



## **DOCUMENT RETENTION and DESTRUCTION POLICY (1.21.2019)**

Aldersgate Renewal Ministries (ARM) requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of ARM, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

### **PURPOSE OF THIS TOOL:**

Certain federal laws prohibit the destruction of certain documents. Not-for-profit organizations should have a written, mandatory document retention and periodic destruction policy. Policies such as this will eliminate accidental or innocent destruction. In addition, it is important for administrative personnel to know the length of time records should be retained to be in compliance.

### **DOCUMENTATION DESTRUCTION**

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

ARM's staff, volunteers, members of the board of directors, committee members and outsiders (independent contractors via agreements with them) are required to honor the following rules:

- Paper or electronic documents indicated under the terms for retention in the following section will be transferred and maintained by the chart below. Paper documents to fire protected in-house storage. Electronic documents to on-site protected storage
- All other paper documents will be destroyed after three years.
- All other electronic documents will be deleted from all individual computers, databases, networks, and back-up storage after one year.
- No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.
- 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 requirements of ARM's retention policy.

Type of Document	Minimum Requirement
Audit reports	Indefinitely
Bank statements / reconciliations	5 years
Records for important payments and purchases	Indefinitely
Contracts, mortgages, notes, and leases (expired)	5 years
Contracts (still in effect)	Contract period
Correspondence (legal and important matters)	Indefinitely
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Indefinitely
Depreciation schedules	Indefinitely
Employment applications	3 years
Year-end financial statements	Indefinitely
Insurance records, current accident reports, claims, policies, and so on (active and expired)	Indefinitely
Internal audit reports	5 years
Inventory records for products, materials, and supplies	5 years
Invoices (to customers, from vendors)	5 years
Minute books, bylaws, and charter	Indefinitely
Patents and related papers	Indefinitely
Payroll records and summaries	5 years
Personnel files (terminated employees)	5 years
Retirement and pension records	Indefinitely
Tax returns and worksheets	Indefinitely
Timesheets	2 years
Trademark registrations and copyrights	Indefinitely
Withholding tax statements	5 years