

United Academics Documentation Retention and Destruction Policy

PURPOSE OF THIS TOOL: Certain federal laws prohibit the destruction of certain documents. Not-for-profit organizations should have a written, mandatory document retention and periodic destruction policy. Policies such as this will eliminate accidental or innocent destruction. In addition, it is important for administrative personnel to know the length of time records should be retained to be in compliance.

Document Destruction

The Document Retention and Destruction Policy identifies the record retention responsibilities of staff, volunteers, Executive Council members, and outsiders for maintaining and documenting the organization's records.

The organization's staff, volunteers, officers, Executive Council members, members and outsiders (independent contractors via agreements with them) is required to honor the following rules:

- Paper or electronic documents indicated under the terms for retention in the following section will be transferred and maintained by the Executive Director when one is in place.
- No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation; and
- No paper or electronic documents will be destroyed or deleted as required to comply with government auditing standards (Single Audit Act).

Record Retention

The following table* indicates the minimum requirements and is provided as guidance to customize in determining the organization's document retention policy. Because statutes of limitations and state and government agency requirements vary from state to state, the organization should carefully consider its requirements and consult with legal counsel before adopting a Document Retention and Destruction Policy. In addition, federal awards and others government grants may provide for a longer period than is required by other statutory requirements.

| Type of Document | Minimum Requirement |
|---|---------------------|
| Accounts payable ledgers and schedules | 7 years |
| Audit reports | Permanently |
| Bank reconciliations | 2 years |
| Bank statements | 3 years |
| Checks (for important payments and purchases) | Permanently |
| Contracts, mortgages, notes, and leases (expired) | 7 years |
| Contracts (still in effect) | Contract period |
| Correspondence (general) | 2 years |
| Correspondence (legal and important matters) | Permanently |
| Correspondence (with customers and vendors) | 2 years |
| Deeds, mortgages, and bills of sale | Permanently |
| Depreciation schedules | Permanently |
| Duplicate deposit slips | 2 years |
| Employment applications | 3 years |
| Expense analyses/expense distribution schedules | 7 years |
| Year-end financial statements | Permanently |
| Insurance records, current accident reports, claims, policies, and so on (active and expired) | Permanently |
| Internal audit reports | 3 years |
| Inventory records for products, materials, and supplies | 3 years |
| Invoices (to customers, from vendors) | 7 years |
| Minute books, bylaws, and charter | Permanently |
| Patents and related papers | Permanently |
| Payroll records and summaries | 7 years |
| Personnel files (terminated employees) | 7 years |
| Retirement and pension records | Permanently |
| Tax returns and worksheets | Permanently |
| Timesheets | 7 years |
| Trademark registrations and copyrights | Permanently |
| Withholding tax statements | 7 years |