

Nonprofit Governance and Management, Third Edition

APPENDIX 13

SAMPLE DOCUMENT RETENTION POLICY AND SCHEDULE

Record Retention and Destruction Policy

This Record Retention and Destruction Policy of _____ (“Nonprofit”) sets forth the record retention responsibilities of the staff, members of the Board of Directors, committee members, volunteers, and others for the maintenance and destruction of the Nonprofit’s records.

1. **Record Retention and Destruction.** It is Nonprofit’s policy to maintain complete and accurate records. Nonprofit’s staff, members of the Board of Directors, committee members, volunteers, and others contracting with Nonprofit shall transfer to Nonprofit for maintenance all paper and electronic records of Nonprofit not already maintained by Nonprofit. The records shall be maintained in accordance with the attached schedule. All other records are to be destroyed after three years. No staff member, member of the board of directors, committee member, volunteer or other party contracting with the Nonprofit shall knowingly destroy a record (regardless of form) with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any government department or agency or in relation to any such matter.
2. **Conversion of Records to Electronic Form.** Paper records may be converted to electronic form for ease of access and storage, as approved by the Executive Director.
3. **Exceptions to Policy.** Exceptions to the rules and terms for retention may be made only by the Nonprofit’s Executive Director or Chair of the Board of Directors.
4. **Responsibility for Administration of Policy.** The Executive Director shall be responsible for administering this Policy. As part of such administration, the Executive Director shall, in consultation with legal counsel, take steps to ensure that Nonprofit records are stored and destroyed (on at least an annual basis) in a manner consistent with this Policy.
5. **Distribution of Policy.** A copy of this Policy will be distributed annually to all staff, members of the Board of Directors, committee members, volunteers, and others who handle Nonprofit records.

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Record Retention Schedule

***Practical Advice Note:** Retention periods of a certain length may be required by state or federal law or regulations or based on statute of limitations and audit periods for specific kinds of activities or records. In some cases, if no law or regulation clearly applies, the retention period should be based on what is useful for the organization.*

Type of Record	Retention Period*
Accounts receivable and payable ledgers and schedules	7 years
Annual audited financial statements	Permanent records
Articles of Incorporation, bylaws, Minutes, and other governance records	Permanent records
Bank statements, deposit records, electronic fund transfer documents, reconciliations	7 years
Contracts	10 years after termination
Tax returns	Permanent records
Litigation documents	10 years after termination