

Children, Incorporated  
Document Retention Policy

Article I  
Purpose

The purpose of this document retention policy is for Children, Incorporated (the "Organization") to enhance compliance with the Sarbanes-Oxley Act and provide for the systematic review, retention and destruction of documents received or created by of the Organization. This Document Policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. This Document Policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate the Organization's operations by promoting efficiency and freeing up valuable storage space. The directors, officers, staff (whether paid or volunteer) and any member of a committee (each, a "Committee") designated powers by the Board of Directors of the Organization are required to honor this Document Policy.

Article II  
Policy

1. General Guidelines.

From time to time, the Organization 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 preserving intellectual property 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 in 2 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. Documents that are not listed but are substantially similar to those listed in 2 below will be retained for the length of time as the substantially similar documents listed below.

2. Minimum retention Periods for Specific Categories.

Type of Record	Specific Records	Retention Period
Corporate Records	Articles of Incorporation, By-laws, IRS Application for Tax-Exempt Status (Form 1023), IRS Determination Letter, Annual Reports to Secretary of State/Attorney General, Construction Documents and Fixed Asset Records	Permanently
Accounting and Corporate Tax Records	Annual Audits and Financial Statements, Depreciation Schedules, General Ledgers and IRS 990 Tax Returns	Permanently ----- 7 Years
	Business Expense Records, IRS 1099s, Journal Entries and Invoices	----- 5 Years
	Sales Records	----- 3 Years
	Petty Cash Vouchers, Cash Receipts and Credit Card Receipts	-----

Payroll and Employment Tax Records	Payroll Registers and State Unemployment Tax Records ----- Earnings Records, Garnishment Records, Payroll Tax Returns and W-2 Statements	Permanently ----- 7 Years
Employment/Personnel Records	Employment Applications ----- Termination Agreements and Retirement and Pension Plan Documents Records ----- Records Relating to Promotion, Demotion or Discharge ----- Accident Reports and Worker's Compensation Records and Salary Schedules ----- I-9 Forms ----- Time Cards	3 Years ----- Permanently ----- 7 Years after Termination ----- 5 Years ----- 3 Years after Termination ----- 2 Years
Board and Board Committee Materials	Meeting Minutes, Board Policies/Resolutions ----- All Other Materials	Permanently ----- No Less than 3 Years
Donor Documents and Grants	Donor Records and Acknowledgement Letters ----- Grant Applications and Contracts	7 Years ----- 5 Years after Completion
Press Release/Public Filings	Press Releases/Publicly Filed Documents	Permanently
Legal, Insurance and Safety Records	Appraisals, Copyright Registrations, Environmental Studies, Insurance Policies and Claims, Real Estate Documents, Stock and Bond Records and Trademark Registrations ----- Leases ----- OSHA Documents ----- Documents Relating to any Investigations, Claims, Suits or Proceedings Initiated against the Organization or its Officers and Employees as such	Permanently ----- 6 Years after Expiration ----- 5 Years ----- 10 Years (check with legal counsel)
Marketing and Sales Documents	Final Copies of Marketing and Sales Documents	3 Years
Contracts	Final execution copies of all contracts entered into by the Organization	7 years after expiration of the agreement, and longer in the case of publicly filed contracts
Correspondence	Correspondence that does not fall under any other category listed elsewhere in this Document Policy	3 Years

Banking Records	Check Registers	Permanently
	----- Bank Reconciliations, Bank Statements, Deposit Slips and Electronic Fund Transfer Documents	----- 7 years
Audit Records	External audit reports	Permanently
	----- Internal audit reports	----- 3 Years

3. Electronic Documents and Records. Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.
4. Emergency Planning. The Organization's records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping the Organization operating in an emergency will be duplicated or backed up at least every week and maintained off site.
5. Document Destruction. The Organization's [chief financial officer] is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding. Document destruction with respect to any pertinent documents will be suspended immediately, upon any indication of an official or anticipated investigation, proceeding or litigation. Destruction will be reinstated upon conclusion of such investigation.
6. Compliance. Failure on the part of any of the Organization's directors, officers, staff or any member of a Committee to follow this Document Policy can result in possible civil and criminal sanctions against the Organization and such directors, officers, staff or member of a Committee and possible disciplinary action against responsible individuals. The chief financial officer will periodically review these procedures with legal counsel or the Organization's certified public accountant to ensure that they are in compliance with new or revised regulations.
7. Exceptions. Exceptions to the provisions set forth in this Document Policy may only be granted by the Board of Directors of the Organization in writing.

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*My signature below indicates my receipt and understanding of this Document Policy. I also verify that I have been provided with an opportunity to ask questions about this Policy.*

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date