

## **FRIENDS OF THE BULVERDE AREA RURAL LIBRARY DISTRICT (BARLD) DOCUMENTATION RETENTION POLICY**

**Purpose.** This policy sets forth guidelines for the length of time that various documents will be held in the files of the corporation. The adoption of this policy will enhance the ability of the Friends of the Bulverde Area Rural Library District (BARLD) (FOL) to comply with the Sarbanes-Oxley Act and promote the proper treatment of corporate records of the organization.

**Section 1.** Records should not be kept if they are no longer needed for the operation of the corporation or required by federal, state, or local laws. Records should be kept providing information and data needed for FOL operations, comply with requests of internal or external auditors, comply with federal, state, and local laws, and comply with IRS tax regulations. Only final copies should be kept avoiding confusion with drafts. Working copies should not be kept in archival storage. The organization may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance and to preserve the history and continuity of the corporation.

**Section 2.** The FOL expects all directors, committee chairs and members to comply with any published retention or destruction policies. If you believe, or the FOL informs you, that records are relevant then you must preserve those records until it is determined they are no longer needed.

**Section 3.** Records will be kept in either paper or electronic form and stored in the FOL office or other location as approved by the FOL Board. Destroy records after their required retention period by manually shredding or using a shredding machine.

**Section 4.** Documentation responsibilities:

- a. The Secretary is responsible for maintenance of the following documents throughout the year:
  - (1) Minutes of board meetings, annual meetings, and other meetings as directed by the President
  - (2) Bylaws and Standing Rules
  - (3) Articles of Incorporation
  - (4) Official FOL correspondence
  - (5) Signed Conflict of Interest Disclosure statements.
- b. The Treasurer is responsible for maintaining all financial records throughout the year.
- c. Committee chairs are responsible for documents and backups for their committees during the year and should transfer annually to the FOL office for filing.

**Section 5.** Minimum Retention Periods for Specific Categories of Documents.

- a. Organizational Documents. Organization records which include the FOL's Articles of Incorporation, By-Laws, Standing Rules, IRS Form 1023, Application for Exemption, and other IRS documents with respect to our 501(c)3 status should be retained permanently. These records should be available for public inspection upon request.

- b. Board and Board Committee Materials. Agendas, and minutes of board meetings, annual meetings, and other meetings as directed by the President should be retained permanently in the minutes' binder. A clean copy of all other Board and Committee materials should be kept no less than seven (7) years. Agendas, minutes, committee reports and financial reports will be posted on the organization's website.
- c. Tax and Financial Records. Tax and financial records include 990s, documents concerning contributions, earned income, deposit receipts, expenses, proof of contributions made by donors, contribution acknowledgements, accounting procedures, bank statements of all accounts, financial statements prepared by the accountant, monthly financial statements, and other documents concerning the FOL's revenues. These records should be maintained for at least seven (7) years. The public copy of the Form 990, quarterly financial statements, and monthly executive summaries will be posted on the organization's website.
- d. Press Releases/Public Filings. The FOL should retain permanent copies of all press releases and public filed documents for historical and continuity purposes. These may be filed in the FOL scrapbook by the Historian.
- e. Correspondence. Correspondence that does not fall under another category listed in this policy should generally be saved for two years, unless directed otherwise by the FOL Board.
- 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. Fundraising Events. Flyers, publicity, and all correspondence for fundraising events should be maintained for seven years.
- h. Audit Records. External audit records should be kept permanently. Internal audit reports should be kept for three years.
- i. Contracts. Final, execution copies of all contracts entered into by the FOL should be retained for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.
- j. Insurance. Expired insurance policies, insurance records, claims, etc., should be kept permanently.

**Section 6. Electronic Mail.** E-mail that needs to be saved should either be:

- a. printed in hard copy and kept in the appropriate file; or
- b. downloaded to a computer file and kept electronically or on a disk as a separate file.

The retention period depends on the subject matter of the e-mail, as covered elsewhere in this policy.

**Section 7. Public Inspection.** The organizations must make the following documents available for public inspection: original IRS Form 1023, application for exempt status (retained permanently) and Form 990, annual return (maintained for a minimum of seven years). These documents should be available at the FOL offices and copies provided to the public upon request. They may also be posted on the organization's website. Third-party websites such as [www.Guidestar.org](http://www.Guidestar.org) make the Form 990 available, but the IRS has not stated that forms available on a third-party website will

meet its requirements.

Amended and approved: December 10, 2018

Approved: February 26, 2009