



Carousel of Happiness (COH)

Document Retention and Destruction Policy

Purpose: 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.

Adopted: March 17, 2021

COH Document Retention and Destruction Policy

Document 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 the organization's documents and records.

The organization'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:

- a.* Paper or electronic documents indicated under the terms for retention in the following section will be transferred and maintained by the Carousel Director;
- b.* All other paper documents will be destroyed after three years;
- c.* All other electronic documents will be deleted from all individual computers, databases, 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; 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. Because statutes of limitations and state and government agency requirements vary from state to state, the Carousel has consulted with legal counsel before adopting this Document Retention and Destruction Policy. As federal awards and other government grants may provide for a longer period than is required by other statutory requirements, the Carousel's Grants Administrator will be responsible for notifying the Director of any additional requirements that need to be met.

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