

[Name of Organization]

DOCUMENT RETENTION POLICY

The corporate records of the Corporation are important assets of the organization and an important record of the history of the Corporation. Corporate records include all records produced in connection with the Corporation, whether paper or electronic.

On the one hand, records should not be kept if they are no longer needed for the operation of the organization or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

On the other hand, applicable laws and contracts may require the Corporation to maintain certain types of corporate records, usually for a specified period of time. Failure to retain those records for those minimum periods could subject the Corporation and involved individuals to penalties and fines, cause the loss of rights, obstruct justice, spoil necessary evidence in a lawsuit, or otherwise seriously disadvantage the Corporation.

The Corporation expects all directors, officers, employees and volunteers to comply fully with any published record-retention or record-destruction policies and schedules, provided that all persons should note the following important exception to any destruction policy, schedule or practice:

If you believe, or the Corporation informs you, that any records are relevant to litigation or potential litigation, or are potentially subject to a known or reasonably anticipated governmental audit, investigation or administrative or enforcement proceeding, then you must preserve those records without alteration until the Corporation determines that the records are no longer needed.

This exception supersedes any other destruction policy or schedule for those records. If you believe that this exception may apply, or if you have any question regarding the possible applicability of this exception, please contact the Executive Director.

From time to time the Corporation may establish document retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Categories of documents that bear special consideration are identified below. While minimum retention periods are suggested, the retention of all documents should be determined primarily by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors.

(a) Financial and Tax Records. General ledgers once reconciled, audited financial statements, and all documents relating to the tax-exempt status of the Corporation are to be retained on a permanent basis. The latter include the IRS Form 1023 or Form 1024 exemption application (including related correspondence), as well as the initial and subsequent IRS exemption determination letters and any IRS audit materials.

All other financial and tax records, including tax returns or information forms such as IRS Forms 990, 990-T or 990-PF or Massachusetts state Form PC, are to be retained for at least seven years from the date of completion or filing of the applicable tax document. Financial and tax records include documents concerning payroll, expenses, proof of deductions, business costs, inventories, accounting procedures and reports, audit procedures and reports, and other documents concerning the Corporation's assets, revenues and expenses. Bank statements, deposit slips, cancelled checks (unless for important payments or purchases), and petty cash vouchers may be destroyed after three years.

(b) Employment Records/Personnel Records. State and federal statutes require the Corporation to keep certain recruitment, employment and personnel information. The Corporation also retains personnel files that reflect performance reviews and any complaints brought against the Corporation or individual employees under applicable state and federal statutes. In addition, the Corporation retains all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file. Employment applications are to be retained for three years. Retirement fund and pension records are to be kept permanently. Other employment and personnel records are to be retained for seven years from the end date of a person's employment. Each version of any personnel handbook is to be retained for seven years after the date on which it is amended or superseded.

(c) Board and Board Committee Materials. The Articles of Organization and all amendments or restatements, each version of the Bylaws, all annual reports, and all Board and Board Committee meeting minutes are to be retained permanently. If the Corporation has members, minutes of meetings of members are also to be retained permanently. A copy of all Board and Board Committee materials produced for such meetings shall be kept for at least three years.

(d) Contracts, Sales Invoices and Similar Business Documentation. Copies of all contracts, sales invoices, leases, licenses and other business documentation are to be retained for a period of seven years from the date of their inception, provided that if any license or permit or any contractual or other arrangement is of a continuing nature, the documents in question are to be kept for a period of seven years beyond the life of the license, permit, or business arrangement.

- (e) Insurance. Insurance policies, including expired policies, are to be retained permanently. Accident reports and claims documents relating to settled cases may be destroyed seven years after resolution of the matter.
- (f) Records of Gifts. Records of annual-fund gifts or gifts related to fundraising events are to be retained for four years from the end of the calendar year in which they are received. Records as to any restricted gift are to be retained permanently.
- (g) Public Filings. Copies of all publicly filed documents are to be retained for seven years from the date of filing.
- (h) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but documents related in any way to legal proceedings or other legal disputes are generally to be maintained for a period of ten years.
- (i) Idea Development/Intellectual Property and Trade Secrets. Documents relating to the development of ideas and concepts are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the Corporation and are protected as a trade secret where the Corporation derives independent economic value from the confidentiality of the information. All documents designated as containing trade secret information are to be retained for at least the life of the trade secret.
- (j) Correspondence and Internal Memoranda. Correspondence and internal memoranda pertaining to another type of record are to be retained for the same period as the document to which they pertain. Routine correspondence or memoranda are to be retained for a period of three years.
- (k) Electronic Mail. E-mail that needs to be saved should be either: (a) printed in hard copy and kept in the appropriate file; or (b) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.
 - (l) Client or Student Records. If the Corporation serves clients or students, the retention of records will likely be governed by specific laws or regulations. The Corporation will issue separate guidance as to those records, but in any event they are to be retained for three years from the last date of service.

Failure to comply with this Document Retention Policy may result in disciplinary action against the employee, including suspension or termination. Questions about this policy should be referred to your immediate supervisor or, if you or the supervisor deem appropriate, to the Executive Director.