

Records Retention Policy

1. Purpose

[_____] (“Client”) has adopted this Records Retention Policy (this “Policy”) to help it manage its records efficiently, report its performance accurately, substantiate its disclosures, and comply with applicable laws relating to preservation and confidentiality of such records. These laws include the Internal Revenue Code, the Sarbanes-Oxley Act, other statutes, and court rules of procedure.

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2. Covered documents and people

This Policy covers documents in electronic as well as hard copy format. It covers Client’s directors, officers, employees, volunteers, and, as appropriate, vendors and other outside providers.

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3. Document retention

Client is committed to compliance with legal requirements relating to document integrity, document retention, and privacy. Client will retain documents as necessary to comply with law and as needed for operations, but will seek to retain them no longer than as needed for such purposes. Client may establish retention schedules for specific categories of records; several such schedules are set out in the table below.

While the table reflects minimum retention schedules for certain categories of records, retention of a document, whether or not identified in the table should be determined primarily by application of the general principles of this policy and the specific requirements below relating to litigation-relevant materials.

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4. Legal proceedings

Client will not alter, destroy, mutilate, conceal, cover up, falsify, or make a false entry in a record, or attempt to do so, with the intent to impair the record’s integrity or availability for use in a legal proceeding (defined below) or impede, obstruct, or influence a legal proceeding.

If Client learns of, or reasonably anticipates, a claim that may give rise to a legal proceeding, Client will take appropriate actions, including cessation of destruction of records, to ensure safeguarding of records relevant to the legal proceeding.

“Legal proceeding” means any investigation, civil or criminal litigation, official proceeding or any proper administration of any matter within the jurisdiction of any department or agency of the United States or of any state or local government.

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5. Administration

The Executive Director is responsible for administering this Policy in a manner that is reasonably attainable given Client’s resources and administrative capacity. Those responsibilities include: (a) setting standards for data collection and

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security; (b) overseeing protocols for compliance with privacy laws and Client's own privacy policies; (c) setting standards for document integrity, such as guidelines for backup and archiving procedures, document retention in case of an emergency, and checkups of system reliability; (d) consulting with Client associates about storage and destruction of specific categories of documents; (e) issuing instructions with respect to litigation matters; and (f) reviewing arrangements with volunteers and outside providers.

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6. Non-compliance consequences

Failure to comply with this Policy, including, particularly, disobeying any destruction halt order, could result in possible civil or criminal penalties including fines and imprisonment, contempt orders, litigation sanctions, disciplinary action for individual employees, and increased costs and inefficiencies.

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7. Relationship to laws and contracts

This Policy is intended to supplement and not supersede any applicable federal and state laws, or any contracts to which Client is party, relating to retention and confidentiality of specific documents and information.

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8. Amendment

The Board may amend this Policy at any time.

Retain permanently:

Nonprofit Tax Exemption Documents

Federal and state income tax exemption applications	State and local sales tax exemption documents
Determination letters from the IRS and CA Franchise Tax Board	Correspondence with the IRS or CA Franchise Tax Board during the determination process
Contribution records	Documents evidencing terms of gifts

Corporate Governance Documents

Articles of Incorporation (and all amendments)	Bylaws (and all amendments)
Director resignations	Resolutions and written consents
Minutes of the Board and committees (including all waivers of notice of meetings)	Records of any relationships with affiliated organizations

Tax Returns

Federal and state tax returns and schedules	Filings with the Attorney General
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Financial Records

Audited and unaudited financial statements	Annual reports
Special canceled checks, such as loan repayment	General ledger

Other

Property, D&O, workers' compensation and general liability insurance policies, and insurance claim records	Records supporting ownership of assets (e.g. deeds, patent and trademark records, capital stock records)
Licenses and permits	Legal correspondence

Retain for active period, plus ten years:

Financial Records

Revenue and expense records	Budget and expense reports
Accounts payable and receivable records	Bank statements, reconciliations, and deposit slips
Investment reports	Routine canceled checks
Audit reports and workpapers	Asset depreciation schedules
Any other records relating to preparation of financial statements	Purchase, procurement, and sale agreements and contracts and real property leases

Other

Governance and other corporate policies	Litigation records
Grant records, applications, and contracts	Records relating to loans
Leases for equipment	Contracts (including employment and contractor), MOUs
Environmental audits	Project records
Fundraising records and materials	Educational publications
Inventory management records	Tax records

Retain for active period, plus six years:

Employee benefits records (e.g., 401(k) plans, pensions, group insurance records, benefit claims, COBRA records, benefits descriptions)

Retain for active period, plus 30 years:

Employee medical records (relating to workers' compensation, Family Medical Leave Act, Americans with Disabilities Act, leaves of absence)

Retain for active period, plus three years:

Employment records (e.g., payroll, applications, evaluations, and travel and expense reports)
Credit card receipts

Records supporting federal and state tax return income, deductions, and credits
Correspondence or internal memos re routine matters
