

## Document (Record) Retention Policies

### *Guidance for State Coalitions*

As a business, every Jump\$tart state coalition produces and receives a variety of documents. A document retention policy – sometimes called a record retention policy or something similar – is really just a way to manage the organization’s documents. It quickly becomes unwieldy if you try to keep “everything” and it can easily become problematic if you lose or discard documents you’ll need later. Your document retention policy helps staff and volunteers decide what to keep and for how long.

Document retention requirements vary by state, so it’s a good idea to learn your state’s requirements and seek counsel. You might also seek advice from IT professionals regarding the maintenance of electronic files. [The National Council of Nonprofits offers guidance](#) on what to keep, for how long, and other things to consider when establishing and maintaining a document retention policy.

Since most of our state coalitions operate without permanent “bricks and mortar” facilities of their own, your document retention policy should include where and how the documents will be maintained, who will have access to them, and a plan for handing off stored documents as volunteers change. When purging old files, don’t forget to shred paper records if they contain sensitive or account information.

See page 2 for guidance on how long to keep different types of documents. Keep in mind that the requirements in your state may differ.

#### **Duties**

Keeping records is generally the responsibility of the organization’s Secretary. If your state coalition has administrative staff, then it would likely be the Administrator who keeps the records with the Secretary providing oversight. Your Bylaws may assign the duty of record-keeping to the President or Treasurer, which is fine – the important thing is to assign the responsibility and maintain the documents.

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Recommendations for how long documents should be kept. Remember that this is general guidance and that requirements in your state may differ. <sup>1</sup>

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently
Bank reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes, and leases (expired)	7 years
Contracts (still in effect)	Contract period
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	2 years
Employment applications	3 years
Expense analyses/expense distribution schedules	7 years
Year-end financial statements	Permanently
Insurance records, current accident reports, claims, policies, and so on (active and expired)	Permanently
Internal audit reports	3 years

<sup>1</sup> Chart is provided by the AICPA, adapted from the National Council on Nonprofits.

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Type of Document	Minimum Requirement
Inventory records for products, materials, and supplies	3 years
Invoices (to customers, from vendors)	7 years
Minute books, bylaws, and charter	Permanently
Patents and related papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years