

STELLA AND CHARLES GUTTMAN FOUNDATION, INC.

RECORD RETENTION POLICY

Adopted by the Board of Directors: March 15, 2007

OVERVIEW

It is important for Stella and Charles Guttman Foundation, Inc. to retain documents that provide a history of the Foundation's programs and activities and to preserve information in accordance with applicable legal, tax, and auditing requirements. At the same time, retention of outdated and unnecessary documents and files poses needless costs and burdens on the Foundation. This document has therefore been developed to provide a guide to the Foundation and its employees for both retention and disposal of documents and materials, and to articulate a specific procedure for disposal.

We start with several presumptions:

1. Whether held on site or off, all documents on Foundation computers or in Foundation files are the property of the Foundation.
2. All documents are permanent, unless specified to have a term.
3. Oversight of the document management process resides with the Executive Director and Assistant Executive Director.

This policy was formed by writing down informal practices that the Foundation has had for many years and by reviewing (and revising) those practices against a variety of standards so that they are consistent with best practice.¹ We have elected a seven-year rule for retention of documents that are not permanent. This is longer than the law requires for all categories of legally mandated recordkeeping, but it is consistent with best practice, consistent with auditor and IRS standards, and simple to manage.

STORAGE DETAIL

PAPER FILES – All records which are maintained physically as pieces of paper.

Disposition practice as described below. Paper files are stored in two locations:

- In the Stella and Charles Guttman Foundation, Inc. Foundation offices at 122 East 42nd Street, New York, NY 10168
- At Morgan & Brother Manhattan Storage Co. 718.538.3976 Contact: Peggy Gallagher
- For Box Retrieval call Armando at 718.786.0408 x1 Armando
- Retrieval: Same day if call placed by 2:00 p.m.

In general, storage follows these guidelines. Corporate documents, current financial material and current program materials are stored in the office. Older financial records and program materials are stored at Morgan Manhattan. The current year

¹ Association of Small Foundations, KEEPING GOOD RECORDS: SMALL FOUNDATIONS GUIDE TO STAYING ORGANIZED. Primer Series, 2005; Wolf, Block, Schor and Solis-Cohen LLP RECORD RETENTION/PRESERVATION, September 28, 2006; White & Case Memorandum to Markle, "Record Retention and Reporting Requirements" March 3, 2006; Other material source from the Foundation Financial Officers Group (FFOG) and Council on Foundations websites.

and three previous year's records are kept at the office. Each January the next oldest year's files are transitioned to Morgan Manhattan.

ELECTRONIC FILES – This consists of all data on all Stella and Charles Guttman Foundation, Inc. owned servers, including emails, documents, financial transactions, mailing lists etc. This material is backed up to the server and kept indefinitely.

DISPOSITION RULE

Disposition after seven years means that disposition can take place **AFTER** the tax return for a year is filed (making the disposition rule almost 8 years, in practice). For example after filing the return for the year ended June 30, 2006, which filing takes place, for example, in February 2007 (because of late K1s), we can go back and eliminate 7 year-old items that are from 1999 or earlier. Materials are shredded.

DISPOSITION PROCEDURE

Once a year, after the tax return for the preceding fiscal year has been filed, all documents meeting the disposal criterion for that year will be collected in one place by the Assistant Executive Director and the inventory reviewed and documented. The inventory will be itemized in a memorandum to be signed by the Executive Director. The annual memorandum of disposal will be maintained in the Foundation's office Inventory Log. The designated materials will be delivered back to Morgan Manhattan for disposal by shredding. Should it come to pass that in any year there is a reason to suspend the disposition procedure (e.g., because of a regulatory audit or litigation), such will also be recorded in a memorandum to be maintained in the same place.

Foundation Records to Be Kept Indefinitely

- Certificate of Incorporation
- IRS Letter of Determination
- State sales tax exemption certification
- Official correspondence with the IRS
- Tax documents
- Investment guidelines
- Audited financial statements
- Records of gifts of personal property to the Foundation
- Books of original entry, journals, cash books
- Signed originals of Board meeting minutes
- By-laws

Foundation Records to Be Kept for 7 Years

All grant files will include the following:

- Grantee tax exempt status
- Grant contract letters, copy of grant check(s) and receipts

- Grantee proposal and fiscal and narrative reports
- Material relating to grants requiring expenditure responsibility
- Investment manager's monthly investment reports and correspondence
- Investment consultant's quarterly performance evaluation reports, yearly management review reports and correspondence
- Custodian's monthly investment portfolio summaries and correspondence
- Invoices/payments
- Yearly cash disbursement reports
- Cancelled checks and checking account bank statements
- Accountants and auditors correspondence
- Foundation's counsel correspondence
- Board Member correspondence, expense reports and reimbursement payments
- Personnel records
- Insurance policies

Foundation Records to Be Kept for 4 Years

- Declined proposals
- Custodian's daily report of investment account transactions

Safe Deposit Box

The following documents and items are stored in the Foundation's safe deposit box No. E606, which is maintained at Chase Bank at 60 East 42nd Street, NY, NY
Elizabeth Olofson and Ernest Rubenstein are the custodians and each has a key

Original Certificate of Incorporation
 Personal Property Contributions
 Sales Tax Exempt Certificate
 IRS Determination Letter
 Lease for 122 East 42nd Street, NY, NY
 Lease Amendment for 122 East 42nd Street, NY, NY
 Stella and Charles Guttman/CUNY signed Agreement dated April 30, 2013
 Secretary's Certificate for Guttman/CUNY Agreement
 Photos of Stella and Charles Guttman
 (continued on next page)

Corporate Seal
Art Appraisal
Resolution for CUNY Guttman Agreement
Guttman Foundation Photographs (Charles Guttman and others)

Approved by the Board of Directors:

Ernest Rubenstein
President

Date: _____