



## Record Retention and Destruction Policy

Audit Committee Approved: 12-15-05

The information contained in this policy is intended as a guideline for retention of records; it is not a comprehensive list of all types of records the Community Foundation might have, nor will compliance with this list guarantee compliance with all applicable laws. In addition, some individual records within a given category will have more significance than others, depending on the circumstances, and may warrant retention beyond the time period indicated below. See attachment A, Retention Schedule.

### **I. Legal Holds:**

From time to time the executive director may issue a notice, known as a “Legal Hold,” suspending the destruction of records due to pending, threatened or otherwise reasonably foreseeable litigation, audits, government investigations or similar proceedings. Even if the scheduled destruction date has passed, no records specified in any Legal Hold may be destroyed, even if the scheduled destruction date has passed, until the executive director withdraws the Legal Hold in writing.

If need for a Legal Hold arises, the executive director will move affirmatively to ensure the preservation of documents that might otherwise be subject to routine destruction under this policy. The executive director will document when the instructions were transmitted, the notice that the Community Foundation received that triggered the instruction, and will follow up on compliance using Attachments B, Legal Hold Notice.

The Community Foundation takes very seriously its obligation to preserve information relating to litigation, audits, and investigations. The consequences of failing to retain items subject to a Legal Hold can be serious, including possible criminal and civil sanctions against the Community Foundation and its employees, and possible disciplinary action against responsible individuals (up to and including termination of employment). Each employee has an obligation to contact the executive director immediately in the event the employee obtains knowledge of any potential or actual litigation, external audit, investigation, or similar proceeding involving the Community Foundation (the executive director will notify the board president and audit committee chair). It is also imperative that employees report threatened or actual violations of the Community Foundation’s Record Retention and Destruction Policy to either the executive director or the audit committee chair.

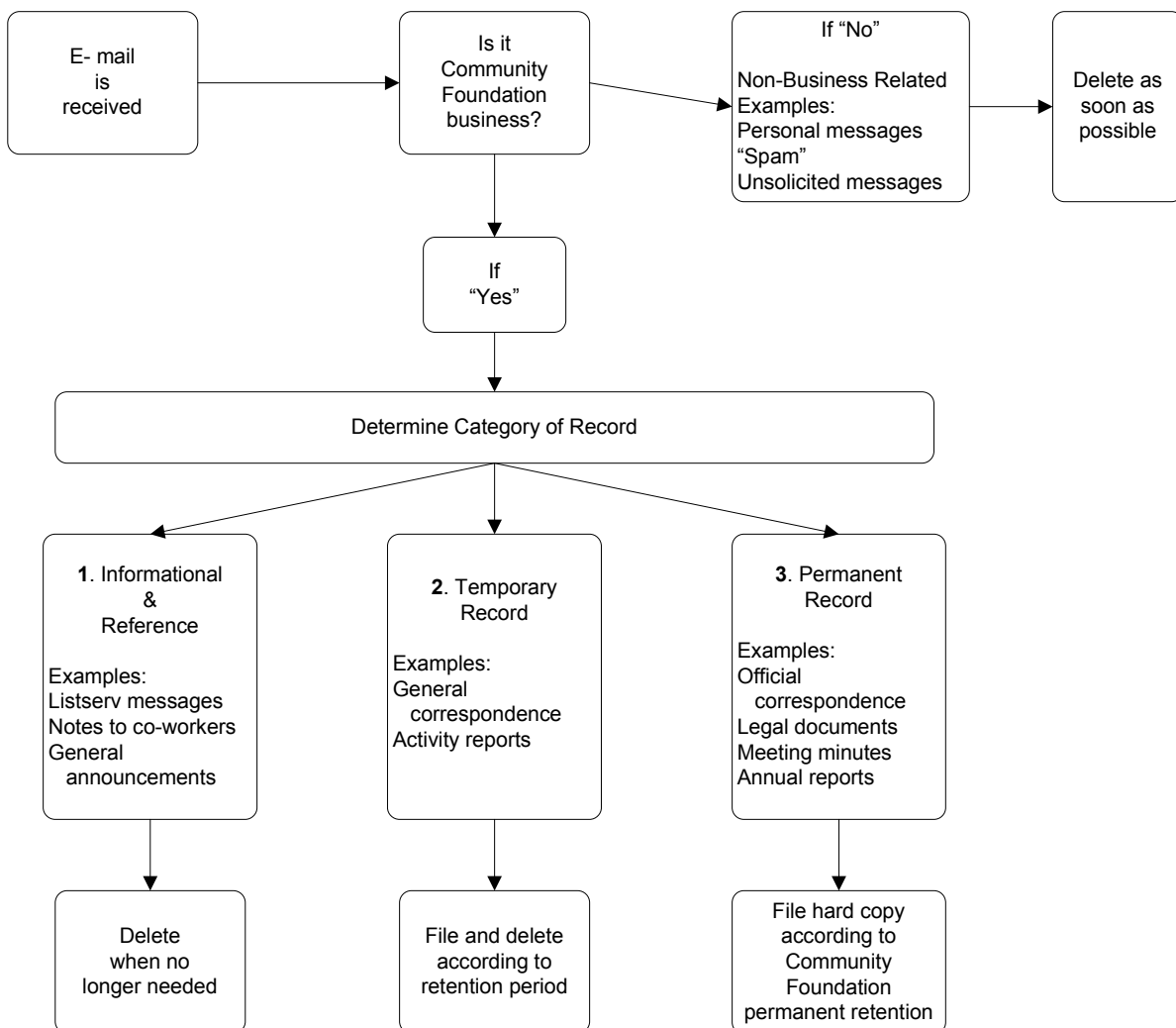
**II. Other Holds:**

For items that may need to be held beyond the recommended retention period, with the exception of legal holds (ie: holding an item beyond destruction for historical purposes), use Attachment C, Hold Notice.

**III. Electronic Documents and Voice Mail Messages:**

E-

mail and voice mail are communication mediums, not classes of records. There are several types of records that can be sent via e-mail. Each of these types of records has different retention periods based on the attached Retention Schedule. In most cases voice mail messages should not be retained past 90 days. In the event of a legal hold or other hold, voice mail may be stored past the retention period. Below is a chart which outlines how to determine the category for retention of e-mail messages and their attachments.

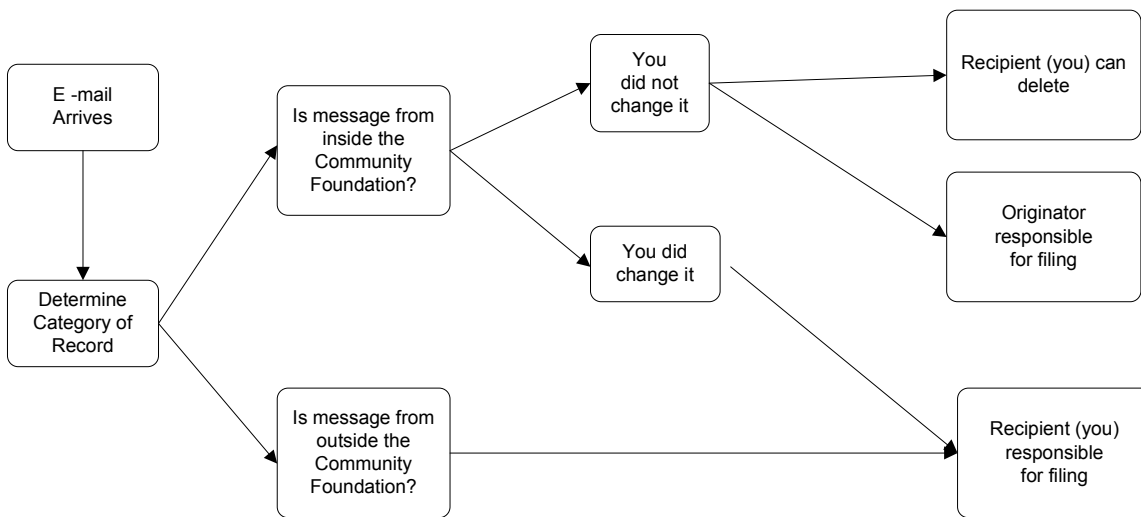


All business related e-mail needs to be accessible, secure, and backed up on a regular basis (desktop files are not acceptable means of storage). Below is a chart which outlines who is

responsible for keeping e-mail messages and their attachments. E-mail and attachments should be stored according to the retention location as outlined on the attached Retention Schedule. See Attachment D, E-mail Retention Procedures for procedures on handling e-mail retention.

# Who Should Keep It ?

## Determining who is Responsible for Retaining E-Mail Messages



E-mail messages need to be kept with their attachments. The printed or electronic copy of the e-mail must contain the following header information:

- Who sent the message
- Who message was sent to
- Date and time message was sent
- Subject

E-mail is intended to be a short-term communication system and should not be used as long-term storage. An e-mail can be deleted once a paper copy has been printed or the e-mail has been stored electronically according to the Community Foundation’s attached Retention Schedule. Portable media such as handheld devices, CDs, and storage on individual hard drives are not appropriate long-term storage. Business related items should be moved to hard copy or an electronic folder on the network drive.

If an employee has performed Community Foundation related work on their home computer, any records or documents should be transferred as soon as possible to a Community Foundation owned

computer and deleted from the home computer. This ensures the document will be maintained under this policy.

All files on the network drive are backed up each night and transferred off site according to the following tape rotation schedule:

<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
Tape #1	Tape #2	Tape #3	Tape #4	Tape #5 (week 1)
				Tape #6 (week 2)
				Tape #7 (week 3)
				Tape #8 (month 1)
				Tape #9 (month 2)
				Tape #10 (month 3)
Tape #1 to Georgetown lockbox on Wednesday		Tape #3 to downtown lockbox on Friday		

There are two #1 and #3 tapes that rotate. The server performs a backup every night. In the morning the next tape in the rotation is inserted and the most recent backup rotated off site. Monthly the finance assistant alternates the Monday and Wednesday night backup tapes to the respective lock box. Back-up tapes are not a substitute for a records retention schedule.

Note: because backup tapes are kept for a three month time period, electronic files will be retained for three months beyond their retention period through the tape backup.

**IV. Storage and Disposition of Inactive Records:**

Records in hard copy form which are no longer required for current operations, but which are still required to be retained under the retention schedule, must be stored in an appropriate place making them available for retrieval as needed. The Community Foundation storage location is in the basement. The executive assistant is responsible for ensuring that each box moved to storage is labeled appropriately (ie: list of contents, date, and date for destruction).

Hard copy records that complete the retention period and are no longer required to be retained should be shredded if they contain sensitive information or recycled if not sensitive. Annually (around May) the executive assistant will arrange for the disposal of boxes in storage that are identified as having met the required retention. In each instance it will be confirmed that there is no legal or other hold on such records. Approval for destruction must be obtained from the executive director using Attachment E, Record Destruction Approval. All completed Record Destruction Approval forms must be maintained permanently by the finance office.

On a quarterly basis a clean up day will be designated for electronic files as outlined in the attached e-mail retention procedures. Employees will be asked to respond when they have completed their electronic file clean up.

I have received and reviewed this Record Retention and Destruction Policy and agree to abide by it.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Attachment A

### Retention Schedule

Department	Item	Retention Period	Retention Location	Physical Custodian
<b>All</b>	Correspondence, general	2 years	By department	By department
	Correspondence, legal	Permanent	By department	By department
<b>Corporate Records</b>	Articles of Incorporation	Permanent	File room	Executive Assistant
	Bylaws	Permanent	File room	Executive Assistant
	Board Resolutions	Permanent	File room	Executive Assistant
	Board & committee agendas, materials, & meeting minutes	Permanent	File room or basement file storage	Executive Assistant
	Board, volunteers, & staff Conflict of Interest disclosure forms	7 years after end of service	File room	Executive Assistant
	Board Trustee files (terms, bios, correspondence)	Permanent	File room	Executive Assistant
	Construction documents	Permanent	File room	Executive Assistant
	Grant Agreements	7 years after end of grant period	File room	Executive Assistant
	IRS exemption determination, application, & related correspondence	Permanent	File room	Executive Assistant
	Policies & Procedures	Until superseded	Network drives H & I	Executive Assistant
	State sales tax exemption letter	Permanent	File room	Executive Assistant
<b>Communications</b>	Annual reports & inserts	Permanent (5 copies)	1 copy for file room, remainder to basement file cabinet	Chief Advancement Officer
	Other publications	Permanent (5 copies)	1 copy for file room, remainder to basement file cabinet	Chief Advancement Officer
	Photos	7 years or permanently if historically significant	Communications office	Chief Advancement Officer
	Press clippings	Permanent	Communications office	Chief Advancement Officer
	Press releases	Permanent	Communications office	Chief Advancement Officer
<b>Department</b>	<b>Item</b>	<b>Retention Period</b>	<b>Retention Location</b>	<b>Physical Custodian</b>

	Research reports/surveys	5 years	Communications office	Chief Advancement Officer
	Annual Web site, home page snapshots	7 years	Executive Assistant's office	Executive Assistant
<b>Advancement</b>	Fund agreements & correspondence (copies) relating to terms of the fund	Permanent	Fund filing cabinets	Executive Assistant
	Fund agreements & correspondence (original) relating to terms of the fund	Permanent	Bank lock box	Finance Assistant
	Fund statements, distributions & correspondence	7 years	Current & previous year fund filing cabinet; prior in basement storage boxes	Executive Assistant
	Legacy Files	Life of donor, then merge to fund files	File room	Executive Assistant
	Trust agreements & related correspondence	Permanent	File room	Executive Assistant
<b>Finance</b>	Accounts payable invoices, petty cash records, expense reports, & check registers	7 years	Basement - storage boxes	Associate Director
	Bank reconciliation	7 years	Basement – storage boxes	Associate Director
	Bank statements including cancelled checks & wire transfers	7 years	Basement – storage boxes	Associate Director
	Bank deposit records	7 years	Basement – storage boxes	Associate Director
	Budgets	7 years	Basement- storage boxes	Associate Director
	Cash receipts log	7 years	Basement – storage boxes	Associate Director
	Contracts, leases, & agreements	7 years after all obligations end	File room	Associate Director
	Equipment files	7 years	Finance office	Associate Director
	Depreciation schedule/fixed asset records	Permanent	Finance office	Associate Director
	Financial statements (audited), trial balance, work papers, & auditor management letter	Permanent	File room	Associate Director
	Financial statements, monthly unaudited	7 years	Basement – storage boxes	Associate Director
	Indiana Business Entity Report	Permanent	File room	Associate Director
<b>Department</b>	<b>Item</b>	<b>Retention Period</b>	<b>Location</b>	<b>Physical Custodian</b>

		(Legal Purpose)		
	Insurance policies, claims, accident reports	7 years after expiration and/or settlement	File room (current), basement storage (expired)	Associate Director
	Investment performance reports	Permanent year end	File room	Associate Director
	IRS Form 1099	7 years	File room	Associate Director
	Ledgers (accounts payable, accounts receivable, general ledger, journal entries, chart of accounts)	7 years	Basement – storage boxes (prior to 7-1-04, then archived on accounting network drive)	Associate Director
	Payroll records, withholding tax statements & timecards	7 years	Basement – storage boxes	Associate Director
	Record destruction form documentation	Permanent	Finance Office	Associate Director
	Tax Returns (federal & state) & work papers	Permanent	File room	Associate Director
<b>Human Resources</b>	IRS Form I-9, W-4	3 years from date of hire or 1 year after end of termination, whichever is later	Finance office	Finance Assistant
	Retirement Plans, Health Insurance Plans (plan descriptions & documents)	One year after termination of plan	Finance office	Associate Director
	Employment applications & resumes, Solicited	1 year	Executive director office	Executive Director
	Employment applications & resumes, Unsolicited	6 months	Finance Office	Finance Assistant
	Employee handbooks	Permanent	Executive director office	Executive Director
	Employee personnel files (application, resume, performance reviews, promotion, discipline records)	7 years after termination	Executive director office	Executive Director
	Employee personnel files (supervisor notes)	7 years after termination	Supervisor offices	Supervisors



<b>Department</b>	<b>Item</b>	<b>Retention Period (Legal Purpose)</b>	<b>Location</b>	<b>Physical Custodian</b>
	Employee medical files (health insurance applications, workers comp claims)	7 years after termination	Finance Office	Finance Assistant
	Employee financial information (IRA election, garnishments, FSA election)	7 years after termination	Finance Office	Finance Assistant
<b>Programs</b>	Grantee records (approved & denied)	7 years after approved or denied	File room	Grants Manager
	Scholarship records, approved (Lilly)	10 years after student graduates	File room (check with ICI before discarding)	Scholarship Services Associate
	Scholarship records, approved	7 years after award	File room while active; then to basement in storage boxes	Scholarship Services Associate
	Scholarship records, denied	3 years	Basement in storage boxes	Scholarship Services Associate
<b>Technology</b>	Software licenses & manuals	Until Superseded	Work room, locked storage cabinet	Associate Director
	Software applications recovery disks	Until Superseded	Lock Box ( Wells Fargo)	Associate Director
	Back up tapes	Until Superseded	On-site and Lock box (Wells Fargo)	Associate Director

**Attachment B - 1**

**Legal Hold Notice**

To:	
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**Immediately suspend destruction of the following records:**

Department:	
Item Description:	
Reason:	

Department:	
Item Description:	
Reason:	

Notification Community Foundation received to trigger this instruction:  
(Attach any relevant documentation)


\*Legal Hold Placed by:

Signature:	
Printed Name:	
Date:	

Compliance with legal hold affirmed:

Signature:	
Printed Name:	
Date:	

*Retain this record permanently*

\*Notify board president and audit committee chair of legal hold.

**Attachment B - 2**

**Legal Hold Release Notice**

To:	
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**Take the described action with the following records:**

Department:	
Item Description:	
Reason:	

Department:	
Item Description:	
Reason:	

Notification Community Foundation received to trigger this instruction:  
(Attach any relevant documentation)


\*Legal Hold Released by:

Signature:	
Printed Name:	
Date:	

Compliance with legal hold affirmed:

Signature:	
Printed Name:	
Date:	

*Attach this release notice with the original Legal Hold Notice and retain the records permanently.*

\*Notify board president and audit committee chair of legal release.

# Attachment C

## Hold Notice

To:	
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**Immediately suspend destruction of the following records:**

Department:	
Item Description:	
Reason:	

Department:	
Item Description:	
Reason:	

Notification Community Foundation received to trigger this instruction:  
(Attach any relevant documentation)


Hold Placed by:

Signature:	
Printed Name:	
Date:	

Compliance with hold affirmed:

Signature:	
Printed Name:	
Date:	

*Retain this record permanently*

## Attachment D

### E-Mail Retention Procedures

**Non-Business Related E-Mail (personal, SPAM, and unsolicited messages):** Delete non-business related e-mail immediately from the inbox. The deleted folder will empty (auto purge) each Sunday night items that have reached an 80 day maturity. In the event of a legal hold, automated deletion will be suspended.

**A system wide property is established for the deleted folder to automatically delete items that have reached 80 day maturity. Maturity is based on all three date stamps meeting the 80 day maturity: the date it was created, the date it was received, and the date it was last modified (the date of deletion from the inbox serves as a modified date). After the auto-purge feature is complete, employees will be notified by the system that items have been deleted.**

**Business Related E-Mail:** Determine a category:

- 1 – Information and Reference
- 2 – Temporary record
- 3 – Permanent record

In most cases Community Foundation related e-mails should not be kept on the e-mail server longer than 90 days. E-mail that needs to be retained for record retention should be stored as a paper record or electronically as a **text or PDF file** on the network drive as soon as possible. In most cases, attachment(s) should be stored with the e-mail message. Once the e-mail has been stored as a paper or electronic record, it should be deleted. The printed or electronic copy of the e-mail must contain the following header information:

- who sent the message;
- who the message was sent to;
- date and time message was sent and
- subject.

A. How to **Save** an e-mail as an electronic record:

1. Open the e-mail
2. Go to **File>Save As**
3. Browse for the folder destination in the “Save in” section (on the H drive)
4. Enter File name (Follow Community Foundation Naming Conventions)
5. Save as type = **Text Only**
6. Select **Save**
7. Delete e-mail

B. **Attachments:** Attachments take up a lot of space. If the attachment is the only record needed, save electronically or print. Once the attachment is saved or printed, the e-mail should be deleted.

C. **Removing Attachments:** If the e-mail is the only record needed, remove the attachment and store the e-mail to comply with the Community Foundation’s Retention Policy. How to:

1. Open the e-mail
2. Right-click on the attachment

### 3. Select **Remove**

**Auto Archiving:** Removes e-mail from your inbox and sent box when they achieve maturity and automatically stores them on the network, **not** the e-mail server. In the event of a legal hold, automated archiving will be suspended.

**Auto Archiving is set at the user level to automatically archive every 7 days items that have reached 90 day maturity. If the system prompts you to archive, click yes. Employees will be asked quarterly to review their Outlook mailboxes for items that need to be stored for record retention or deleted from the system.**

Maturity is based on the last modified date which includes forwarding, replying, editing, saving, moving, and copying. The e-mails are stored in folders that have the same hierarchy and names as the folders in your mailbox; therefore, you are able to search archived e-mails in Outlook. By default, Outlook turns on the AutoArchive feature. **This feature should not be turned off.**

# Attachment E

## Record Destruction Approval

To:	
From:	

### Destroy the following records:

Department:	
Item Description:	
Reason:	

Department:	
Item Description:	
Reason:	

Department:	
Item Description:	
Reason:	

### Authorized by:

Signature:	
Printed Name:	
Date:	

Contact Confidential Shredders to perform the destruction. Attach destruction documentation and retain this record permanently.