



**WHEREAS**, the Ohio Water Environment Association (OWEA) is a 501(c)(3) Organization and a Member Association (MA) of the Water Environment Federation (WEF); and

**WHEREAS**, the IRS has imposed reporting requirements outlined in Section 990 for nonprofit organizations that OWEA must follow, and

**WHEREAS**, one requirement associated with Section 990 is the development of a Records Retention and Destruction Policy.

**THEREFORE**, OWEA adopts the following Records Retention and Destruction Policy.

### **POLICY**

This Records Retention and Destruction Policy of the Ohio Water Environment Association (OWEA) identifies the record retention responsibilities of staff, volunteers, members of the Executive Committee, and outsiders for maintaining and documenting the storage and destruction of the OWEA documents and records.

1. **Rules.** The OWEA staff, volunteers, and members of the executive committee and outsiders (i.e., independent contractors via agreements with them) are required to honor these rules:

- (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Executive Administrator or his/her designee(s);
- (b) all other paper documents may be destroyed after three years;
- (c) all other electronic documents may be deleted from all individual computers, data bases, networks, and back-up storage after one year; and
- (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

2. **Terms for retention.**

a. Retain permanently:

*Governance records* – Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes.

*Tax records* – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

*Intellectual property records* – Copyright and trademark registrations and samples of protected works.

*Financial records* – Audited financial statements, attorney contingent liability letters.



b. Retain for 10 years:

*Pension and benefit records* – Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records.

*Government relations records* – State and federal lobbying and political contribution reports and supporting records.

c. Retain for three years:

*Employee/employment records* – Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual).

*Lease, insurance, and contract/license records* – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

d. Retain for one year:

*All other electronic records, documents and files* – Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information.

**3. Exceptions.** Exceptions to these rules and terms for retention may be granted only by the President and Board of Directors.



## PERMANENT RECORDS

- Audit reports of CPAs
- Cancelled checks for important payments, i.e., taxes, purchases of property, special contracts, etc. (checks should be filed with the papers pertaining to the underlying transaction)
- Capital stock and bond records: ledger, transfer registers, stubs showing issues, record of interest coupons, options, etc.
- Cash books
- Chart of Accounts
- Correspondence (legal and important matters only)
- Deeds, mortgages, and bills of sales, as well as contracts and leases still in effect
- Financial statements-end of year (other months optional)
- General and private ledgers
- Incorporation documents, including articles of incorporation, code of regulations, bylaws, and related documents.
- Insurance records, current accident reports, claims policies
- Journals
- Articles of Incorporation and Code of Regulations
- Minutes of directors meetings
- Property appraisals by outside appraisers
- Property records-including costs, depreciation reserves, and end-of-year trial balances, depreciation schedules, blueprints and plans
- Tabulating records related to above areas
- Tax-exemption documents, including the application for tax exemption (IRS Form 1023), IRS Letter if determination, and related documents.
- Tax returns and worksheets, Revenue Agents' Reports and other documents relating to determination of income tax liability
- Trademark registrations



## SIX TO SEVEN YEARS

- Accident reports and claims (settled cases)
- Accounts payable (see Voucher Register)
- Accounts receivable ledgers and trial balances
- Cancelled checks (see exception under Permanent Records)
- Cancelled stock and bond certificates and expired options
- Contracts and leases (expired)
- Expense analyses and expense distribution schedules
- Inventories of products, materials and supplies
- Inventories to customers
- Invoices from vendors (see Vouchers)
- Notes receivable ledgers and trial balances
- Payroll records and summaries, including payments to pensioners

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- Employee personnel records after termination (if a retirement plan was in effect, regardless if employee was a plan participant); (if employee was a participant in a pension plan, consult your plan advisor)
- Retirement plan returns and reports (from filing date of such returns and reports)
- Retirement plan accounting records (to correspond with returns and reports)
- Purchase orders (purchasing department copy)
- Sales records
- Scrap and salvage records-inventories, sales, etc.
- Subsidiary ledgers to the general ledger and trial balances
- Time books
- Voucher register and trial balances
- Vouchers for payments to vendors, employees, etc. (including allowances and reimbursement of employees, officers, etc., for travel and entertainment expenses)



## **TWO TO THREE YEARS**

- Applications for employment
- Employee personnel records after termination (see exception under Six to Seven Years)
- General correspondence
- Insurance policies which have expired
- Internal audit reports, including working papers (in some situations, longer retention periods may be desirable)
- Miscellaneous internal reports
- Petty cash vouchers
- Physical inventory tags
- Savings bond registration records of employees

## **ONE YEAR OR LESS**

- Bank reconciliations (keep one year)
- Bank statements (keep one year)
- Correspondence of unimportant nature with customers or vendors
- Duplicate deposit slips
- Purchase orders (except purchasing department copy)
- Receiving sheets
- Requisitions