Document Destruction and Retention Policy

Purpose
In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by The CBO Center in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold). The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate THE CBO CENTER's operations by promoting efficiency and freeing up valuable storage space.

Document Retention
THE CBO CENTER follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

Corporate Records
Annual Reports to Secretary of State/Attorney General Permanent
Articles of Incorporation Permanent
Board Meeting and Board Committee Minutes Permanent
Board Policies/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 (after expiration) 7 years
Correspondence (general) 3 years

Accounting and Corporate Tax Records
Annual Audits and 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

Bank Records
Check Registers 7 years
Bank Deposit Slips 7 years
Bank Statement and Reconciliation 7 years
Electronic Fund Transfer Documents 7 years

Payroll and Employment Tax Records
Payroll Registers Permanent
State Unemployment Tax Records Permanent
Earnings Records 7 years
Garnishment Records 7 years
Payroll Tax Returns 7 years
W-2 Statements 7 years

Employee Records
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 Worker's Compensation Records 5 years
Salary Schedules 5 years
Employment Applications 3 years
I-9 Forms 3 years after termination
Time Cards 2 years

Donor and Grant Records
Donor Records and Acknowledgment Letters 7 years
Grant Applications and Contracts 7 years after completion

Legal, Insurance, and Safety Records
- Appraisals Permanent
- Copyright Registrations Permanent
- Environmental Studies Permanent
- Insurance Policies Permanent
- Real Estate Documents Permanent
- Stock and Bond Records Permanent
- Trademark Registrations Permanent
- Leases 6 years after expiration
- OSHA Documents 5 years
- General Contracts 3 years after termination

Electronic Documents and Records
Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

Emergency Planning
THE CBO CENTER's records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping THE CBO CENTER operating in an emergency will be duplicated or backed up at least every week and maintained off-site.

Document Destruction
THE CBO CENTER’s manager of operations is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding. Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Compliance
Failure on the part of employees to follow this policy can result in possible civil and
criminal sanctions against THE CBO CENTER and its employees and possible disciplinary action against responsible individuals. The manager of operations and finance committee chair will periodically review these procedures with legal counsel or the organization’s certified public accountant to ensure that they are in compliance with new or revised regulations.