



## Policy # 420 - Business Records Retention

### 1. Retention Schedule

| File Category            | Item  | Retention Period                  |
|--------------------------|---|-----------------------------------|
| <b>Corporate Records</b> | <i>Bylaws and Articles of Incorporation</i>                         | Permanent                         |
|                          | <i>Corporate resolutions</i>  | Permanent                         |
|                          | <i>Board and committee meeting agendas and minutes</i>              | Permanent                         |
|                          | <i>Conflict-of-interest disclosure forms</i>                        | 4 years                           |
| <b>Finance Adm.</b>      | <i>Financial statements (audited)</i>                               | Permanent                         |
|                          | <i>Auditor management letters</i>                                   | 7 years                           |
|                          | <i>Payroll records</i>  | 7 years                           |
|                          | <i>Check register and checks</i>                                    | 7 years                           |
|                          | <i>Bank deposits and statements</i>                                 | 7 years                           |
|                          | <i>Chart of accounts</i>  | 7 years                           |
|                          | <i>General ledgers and journals (includes bank reconciliations)</i> | 7 years                           |
|                          | <i>Investment performance reports</i>                               | 7 years                           |
|                          | <i>Equipment files and maintenance records</i>                      | 7 years after disposition         |
|                          | <i>Contracts and agreements</i>                                     | 7 years after all obligations end |
|                          | <i>Correspondence — general</i>                                     | 3 years                           |
| <b>Insurance Records</b> | <i>Policies — occurrence type</i>                                   | Permanent                         |
|                          | <i>Policies — claims-made type</i>                                  | Permanent                         |
|                          | <i>Accident reports</i>   | 7 years                           |
|                          | <i>Safety (OSHA) reports</i>  | 7 years                           |
|                          | <i>Claims (after settlement)</i>                                    | 7 years                           |
|                          | <i>Group disability records</i>                                     | 7 years after end of benefits     |

|                        |   |  |
|------------------------|---|--|
| <b>Real Estate</b>     | <i>Deeds</i>  | Permanent  |
|                        | <i>Leases (expired)</i>   | 7 years after all obligations end                      |
|                        | <i>Mortgages, security agreements</i>   | 7 years after all obligations end                      |
| <b>Tax</b>             | <i>IRS exemption determination and related correspondence</i>                                   | Permanent  |
|                        | <i>IRS Form 990s</i>  | Permanent  |
|                        | <i>IRS Form 1023 (Application for Tax Exemption)</i>  | Permanent  |
|                        | <i>IRS Form 5768 ("501H Election")</i>  | Permanent  |
|                        | <i>Charitable Organizations Registration Statements (filed with Minnesota Attorney General)</i> | 7 years  |
|                        |   |  |
| <b>Human Resources</b> | <i>Employee personnel files</i>   | 7 years after employment ends                          |
|                        | <i>Retirement plan benefits (plan descriptions, plan documents)</i>                             | Permanent  |
|                        | <i>Employee handbooks</i>   | Permanent  |
|                        | <i>Workers comp claims (after settlement)</i>   | 7 years  |
|                        | <i>Employee orientation and training materials</i>  | 7 years after use ends                                 |
|                        | <i>Employment applications</i>  | 3 years  |
|                        | <i>IRS Form I-9 (store separate from personnel file)</i>  | Greater of 1 year after end of service, or three years |
|                        | <i>Withholding tax statements</i>   | 7 years  |
|                        | <i>Timecards</i>  | 3 years  |
| <b>Technology</b>      | <i>Software licenses and support agreements</i>   | 7 years after all obligations end                      |

## **2. Electronic Documents and Records.**

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files 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 e-mail 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.

## **3. Emergency Planning.**

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

## **4. Document Destruction.**

The executive director 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. The organization will review its documents on file once per year, in the first quarter of the year, and will destroy records and documents that have surpassed their retention period.

Document destruction will be suspended immediately, upon any indication of an official government investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the official government investigation or the resolution of the imminent or filed lawsuit.

## **5. Compliance.**

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against SAGE Academy and its employees and possible disciplinary action against responsible individuals. The executive director and board chair will periodically review these procedures with legal counsel or SAGE Academy’s certified public accountant to ensure that they are in compliance with new or revised regulations.