

## DOCUMENT RETENTION POLICY

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Best business practices recommend institutional document retention policies. ECOLIFE Conservation's below policy outlines the required lifespan of all documents (physical and digital) from creation to destruction. Retention of certain documents, like audit reports, is permanent, whereas other documents can be trashed in order to save space (on the cloud and in the office).

### **Permanent Records**

A *permanent record* should be kept indefinitely. If it is a hard copy, it should be stored in file boxes and kept in a secure location. Digital permanent records should be kept in the drive in a secure location with ample file space. If the file does not need to be accessed frequently, archival is recommended.

The following are considered *permanent records*:

- Audit Reports
- Corporate Documents
  - IRS determination letter (our 501(c)3 status determination)
  - Bylaws and amendments to bylaws
  - Articles of Incorporation
- Copyrights, Trademarks and Patents
  - Logo
  - ECO-Cycle
- *Current* Human Resources Files
  - Personnel Files
  - Organizational Chart
- *Current* Property Files
  - Lease
  - Proof of Insurance
  - Insurance Policies
- Tax Forms
  - 990s and associated forms
- Legal Files
  - Corporate Resolutions
- Finance Statements

- Year-end Statement of Activity
- Year-end Balance Sheet
- Checks
- Board Records
  - Board meeting minutes
- Photos
- Final-cut videos

### **Non-Permanent Records**

A non-permanent record is a record that can be erased, shredded, recycled or thrown away. Below is the required retention length for various records. If the record in question is not listed, its destruction is at your discretion.

#### *Destroy after seven (7) years*

- Legal:
  - Accident reports and claims
- Finance:
  - Accounts payable/receivable ledgers and schedules
  - Bank statements and reconciliations
  - Cancelled checks
  - Cancelled stock and bond certificates
  - Invoices
  - Business tax returns
  - Payroll tax records
  - AR/AP ledger
  - Expense reports
  - Petty cash records
  - Vouchers for payments to vendors, employees, etc.
  - Travel and entertainment records
- Programmatic:
  - Inventories (products, materials, supplies)
  - Sales records
- HR:
  - Payroll records and summary (including pension payments)
  - Employee files (after termination)
  - Time reports
  - Benefits
- Liability waivers
  - AIC

- Travel
- Design files

*Destroy after four (4) years*

- Finance:
  - Internal audit reports
  - Petty cash vouchers
  - Purchase orders
  - Sales contracts
  - Bank reconciliations
- Programmatic:
  - Export declarations
  - Freight bills
  - Manifests
  - Waybills and bills of lading
- HR:
  - Employment applications
  - Expired insurance policies

*Period of Limitations for Business Tax Returns:*

Keep records for three years from the date you filed your original return or two years from the date you paid the tax, whichever is later. Keep employment tax records for at least four years after the date that the tax becomes due or is paid, whichever is later. Keep records for six years if you do not report income that you should report, and it is more than 25% of the gross income shown on your return. Keep records for seven years if you file a claim for a loss from worthless securities or bad debt deduction.