

Sam L. Cohen Foundation

Document Retention Policy

Approved by the Board of Directors February 26, 2009

The purposes of this document retention policy are for the Sam L. Cohen Foundation (the “Foundation”) to enhance compliance with the Sarbanes-Oxley Act and to promote the proper treatment of the corporate records of the Foundation.

General Guidelines

Records should not be kept if they are no longer needed for the operation of the business or required by law. The decision to retain documents is based on an estimation of the material’s significance. Generally, documents will be retained because: (1) they will be used in the future operation of the Foundation; (2) they need to be preserved for the legal protection of the corporation; or (3) they have historical value because they contain the only detailed information about the beginnings of the foundation, its officers and staff and its programs.

From time to time, the Foundation may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as facilitating administration and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

Exception for Litigation Relevant Documents

The Foundation expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the Foundation informs you, that the Foundation records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

Management and Retention of Office Records

Documents should be maintained at the Foundation’s office to preserve their security and usefulness to the Foundation. Archived documents may be maintained at a secure site separate from Foundation’s offices. Staff should prepare a list locating documents both within the Foundation’s office and off-site. Appropriate security should be considered

when originals or copies are removed from the office. When copies of documents containing confidential or private information are given to board members or others, Foundation staff should take caution to assure appropriate disclosure and eventual destruction of the information. The Foundation maintains a fire proof safe and a safety deposit box, and each may be used appropriately.

Documents should be maintained until the end of the retention period, and should then be destroyed as provided in this policy. Individual directors may retain their own copies of documents but will not have responsibility for the official records.

Discarding and Destroying Office Documents

Staff should establish and follow a procedure to discard or destroy documents appropriately. The procedure should ensure that:

- The documents have reached the end of their retention period and are no longer useful to the conduct of the Foundation's business;
- The documents are not related to an investigation or inquiry by legal authority outside the Foundation;
- A record is kept identifying which documents are destroyed, when they are destroyed, how they are destroyed, and under what disposal authority; and
- The documents are destroyed in an appropriate manner.

For destruction, sensitive documents such as those containing financial, personal or account information should be irreversibly destroyed with not reasonable risk of the information being recovered. Other paper documents should be recycled.

Retaining Electronic Records

Employees are required to frequently review files maintained on their desktop computers and/or laptop computers to determine which items may be deleted, retained for some time or retained permanently. Those items specified in the retention schedules outlined below are to be transferred to hard copy and filed appropriately.

In addition to the periodic and routine server back-up procedures, quarterly, the executive director, or appointee, will retrieve and permanently store offsite the server back-up tapes affixed with the actual back-up dates.

No later than 90 days after receipt of electronic e-mail messages, employees will delete those messages from desk top and lap top computers. Electronic e-mail that needs to be saved should be either:

- printed in hardcopy and kept in the appropriate file; or
- downloaded to a computer file and kept electronically or on disk as a separate file.

Minimum Retention Periods for Specific Categories

The specific categories are listed below as well as summarized in the attached chart.

A. Founding Documents

Retain permanently in a secured, fire-proof location

- Articles of incorporation, Bylaws, amendments
- Form 1023, the application for tax-exempt organizations filed with the IRS
- The IRS's favorable determination letter
- Any correspondence from the IRS approving the Foundation's grantmaking procedures.

B. Board Records

Retain permanently

- Minutes of board meetings: once the minutes are approved by the board, meeting notes will not be retained
- Policies and resolutions approved by the board

Retain for three years

- Conflict disclosure forms

C. Grantmaking Records

Retain permanently

- Grantmaking guidelines
- Grantmaking policies: discretionary grant policy, small out-of-cycle grant policy
- Cumulative list of grants

Retain for at least seven years after the grant has closed (may be archived after three years)

- Approved grants: initial grant applications, proposal summaries, subsequent correspondence, grant agreement letters, letters of tax-exemption, financial reports, payment documentation including check number and payment date, progress reports and final report (stored in files and/or on the grants management database)

Retain for at least three years (may be archived after one year)

- Denied requests: letters of inquiry and/or grant applications, proposal summaries and declination letters. Do not retain ineligible grant proposals.

D. Investment and Accounting Records

Retain permanently

- Forms 990-PF
- Audit reports
- Investment policy

- Year end investment summary reports

Retain for at least seven years (may be archived after three years)

- Bank statements and reconciliations
- Photocopies of cancelled checks
- Budget and expense reports
- Check requests and invoices
- Payroll tax reports
- Inactive investment management agreements
- Investment reports (custodian reports and investment manager reports)
- Depreciation schedules

Retain for at least three years (may be archived after one year)

- Bank deposit slips
- Pay check reports

E. Employment, Administration and Insurance Records

Retain permanently

- Benefit and salary information
- Personnel Policy
- Retirement plan (SEP-IRA) and 401K Safe Harbor Retirement Plan
- 105H medical reimbursement account and Health Savings Account insurance information
- Real Estate Deeds

Retain for at least 10 years (may be archived after three year)

- Insurance policies, insurance records, accident reports, claims
- Real estate records

Retain for at least seven years (may be archived after three years)

- Employment records of all retired/terminated employees including applications, personnel files, unemployment claims, withholding exemptions, workers compensation reports and W-2 forms
- Payroll records
- Expired contracts, leases and mortgages

Retain for at least three years (may be archived after one year)

- Employment applications
- Insurance policy confirmations
- General correspondence