

AppleTree Early Learning Public Charter School Document Retention and Destruction Policy

The Sarbanes-Oxley Act addresses the retention and destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored. In keeping with this requirement, AppleTree Early Learning PCS has adopted the document retention requirements published by the *National Council of Nonprofit Associations, 2004*.

Minimum Retention Requirements by Document Type

| 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) | Permanently |
| Correspondence (general, including electronic) | 2 Years |
| Correspondence (legal and important matters, incl. electronic) | Permanently |
| Correspondence (with customers and vendors, incl. electronic) | 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, etc. | Permanently |
| Internal audit reports | 3 Years |
| Inventories of products, materials, and supplies | 7 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 |

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Responsibility for Storage and Retention

In addition to the minimum retention requirements, it is prudent management for AppleTree Early Learning PCS to spell out some guidelines for managing important documents. General guidelines and responsibilities for managing documents follow.

Responsibilities

Responsibility for managing retention, storage, and destruction of records shall be shared between the Controller and the Treasurer. The Controller shall manage and store all financial records pertinent to day-to-day financial operations. As necessary, the Treasurer shall manage and store copies of archived audits, reports, and financial statements required for orderly and efficient conduct of financial business. The Controller shall manage and store all non-financial records and all archived financial audits, reports, and statements.

Physical Storage

All official records subject to the retention policy will be maintained in AppleTree Early Learning PCS' corporate offices located at 415 Michigan Avenue, NE, 3rd Floor, Washington, DC 20017.

Update and Modification of Policy

The AppleTree Early Learning PCS Board of Directors shall have authority to adopt changes and updates to the guidelines such as those published by the *National Council of Nonprofit Associations*, the *American Bar Association*, *Independent Sector* or other non-profit advisory organizations. The AppleTree Early Learning PCS Board of Directors shall be kept abreast of significant changes in requirements mandated by new or changed laws and regulations concerning records management, and the Board shall adjust this policy accordingly.