



TITLE: ADMIN-102: RECORDS RETENTION POLICY

Policy: Children of the Nations–USA (COTN–USA), recognizing its responsibility to its donors, employees, regulatory bodies, and the public has established policies and practices to ensure the preservation of records documenting the activities of the organization.

Purpose: To establish guidelines for handling, backing up and archiving documents, which foster good record-keeping procedures that promote data integrity, and to ensure compliance with government regulations in regards to maintaining certain types of corporate records for specified periods of time.

Scope: This policy covers all COTN–USA corporate records and financial records supporting the accuracy, applicability and method of calculation for all financial entries and applies to all original or archival forms of storage media, including: paper, microfilm, microfiche and/or jackets, aperture cards, optical disks, CD ROM, 8mm or other magnetic tape, computer drive, any size diskette or other magnetic, film or optical media.

Policy Details:

1.0 **Acknowledgement by Employees** – Upon employment, COTN–USA will provide employees with a copy of this Policy (to be signed by the employee), confirm their understanding of Policy and the procedure for retaining and destroying documents, and provide employees an opportunity to ask questions about this Policy.

2.0 **Records Retention Schedules** – The following is a non-inclusive list of COTN–USA’s records retention schedules:

- Accounts payable ledgers and schedules: 10 years
- Accounts receivable ledgers and schedules: 10 years
- Audit reports of accountants: Permanently
- Bank statements: 10 years
- Capital stock and bond records: ledgers, transfer payments, stubs showing issues, record of interest coupon, options, etc.: Permanently
- Cash books: 10 years
- Checks (canceled, for important payments; i.e., taxes, purchase of property, special contracts, etc. [checks should be filed with the papers pertaining to the underlying transaction]): Permanently
- Checks (canceled, with exception below): 10 years
- Children’s Records: Permanently
- Contracts and leases (expired): 10 years
- Contracts and leases still in effect: Permanently
- Correspondence (legal and important matters): Permanently



- Correspondence, general: 4 years
- Depreciation schedules: 10 years
- Donation records of endowment funds and of significant restricted funds: Permanently
- Donation records, other: 10 years
- Duplicate deposit slips: 10 years
- Employee personnel records (after termination): 7 years
- Employment applications: 3 years
- Expense analyses and expense distribution schedules (includes allowance and reimbursement of employees, officers, etc., for travel and other expenses): 10 years
- Financial statements (end-of-year): Permanently
- General ledgers and end-of-year statements: Permanently
- Insurance policies (expired): Permanently
- Insurance records, current accident reports, claims, policies, etc.: Permanently
- Internal reports, miscellaneous: 3 years
- Inventories of products, materials, supplies: 10 years
- Invoices from vendors: 10 years
- Invoices to customers: 10 years
- Minutes of Board of Directors, including Bylaws and Articles of Incorporation: Permanently
- Payroll records and summaries, including payments to pensioners: 10 years
- Purchase orders: 3 years
- Sales records: 10 years
- Scrap and salvage records: 10 years
- Subsidiary ledgers: 10 years
- Tax returns and worksheets, revenue agents' reports, and other documents relating to determination of tax liability: Permanently
- Time sheets and cards: 10 years
- Volunteer records: 3 years

3.0 **Confidentiality** – In order to safeguard the privacy of individuals, documents that contain salary or donation information are treated in a highly confidential manner. Access to these documents is only allowed on a need-to-know basis with the written approval of the records administrator. Once their retention period has expired (if applicable), the documents will be disposed of in a secure manner. Additionally, information from children's records and donation records will never be given out or sold.

4.0 **Methods of Disposal** – At the end of the required retention period, financial records may be disposed of unless they support current audit or litigation. Records may be disposed of in accordance with the organization's recycling policy. The only exception to this is documents containing information, such as name or social security number, which could identify any



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individual donor or employee. Documents containing this type of information must be disposed of via incineration or shredding.

- 5.0 **Halting Document Destruction** – All permitted document destruction shall be halted if the organization is being investigated by a governmental law enforcement agency, and routine destruction shall not be resumed without the written approval of legal counsel or the Chief Executive Officer.