

Potomac Valley Audubon Society Document Retention and Destruction Policy

The Sarbanes-Oxley Act addresses the retention and destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored.

In keeping with this requirement, PVAS has adopted the document retention requirements published by the *National Council of Nonprofit Associations, 2004*.

Minimum Retention Requirements by Document Type

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)	Permanently
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 Policies (expired)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years
Inventories of products, materials, and supplies	7 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

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Responsibility for Storage and Retention

In addition to the minimum retention requirements, it is prudent management for PVAS to spell out some guidelines for managing documents. Basic guidelines and responsibilities for managing documents follow.

Responsibilities

Responsibility for managing retention, storage, and destruction of records shall be shared between the Secretary and Treasurer. The Treasurer shall manage and store all financial records pertinent to day-to-day financial operations. As necessary, the Treasurer shall manage and store copies of archived audits, reports, and financial statements required for orderly and efficient conduct of financial business. The Secretary shall manage and store all non-financial records and all archived financial audits, reports, and statements.

Physical Storage

Since PVAS does not have permanent offices or other storage facility, storage of records need not be physically maintained in the home or offices of the Secretary and Treasurer. Any officer, other board member, committee chair, or staff member may be designated, subject to their agreement, to retain records pertinent to that person's duties and responsibilities. The Secretary will, however, retain an index of records subject to retention policy and the location of such records. At such time that PVAS has permanent offices or storage facilities, official records subject to retention policy will be maintained in that location. Until such time as records are retained in PVAS provided facilities, the Secretary shall oversee the transfer of records from one designated person/location to another.

Review and Management

The Secretary shall establish an annual schedule to review retained records for determination of retention and disposal requirements. The Secretary, other officers, other board members, committee chairpersons, and staff shall conduct this review of records in their possession in accordance with the Secretary's schedule. Records subject to destruction shall be turned over to the Secretary for destruction in accordance with best available practices. The Secretary shall record the destruction of records and make appropriate annotation on the index of records.

Update and Modification of Policy

The Executive Committee shall have authority to adopt changes and updates to the guidelines such as those published by the *National Council of Nonprofit Associations* or other non-profit advisory organizations. The PVAS Board of Directors shall be kept abreast of significant changes in requirements mandated by new or changed laws and regulations concerning records management, and the Board shall adjust this policy accordingly.