



Document Retention and Destruction Policy

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.

Document Destruction

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

Lakeland Volunteers in Medicine's staff, volunteers, the board of trustees, committee members and outsiders (independent contractors via agreements with them) are required to honor the following rules:

- a. Paper or electronic documents indicated under the terms for retention in the following section will be maintained by the appropriate department head (Operations, Development, Clinical)
- b. All other paper documents will be destroyed after three years;
- c. All other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year;
- d. No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation (check with legal counsel for any current or foreseen litigation if employees have not been notified); and
- e. No paper or electronic documents will be destroyed or deleted as required to comply with government auditing standards (Single Audit Act).

Record Retention

The following table* indicates the minimum requirements and is provided as guidance to customize in determining your organization's document retention policy. Because statutes of limitations and state and government agency requirements vary from state to state, each organization should carefully consider its requirements and consult with legal counsel before adopting a Document Retention and Destruction Policy. In addition, federal awards and other government grants may provide for a longer period than is required by other statutory requirements.

* Adapted from National Council of Nonprofits.

| Type of Document | Minimum Requirement | Maintained By |
|---|----------------------------|---------------------|
| Accounts payable ledgers and schedules | 7 years | Operations |
| Audit reports | Permanently | Finance |
| Bank reconciliations | 2 years | Finance |
| Bank statements | 3 years | Finance |
| Checks (for important payments and purchases) | Permanently | Finance |
| Contracts, mortgages, notes, and leases (expired) | 7 years | Operations |
| Contracts (still in effect) | Contract period | Operations |
| Correspondence (general) | 2 years | ALL |
| Correspondence (legal and important matters) | Permanently | CEO/Board |
| Correspondence (with customers and vendors) | 2 years | ALL |
| Deeds, mortgages, and bills of sale | Permanently | Operations |
| Depreciation schedules | Permanently | Finance |
| Duplicate deposit slips | 2 years | Finance |
| Employment applications | 3 years | CEO |
| Expense analyses/expense distribution schedules | 7 years | CEO |
| Year-end financial statements | Permanently | Finance |
| Insurance records, current accident reports, claims, policies, and so on (active and expired) | Permanently | Operations |
| Internal audit reports | 3 years | CEO |
| Inventory records for products, materials, and supplies | 3 years | Clinical/Operations |
| Invoices (to customers, from vendors) | 7 years | Operations |
| Medical Records | SEE MEDICAL RECORDS POLICY | Clinical |
| Minute books, bylaws, and charter | Permanently | Finance |
| Patents and related papers | Permanently | CEO |
| Payroll records and summaries | 7 years | Finance |
| Personnel files (terminated employees) | 7 years | CEO |
| Retirement and pension records | Permanently | CEO |
| Tax returns and worksheets | Permanently | Finance/CEO |
| Timesheets | 7 years | Operations |
| Trademark registrations and copyrights | Permanently | CEO |
| Withholding tax statements | 7 years | Finance |