The purpose of this policy is to provide a system for complying with document retention laws, ensure that the organization retains valuable documents, saves money, time and space, protect the organization against allegations of selective document destruction, and provide for routine destruction of nonbusiness, superfluous, and outdated documents.

**Documents with Required Retention Period**

Documents that should be retained and the period of retention are listed below. In general, documents that are not subject to a retention requirement should be kept only long enough to accomplish the task for which they were generated.

|  |  |
| --- | --- |
| Document | Retention period |
| Annual reports to the secretary of state or attorney general | Permanent |
| Articles of incorporation | Permanent |
| Board meeting and board committee minutes | Permanent |
| Board policies and resolutions | Permanent |
| Bylaws | 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 | 7 years after termination |
| General correspondence | 3 years |
| Document | Retention period |
| Annual audits and year-end financial statements | Permanent |
| Depreciation schedules | Permanent |
| IRS Form 990 tax returns | Permanent |
| General ledgers | 7 years |
| Business expense records | 7 years |
| IRS Form 1099 | 7 years |
| Journal entries | 7 years |
| Invoices | 7 years |
| Sales records (books) | 5 years |
| Petty cash vouchers | 3 years |
| Cash receipts | 3 years |
| Credit card receipts | 3 years |
| Check registers | 7 years |
| Bank deposit slips | 7 years |
| Bank statement and reconciliation | 7 years |
| Electronic fund transfer documents | 7 years |
| State unemployment tax records | Permanent |
| Payroll records | Permanent |
| Garnishment records | 7 years |
| Payroll tax returns | 7 years |
| W-2 statements | 7 years |
| Employment tax records | At least 4 years after filing the year's 4th quarter taxes (or longer, if required by state law) |
| 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 workers' compensation records | 5 years |
| Background checks, drug test results, driving records and employment verifications | 5 years |
| Resumes, employment applications and related materials (including interview notes) for employees | 4 years after termination |
| Resumes, employment applications and related materials (including interview notes) for applicants not hired | 3 years |
| Timesheets, compensation history and job history | 4 years after termination |
| Performance appraisal and disciplinary action records | 4 years after termination |
| I-9 forms | 3 years after hire date or 1 year after employment ends (whichever is later) |
| Appraisals | Permanent |
| Copyright registrations | Permanent |
| Environmental studies | Permanent |
| Insurance policies | Permanent |
| Real estate documents | Permanent |
| Stock and bond records | Permanent |
| Trademark registrations | Permanent |
| Leases | 7 years after expiration |
| OSHA documents | 5 years |
| General contracts | 3 years after expiration |

**Legal Duty**

Our organization has a legal duty to retain relevant documents which it knows or should have known are relevant to any legal action. Such documents also include those that could lead to discovery of admissible evidence.

Accordingly, all document destruction is automatically suspended when a lawsuit, claim, or government investigation is pending, threatened or reasonably foreseeable. In such a case, paper document destruction, as well as electronic destruction must cease immediately. In the case of electronic destruction, the system administrator is responsible for ensuring that any automatic destruction program is disabled and reviewing all electronic systems that contain documents potentially relevant to the litigation or claim.

**Destruction of Documents – Generally**

All documents, including electronic documents, that are no longer relevant to the organization’s business, should be destroyed every 60 days. Do not retain drafts of any documents that have been finalized. Personal notes should not be kept after they are no longer needed.