



RETENTION POLICY

HUMANE SOCIETY FOR SOUTHWEST WASHINGTON has put in place the following document retention policy as part of its best governance practices and as a means of assuring transparency and accountability. The following policy establishes the guidelines, as recommended by standard and appropriate nonprofit accounting practices, for the proper treatment of records of HUMANE SOCIETY FOR SOUTHWEST WASHINGTON.

Section 1: General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records. Records being stored should be labeled with the department name, a brief description of the contents and a destruction date per Section 3.

From time to time, HUMANE SOCIETY FOR SOUTHWEST WASHINGTON may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and 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 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.

Section 2: Exception for Litigation Relevant Documents. HUMANE SOCIETY FOR SOUTHWEST WASHINGTON expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or HUMANE SOCIETY FOR SOUTHWEST WASHINGTON management or its Board informs you that specific records and/or categories of records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

Section 3: Minimum Retention Periods for Specific Categories.

TYPE OF DOCUMENT	Retention period
Accident reports/claims (settled cases)	7 years
Accounts payable ledgers and schedules	7 years
Accounts receivable ledgers and schedules	8 years
Adoption records	7 years
Audit reports	Permanently
Bank statements and reconciliations	4 years
Capital stock and bond records: ledgers, transfer registers, stubs showing issues, record of interest coupons, options, etc.	Permanently
Cash books	Permanently
Checks (canceled checks for important payments, special contracts, purchase of assets, payment of taxes, etc. Checks should be filed with the papers pertaining to the underlying transactions.)	Permanently
Chart of Accounts	7 years
Checks (canceled except those noted above)	7 years
Construction documents	Permanently
Contracts and leases (expired)	7 years
Contracts and leases still in effect	Permanently
Copyrights and patents	Permanently
Corporate resolutions	Permanently
Correspondence, general	2 years
Correspondence, legal and important matters	Permanently
Correspondence, routine with customers/vendors	2 years
Deeds, mortgages and bills of sale	Permanently
Depreciation schedules	Permanently
Donation records of endowment funds and of significant restricted funds	Permanently
Donor records	7 years
Email	12 months
Employment applications	3 years
Employee handbooks	Permanently
Employee personnel records (after termination)	4 years
Employee orientation and training manuals (after ends)	7 years
Employee records relating to promotion, demotion or discharge (after termination)	7 years
Employment and termination agreements	Permanently

TYPE OF DOCUMENT	Retention period
Employment applications	3 years
Equipment maintenance records (after disposition)	7 years
Financial statements (year-end other months optional)	Permanently
Fixed Assets supporting documents	Permanently
Garnishments	7 years
General ledgers, year-end trial balances	Permanently
Grant applications and contracts	7 years
Group disability records (after ends)	7 years
I-9s (after termination)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internet cookies	Monthly
Inventory records	7 years
Investment performance reports	7 years
Invoices to customers or from vendors	7 years
IRS exemption determination and related correspondence	Permanently
Journal entries	7 years
Licenses and permits	Permanently
Medical records (including DEA)	3 years
Merger records and related key documents	Permanently
Minute books of directors, bylaws and charter	Permanently
Notes Payables and Receivables and schedules (after completed)	7 years
OSHA logs	5 years
Payroll records	7 years
Petty cash vouchers	3 years
Property records, including costs, depreciation reserves, year-end trial balances, depreciation schedules, blueprints, and plans	Permanently
Receiving sheets	1 year
Retirement plan contributions, rollovers, transfers and distributions	Permanently
Safety records	6 years
Sales records	7 years
Shelter operation summary data and reports	Permanently
Software licenses and support agreements (after ends)	7 years
Sponsorship agreements	Permanently
State sales tax exemption letter	Permanently

TYPE OF DOCUMENT	Retention period
State unemployment tax records	Permanently
Stock and bond certificates (canceled)	Permanently
Subsidiary ledgers	7 years
Tax returns, revenue agents' reports, and other documents related to determination of income tax liability	Permanently
Tax information documents including 1099s and W2s	7 years
Timecards and daily reports	7 years
Trademark registrations, patents, copyrights, other intellectual property marks	Permanently
Volunteer records	3 years
Vouchers for payments to vendors, employees, etc. (includes allowances and reimbursements of employees, officers, etc., for travel and entertainment)	7 years
Workers comp claims (after settlement)	7 years

[NOTE: This chart is adapted from a Records Retention Schedule provided by Hood & Strong and several online polices from humane societies.]

Section 4: Electronic Mail. E-mail that needs to be saved should be either:

- (i) downloaded to a computer file and kept electronically or data storage device as a separate file; or
- (ii) if truly necessary, printed in hard copy and kept in the appropriate file

The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

Section 5: Electronic records. Electronic documents should be treated like paper and retained according to the above schedule.