

Ancillary Document 1.5

RECORDS & DOCUMENTS RETENTION

A. Authority. The authority for establishing this procedure is Section 1.5, Official Records, Documents, and Records.

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Correspondence and Internal Memoranda
- E. Electronic Documents
- F. Grant Records
- G. Insurance Records
- H. Legal Files and Papers
- I. Miscellaneous
- J. Payroll Documents
- K. Pension Documents
- L. Personnel Records
- M. Property Records
- N. Tax Records
- O. Contribution Records
- P. Classes and Education Program Records
- Q. Collection and Library Records
- R. Awards and Honors Records
- S. Fiscal Sponsor Project Records

A. ACCOUNTING AND FINANCE

Record Type	Retention Period
Accounts Payable ledgers and schedules	7 years
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
Annual Plans and Budgets	5 years (based on # of years used in budget prep)

Record Type	Retention Period
Bank Statements and Canceled Checks	7 years
Expense Reports (e.g., personnel expense reports)	7 years (based on # of years used in budget prep)
General Ledgers	Permanent
Interim Financial Statements	7 years
Notes Receivable ledgers and schedules	7 years
Investment Records	7 years after sale of investment
Region/Chapter Annual Financial Reports	7 years
Credit card records (documents showing customer credit card number)	2 years

1. Credit card record retention and destruction procedure:

A credit card may be used to pay for the following EGA products and services (for example but not limited to) classes, publications, donations, dues, merchandise, etc. All records showing customer credit card number must be locked in a desk drawer or a file cabinet when not in immediate use by personnel. If it is determined that information on a document, which contains credit card information, is necessary for retention beyond two years, the credit card number shall be redacted from the document.

B. CONTRACTS

Record Type	Retention Period
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation); retain longer if the contract pertains to a category that requires longer retention; see other categories such as tax, property.	7 years after expiration or termination
Independent contractor contracts and agreements (including but not limited to teachers)	

C. CORPORATE RECORDS

Record Type	If not Headquarters, who & where & how long	Retention Period
Corporate Records: (includes but is not limited to) minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation as well as articles of amendment and articles of merger, bylaws, annual corporate reports, state and federal certificates, motion books, annual report to members, official notices of meetings		Permanent
Recordings of meetings	Secretary – maintain through the approval of the minutes or the next meeting, whichever occurs last	
Paper voting ballots	Secretary – maintain through the approval of the minutes or the next meeting or 30 days, whichever occurs last	
Region and Chapter Bylaws and all amendments thereto	Region or Chapter should maintain copy of current document	Permanent
Region and Chapter Minutes	Region or Chapter retains at least 7 years after event recorded	
Region and Chapter Policies and Procedures	Region or Chapter retains at least 7 years once superseded	
Licenses and Permits relating to corporate		Permanent

status

Annual Meeting documents: *See each below*

Proxy Statement & Proxies	Secretary maintains through annual meeting then delivers originals to Headquarters	2 years after closure of meeting
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Proxy Delegate	Returned to delegate at sign-in	----
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Proxy tabulation	Secretary maintains through annual meeting then delivers summary to Headquarters	2 years after closure of meeting
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D. CORRESPONDENCE AND INTERNAL MEMORANDA

General Principle: Most correspondence and internal memoranda should be retained for the same period as the document to which they pertain or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract (i.e., seven years after expiration). Records that support a particular project should be kept with the project and take on the retention time of that particular project file.

Correspondence or memoranda that do not pertain to documents having a prescribed retention period should generally be discarded sooner. These may be divided into two categories:

1. Those pertaining to routine matters and having no significant lasting consequences should be discarded *within two years*. Some examples include:
 - Routine letters and notes that require no acknowledgment or follow-up, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
 - Form letters that require no follow-up.
 - Letters of general inquiry and replies that complete a cycle of correspondence.
 - Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).
 - Other letters of inconsequential subject matter or that definitely close the matter for which no further reference shall be necessary.
 - Chronological correspondence files.

Please note that copies of interoffice correspondence and documents where the primary copy shall be in the originating department file should be read and destroyed unless that information provides reference to or direction to other documents and must be kept for project traceability.

2. Those pertaining to nonroutine matters or having significant lasting consequences should generally be retained permanently.

E. ELECTRONIC DOCUMENTS

1. **Electronic Mail:** Not all email needs to be retained, depending on the subject matter.
 - Electronic mail should be treated as other correspondence; it should be retained on the same schedule as the subject matter to which it pertains.
 - All transitory email, whether from internal or external sources, should be deleted after 12 months except as provided below.
 - Personnel using EGA-owned equipment shall keep non-EGA correspondence to a minimum and should promptly delete such personal email.
 - EGA shall archive email for six months after the personnel deleted it, after which time the email shall be permanently deleted.
 - Any email personnel deem vital to the performance of their job should be copied to a drive that shall make the information available after deletion of the email.
 - All EGA business-related email should be downloaded to a service center or user directory on the server.
 - Personnel shall take care not to send confidential/proprietary EGA information to outside sources.
 - Electronic Documents: including all forms of software including but not limited to Microsoft Office Suite and PDF files. Retention depends on the subject matter. Drafts and working copies should be reviewed periodically and deleted when no longer relevant.

2. **Website Page Files: Internet Cookies**

EGA does not automatically delete electronic files beyond the dates specified in this Policy. It is the responsibility of all personnel to adhere to the guidelines specified in this policy.

Each day EGA shall run a backup copy of all electronic files (including email) on EGA's servers, as specified in the EGA Disaster Recovery Plan. This backup is a safeguard to retrieve lost information within a one-year retrieval period should documents on the network experience problems. The backup copy is considered a safeguard for the record retention system of EGA but is not considered an official repository of EGA records. All monthly and yearly electronic backups should be stored offsite according to EGA's Disaster Recovery Policy.

In certain instances, a document shall be maintained in both paper and electronic form. In such cases the official document shall be the electronic document.

F. GRANT AND SCHOLARSHIP RECORDS including both those given and received by EGA

Record Type	Retention Period
Original grant proposal application made by EGA	7 years after completion of grant or scholarship period
Grant agreement and subsequent modifications to grant received by EGA, if applicable	7 years after completion of grant period
Original grant proposal or scholarship application granted by EGA	7 years after completion of grant or scholarship period
All requested IRS/grantee correspondence including determination letters and “no change” in exempt status letters	7 years after completion of grant period
Final grantee reports, both financial and narrative	7 years after completion of grant period
All evidence of returned grant funds	7 years after completion of grant period
All pertinent formal correspondence including opinion letters of counsel	7 years after completion of grant period
Report assessment forms	7 years after completion of grant period
Documentation relating to grantee, evidence of invoices, and matching or challenge grants that would support grantee compliance with the grant agreement	7 years after completion of grant period
Pre-grant inquiry forms and other documentation for expenditure responsibility grants	7 years after completion of grant period
Grantee work product produced with the grant funds	7 years after completion of grant period

G. INSURANCE RECORDS

Record Type	Retention Period
Annual Loss Summaries	10 years
Audits and Adjustments	3 years after final adjustment

Record Type	Retention Period
Certificates Issued to EGA	Permanent
Claims Files (including correspondence, medical records, injury documentation, etc.)	Permanent
Group Insurance Plans Active Employees	Until Plan is amended or terminated
Group Insurance Plans – Retirees	Permanent or until 6 years after death of last eligible participant
Inspections	3 years
Insurance Policies (including expired policies)	Permanent
Journal Entry Support Data	7 years
Loss Runs	10 years
Releases and Settlements	25 years

H. LEGAL FILES AND PAPERS

Record Type	Retention Period
Legal Memoranda and Opinions (including all subject matter files)	7 years after close of matter
Litigation Files	1 year after expiration of appeals or time for filing appeals; permanently if a default order granted
Court Orders	Permanent
Requests for Departure from Records Retention Plan	10 years

I. MISCELLANEOUS

Record Type	Retention Period
Membership records	Permanent; maintained in database
Officers and Directors	Permanent

Consultant's Reports	2 years after expiration of purpose of the report
Material of Historical Value (e.g., "Needle Arts" magazine, seminar brochures, Education Catalogs, other publications not otherwise listed)	Permanent
Policy and Procedures Manual and other manuals* – Original	
(*Other Manuals, e.g., Officer's Notebook, National Seminar Guidelines, National Exhibit Guidelines, Region Director's Notebook, Officer's Notebook, Region Seminar Guidelines, Financial Guidelines, Guidelines for Chapter Formation, etc.)	Current version, previous versions to maintain revision history
Policy and Procedures Manual and other manuals – superseded versions	Current version, previous versions to maintain revision history

J. PAYROLL DOCUMENTS

Record Type	Retention Period
Independent Contractor Information	Three years after completion of contract
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
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

K. PENSION DOCUMENTS AND SUPPORTING EMPLOYEE DATA

General Principle: Pension documents and supporting employee data shall be kept in such a manner that can establish at all times whether or not any pension is payable to any person and if so the amount of such pension.

Record Type	Retention Period
Retirement and Pension Records	Permanent

L. 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 Medical Records (except worker's compensation; there, see insurance records)	Separation + 6 years
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
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 (6 years if file contains any correspondence which might be construed as an offer)
Job Descriptions (Personnel, both paid staff and volunteers)	3 years after superseded
Personnel Count Records	3 years

Record Type**Retention Period**

Forms I-9

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

- M. **PROPERTY RECORDS**, including real and personal property; e.g., deeds, mortgages, purchase/sale agreements, property tax assessments, real property leases, personal property bills of sale and leases, grant of rights to intellectual property, licenses, grants right-of-way; e.g., contracts, permissions, assignments, letters of agreement, copyright registration, trademarks and patents. These documents and supporting records should be maintained so long as the property is owned or a historical record of the acquisitions and sales may be needed.

Record Type**Retention Period**

Documents evidencing ownership or right to use such as deeds, bills of sale, purchase/sale/lease agreements, licenses, grants, contracts relating to

7 years after sale or disposal of asset

Documents relating to debt such as mortgages and promissory notes, whether owed to or owed from

7 years after sale or disposal of asset or obligation

Property Insurance Policies

7 years after sale or disposal of asset

N. TAX RECORDS

General Principle: Headquarters must keep books of account or records as are sufficient to establish amount of gross income, deductions, credits, or other matters required to be shown in any such return.

These documents and records shall be kept for as long as the contents thereof may become material in the administration of federal, state, and local income, franchise, and property tax laws.

Record Type**Retention Period**

Tax-Exemption Documents and Related Correspondence

Permanent

IRS Rulings

Permanent

Depreciations Schedules

Permanent

Payroll Tax Records

7 years

Record Type	Retention Period
Tax Bills, Receipts, Statements	7 years
Tax Returns – Income, Franchise, Property	Permanent
Tax Work paper Packages – Originals	7 years
Sales/Use Tax Records	7 years
Annual Information Returns – Federal and State	Permanent
IRS or other Government Audit Records	Permanent
W-2 & 1099 Employer Copies	Permanent

O. CONTRIBUTION RECORDS

Record Type	Retention Period
Records of Contributions	Permanent
EGA’s or other documents evidencing terms of gifts	Permanent

P. CLASSES AND EDUCATION PROGRAM RECORDS

Record Type	Retention Period
Class offerings (e.g., brochure, teacher contract, registration, costs, payments)	7 years after completion of class
Teacher (i.e., independent contractor)	see contracts, accounting and tax records
Requisites for programs for certification such as judges, appraisers, master craftsman	Permanent
Research & Publications including but not limited to “Needle Arts” magazine (see elsewhere for copyrights, contracts, etc.)	Permanent (1 hard copy only)
Technique Basics, Petite Projects, Glossary and similar offerings	Permanent (maintain copy of each annual version)

Q. COLLECTION AND LIBRARY RECORDS

Record Type	Retention Period
Inventory or catalog	Permanent
Accession & deaccession records	Permanent
Appraisals	Permanent
Lending arrangements, short or long term	3 years after end of loan period

R. AWARDS AND HONORS RECORDS

Record Type	Retention Period
Chronological record of recipients, e.g., Gold Thread award, Educator's Awards of Excellence, Bobbie Pilling award, all other awards of excellence and commendation	Permanent
Education certificates such as certified teacher, certified appraiser, master craftsman, list or database of enrollees and each's status	Permanent

S. FISCAL SPONSOR PROJECT RECORDS

Record Type	Retention Period
Sponsorship agreements	PERMANENT