Records Retention Policy

adopted: prior to 2010
Updated: 10/4/22

Purpose

Palouse Habitat for Humanity understands the obligation to preserve information as required under the Sarbanes-Oxley Act, which addresses the destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored. Palouse Habitat for Humanity recognizes the importance of eliminating accidental, innocent or intentional destruction of vital documents and for administrative personnel to know the length of time records should be retained to be in compliance with the Sarbanes-Oxley Act, IRS requirements, and the highest standards of accounting and business practices.

Policy

It shall be the policy of Palouse Habitat for Humanity to comply with the following mandatory minimum document retention requirements. Further, it shall be allowed that these requirements automatically increase if they are found to be short of any of the above referenced standards. The record retention policy applies to all records, as defined below, regardless of the format or medium. All documents to be destroyed will be shredded, incinerated or securely deleted until they are no longer readable or accessible.

The following table lists records that contain specific retention requirements. We have consulted legal counsel and the table has been customized to fit the unique records retention needs of our affiliated organization.

Record Category	Type of Record	Minimum Requirement	Disposal Method Shredding/Incineration/ Secure Deletion	Storage Method/Location
Administrative	Annual reports (more than one copy)	Permanently	N/A	
Administrative	Board Meeting Minutes	Permanently	N/A	
Administrative	Bylaws	Permanently	N/A	
Administrative	Conflict of interest disclosure forms	4 years		
Administrative	Depreciation schedules	Permanently	N/A	
Administrative	Incorporation documents, Articles of Incorporation, Corporate charter	Permanently	N/A	
Administrative	Insurance claims, current policies	Permanently	N/A	
Administrative	Insurance policies (expired)	3 years after expiration		

Administrative	Inventories of products, materials, and supplies	7 years		
Administrative	Publications, brochures	Permanently	N/A	
Administrative	Scrapbooks, photo albums	Permanently	N/A	
Financial	Audit reports	Permanently	N/A	
Financial	Bank reconciliations	4 years		
Financial	Bank statements, cancelled checks, check registers	7 years		
Financial	Cash register tapes/ daily sales transactions	7 years		
Financial	Checks (for important payments and purchases, e.g., taxes, homeowner escrow, land, property, other critical matters, etc.)	Permanently	N/A	
Financial	Deposit slips	2 years		
Financial	Expense analyses and expense distribution schedules	7 years		
Financial	Grant records	7 years after grant ends		
Financial	In-kind donations	7 years		
Financial	Invoices and receipts	7 years		
Financial	IRS Form 990s (current form must be available at all times)	7 years		
Financial	Tax exemption information	Permanently	N/A	
Financial	Tax returns and worksheets	Permanently	N/A	
Financial	Withholding tax statements	7 years		
Financial	Accounts payable ledgers and schedules	7 years		
Financial	Donor records (all types)	7 years		
Financial	General ledgers	7 years		
Financial	Journals (general, cash receipts, disbursement)	7 years		
Financial	Treasurer's reports (periodic)	3 years		
Financial	Year-end financial statements	Permanently	N/A	
General	Calendar of events	7 years		
General	Correspondence (and calendar) of CEO	7 years		
General	Correspondence (general)	2 years		
General	Correspondence with donors and outside entities	3 years		
General	Correspondence with vendors concerning significantly disputed matters	7 years		
General	Correspondence with vendors, volunteers, outside entities and internal	2 years		

Homeowner Services	Delinquency letter to homeowners	Permanently part of homeowner file	N/A	
Homeowner Services	Homeowner selection applications (in program)	Permanently part of homeowner file	N/A	
Homeowner Services	Homeowner selection applications (not selected)	25 months past decision		
Homeowner Services	Insurance policies for homeowners	Permanently part of homeowner file	N/A	
Homeowner Services	Sweat equity logs (successfully completed program)	Permanently part of homeowner file	N/A	
Homeowner Services	Sweat equity logs (unsuccessfully completed program)	25 months		
HR	Employment applications, including volunteers	3 years		
HR	IRS I-9 forms on employees	3 years after employment ends		
HR	Payroll records and summaries	7 years		
HR	Personnel files (current employees and volunteers)	duration of employment and then 7 years after employment ends	N/A	
HR	Personnel files (former employees and volunteers)	7 years		
HR	Retirement and pension records	Permanently	N/A	
HR	Timesheets	7 years		
HR	Workman’s compensation claims	7 years after settlement		
Legal	Claims (after settlement)	7 years		
Legal	Contracts (still in effect)	Permanently	N/A	
Legal	Contracts, mortgages, notes and leases on affiliate assets (expired or terminated)	4 years after obligation ends		
Legal	Correspondence on legal matters	Permanently	N/A	
Legal	Deeds (e.g., home warranty deeds, deeds of trust), mortgages, bills of sales, promissory notes, mortgage receivables	Permanently	N/A	
Legal	Patents and related papers	Permanently	N/A	
Legal	Volunteer liability waiver forms (check your state law)	1 year beyond state law statute		
Legal	Purchase agreements for assets	Permanently	N/A	
Legal	Trademark, registrations, copyrights	Permanently	N/A	

Safety	OSHA Form 300, 300a, 301	5 years (only for affiliates with 11 or more employees)		
Safety	Employee Medical Records	30 years after employment ends		
Safety	Employee Exposure Records (e.g., Safety Data Sheets (SDS))	30 years		
Safety	Safety inspections (annual inspection, e.g., checklists, fire extinguishers)	1 year		
Safety	Safety reports (OSHA and others)	7 years		
Safety	Safety training records (e.g., electrical safety. Include employee signatures of those in attendance.)	5 years after employment ends		

1. Electronic Documents and Records.

Electronic documents, fitting any above stated categories, will be retained as if they were paper documents and for the time period stated. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archived” computer file folder. Backup and recovery services are provided by Palouse Habitat for Humanity and will be tested on a regular basis. If there is sufficient reason to document voicemail messages, those will be recorded and placed in the appropriate file. Voicemail logs kept by Palouse Habitat for Humanity employees become property of said organization and will be stored in accordance with above policies.

2. Emergency Planning

Palouse Habitat for Humanity’s records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping Palouse Habitat for Humanity operating in an emergency will be duplicated or backed up at least [and maintained [on-site OR off-site].

3. Document Destruction

The Executive Director or appointed individual is responsible for the ongoing process of identifying the affiliated organization’s records, which have met the required retention period, and overseeing their destruction. Destruction will be accomplished by shredding, incineration or secure deletion as appropriate until documents are no longer readable or accessible.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

4. Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against Palouse Habitat for Humanity and its employees and possible disciplinary action against responsible individuals. The executive director and board chair will periodically review these procedures with legal counsel or Palouse Habitat for Humanity’s certified public accountant to ensure they are compliant with new or revised regulations.