

CHILDREN'S HOPECHEST RECORD RETENTION AND DESTRUCTION POLICY

1) POLICY

This Policy represents the Children's HopeChest's policy regarding the retention and disposal of records and the retention and disposal of electronic documents which have been created or received by the organization in connection with the transaction of ministry business.

2) ADMINISTRATION

Attached as Appendix A is a Record Retention Schedule that is approved as the initial maintenance, retention and disposal schedule for physical records of Children's HopeChest and the retention and disposal of electronic documents. The Vice President of Finance (the "Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. The Administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it follows local, state and federal laws and includes the appropriate document and record categories for Children's HopeChest; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

3) DOCUMENT DESTRUCTION

Children's HopeChest is responsible for the ongoing process of identifying its records which have met the required retention period and overseeing their destruction. Destruction of the documents may be accomplished by shredding, burning, sending them to the landfill or deletion from electronic file storage.

4) SUSPENSION OF RECORD DISPOSAL IN EVENT OF LITIGATION OR CLAIMS

In the event Children's HopeChest is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning Children's HopeChest or the commencement of any litigation against or concerning Children's HopeChest, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

5) APPLICABILITY

This Policy applies to all physical records generated during Children's HopeChest's operation, including both original documents and reproductions. It also applies to the electronic documents described above.

This Policy was approved by the Board of Directors of Children's HopeChest on May 26, 2017.

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Appendix A – Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Electronic Documents
- E. Payroll Documents
- F. Personnel Records
- G. Property Records
- H. Tax Records
- I. Contribution Records

The following are some common retention periods. These apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to 'read' the electronic document must also be retained. Documents that are not listed, but are substantially similar to those listed in the schedule shall be retained for the appropriate length of time.

A. ACCOUNTING AND FINANCE

Accounts Payable & Accounts Receivable ledgers and schedules:

7 years Retention Period

Annual Audit Reports and Financial Statements:

Permanent

Annual Audit Records, including work papers and other documents that relate to the audit:

7 years after completion of audit

Bank Statements and Canceled Checks:

7 years Retention Period

Employee Expense Reports:

7 years Retention Period

General Ledgers:

Permanent

Notes Receivable ledgers and schedules:

7 years Retention Period

Investment Records:

7 years after sale of investment

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B. CONTRACTS

Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation):

7 years after expiration or termination

C. CORPORATE RECORDS

Corporate Records (minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports):

Permanent

Licenses and Permits:

Permanent

D. ELECTRONIC DOCUMENTS

1. **Electronic Mail:** Not all email needs to be retained, depending on the subject matter.
 - All e-mail—from internal or external sources—is to be deleted after 24 months.
 - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.
 - Children's HopeChest will archive e-mail for six months after the staff has deleted it, after which time the e-mail will be permanently deleted.
 - All Children's HopeChest business-related email should be downloaded to a service center or user directory on the server.
 - Staff will not store or transfer Children's HopeChest-related e-mail on non-work-related computers except as necessary or appropriate for Children's HopeChest purposes.
 - Staff will take care not to send confidential/proprietary Children's HopeChest information to outside sources.
 - Any e-mail staff deems vital to the performance of their job should be copied to the staff's K: drive folder, and printed and stored in the employee's workspace.
2. **Electronic Documents:** including Microsoft Office Suite and PDF files. Electronic documents shall be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the schedule shall be maintained for the appropriate amount of time.

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3. **Web Page Files: Internet Cookies**

- All workstations: Internet Explorer should be scheduled to delete Internet cookies once per month.

In certain cases, a document will be maintained in both paper and electronic form. In such cases the official document will be the electronic document.

E. **PAYROLL DOCUMENTS**

Employee Deduction Authorizations:

4 years after termination

Payroll Deductions:

Termination + 7 years

W-2 and W-4 Forms:

Termination + 7 years

Garnishments, Assignments, Attachments:

Termination + 7 years

Payroll Registers (gross and net):

7 years

Time Cards/Sheets:

2 years

Unclaimed Wage Records:

6 years

F. **PERSONNEL RECORDS**

Commissions/Bonuses/Incentives/Awards:

7 years

EEO 1/EEO 2 Employer Information Reports:

2 years after superseded or filing (whichever is longer)

Employee Earnings Records:

Separation + 7 years

Employee Handbooks:

1 copy kept permanently

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F. PERSONNEL RECORDS, CONTINUED

Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records):

6 years after separation

Employment Contracts – Individual:

7 years after separation

Employment Records Correspondence with Employment Agencies and Advertisements for Job Openings:

4 years from date of hiring decision

Employment Records All Non Hired Applicants (including all applications and resumes whether solicited or unsolicited, results of post offer, pre employment physicals, results of background investigations, if any, related correspondence):

3-4 years (4 years if file contains any correspondence which might be construed as an offer)

Job Descriptions:

3 years after superseded

Personnel Count Records:

3 years

Forms I-9:

3 years after hiring, or 1 year after separation if later

G. PROPERTY RECORDS

Correspondence, Property Deeds, Assessments, Licenses, Rights of Way:

Permanent

Property Insurance Policies:

Permanent

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H. TAX RECORDS

Tax-Exemption Documents and Related Correspondence:

Permanent

IRS Rulings:

Permanent

Excise Tax Records:

7 years

Payroll Tax Records:

7 years

Tax Bills, Receipts, Statements:

7 years

Tax Returns - Income, Franchise, Property:

Permanent

Tax Workpaper Packages - Originals:

7 years

Sales/Use Tax Records:

7 years

Annual Information Returns - Federal and State:

Permanent

IRS or other Government Audit Records:

Permanent

I. CONTRIBUTION RECORDS

Records of Contributions:

Permanent

Documents evidencing terms, conditions or restrictions on gifts:

Permanent