records on an annual basis.	Permanent. Store with other relative legal records.	Archive with legal records at the end of the retention period.
	Trademarks and copyright materials	Compile and file records on an annual basis.	Permanent. Store with other relative legal records.	Archive with legal records at the end of the retention period.
Marketing	Annual reports, brochures, newsletters (limited copies), and PSAs	Compile and file records on an annual basis.	One Year. Store with other marketing materials.	Archive with marketing materials at the end of the retention period.
	Photographs and/or corporate videos with identified or identifiable people, places and/or events. No current photos and/or videos will be collected that do not have HIPAA clearance – must have a signed release	Compile and file records on an annual basis.	As needed. Store with other marketing materials.	Archive only desired marketing materials at the end of the retention period.
	Releases, authorizations and/or permission-granting documents	Compile and file records on an annual basis.	As needed. Store with other marketing materials.	Archive only desired marketing materials at the end of the retention period.
Operations	Inventories of products, materials and supplies	Compile and file records as inventories are performed.	Three Years. Store with other operations documents.	Discard at the end of the retention period.
	Property insurance policies/records	Compile and file records on an annual basis.	Permanent. Store with other operations documents.	Archive with marketing materials at the end of the retention period.

Category of Records	Description of Records	Manner of Record Keeping	Retention Period	Disposition
	Records relating to each occupational injury or illness, including annual summary and other OSHA forms.		Five Years. Store with other operations documents.	Shred at the end of the retention period.

Adopted January 17, 2007