

ARTSTREAM
DOCUMENT RETENTION AND DESTRUCTION POLICY
APPROVED JANUARY 13, 2020

The purpose of this policy is to provide a system for complying with document retention laws, ensure that ArtStream retains valuable documents, saves money, time and space, protect the organization against allegations of selective document destruction, and provide for routine destruction of non-business, superfluous, and outdated documents.

The Document Retention and Destruction Policy identifies the record retention responsibilities of staff, 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 organization's staff, volunteers, members of the board of directors, committee members and outsiders (independent contractors via agreements with them) are required to honor the following rules:

- a. Paper or electronic documents indicated under the terms for retention in the following section will be transferred and maintained by the Director of Finance and Administration;
- b. All other paper documents will be destroyed after three years;
- c. All other electronic documents will be deleted from all individual computers, data bases, 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 (check with legal counsel or the Director of Finance and Administration for any current or foreseen litigation if employees have not been notified); and
- e. No paper or electronic documents will be destroyed or deleted as required to comply with government auditing standards (Single Audit Act).

Documents that should be retained and the period of retention are listed below. In general, documents that are not subject to a retention requirement should be kept only long enough to accomplish the task for which they were generated.

All documents, including electronic documents, that are no longer relevant to the organization's business, should be destroyed at the end of each FY quarter. Do not retain drafts of any documents that have been finalized. Personal notes should not be kept after they are no longer needed.

The Director of Finance and Administration is in charge of making sure that the appropriate person is complying with the document retention schedule. At the start of each fiscal year, each responsible staff person will submit to the Director of Finance and Administration a list of the documents that have been sent to storage or destroyed. The list will identify the documents with enough specificity that the

Director of Finance and Administration could determine which documents were stored or destroyed. Lists of documents stored or destroyed will be kept by the Programs Coordinator.

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	7 years
Bank reconciliations	7 years and/or until all federal and state audit requirements have been met.
Bank statements	7 years
Checks (for important payments and purchases)	7 years or 4 years after item purchased is no longer owned.
Contracts, mortgages, notes, and leases (expired)	7 years
Contracts	7 years after contract term has expired
Correspondence (general)	7 years
Correspondence (legal and important matters)	Keep with legal issue file whether lawsuit, insurance claim, etc. Then retain according to that retention requirement.
Correspondence (with customers and vendors)	If potential litigation -3 years until threat of litigation has passed; if contract claim is possible, 7 years or until potential claim has dissipated.
Grant applications and Awards	Life of grant, plus 3 years after expiration of grant; grant itself may have separate record-keeping requirements that must be adhered to.
Expenses and Purchases- Documentation can include: cash register tapes, account statements, canceled checks, invoices, credit card sales slips. Separate deductible expenses in the event organization pays unrelated business income tax.	7Y
Gross Receipts- amounts received from all sources. Documents that support gross receipts include: cash	7Y

Adapted from: National Council of Nonprofits, 2010 AICPA Inc., 2005-2012 MD Standards for Excellence Institute

Type of Document	Minimum Requirement
register tapes, bank deposit slips, receipt books, invoices, credit card charge slips, and Form 1099-MISC	
Year-end financial statements	7 years
Employment applications/Employment turn-downs	1 year
Interview information and reference-checking notes	1 year after job is filled/reference is made
Internal audit reports	7 years
Inventory records for products, materials, and supplies	7 years
Invoices (to customers, from vendors)	7 years
Payroll records and summaries	7 years from the last date of entry 7 years for FICA/FUTA-related information
Personnel files (terminated employees)	7 years
Policies, Guidelines and Employee handbooks	For as long as they are current and 3 years after they are outdated
Timesheets	7 years
Unemployment Insurance Documents	7 years
Insurance Records, Accident Reports, Claims	Workers Compensation Claims – 10 years after close of matter Long-term Disability – 10 years after return to work, retirement or death
Insurance policies (expired)	7 years if a claims-made policy, permanently if it is an occurrence policy
Inventories of products, materials, supplies	The most recent two inventories and/or until all audit requirements have been met.
Withholding tax statements	7 years
Depreciation schedules	While active + 3 years
Trademark Registration and Copyrights	Permanently
Patents and related papers	Permanently

Adapted from: National Council of Nonprofits, 2010 AICPA Inc., 2005-2012 MD Standards for Excellence Institute

Type of Document	Minimum Requirement
Form 990 Tax returns and worksheets (Note the 990 is subject to public disclosure for up to 3 years after the due date or the filing date.)	Permanently
Retirement and pension records	Permanently
Minute books, bylaws (and all amendments), and charter (Articles of Incorporation)	Permanently
IRS Determination Letter granting ArtStream 501(c)(3) status	Permanently
1023 Application for Tax-exempt status and all supporting documents submitted with the form.	Permanently
Insurance records, current accident reports, claims, policies, and so on (active and expired)	Permanently
Deeds, mortgages, and bills of sale	Permanently
Audit reports	Permanently

Adapted from: National Council of Nonprofits, 2010 AICPA Inc., 2005-2012 MD Standards for Excellence Institute