JEFFERSON COUNTY COMMUNITY FOUNDATION
RECORD RETENTION POLICY

ADOPTED: JANUARY, 2008

1. Purpose.

This Policy is intended to ensure that Jefferson County Community Foundation (the "Foundation") retains its information and records in accordance with the requirements of all applicable laws and for as long as they are required in the conduct of the Foundation's business. Attached to this Policy is a schedule that groups records into categories and identifies the length of time the "official" copy of the record should be retained. This Policy also addresses the steps that the Foundation will take in the event of any pending or reasonably anticipated government (federal, state, or local) investigation, audit or proceeding, civil or criminal lawsuit involving the Foundation.

2. Supervision of Record Retention Effort.

The Foundation will appoint a Record Retention Supervisor (the "Supervisor"). The Supervisor will oversee compliance with this Policy and respond to all questions and concerns related to record retention and destruction. The Foundation expects staff to follow this Policy and disciplinary action may result from a material failure to comply.

3. General Procedures.

Records relating to the specific categories listed on the attached Record Retention and Destruction Schedule ("Schedule") should be: (1) retained for the length of time provided on the schedule and (2) destroyed at the end of such period; unless the Supervisor approves or instructs staff to use alternative procedures for a particular type or category of record.

4. Variance from Policy and Schedule.

The Supervisor may approve or instruct staff to use alternate procedures with respect to any category or form of record on the basis of special circumstances or conditions. Where variances are substantial, the Supervisor shall provide written notice of the alternative procedures and the reason for them to the Foundation's President.

5. Forms of Records to Which This Policy Apply.

The categories of records listed on the Schedule encompass records created and stored in any form or media, including but not limited to:

- handwritten, typed, or printed paper documents;
- electronic documents (e.g. email, web sites, zip files, CD rom or diskettes);

- video or digital images;
- recorded audio material;
- graphic representations; and
- information contained in databases, on network servers and/or document management systems.

6. Record Storage Procedures.

a. Organization of Records. Records should generally be organized and stored according to the general records categories set forth in the attached Schedule.

b. Dating of Records. Categories of records that the Foundation need not retain on a permanent basis (according to the Schedule) should be conspicuously dated. This will enable such documents to be easily identified for destruction at the end of the record retention period set forth in the Schedule.

c. Confidentiality of Records. Records containing confidential and/or personally identifiable information should be properly labeled and should identify those Foundation staff members with the authorization to view such records.

d. Special Notice on Confidentiality of Email Records. Foundation staff should be informed that any Foundation email, regardless of the nature of the content, may be subject to disclosure in the course of a government investigation or litigation involving the Foundation. Further, the Foundation management may review any Foundation email at any time.

e. Organization of Records not Covered by the Schedule. If a record cannot be categorized under the current Schedule, Foundation staff should contact the Supervisor who will revise the Schedule as required. Keep in mind that not all records will be listed in the Schedule. Many records are "transitory" or "temporary" records with short retention periods (generally less than one year). Examples include meeting invitations, drafts of letters and contracts, conference brochures, etc. Once the record is no longer needed (i.e. the conference or meeting has been attended), the record should be disposed of. Transitory records do not appear on the Schedule and are managed by each staff member – the retention period being determined by how long the record is required for Foundation business.

f. **Conversion of Paper Documents to Electronic Record Form.** The conversion of any paper document to electronic form is acceptable, unless the existence of a particular copy has official significance, such as the original copy of a signed, executed agreement or the original copy of a document filed or recorded with a governmental entity. The Supervisor will approve and manage all record imaging projects.

g. **Identifying Official Copies of Records.** Once a record is in final form, generally, an "official copy" should be identified, dated, labeled and properly stored in the Foundation's official files or other appropriate record management system. Other copies may be retained in the personal desk files of Foundation staff, if retaining such copies facilitates the effective administration of Foundation business.

7. Document Destruction Procedures.

a. **Record Destruction Procedures.** Once records have been retained for the applicable period set forth in the Schedule, they should be prepared for destruction in the manner prescribed by the Supervisor, unless the Supervisor has suspended the destruction of a class of records for any reason, in accordance with Section 4 or Section 7(c). Procedures for the disposition of records will be established by the Supervisor and may include:

(i) immediate physical destruction, including overwriting and deletion;
(ii) transfer to an appropriate storage area or medium onsite at the Foundation;
(iii) transfer to a storage facility managed by an independent provider with whom appropriate contractual arrangements have been established; or
(iv) transfer to an archive.

The following principles govern the physical destruction of records:

(i) the Supervisor or an attorney must approve the destruction of records stored by a third party records management vendor;
(ii) records subject to a Preservation Notice must not be destroyed;
(iii) destruction should be carried out in a way that preserves the confidentiality of any information they contain; and
(iv) all copies of records that are authorized for destruction, including personal copies and backup copies, should be destroyed.

b. **Destruction of Transitory Records.** Transitory Records may be destroyed at any time once the record is no longer needed, provided that there is not a Preservation Notice in effect applicable to such records. Each staff member is responsible to destroy his or her own Transitory Records (e.g. email meeting notices, general

correspondence not falling within a category set forth in the Schedule) on a regular basis (e.g. weekly) to increase efficient use of Foundation systems and resources.

c. **Suspension of Record Destruction and Preservation Notices.** In the event that any member of the Foundation staff becomes aware of pending or reasonably anticipated government (federal, state or local) investigations, audits, proceedings or any lawsuits involving the Foundation, he or she should immediately report such information to the Supervisor. Foundation staff should not make any independent determinations concerning the suspension of record destruction procedures. The Supervisor, in consultation with the Foundation's President and legal counsel, shall make a determination as to whether it is necessary to suspend destruction for any class of records for any reason. If a Preservation Notice is issued, it will override the Schedule and apply to all records and information potentially relevant to the matter (including Transitory Records and personal email).

RECORD RETENTION & DESTRUCTION SCHEDULE

Record Retention Supervisor:

Board Secretary: _____

A. Program & Administration Records – to be maintain for a minimum of:	
Grant applications or proposals accepted by the Foundation	7 years [1]
Denied grant applications or proposals	3 months
Grant award letters or grant agreements and addendums	7 years
Final financial and narrative reports submitted by grantees	7 years
Internal investigations regarding grants	
Documents related to returned grant funds	
Inventories of products, materials, supplies	
Other correspondence with grantees (program files)	3 months after grant is closed
Educational materials, public relations and solicitation materials created by the Foundation	7 years
Donor gift agreements	Permanently
Donor Receipts	7 years
Other Correspondence with Donors	3 years
B. Accounting and Finance Records **Record Manager:**	
Ledgers and schedules	7 years
Accounts receivables ledgers and schedules	7 years
Audit reports	Permanently
Bank reconciliations	3 years
Bank statements	7 years
Capital stocks and bonds records	Permanently
Cash books	Permanently
Charts of accounts	Permanently
Checks	7 years
Canceled checks for important payments, i.e., taxes, purchases of	7 years

[1] This time period should commence on the filing date of last Form 990 return reporting a disbursement pursuant to a particular a grant.

property, etc.	
Vouchers for payments to vendors, employees (i.e. allowances, reimbursements, travel and entertainment expenses)	7 years
C. Tax Records **Record Manager:**	
Tax records Employee Tax Records (Forms 941, W-3, W-2's, W-2P) Independent Contractors & Transactions (Forms 1099, 1096) Donors (Form 8283)	7 years
Form 990 and Supporting Documents	Permanently
IRS Correspondence	Permanently
D. Human Resources Records **Record Manager:**	
Personnel Records	Tenure of employee, plus 7 years
Retirement and Retention Plans	Active plus 7 years (while plan is in effect plus 7 years)
Payroll	Tenure of employee, plus 7 years
Training Manuals (along with the dates that they were in effect)	Permanently
Employee Benefits Records	Tenure of employee plus 7 years
Immigration Records	Tenure of employee plus 7 years
Time Sheets	Tenure of employee plus 7 years
Employee Health & Safety Records	Tenure of employee plus 7 years
E. Property Records **Record Manager:**	
Trademark Registrations & Copyrights	Permanently
Equipment Records	Ownership of Property plus 7 years
Facilities & Real Estate (deeds, leases)	Permanently Life of lease plus 7 years

F. Legal Records **Record Manager:**	
Correspondence with State Regulators	Permanently
State Charitable Solicitation Reports	Permanently
Dispositive litigation related documents	Permanently
Opinion letters from counsel or compensation consultants	Permanently
Articles of Incorporation and Amendments	Permanently
Certificates of Authority	Permanently
Bylaws & Amendments	Permanently
Board Minutes & Unanimous Consents	Permanently
G. Insurance Records **Record Manager:**	
Insurance Policies: D& O Insurance Employee Health & Life Insurance Plans Property & Casualty Insurance	Life of policy plus 7 years
Insurance records (i.e., accident reports, claims)	Permanently
H. Contract Records **Record Manager:**	
Contracts, mortgages, notes and leases	Active + 7 years (Retain until end of term plus 7 years)