



Document Destruction and Retention Policy

Document Destruction

The Document Retention and Destruction Policy identifies the record retention responsibilities of staff, members of the board of directors, and independent consultants for maintaining and documenting the storage and destruction of the organization's documents and records.

The organization's staff, 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 author or recipient of the document either on the shared electronic platforms (Sharepoint or Salesforce) if electronic, or in the hardcopy files at EMpower's main office (111 John Street, Suite 2410, New York, NY, or successor locations);
- 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 human resources department 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.

Record Retention

The following table* indicates the minimum record retention requirements.

* Adapted from National Council of Nonprofits.

Sample Document Retention and Destruction Policy

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

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