

### **CP 3 Document Retention and Destruction Policy.**

#### **General**

This Document Retention and Destruction Policy applies to the retention and destruction of documents and other records, both in hard copy and electronic media (“documents”). Purposes of the policy include (a) retention and maintenance of documents necessary for the proper functioning of the Corporation as well as to comply with applicable legal requirements, including public disclosure of tax returns, governing documents, and financial statements under the Internal Revenue Code and applicable state law; (b) destruction of documents which no longer need to be retained; and (c) guidance for Directors, Officers, employees, interns, volunteers, vendors and other service providers with respect to their responsibilities concerning document retention and destruction.

**CP3.1** The Executive Director or their delegate is responsible for administering this Policy and ensuring that all Directors, Officers, employees, and volunteers are familiar with this Policy and act in accordance with it. Documents in electronic format must be maintained just as hard copy or paper documents are, in accordance with a Document Retention Schedule to be established by the Executive Director/Delegate subject to periodic review and approval by the Directors acting together.

**CP3.2** Documents must be stored in a safe and accessible manner. Documents which are necessary for the continued operation of the Corporation in the case of an emergency must be regularly duplicated or backed up and maintained in an off-site location. The Executive Director/Delegate will develop reasonable procedures for document retention in the case of an emergency.

**CP3.3** The responsibility of interns and volunteers with respect to this Policy is to produce specifically identified documents upon request of management if the intern or volunteer still retains such documents. After each project in which an intern or volunteer has been involved, or each term which the intern or volunteer has served, the Executive Director or their delegate is responsible to confirm whatever types of documents the intern or volunteer retained and to request any such documents which are necessary for retention by the Corporation and not by the intern or volunteer.

**CP3.4** Litigation Relevant Documents. The Corporation becomes subject to a duty to preserve (or halt the destruction of) documents once litigation, an audit or a government investigation is reasonably anticipated. Federal law imposes criminal liability (with fines and/or imprisonment for not more than 20 years) upon whomever “*knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States ... or in relation to or contemplation of any such matter or case.*” Whenever the Executive Director/Delegate becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, the President must immediately order a halt to all document destruction under this Policy, communicating the order to all Directors, Officers, employees, volunteers, or affected vendors or service providers in writing, and may amend or rescind the order only after conferring with legal counsel. If any Director, Officer, or employee becomes aware that litigation, a governmental audit, or a government investigation has been instituted, or is reasonably anticipated or contemplated, with respect to the Corporation, and they are not sure whether the Executive Director/Delegate is aware of it, they must make the Executive Director aware of it. Failure to comply with this Policy, including, particularly, disobeying any destruction halt order, could result in possible civil or criminal sanctions.

### **CP3.5 Minimum Retention Periods for Specific Categories.**

(a) **Organizational Documents.** Organizational records include PRMI's articles of incorporation, by-laws and IRS Form 1023, Application for Exemption. Organizational records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

(b) **Tax Records.** Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning PRMI's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

(c) **Employment Records/Personnel Records.** State and federal statutes require PRMI to keep certain recruitment, employment and personnel information. PRMI should also keep personnel files that reflect performance reviews and any complaints brought against PRMI or individual employees under applicable state and federal statutes. PRMI should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

(d) **Board and Board Committee Materials.** Meeting minutes should be retained in perpetuity in PRMI's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by PRMI.

(e) **Press Releases/Public Filings.** PRMI should retain permanent copies of all press releases and publicly filed documents under the theory that PRMI should have its own copy to test the accuracy of any document a member of the public can theoretically produce against PRMI.

(f) **Legal Files.** Legal counsel should be consulted to determine the retention period of documents, but legal documents should generally be maintained for a period of ten years.

(g) **Marketing and Sales Documents.** PRMI should keep final copies of marketing and sales documents for the same period it keeps other corporate files, generally three years.

An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

(h) **Contracts.** Final, execution copies of all contracts entered into by the Organization should be retained. PRMI should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(i) **Correspondence.** Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(j) **Banking and Accounting.** Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important

payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(k) Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

(l) Audit Records. External audit and/or compilations reports should be kept permanently. Internal audit reports should be kept for three years.

**CP3.6 Public Availability.** As required by law, the Executive Director or their delegate is responsible to make the Corporation's Form 1023 Application for Recognition of Exemption, each filed Form 990, and governing documents including minutes of Director and committee meetings, Bylaws including the Compliance Matters and Policies, and annual financial statements and audit reports, available to the public and updated from time to time, on the Corporation's website or promptly upon written request. The Executive Director/Delegate, after consultation with counsel, will determine how privacy laws will apply to the Corporation's documents; establish reasonable procedures for compliance with such privacy laws; and allow for their audit and review on a regular basis. For written requests for documents that are not required by law to be provided, each request must be reviewed and approved by the Executive Director or their delegate.

For all written documentation requests, PRMI may charge the requestor a reasonable fee, not to exceed the direct costs of staff time, copies, and mailing expenses to provide the requested documents.