



# AMERICAN CANYON ARTS FOUNDATION

## Board of Director's Policy Manual

### Records Retention Policy

Adopted/Revised:  
October 9, 2013

#### I. Purpose/Intent

All organizations generate records. It is important to keep those records organized and easily retrievable, while they are still in use. However, at some point, obsolete (inactive) records need to be destroyed, and that destruction process needs to be well defined and applied consistently. With an adopted policy in place, there is no question why and when records will be destroyed. This can be very useful in the unlikely event of a lawsuit or some other claim in which old records may be requested but no longer exist.

#### II. Authority

Article 10 of the By-Laws establishes the critical records that must be maintained and authorizes the Board to establish a records retention schedule. The Board also has the authority to establish policies under Article 12, Section 2, and approved this policy by adopting Resolution 2013-02.

#### III. Policy

##### Section One: Basic Policy

All records of the American Canyon Arts Foundation (ACAF) will be maintained consistent with the adopted Records Retention Schedule. If a specific record does not fit the schedule outlined below, the Board may decide by Resolution to keep or destroy the document, based on the required findings. Any time there is a claim or dispute involving records that would otherwise be destroyed, then those records will be kept until the claim or dispute is resolved. In general, anytime there is a doubt regarding whether a record should be destroyed or not, the record should be kept.

##### Section Two: Definitions

1. Critical Corporate Documents. These documents are legally required and include the following:
  - Enabling Documents and Certifications, such as Articles of Incorporation, By-Laws, IRS Determination Letter, etc.
  - Board Resolutions and Minutes of Regular and Special meetings of the Membership or the Board
  - Current Board Policies (note: earlier versions of a Board Policy would be considered part of "other records")
  - Annual Reports
  - Outside Financial Audits, if any
  - Insurance Policies
2. Routine Financial Records. These include Profit and Loss Statements, vendor invoices and payments, Board member reimbursements, deposits and receipts, etc. Payroll Records are **not** included in this category. Likewise, outside Financial Audits are not included in this category.

3. Program & Event Records. This includes program brochures and flyers, planning worksheets, budgets and memos, entry forms, silent auction ballots, Press Releases, etc. Program Summaries should be included in the Annual Report to the Membership.
4. Records relating to Real or Personal Property. This includes Deeds of Trust, Certificates of Ownership (Pink Slips for vehicles, for example), Lease or Rental Agreements, etc.
5. Tax & Governmental Filings. Annual State and Federal Tax Reports, biennial Statements of Information to the Secretary of State, Annual Reporting to the Attorney General’s Office (Registry of Charitable Trusts), Sales Tax reports, Business License Renewals, etc.
6. Membership Records. Member and Officer personal information and dues payments.
7. Communications & Correspondence. This includes letters, and email’s, sent or received.
8. Payroll Records. Timesheets, Employee Personal information and Resume, performance evaluations, and related items are included.
9. Other Records. All other records of the Foundation would be included in this category.
10. Working Papers. This includes board member notes of meetings, notations relating to daily Gallery operations, draft copies of reports, etc. These are **not** official records of ACAF and as such, are not subject to this policy. They can be discarded as appropriate.

**Section Three: Retention Schedule**

The following schedule will be used to classify how long records will be kept. The number of years starts when the record is no longer active; for example, after a vehicle has been sold, after a financial year is concluded, when a member fails to renew membership, etc.

<b><i>Record Category</i></b>	<b><i>Time Period</i></b>
<ul style="list-style-type: none"> <li>• Critical Corporate Documents</li> <li>• Payroll Records</li> </ul>	Permanent
<ul style="list-style-type: none"> <li>• Communications &amp; Correspondence</li> </ul>	Three Years
<ul style="list-style-type: none"> <li>• Program &amp; Event Records</li> <li>• Membership Records</li> </ul>	Five Years
<ul style="list-style-type: none"> <li>• Routine Financial Records</li> <li>• Records Relating to Real or Personal Property</li> <li>• Tax &amp; Governmental Filings</li> </ul>	Ten Years
<ul style="list-style-type: none"> <li>• Other Records</li> </ul>	At least two years

**Section Four: Procedures**

1. On an annual basis, the Secretary will review ACAF files for records that qualify for removal and destruction.
2. Whenever official records are going to be destroyed, a Board Resolution shall be adopted, listing the records to be destroyed (by general category; for example, financial records from 1995). The rationale for destroying the record will be noted, such as compliance with this policy.

3. If the record falls under the category of “Other Records” then the Board must make three findings in order to destroy the record(s):
  - That the record is obsolete and no longer needed;
  - That there is no legal reason to keep the record (for example, the record has been kept longer than required pursuant to State Retention Standards); and
  - Retention of the record(s) is no longer practical, due to space constraints, costs or other bona fide business reasons.
4. Obsolete records should be shredded and/or recycled, particularly if the records contain any sensitive information.
5. Records may be scanned and kept electronically, in order to save space, provided there is a reasonable way to ensure the record is not tampered with or modified. For example, the files could be password-protected and/or converted to a “PDF” file.