



Records Retention and Destruction Policy

The Sarbanes-Oxley Act addresses the destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored. Habitat for Humanity of Greater Nashville 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.

Old documents are maintained in a segregated storage area. Files are reviewed annually to determine whether they can be discarded. All documents to be destroyed are shredded until they are no longer readable or accessible. See schedule for retention of documents and records in forms section of manual.

<u>Record Retention Reference Sheet --- Paper or Electronic</u>					
<u>Type of Record</u>	<u>Retention Period</u>	<u>Type of Record</u>	<u>Retention Period</u>	<u>Type of Record</u>	<u>Retention Period</u>
Correspondence (routine) with customers or vendors	1 year	Inventories of products, materials and supplies	7 years	Workers compensation documentation	10 years after 1st closure
Requisitions	1 year	Invoices to customers/homeowners	7 years	Canceled checks for important payments (taxes, property acquisitions, contracts)	Permanently
Correspondence (general)	3 years	Invoices from vendors, employees, etc. with supporting documents such as receiving sheets and payment vouchers (including allowances and reimbursement of employees, officers, etc. for travel and entertainment)	7 years	Charts of accounts	Permanently
Correspondence (electronic email)	3 Years	Low-income housing records	7 years	Contracts and leases still in effect	Permanently
Employment applications	3 year	Monthly closing working papers	7 years	Correspondence (legal and important matters only)	Permanently
Expense analysis and expense distribution schedules	3 years	Notes receivable ledger and schedules	7 years	Deeds, mortgages and bills of sale	Permanently
Internal audit reports (in some situations, longer retention periods may be desirable)	3 years	Payroll records and summaries, including payments to pensioners	7 years	Depreciation schedules	Permanently
Internal memos and reports (miscellaneous)	3 years	Purchase orders (including books)	7 years	Employee benefit plan records (including Pension/Profit share plan)	Permanently
Petty cash vouchers	3 years	Sales records	7 years	Financial statements (end-of-year; other months optional)	Permanently
Physical inventory tags	3 years	Scrap and salvage records (inventories, sales, etc.)	7 years	General and private ledgers (and end-of-year trial balances)	Permanently
Volunteer records	3 years	Subsidiary ledgers	7 years	Grants (funded and un-funded)	Permanently
Accident reports and claims	7 years	Time sheets	7 years	Inherited property valuations	Permanently
Accounts payable ledgers and schedules	7 years	Donations	7 years after final receipt	Insurance records, current accident reports, claims, policies, etc.	Permanently
Accounts receivable ledgers and schedules	7 years	Contracts and leases (expired)	7 years after expiration	Medical records related to a leave granted under the Family and Medical Leave Act (FMLA)	Permanently
Bank statements (including reconciliations)	7 years	Loan Documents for Notes Payable	7 Years from last payment	Mission Statements, Strategic plans	Permanently
Canceled checks	7 years	Articles of Incorporation, charter, bylaws, minutes, and other incorporation records	Permanently	Organization charts	Permanently
Cash receipt books	7 years	Audit reports of accounts	Permanently	Property records (including costs, depreciation reserves, end-of-year trial balances, depreciation schedules, blueprints and plans)	Permanently
Duplicate deposit slips	7 years	Board and Committee Meeting Minutes	Permanently	Tax returns and worksheet, revenue agents' reports, and other documents relating to determination of income tax liability	Permanently
Employee personnel records (after termination)	7 years	Bylaws and charter with amendments	Permanently		

***** Each Department will decide on whether to keep Electronic or Hard Copies files