

Record Retention and Destruction Policy

1) Policy

This Policy represents SOS International's policy regarding the retention and disposal of records and electronic documents.

2) Administration

Attached as Appendix A is a Record Retention Schedule that is approved as the initial maintenance, retention, and disposal schedule for physical records of SOS International and the retention and disposal of electronic documents. The Compliance Officer (the "Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed.

The Administrator is also authorized to

- make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state, and federal laws and includes the appropriate document and record categories for SOS International;
- monitor local, state, and federal laws affecting record retention;
- annually review the record retention and disposal program; and
- monitor compliance with this Policy.

3) Suspension of Record Disposal in Event of Litigation or Claims

In the event SOS International is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning SOS International or may reasonably be aware of any anticipated litigation against or concerning SOS International, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

4) Applicability

This Policy applies to all physical and electronic documents and records generated in the course of SOS International's operation, including both original documents and reproductions.

This Policy was approved by the Board of Directors of SOS International on [Date].

Appendix A – Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Electronic Documents
- E. Payroll Documents
- F. Personnel Records
- G. Property Records
- H. Tax Records
- I. Contribution Records

[Note: The list of possible records suggests the potential breadth of items for which policies should be established. Every church may not need all of these categories, but every church should determine with professional counsel which ones are relevant.]

The following are some common retention periods. These apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to “read” the electronic document must also be retained.

A. ACCOUNTING AND FINANCE

Record Type - Retention Period

Accounts Payable & Accounts Receivable ledgers and schedules - **7 years**

Annual Audit Reports and Financial Statements - **Permanent**

Annual Audit Records, including work papers and other documents that relate to the audit - **7 years after completion of audit**

Bank Statements and Canceled Checks - **7 years**

Credit card numbers - Full credit card numbers should not be retained any longer than immediate business needs and merchant account agreements dictate.

Employee Expense Reports - **7 years**

General Ledgers - **Permanent**

Notes Receivable ledgers and schedules - **7 years**

Investment Records - **7 years after sale of investment**

B. CONTRACTS

Record Type - Retention Period

Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation) - **7 years after expiration or termination**

[Note: Some states may require longer retention periods generally, or for specific types of contracts. A local attorney should be consulted.]

C. CORPORATE RECORDS

Record Type - Retention Period

Corporate Records (minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports) -

Permanent

Licenses and Permits - **Permanent**

D. ELECTRONIC DOCUMENTS

1. **Electronic Mail:** Not all e-mail needs to be retained, depending on the subject matter.
 - All e-mail—from internal or external sources—is to be deleted after 12 months.
 - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.
 - SOS International will archive e-mail for six months after staff have deleted it, after which time the e-mail will be permanently deleted.
 - All SOS International business-related email should be downloaded to a service center or user directory on the server.
 - Staff will not store or transfer SOS International-related e-mail on non-work-related computers except as necessary or appropriate for SOS International purposes.
 - Staff will take care not to send confidential/proprietary SOS International information to outside sources.
 - Any e-mail staff deems vital to the performance of their job should be copied to the staff's network drive folder, and printed and stored in the employee's workspace.
2. **Electronic Documents:** including Microsoft Office Suite and PDF files. Retention depends on the subject matter.
3. **Web Page Files: Internet Cookies**
 - All workstations: Web browsers should be scheduled to delete cookies once per month.

If an electronic document is reproduced into paper form, the official document will be considered the electronic document.

[Note: This section may be the appropriate place to include other policies regarding e-mail retention, usage, or subject matter. Whether the paper or electronic document is the "official document" would be determined by each church.]

E. PAYROLL DOCUMENTS

Record Type - Retention Period

Employee Deduction Authorizations

4 years after termination

Payroll Deductions

Termination + 7 years

W-2 and W-4 Forms

Termination + 7 years

Garnishments, Assignments, Attachments

Termination + 7 years

Payroll Registers (gross and net)

7 years

Time Cards/Sheets

2 years

Unclaimed Wage Records

6 years

F. PERSONNEL RECORDS

Record Type - Retention Period

Commissions/Bonuses/Incentives/Awards

7 years

EEO- I/EEO-2 – Employer Information Reports

2 years after superseded or filing (whichever is longer)

Employee Earnings Records

Separation + 7 years

Employee Handbooks

1 copy kept permanently

Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)

6 years after separation

Employment Contracts – Individual

7 years after separation

Employment Records – Correspondence with Employment Agencies and

Advertisements for Job Openings

3 years from date of hiring decision

Employment Records – All Non-Hired Applicants (including all applications and resumes – whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)

2-4 years (4 years if file contains any correspondence which might be construed as an offer)

Job Descriptions

3 years after superseded

Personnel Count Records

3 years

Forms I-9

3 years after hiring, or 1 year after separation if later

[Note: Many employment and employment tax-related laws have both state and federal law requirements. A local attorney should be consulted.]

G. PROPERTY RECORDS

Record Type - Retention Period

Correspondence, Property Deeds, Assessments, Licenses, Rights of Way

Permanent

Property Insurance Policies

Permanent

H. TAX RECORDS

Record Type - Retention Period

Tax-Exemption Documents and Related Correspondence

Permanent

IRS Rulings

Permanent

Excise Tax Records

7 years

Payroll Tax Records

7 years

Tax Bills, Receipts, Statements

7 years

Tax Returns – Income, Franchise, Property

Permanent

Tax Workpaper Packages – Originals

7 years

Sales/Use Tax Records

7 years

Annual Information Returns - Federal and State

Permanent

IRS or other Government Audit Records

Permanent

[Note: Retention period for sales taxes and property taxes are determined by state law. A local accountant or attorney should be consulted.]

I. CONTRIBUTION RECORDS

Record Type - Retention Period

Records of Contributions

7 years

Documents evidencing terms, conditions, or restrictions on gifts

7 years after funds are expended