

Eye Foundation of America

Document Retention and destruction policy

Document Destruction:

The document retention and destruction policy identifies the record retention responsibilities of staff, the volunteers, members of the board of directors, and outsiders for maintaining and documenting the storage and destruction of the organization's documents and records.

The Foundation's staff, volunteers, members of the board of directors, committee members and outsiders are required to honor the following rules:

- A. Paper and electronic documents indicated under the terms of retention in the following section will be transferred and maintained by the bookkeeper of the foundation.
- B. All the other paper documents will be destroyed after three years.
- C. All other electronic documents will be deleted from all individual computers, databases, networks and back-up storage after one year.
- D. 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
- E. No paper or electronic documents will be destroyed or deleted as required to comply with government auditing standards.

Record Retention:

The following table indicates the minimum requirements and is provided as guidance to customize in determining the Foundation's document retention policy. Because statutes of limitations and state and government agency requirements vary from state to state, each organization should carefully consider its requirements and consult with legal counsel before adopting a Document retention and destruction policy. In addition, federal awards and other 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

Resources

■ National Council of Nonprofits www.councilofnonprofits.org

- BoardSource Record Retention and Document Destruction Policy—Download 4 Samples (E-Policy Sampler) www.boardsource.org/Bookstore.asp?Type=epolicy&Item=1071
- Independent Sector www.independentsector.org/issues/sarbanesoxley.html
- AICPA Management of an Accounting Handbook—2003 and IRS Appendix Document www.cpa2biz.com/AST/Main/CPA2BIZ_Primary/PracticeManagement/PracticeAdministration/PRDOVR~PC-090407/PC-090407.jsp
- Guide to Record Retention Requirements in the Code of Federal Regulations: Contact the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402-9325 or from CCH, Inc. at www.onlinestore.cch.com