

# 21 & Change, Inc.

## **DOCUMENT RETENTION AND DESTRUCTION POLICY AS OF: 8 SEPTEMBER 2018**

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### **Preamble**

21 & Change, Inc. [hereafter referred to as “corporation”] requires directors, officers, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the corporation, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable federal, state and local laws and regulations.

The Document Retention and Destruction Policy identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors, and committee members for maintaining and documenting the storage and destruction of the organization’s documents and records. The establishment of a document retention policy sets guidelines for the corporation and enables the Board of Directors and other officers to ensure transparency, fiscal responsibility, and legal compliance.

### **Document Destruction**

Before any Board member, staff, committee member or volunteer considers destroying documents belonging to the corporation, they must refer to the Document Retention Table in this policy. Additionally, the corporation’s Board of Directors, staff, committee members and volunteers are required to adhere to the following rules:

- Paper or electronic documents indicated under the terms for retention in the following section will be transferred and maintained by the applicable Board member for their area of responsibility.
- All other paper documents will be destroyed after three years.
- All other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year.
- The best and most efficient means for paper document destruction is shredding. Do not simply throw paper documents in the garbage for collection. The best means for destruction of digital data is “wiping” of the hard drive, demagnetizing, or destroying the hard drive, should the computer or device storing the records be replaced or become non-functional.
- No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation (check with legal counsel or the President for any current or foreseen litigation if employees have not been notified).

- Any document (paper or electronic) known or foreseen as useful for a potential audit will not be destroyed or deleted, in order to comply with government auditing standards (Single Audit Act).
- Records will not be destroyed due to departure from office. All Board members are responsible for turning over all paper and digital records to the newly-appointed officer, or the President if a replacement has not yet been appointed.

### Document Retention

Document retention describes the responsibility to manage official records belonging to the corporation. This includes paper records, digital records on a server, digital records on a Cloud, and even email correspondence. As part of our policy for the retention of documents, we will ensure we maintain a redundant system to safeguard against a catastrophic act that could destroy any single depository of records.

All organizational records considered “permanent” will be maintained by the Secretary (excluding financial records). At a minimum, one additional Board member will be designated to retain a copy of all permanent documents. All records of a financial nature will be maintained by the Treasurer for the indicated period required. These financial records will be maintained in duplicate (one paper copy, one digital copy) at a minimum.

The Document Retention Table provides guidance for the period of retention for various documents belonging to the corporation or used in conjunction with daily or periodic business conducted by the corporation.

### Document Retention Table

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, non-critical)	2 years
Correspondence (legal, decisional, or critical)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	2 years
Email correspondence (general, non-critical)	2 years

Type of Document	Minimum Requirement
Email correspondence (legal, decisional, or critical)	Permanently
Email correspondence (with customers and vendors)	2 years
Employment applications	3 years
Expense analyses/expense distribution schedules	7 years
Year-end financial statements	Permanently
Individual agreements and releases	7 years
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
Minutes, agenda, bylaws, and charter	Permanently
Patents, trademark 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

### Policy Update

This policy will be updated or rewritten as required, but no less than every two years.

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Policy approved by the Board of Directors on 8 September 2018.