

MSM RECORD RETENTION POLICY

Purpose

This policy covers all records and documents regardless of physical form, contains guidelines for how long certain documents should be kept, and indicates how records should be destroyed. The goals of this records retention policy are:

1. To ensure compliance with federal and state laws and regulations
2. To eliminate accidental or innocent destruction of records that have lasting archival value
3. To provide for the routine and timely disposal of documents which need not be retained

Any class of records not addressed should be brought to the attention of the executive director for appropriate action. The formal records retention schedule RRS of MSM is attached.

The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate the operation of the Colorado Nonprofit Association (“Association”) by promoting efficiency and freeing up valuable storage space.

Scope

For the purpose of this policy a MSM document or record is any paper, book, map, photograph, electronic file, original microfilm, cassette or video tape or other documentary material regardless of physical form or characteristics, made, produced, executed or received by any staff member or person in connection with the transaction of MSM business.

Confidentiality and Ownership

All MSM records are the property of the organization, and employees are expected to hold all documents in confidence and to treat them as the organization’s assets. Records must be safeguarded and may only be disclosed to parties outside of the organization upon proper authorization. Any subpoena, court order or other request for documents received by employees, or questions regarding the release of the records, must be directed to the Executive Director prior to the release of such records. Any records of the organization in possession of an employee must be returned to the employee’s supervisor upon termination of employment.

Responsibility for records

Each administrative unit should designate one individual to be responsible for the semi-annual disposal of non-permanent records and the transferal of documents to be permanently maintained in the MSM Archives. The timing of these semi-annual disposals or transferals should follow a normal business cycle for the unit.

Storage and Archival of records

Records should be kept in the administrative unit that created the document until the time that they are archived or disposed of.

Inactive records that may be considered of permanent, historical or legal value which should be transferred to the MSM Archives in compliance with this records management schedule are: client files; administrative and legal files; office files of principal administrators including correspondence relating to policies or ministry operations; committee minutes, proceedings, reports and related files; long-term planning records; annual reports; self-studies; reports.

The MSM Archives shall be the repository of official MSM-related records. Records being archived must be labeled using the subject, date, department and archiving date. To removed any record or group of records from the MSM Archives, a written request must be submitted to the Office Manager and approved by the Executive Director.

Disposal of non-permanent records

Original MSM records will be disposed of based on the attached schedule by the originating department. The retention time for a record applies to the ONE "original" of a document [aka master copy]. Any extra copies of a document are considered to be "convenience copies" [aka duplicates], which can be disposed of at any time when its usefulness ends. At no time should a convenience copy be kept longer than the original record.

The destruction of records must be approved by the department director, and logged into the MSM Records Retention Disposition (RRD) Log. The department will retain the RRD log for 10 years. Sensitive, financial and confidential records should be shredded before disposal.

Only **master** copies (originals) of records require a disposition log to be completed and maintained by the department. Convenience copies do not have to be listed. Many records, such as travel, payroll and personnel documents, are now done online and thus the electronic versions are considered the master copy. The paper versions of these documents in most office are convenience copies and can be disposed of when

no longer needed. The retention time for an original record remains the same regardless of the format.

MSM Records Retention Schedule (RRS)

A. Accounting and Tax Records

Record Type	Retention Period
Accounts Payable ledgers and schedules	7 years
Accounts Receivable ledgers and schedules	7 years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit Records: work papers and documents related to the audit	7 years after completion of audit
Bank Reconciliations	2 years
Bank Statements	3 years
Canceled Checks	7 years
Deposit Slips	2 years
Expense Records	7 years
Form 990 and 990T tax returns	Permanent
General Ledgers	Permanent
Electronic Payment Records	7 years
Internal Audit Reports	3 years
Investment Records	7 years after sale of investment notes
Invoices	7 years
Purchase orders	1 year
Receivable ledgers and schedules	7 years
Sales/Use Tax Records	4 years
Tax Bills, Receipts and Statements	7 years
Tax-Exemption Documents and Related Correspondence	Permanent
Tax Workpaper Packages - Originals	7 years
Vouchers for payments	7 years

B. Corporate Records

Record Type	Retention Period
Annual Reports to Secretary of State/Attorney General	Permanent
Articles of Incorporation	Permanent
By-laws	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
IRS Application for Tax-exempt Status (Form 1023)	Permanent
IRS Determination Letter State Sales Tax Exemption Letter	Permanent

C. Employee Documents

Record Type	Retention Period
Benefit Plans	Permanent
Employee Files	7 years after termination
Employment applications: resumes, ads, notices for job opportunities	3 years
Employment Taxes	7 years
I-9	3 years after hiring, or 1 year after separation
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	7 years

Unclaimed Wage Records	6 years
Retirement and Pension Records	Permanent
Withholding tax statements	7 years

D. Legal Records

Record Type	Retention Period
Accident Reports/Claims (settled cases)	Permanent
Contracts (after expiration)	7 years
Insurance Policies (expired)	3 years
Inventories of products, materials or supplies	7 years
Lease agreements, mortgages, bills of sale	Permanent
Licenses and Permits	Permanent
Property appraisals and records	Permanent
Property records: depreciation schedules, blueprints, plans	Permanent
Trademark registrations & copyrights	Permanent

E. Grant Records

Record Type	Retention Period
Original grant proposal	7 years after completion of grant period
Grant agreement and subsequent modifications, if applicable	7 years after completion of grant period
All requested IRS/grantee correspondence including determination letters and “no change” in exempt status letters	7 years after completion of grant period
Final grantee reports, both financial and narrative	7 years after completion of grant period
All evidence of returned grant funds	7 years after completion of grant period
All pertinent formal correspondence including opinion letters of counsel	7 years after completion of grant period
Report assessment forms	7 years after completion of grant period
Documentation relating to grantee evidence of invoices and matching or challenge grants that would support grantee compliance with the grant agreement	7 years after completion of grant period
Pre-grant inquiry forms and other documentation for expenditure responsibility grants	7 years after completion of grant period
Grantee work product produced with the grant funds	7 years after completion of grant period

F. Contribution Records

Record Type	Retention Period
Records of Contributions	Permanent
Records evidencing terms of gifts	Permanent

G. Program and Service Records

Record Type	Retention Period
Research & Publications	Permanent (1 copy only)
Client files (inactive)	3 years*
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanent
Training Manuals	Permanent

*Additional retention time may be assigned by the Department Director as approved by the Executive Director.

Instructions for completing the Records Retention Disposition Log

1. Enter your department's name
2. Write the record type *using the current Records Retention Schedule (RRS) listing*
Keep in mind that you only have to list a record type once for each disposition cycle. For example, if you have purchase orders from 1988-1990 and 1993-1995, only list that record type once (see example).
3. Write the total retention time required for those records (according to the RRS).
4. Give the date span for the records to be disposed. This is listed as "earliest year - latest year".
5. List the method for disposal for these records; methods are listed at the bottom of the form.
6. Enter the name of the person authorized to dispose of the records (Department Director).
7. Enter the date of when the records are actually destroyed.

Examples of entries on a disposition log:

(1) Department: Administration

(2) Record Type	(3) Retention Time	(4) Dates of Records	(5) Disposition Method	(6) Signature Authorizing Disposition	(7) Disposition Date
Purchase Orders	1 year	1988-1990, 1993-1995	Recycle	<i>Fiona Smith</i>	3/5/16
Payroll Registers (gross and net)	7 years	1988-1996	Shred	<i>Sally Ballard</i>	3/5/16
Bank Statements	3 years	1989-1995	Shred	<i>Sally Ballard</i>	3/5/16

