

SMRCA Board of Directors
Policies and Procedures Manual

SMRCA Document Retention and Destruction Policies and Procedures

Policy

The Sarbanes-Oxley Act makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding. This policy provides for the systematic review, retention, and destruction of documents received or created by South Middle River Civic Association (SMRCA). This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold, as hereinafter defined). It is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate operations by promoting efficiency and freeing up valuable storage space.

SMRCA shall follow the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time. "Document" includes any record within the following categories in whatever form it is stored: hard copy or digitally. Records shall be placed in the custody of the Secretary, and all storage methodologies shall be tamper-proof and searchable and shall be available in a central location, or as otherwise noted below.

All SMRCA information that exists as hardcopies will be periodically backed up onto discs, which will be labeled as to content and date. These will act as additional storage of information, which will help save space. Hardcopies of key documents, as well as discs, will be stored together for ease of retrieval. The current BOD must assure that all prior information and records from previous board members have been handed over to them, and that they in turn hand over their documents to the new BOD at the end of their tenure. SMRCA should retain all documents at two different locations, one by the president and one by the secretary.

Procedures

The following table provides minimum requirements. To the extent applicable laws or regulations are changed to require a different retention period, such law or regulations shall take precedence.

Corporate Records

Length of Time

Articles of Incorporation and, Bylaws
IRS Application for Tax-Exempt Status (Form 1023)

PERMANENT
PERMANENT

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IRS Determination Letter	PERMANENT
State Sales Tax Exemption Letter	PERMANENT
Annual Reports to Secretary of State/Attorney General	PERMANENT
Board Meeting and Board Committee Minutes	PERMANENT
Board Policies/Resolutions	PERMANENT
Other Corporate & Operational Policies	PERMANENT

Accounting and Corporate Tax Records

Annual Audits and Financial Statements	PERMANENT
Fixed Assets and Asset Depreciation Schedules	PERMANENT
IRS Form 990 Tax Returns	PERMANENT
Business Expense Records and Expense Reports	7 years
Investment records	7 years
IRS Forms 1099	7 years
General Ledgers and Journal Entries	7 years
Invoices	7 years
Sales Records (service fees, receipts, gift shop)	5 years
Petty Cash Vouchers, Cash Receipts, Credit Card Receipts	3 years

Bank Records

Checks for important payments and purchases	PERMANENT
Check Registers	7 years
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years

Donor and Grant Records

	<i>Length of Time</i>
Donor Records and Acknowledgment Letters	7 years
Grant Contracts, applications, documentation expiration Supporting grant payments, grant reporting and correspondence	7 years after
Grant Applications, if declined or denied	3 years

Press Releases/Public Filings

Press Releases and Annual Reports	PERMANENT
Other Publications, Photos, Press clippings	7 years

Legal, Insurance, and Safety Records

Legal Correspondence	PERMANENT
Construction Document	PERMANENT

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Appraisals	PERMANENT
Trademark and Copyright Registrations	PERMANENT
Environmental Studies	PERMANENT
Insurance Policies	PERMANENT
Real Estate Documents	PERMANENT
Stock and Bond Records	PERMANENT
Leases expiration	7 years after
General Contracts	6 years
Correspondence (general)	3 years

Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

Emergency Planning

Records must be stored in a safe, secure, and accessible manner. Documents and financial files essential to keeping SMRCA operating in an emergency must be duplicated or backed up at least monthly, or as otherwise determined by the BOD, and maintained off-site.

Document Destruction

The Secretary's job description includes the custody and/or maintenance of the above documents and he/she is responsible for the ongoing process of identifying records which have met the required retention period and overseeing their destruction. Destruction of financial information will be accomplished only by document shredding.

Document destruction will be suspended immediately upon issuance of a notice, known as a "legal hold" by the President, upon any indication of an official investigation, or when a lawsuit is filed or appears imminent. During a legal hold, no specified records may be destroyed until the legal hold is withdrawn by the President of SMRCA. Destruction will be reinstated upon conclusion of the investigation.

Compliance re: Document Retention and Destruction

Failure on the part of Board members to follow this policy can result in possible civil and criminal sanctions against SMRCA and possible disciplinary action against responsible individuals. The President and Finance Committee Chairperson will periodically review, as needed, these

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procedures with legal counsel, and/or SMRCA's certified public accountant to ensure that they are in compliance with new or revised regulations.