



# Document Retention and Destruction Policy

## Purpose:

The purpose of this policy is to ensure that Michael Magro Foundation manages data in an efficient and effective manner, maintains historical records related to its financial and administrative operations, and purges documents as part of its normal management process. By establishing a specific timeline for document purging, this shall also ensure compliance with the Sarbanes-Oxley Act, which prohibits the alteration, falsification or destruction of documents that are part of any official proceeding. If anyone associated with the Institute becomes aware of any investigation, the Foundation shall be notified immediately so that document purging will cease and all relevant documents will be appropriately identified and protected.

## 2. Definitions:

- a. "Document" refers to any item listed below - in either hard copy or electronic form. Electronic files also include those in audio/visual or emailed forms.
- b. "Administrative" refers to documents pertinent to the day-to-day operations of the Foundation.
- c. "Historic" refers to documents that are valuable for maintaining knowledge of the history of the Foundation and its work.
- d. "Legal" refers to any document that is a contract or agreement between parties, that contains financial information relevant to IRS filings, or that must be maintained to comply with laws and regulations.
- e. "Recycle/scrap paper" includes disposal by normal recycling methods or reuse as scrap paper for internal printing or note taking.
- f. "Shred" means using a shredder machine to properly shred and dispose of documents.
- g. "Delete" means to delete an electronic file.

3. Labeling and Storage: All files, both hard copy and electronic, shall be labeled by topic and year (if applicable). Electronic copies shall be saved in appropriate folders on network drive. Hard copies shall be stored in file cabinets or archived in the main location for the Foundation. Archived hard copy files shall be stored in fire, water and animal proof containers, clearly labeled with "Michael Magro Foundation," topic, and year. If documents of similar type and with the same retention and destruction requirements are stored together, they shall also be labeled with a "destroy after" date so that they do not have to be reviewed additional times.

4. Review and Purging: Review and purging of files may take place in an ongoing manner but must occur at least every two years in even numbered years and must follow the minimum retention requirements stated below. Such review and purging must also occur prior to archival storage of any files.

5. Document Drafts: Once the final copy of a document has been completed, the drafts may be recycled or deleted, unless they are documents of legal value. For documents determined to be of legal value, drafts containing comments shall be saved for a minimum of two years, and drafts without comment may be destroyed once the final version is complete.

#### Suggested Document Retention Schedule

##### *Accounting and Finance*

Accounts Payable and Accounts Receivable Ledgers – 7 years

Annual Financial Statements - Permanent (or 7 years if Interim Financial Statements)

Annual Audit Reports - Permanent

Bank Statements and Reconciliations including Cancelled Checks - 7 years (or permanent if for significant purchase)

Cash Receipts and Disbursements - 3 years

Contracts - Permanent (or 7 years if expired)

Expense Reports and Related Documents - 7 years

General Ledgers - Permanent

Tax Returns - Permanent

##### *Charitable and Grants*

Contribution Records - Permanent

Documents Evidencing Terms of Gifts Grant Records – 7 years after end of grant period

##### *Corporate and Exemption*

Articles of Incorporation and Bylaws (including all amendments) - Permanent

Annual Reports to Attorney General and Secretary of State - Permanent

Board and Committee Meeting Minutes - Permanent

Conflict of Interest Disclosure Forms - 7 years

Employer Identification (EIN) Designation - Permanent

IRS Exemption Application and Determination Letter - Permanent

Licenses and Permits - Permanent

State Exemption Application and Determination Letter - Permanent

*Correspondence*

Correspondence (general) - 3 years

Correspondence (legal and other significant matters) - Permanent

Email - 5 years

*Insurance*

Insurance Reports and Claims Records Insurance Policies (Current and Expired) - Permanent

*Management and Miscellaneous*

Policies and Procedures Manual - Current version with revision history

Strategic, Marketing, Financing, Disaster Recovery Plans, etc. - 7 years