

B. Record Retention

Policy

- Record retention will be governed by rules, statutes of limitations, and common sense. Certain documents must be retained indefinitely, while others may have little use after a period of time.

Procedures

- A schedule of record retention follows. Any discarding of records should follow this schedule. However, prior to discarding of records, the permission of the Chief Financial Officer is required to ensure that there is no exception to the policy. All discarded documents are to be shredded or sent to NSV's recycling company, which has a confidentiality agreement with the organization.
- For tax purposes, records should be maintained until the expiration of the statute of limitations. Generally, the statute expires three years after the later of the due date of the return or the date filed. While there are a few exceptions to this rule, the three-year period normally should be adequate.
- For non-tax purposes, records should be maintained only as long as they serve a business purpose or until all legal requirements are met. There are no standards that cover all situations. The following are some of the factors that should be considered: federal, state and local statutes and regulations, industry requirements or standards, potential claims, or litigation requirements.

RECORD RETENTION SCHEDULE

Type of Retention Period Record	Years	Note
Accident Reports and Claims	7	*
Annual Audited Financial Reports and Supporting Internal Documentation	P	
Appraisals	P	
Articles of Incorporation, By-Laws	P	
Assets Records	7	*
Bank Statements, Reconciliations	3	
Bills of Sale	P	*
Budgets and Projections	2	
Cancelled Checks – General	4	**
Capital Stock and Bond Records	P	
Charts of Accounts	P	
Check Vouchers and/or Check Stubs – General	4	
Check Vouchers and/or Check Stubs – Significant Purchases	P	
Contracts and Agreements (expired; maintain active contracts and agreements indefinitely)	7	*

Type of Retention Period Record	Years	Note
Correspondence – General	2	
Correspondence – Legal and Compliance	P	
Credit and Collection Correspondence	7	
Credit Memos	4	
Damage and Theft Reports	7	
Deeds	P	
Deposit Slips	2	
Depreciation Schedules	P	*
Disability and Unemployment Claims	7	
Employee Records, Files, Contracts	7	*
Employment Applications	3	
Expense Reports	7	
Freight Bills and Bills of Lading	4	
Grant Reports / Awarded Grants	7	
Insurance Policies (expired)	3	
Insurance Records Related to Reports, Claims, etc.	P	
Interim Financial Reports	4	
Internal Reports, Memos, Work Orders, etc.	3	
Inventory Records	7	
Invoices for Fixed Assets	7	
Leases	7	*
Ledgers and Journals, Cash Receipts and Disbursements	7	
Licenses	4	*
Minutes Books	P	
Mortgages	P	
Payroll Journals	7	
Pension, Retirement and Profit Sharing Records	P	
Petty Cash Records	4	
Purchase Orders and Invoices	4	
Repairs and Maintenance Records	4	
Sales and General Expenses	4	
Sales and Use Tax Reports	4	
Tax Returns and Related Records	P	
Time Reports and Earnings Records	4	
Timesheets	7	
Union Contracts	P	
Withholding and Exemption Certificates (W-2, W-4, etc.)	7	

P - Records should be permanently maintained

**** Retention period begins with settlement of claims, disposal of asset, termination of contract, etc.***

***** Some should be kept longer, e.g. checks for tax payments should be kept with the tax returns, checks for asset acquisitions should be kept with bill of sale, etc.***