

Document Retention and Destruction Policy for The NOCCA Institute

1. Policy and Purposes

This Policy represents the policy of The NOCCA Institute and its subsidiaries (“TNI”) with respect to the retention and destruction of documents and other records, both in hard copy and electronic media (referred to as “documents” in this Policy). Purposes of the Policy include (a) retention and maintenance of documents necessary for the proper and efficient functioning of the organization as well as to comply with applicable legal requirements; (b) destruction of documents which no longer need to be retained; and (c) guidance for the board of directors and employees regarding their responsibilities concerning document retention and destruction. Notwithstanding the foregoing, TNI reserves the right to revise or revoke this Policy at any time.

2. Administration

2.1 Responsibilities of the Administrator. TNI’s Executive Director shall be the administrator (“Administrator”) in charge of the administration of this Policy. The Administrator’s responsibilities shall include supervising and coordinating the retention and destruction of documents pursuant to this Policy and particularly the Document Retention Schedule included below. The Administrator shall also be responsible for documenting the actions taken to maintain and/or destroy organization documents and retaining such documentation. The Administrator may also modify the Document Retention Schedule from time to time as necessary to comply with law and/or to include additional or revised document categories as may be appropriate to reflect organizational policies and procedures. The Administrator is also authorized to periodically review this Policy with legal counsel and to report to the board of directors as to compliance. The Administrator may also appoint one or more assistants to assist in carrying out the Administrator’s responsibilities, with the Administrator, however, retaining ultimate responsibility for administration of this Policy.

2.2 Responsibilities of Constituencies. The TNI’s employees shall be familiar with this Policy, shall act in accordance therewith, and shall assist the Administrator, as requested, in implementing it. Outsiders may include vendors or other service providers. Depending upon the sensitivity of the documents involved with the particular outsider relationship, TNI, through the Administrator, shall share this Policy with the outsider, requesting compliance. In particular instances, the Administrator may require that the contract with the outsider specify the particular responsibilities of the outsider with respect to this Policy.

3. Suspension of Document Destruction; Compliance. TNI becomes subject to a duty to preserve (or halt the destruction of) documents once litigation, a governmental audit or a government investigation is reasonably anticipated. Federal law imposes criminal liability on anyone who “knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any

department or agency of the United States ... or in relation to or contemplation of any such matter or case.” 18 U.S.C. sec. 1519. Therefore, if the Administrator becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, the Administrator shall immediately order a halt to all document destruction under this Policy, communicating the order to all affected constituencies in writing. The Administrator may thereafter amend or rescind the order only after conferring with legal counsel. If any board member or employee becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, they shall immediately make the Administrator aware of it. Failure to comply with this Policy, including, particularly, disobeying any destruction halt order, could result in possible civil or criminal sanctions. In addition, for employees, it could lead to disciplinary action including possible termination.

4. Electronic Documents; Document Integrity. Documents in electronic format shall be maintained just as hard copy or paper documents are, in accordance with the Document Retention Schedule. Due to the fact that the integrity of electronic documents, whether with respect to the ease of alteration or deletion, or otherwise, may come into question, the Administrator shall attempt to establish standards for document integrity, including guidelines for handling electronic files, backup procedures, archiving of documents, and regular checkups of the reliability of the system; provided, that such standards shall only be implemented to the extent that they are reasonably attainable considering the resources and other priorities of the organization.

5. Privacy. It shall be the responsibility of the Administrator, after consultation with counsel, to determine how privacy laws will apply to the organization’s documents from and with respect to employees and other constituencies; to establish reasonable procedures for compliance with such privacy laws; and to allow for their audit and review on a regular basis.

6. Emergency Planning. Documents shall be stored in a safe and accessible manner. Documents which are necessary for the continued operation of the organization in the case of an emergency shall be regularly duplicated or backed up and maintained in an off-site location. The Administrator shall develop reasonable procedures for document retention in the case of an emergency.

7. Document Creation and Generation. The Administrator shall discuss with employees the ways in which documents are created or generated. With respect to each employee or organizational function, the Administrator shall attempt to determine whether documents are created which can be easily segregated from others, so that, when it comes time to destroy (or retain) those documents, they can be easily culled from the others for disposition. A major purpose of the Policy is to conserve resources by identifying document streams that allow employees to create and archive documents in a way that can readily identify and destroy documents with similar expirations.

8. Document Retention Schedule.

<u>Document Type</u>	<u>Retention Period</u>
Accounting and Finance	
Accounts Payable	7 years
Accounts Receivable	7 years
Annual Financial Statements and Audit Reports	7 years
Bank Statements, Reconciliations & Deposit Slips	7 years
Canceled Checks – routine	7 years
Canceled Checks – special, such as loan repayment	Permanent
Credit Card Receipts	3 years
Depreciation Schedules	7 years
Employee/Business Expense Reports/Documents	7 years
General Ledger	7 years
Interim Financial Statements	7 years
Board of Directors	
Minutes of Meetings	Permanent
Contributions/Donations/Grants	
Contribution Records	Permanent
Documents Evidencing Terms of Donations/Grants	Permanent
Grant Records	7 yrs after end of grant period
Corporate and Exemption	
Articles of Incorporation and Amendments	Permanent
Bylaws and Amendments	Permanent
Minute Books, including Board & Committee Minutes	Permanent
Annual Reports to Attorney General & Secretary of State	Permanent
Other Corporate Filings	Permanent
IRS Exemption Application (Form 1023 or 1024)	Permanent
IRS Exemption Determination Letter	Permanent
State Exemption Application (if applicable)	Permanent
State Exemption Determination Letter (if applicable)	Permanent
Licenses and Permits	Permanent
Employer Identification (EIN) Designation	Permanent
Correspondence and Internal Memoranda	
Correspondence and internal memoranda relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate.	

Correspondence and internal memoranda important to the organization or having lasting significance Permanent, subject to review

Correspondence and internal memoranda relating to routine matters with no lasting significance 3 years

Employment, Personnel and Pension

Personnel Records Permanent
Employee contracts 7 yrs after termination
Employment applications 3 yrs
Retirement and pension records Permanent

Insurance

Property, D&O, Workers' Compensation and General Liability Insurance Policies Permanent
Insurance Claims Records 7 years after settlement

Legal and Contracts

Contracts, related correspondence and other supporting documentation 10 yrs after termination
Legal correspondence Permanent

Management and Miscellaneous

Strategic Plans 7 years after expiration
Disaster Recovery Plan 7 years after replacement
Policies and Procedures Manual Current version with revision history

Property – Real, Personal and Intellectual

Property deeds and purchase/sale agreements Permanent
Property Tax 7 years
Real Property Leases 7 years
Personal Property Leases 10 years after termination
Trademarks, Copyrights and Patents Permanent

Tax

Tax exemption documents & correspondence Permanent
IRS Rulings Permanent
Annual information returns – federal & state 7 years
Tax returns 7 years