

## Center for Security Policy Document Retention and Destruction 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 Center for Security Policy in connection with the transaction of Center 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. 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 Center for Security Policy's operations by promoting efficiency and freeing up valuable storage space.

### **Document Retention**

Center for Security Policy 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**

Articles of Incorporation	Permanent
Board Meeting Minutes	Permanent
Board Policies/Resolutions	Permanent
By-laws	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Certificate	Permanent
Contracts (after expiration)	7 years
Correspondence (general)	3 years

### **Accounting and Corporate Tax Records**

Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
General Ledgers	Permanent
IRS 990 Tax Returns	Permanent
IRS 1099s	7 years
Journal Entries	7 years
Petty Cash Vouchers	3 years
Business Expense Records	3 years
Invoices	3 years

### **Bank Records**

Check Registers	Permanent
Bank Deposit Slips	3 years
Bank Statements and Reconciliation	3 years

Electronic Fund Transfer Documents 3 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
Independent Contractor 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

### **Development Records**

Donor Records and Acknowledgement Letters	7 years
Grant Applications and Contracts	5 years after completion

### **Legal, Insurance, and Safety Records**

Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	5 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 email message, the message should either be printed in hard copy and kept in the appropriate file or stored electronically by being moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

### **Emergency Planning**

Center for Security Policy's records will be stored in a safe, secure, and accessible manner. Financial files that are essential to keeping the Center for Security Policy operating in an emergency will be backed up at least once a week and stored in the safe.

Additionally and separately, these files will be backed up monthly and maintained off site.

### **Document Destruction**

Center for Security Policy's Business Manager is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of 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 Center for Security Policy and its employees and possible disciplinary action against responsible individuals. The Business Manager will periodically review these procedures with legal counsel and/or the Center's certified public accountant to ensure that they are in compliance with new or revised regulations.