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Approved:	John J. "Ski" Sygielski
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Document Retention Policy

1.0 Purpose

The purpose of this policy is to ensure that necessary Lord Fairfax Community College Educational Foundation, Inc. (hereafter the "Foundation") records and documents are adequately protected and maintained to ensure that records that are no longer needed are discarded at the appropriate time. This policy will specify which documents are to be retained, for how long, who can access them, how they will be stored and when and how they can be disposed.

2.0 Revision History

This policy has been in effect since June 2006. The policy was revised in March 2008.

3.0 Applicability

This policy applies to all LFCC employees and volunteers who have access to, maintain or create records or documentation of the Foundation.

4.0 Policy

The Foundation will comply with retention and disposition schedules approved by the Library of Virginia.

Permanent Records

The following is a list of items that should be maintained as a permanent record.

- Annual financial statements and audit report
- Annual tax returns (IRS Form 990 and Form 990-T) and supporting documents
- Board meeting agendas, minutes and related documents
- Building plans and specifications
- Checks for important payments and purchases

- Committee meeting agendas, minutes and related documents
- Contracts still in effect
- Copyrights, patents and trademark registrations still in effect
- Depreciation schedules
- Incorporation documents
 - Articles of Incorporation
 - Bylaws
 - Charter
- Insurance records, accident reports, claims and policies still in effect
- Legal correspondence
- Property records such as deeds, titles and bills of sale
- Retirement plan documents, amendments and summary plan descriptions
- Scholarship recipient information
- Tax-exemption documents
 - Application for tax exemption (IRS Form 1023)
 - IRS determination letter(s)

Temporary Records

The following is a list of items that should be maintained as a temporary record.

Documents that should be maintained for seven years:

- Accounts payable details, expense reports, paid purchase orders, 1099 and 1042 reports and check registers.
- Accounts receivable details, receipts and expired uncollected accounts
- Bank statements, canceled checks, deposit, records, bank reconciliations, check registers and investment statements
- Committee records and proposals
- Expired accident reports, safety records, employee medical complaints, employee injury records
- Expired contracts, agreements, mortgages, notes and leases
- Expired copyrights, patents and trademark registrations
- Expired general ledgers, subsidiary ledgers, journal vouchers and backup
- Grant documents
- Inventories of products, materials and supplies
- Invoices to customers and from vendors
- Low-income housing records
- Payroll records (W-2 Form, W-4 Form, Form 941 and 945)
- Personnel files of terminated employees
- Timesheets
- Withholding tax statements

- Follow-up reports to donors

- Fundraising correspondence

Documents that should be maintained for three years:

- Employee application and job announcement
- Expired liability insurance policies and insurance claim documents
- Internal audit reports
- Marketing and sales documents
- Periodic treasurer's reports and financial statements
- Scholarship applications

Documents that should be maintained for two years:

- Budget variance reports and support
- Duplicate deposit slips
- Expired claims, court documents, litigation files
- Expired licenses
- General correspondence with customers and vendors

Donor Files

- A copy of all correspondence to donors (including follow-up reports, solicitation letters, all cards except for birthday cards and e-mails) should be maintained in the donor files.
- Mass mailings will be handled as follows:
 - The fundraising mailings spreadsheet will include an "appeal code" category.
 - All documents for that appeal code are saved using that same naming convention on the shared drive (for example, if the appeal code is FB 08 [for Foundation Board mailing], then the shared drive folder that contains all documents related to this mailing would be named FB 08, and each document within that folder will begin with FB 08).
 - By reviewing the "appeals" tab in Raiser' Edge, individuals can locate the mass mailing that the constituent received.
 - The same process will be followed for non-fundraising mailings that have a quantity of 10 or more; however, the items will not be listed in the fundraising mailings spreadsheet.

Storing Documents

Records should be stored in a way that keeps them reasonably safe from access by unauthorized individuals as well as theft and physical damage caused by fire, flood, insects, rodents, temperature and humidity. Pack records in standard records storage boxes measuring 12" x 15" x 10". Each box holds about one half of a file drawer. Pack nothing higher than the top edge of the box to ensure proper

storage. Do not pack hanging file folders as they break the box edges. Leave approximately one to two inches free in each box to facilitate servicing.

When storing, consider which documents must be made readily accessible. For example, tax-exemption documents and annual information returns for the past three years should be kept at the headquarters and be easily accessible. A listing of folder titles or at least an inclusive description of what is in each box is required. Any electronic mail (e-mail) that needs to be saved should be

- Printed in hard copy and kept in an appropriate file
- Downloaded to a computer file and kept electronically or on disk

Disposal of Documents

All confidential donor information (financial and personal) as well as Financial Edge, Raiser's Edge and The Researcher's Edge information that is not filed and secured should be shredded. This type of information should never be put in the trash.

When the minimum retention period mandated by the Foundation Retention Policy has ended, it is the responsibility of the executive director of the Lord Fairfax Community College Educational Foundation Inc. or president of Lord Fairfax Community College to give the final written approval for the disposal of the documents.

The documents should be disposed of by either shredding or burning by a certified vendor to ensure confidentiality. Electronic records must be "wiped" clean or the storage media physically destroyed. A representative from the Foundation must be present when the documents are being destroyed to verify correct procedures are taken.

5.0 Definitions

- A permanent record is defined as a record that should be maintained permanently.
- Records include essentially all documentation you produce as an employee, whether paper or electronic. A record may be as obvious as a letter, an e-mail, a contract or a receipt, or something not as obvious, such as a computerized desk calendar, an appointment book or an expense record.
- A temporary record is defined as a record that should be maintained for a specified period of years.

6.0 Responsibilities

All employees and volunteers are expected to fully comply with written document retention and destruction policy and schedules.

7.0 Procedures

Files are closed out at the end of each fiscal year. Retention periods start at that time.

As the boxes of files are removed from file cabinets and moved to storage, the boxes will be labeled with the time period covered and the items included. All permanent files should be maintained in separate boxes at all times, clearly labeled "permanent".

On an annual basis, the Foundation will review all files from three years ago and seven years ago. For instance, in 2006, we would review files from 2002 and 1998.

Items that no longer need to be maintained would be removed from the boxes. The items would be reviewed and approved by the vice president of college advancement for disposal.

8.0 Sanctions

Both federal and state laws require the Foundation to maintain specific records for a specified period of time. If the Foundation fails to retain the required records for those specified periods of time, the Foundation or you could face penalties, fines and obstruction of justice charges. The Foundation also could lose its 501(c)(3) status or be placed in contempt of court.

Individuals who fail to comply with the terms of this policy will be subject to disciplinary action or dismissal from the Foundation Board and/or employment with Lord Fairfax Community College.

9.0 Interpretation

Authority for interpretation of this policy rests with the executive director of the Foundation or president of Lord Fairfax Community College.

In the event of a governmental audit, investigation or pending litigation, disposal of records may be suspended at the direction of the executive director of the Foundation or president of Lord Fairfax Community College.

10.0 Authority/Reference

This policy was based, in part, on federal and state laws on document retention.

Per the governance policy, Foundation policies are not part of the governance model for policy formation.

President