

# **Libertyville Sunrise Rotary Charitable Projects Foundation – Record Retention Policy**

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**LIBERTYVILLE SUNRISE ROTARY CHARITABLE PROJECTS FOUNDATION  
RECORD RETENTION POLICY**

I. Purpose

The purpose of this Record Retention Policy (the “Policy”) is to establish rules for the proper treatment of the records of the **Libertyville Sunrise Rotary Charitable Projects Foundation** by all directors, officers, employees and volunteers of the Organization as well as any relevant outside parties (collectively, the “Covered Persons”).

II. General

Records must be maintained for the period set forth by law to avoid certain legal repercussions (including obstruction of justice and fines to the Organization or Covered Person). On the other hand, records should not be retained beyond the period required by law (unless a legitimate business purpose so requires) because unnecessary records retention incurs storage, maintenance and handling costs and increases the risk of embarrassing litigation regarding prior drafts or notes.

Physical records may be scanned and then destroyed; the electronic record will act as the permanent record.

The Organization’s **Secretary** is responsible for implementing, supervising and ensuring compliance with this Policy. The Secretary shall annually review this Policy, propose any modifications, and inform and educate the Covered Persons of any such proposals. All questions relating to this Policy should be addressed to the Secretary.

III. Litigation/Audit Exception

If a Covered Person believes or is informed, that records are or may be relevant to (i) litigation, (ii) potential litigation or (iii) audit, then such Covered Person shall maintain such records until the Secretary informs such Covered Person otherwise.

IV. Types of Records/Retention Period

A. Corporate

Item	Retention	Storage Location
Annual reports/filings	Permanent	Club Dropbox
Articles of Incorporation; Bylaws; Board policies, resolutions & minutes	Permanent	Club Dropbox

IRS Form 1023 & determination letter; State income, sales, property, etc. exemption documents	Permanent	Club Dropbox
Federal/state EIN/TIN	Permanent	Club Dropbox
Qualifications to do business; Merger/dissolution/joint venture documents	Permanent	Club Dropbox

#### B. Financial & Tax

Item	Retention	Storage Location
Financial statements, policies & procedures; General ledger; Audits (external)	Permanent	Club Dropbox
Accounting & budget procedures	Permanent	Club Dropbox
Forms 990; Payroll registers; Forms 1099; W-2 statements; Other tax returns	Permanent	Club Dropbox
Expenses reports; Invoices; Cancelled checks & drafts; Check registers; Investment records (deposits, withdrawals, etc.)	7 years	Club Dropbox; Bank website
Inventories; Accounts receivable/payable	7 years	Club Dropbox
Bank records (deposits, withdrawals, statements, etc.)	7 years	Club Dropbox; Bank website
Audits (internal); Credit card receipts	3 years	Club Dropbox

#### C. Personnel & Benefits

Item	Retention	Storage Location
Employee benefit/pension plans	Permanent	NA
Offer letters (& confirmation); Pension records; Employee contracts	Permanent	NA
Employment policies (job description, wage/salary schedule, nondiscrimination, etc.)	Until superseded	Club Dropbox
Personnel files (application, time sheet, promotion, etc.)	7 years after separation	NA
Payroll records; Applications and resumes; Time sheets	7 years	NA

D. Insurance

Item	Retention	Storage Location
Insurance certificates, claims, reports, disbursements & denials	Permanent	Club Dropbox
Insurance policies	3 years after expiration	Club Dropbox

E. Legal

Item	Retention	Storage Location
Legal correspondence & claims	Permanent	Club Dropbox
Powers of Attorney	7 years after expiration	Club Dropbox
Litigation documents	5 years after litigation	Club Dropbox

F. Miscellaneous

Item	Retention	Storage Location
Grants (proposals, disbursement contracts, etc.)	Permanent	Clubrunner and/or Club Dropbox
Construction, loan and mortgage contracts; Leases, deeds & bills of sale	Permanent	Club Dropbox
Vendor contracts; Warranties; Donor records	7 years	Club Dropbox
Business or emergency plans (strategic, fundraising, evacuation, etc.)	7 years	Club Dropbox
Intellectual property (patent, trademark registrations, etc.)	7 years	Club Dropbox
Correspondence (non-legal)	2 years	Individual Computers

V. Temporary

Temporary records (including to-do lists, personal notes and drafts) shall be destroyed or deleted upon completion of the relevant matter. For example, each director's personal board meeting notes should be destroyed or deleted within thirty (30) days after the adoption of the official minutes; prior drafts and notes should be destroyed or deleted within thirty (30) days of the time a contract is executed or the Organization determines not to enter into such contract.

## VI. Destruction/Deletion

Except as provided in Section III, destruction or deletion shall occur at the end of a record's retention period and shall be conducted by the **Secretary** in collaboration with the Treasurer (except for permanent deletion of electronic records as set forth below). Destruction of tangible records should be conducted by shredding or otherwise rendering records unreadable. Electronic records, such as email or voicemail, should be deleted from computers, telephones and any other relevant electronic device. Since such electronic records may remain in the Organization's system even after such deletion, the Organization's **Secretary** will conduct permanent deletion of such electronic records.