

Document Retention and Destruction Policy

Barr Lake and Milton Reservoir Watershed Association

I. 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 Barr Lake and Milton Reservoir Watershed Association (Association) 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. 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 Association's operations by promoting efficiency and freeing up valuable storage space.

II. Document Retention

The Association 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.

III. Corporate Records

Annual Reports to Secretary of State/Attorney General	7 years
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	7 years
Board Policies/Resolutions	Permanent
By-laws	Permanent
Construction Documents	7 years
Fixed Asset Records	7 years
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	7 years
Depreciation Schedules	7 years
General Ledgers	7 years
IRS 990 Tax Returns	7 years
Business Expense Records	7 years
IRS 1099s	7 years
Journal Entries	7 years

Invoices	7 years
Sales Records	5 years
Petty Cash Vouchers	3 years
Cash Receipts	3 years
Credit Card Receipts	3 years
<u>Bank Records</u>	
Check Registers	7 years
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
<u>Payroll and Employment Tax Records</u>	
Payroll Registers	7 years
State Unemployment Tax Records	7 years
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax Returns	7 years
W-2 Statements	7 years
<u>Employee Records</u>	
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 Records and Acknowledgement Letters	7 years
Grant Applications and Contracts	5 years after completion
<u>Legal, Insurance and Safety Records</u>	
Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	7 years
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

IV. 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 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.

V. Emergency Planning

Association records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping the Association operating in an emergency will be duplicated or backed up at least every week and maintained off site.

VI. Document Destruction

The Association’s Treasurer 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.

VII. Compliance

Failure on the part of directors, officers, employees, and contractors to follow this policy can result in possible civil and criminal sanctions against the Association and its directors, officers, employees, and contractors, and possible disciplinary action against responsible individuals. The Treasurer 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.

VIII. Breach of Fiduciary Duty

The statute of limitations is 3 years from the date a cause of action arose in order to bring a claim against a director, officer, employee, or contractor relating to a breach of trust, breach of fiduciary duty, or fraud; CRS Section 13-80-101.

Original Adoption Date: 08-28-18

Modification Dates: