

# **American Association of Kidney Patients, Inc. Policy**

**Subject:** Record Retention and Destruction

**Objective:** To create and maintain a systematic method for ensuring that the Association's records are protected and maintained and that they are discarded when no longer needed or valued.

## **Section 1. Purpose of the Policy.**

The purpose of this policy is to ensure that necessary records of the American Association of Kidney Patients, Inc. (AAKP) are adequately protected and maintained and to ensure that records that are no longer needed by AAKP or are of no value are discarded at the proper time. This policy is also for the purpose of assisting AAKP professional staff in understanding its obligation in retaining electronic documents, including e-mails, Web files, PDF documents, and all Microsoft Office or other formatted files.

## **Section 2. Definitions.**

(A) A record is recorded information, regardless of medium or characteristic, which can be retrieved at any time. It includes all original documents, papers, letters, cards, books, photographs, sound or video records, magnetic tape, electronic media, and other information containing media that are generated and/or received in connection with transaction of the organization's business. If not indicated otherwise, these are the records to which the Record Retention Schedule applies.

(B) Non-records material includes duplicate copies or correspondence, duplicate copies of records used for short-term reference purposes, blank forms, stocks of publications, directories and transitory messages used primarily for the informal communications of information. Transitory messages do not set policy, establish guidelines or procedure, certify at transaction, or become a receipt. Transitory messages may include, but are not limited to, email messages with short lived or no administrative value, voice mail, and telephone messages.

## **Section 3. Administration of the Policy.**

(A) Attached to this policy, at Appendix A, is a Record Retention Schedule that is hereby approved as the initial maintenance, retention, and disposal schedule for physical records of AAKP and the retention and disposal of electronic records. The AAKP Executive Director, or his/her designee, such as the Director of Office Operations, is the individual(s) in charge of the administration of this policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed.

(B) The Executive Director is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with any applicable local, state, and federal laws and includes the appropriate document and record categories for AAKP; monitor applicable local, state, and federal laws affecting record retention; annually review the record retention and disposal program; monitor compliance with this policy; and implement operational procedures to ensure compliance with this policy.

(C) While records should be destroyed when the retention period has passed, the historical or archival value of some records should be considered in light of future research, public relations, or corporate mission purposes. AAKP professional staff members may request an exception to this policy by presenting an assessment of the particular situation to the Executive Director.

(D) The Record Retention Schedules does not apply to non-records. Non-records are maintained for as long as administratively needed and may be discarded when the business use has terminated.

#### **Section 4. Suspension of Record Disposal in Event of Litigation or Claims.**

If AAKP is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning AAKP or the commencement of any litigation against or concerning AAKP, such employee shall inform the Executive Director and any further disposal of documents shall be suspended until such time as the Executive Director, with the advice of counsel as applicable, determines otherwise. The Executive Director shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

#### **Section 5. Applicability.**

This policy applies to all physical records generated in the course of AAKP operation, including both original documents and reproductions and this policy applies to the electronic documents described in Section 1.

#### **Section 6. Reservation of Authority.**

Except as otherwise expressly delegated in this policy, the Board of Directors of the Association reserves the right to modify, amend, and abolish this policy by majority vote at any regular meeting of the Board or any special meetings of the Board called for that purpose.

## **APPENDIX A – RECORD RETENTION SCHEDULE**

The Record Retention Schedule is organized as follows:

### **SECTION TOPIC**

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Correspondence and Internal Memoranda
- E. Electronic Documents
- F. Insurance Records
- G. Legal Files and Papers
- H. Payroll Documents
- I. Pension Documents
- J. Personnel Records
- K. Property Records
- L. Tax Records
- M. Dues and Special Assessment Records
- N. Programs & Services Records
- O. Fiscal Sponsor Project Records
- P. Historical/Archival

### **A. ACCOUNTING AND FINANCE**

<b>Record Type</b>	<b>Retention Period</b>
Accounts Payable ledgers and schedules	7 Years
Accounts Receivable ledgers and schedules	7 Years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit records, including work papers other documents that relate to the audit.	7 Years after completion of and Audit
Annual Budgets	Permanent
Bank Statement and Canceled Checks	7 Years
General Ledgers	Permanent
Interim Financial Statements	7 Years

## **B. CONTRACTS**

### **Record Type**

Contracts  
(Including any proposal that resulted in the contract and all other supportive documentation if/as applicable).

### **Retention Period**

3 years after expiration or termination.

## **C. CORPORATE RECORDS**

### **Record Type**

Corporate Records (corporate seals, articles of incorporation, bylaws, strategic plans, meeting packets, minutes of Board, Executive Committee, and Executive Committee.)

### **Retention Period**

Permanent

Licenses and Permits

Permanent

## **D. CORRESPONDENCE AND INTERNAL MEMORANDA**

**General Principal:** Most correspondence and internal memoranda should be retained for the same period as the record they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract (3 years after expiration). Records that support a particular project should be kept with the project and take on the retention time of that particular project life.

Correspondence or memoranda that do not pertain to documents having a prescribed retention period should generally be discarded sooner. These may be divided into two general categories.

1. Those pertaining to routine matters and having no significant, lasting consequences should be discarded within 2 years. Some examples include:
  - Routine letters and notes that require no acknowledgement or follow-up, such as notes or appreciation, congratulations, letters of transmittal, and plans for meetings.
  - Form letters that require no follow-up.
  - Letters of general inquiry and replies that complete a cycle of correspondence.
  - Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).

- Other letters of inconsequential subject matter or closed correspondence to which no further reference will be necessary.
2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

**E. ELECTRONIC DOCUMENTS**

1. **Electronic Mail:** Email communications, messages, and documents transmitted by email are similar to paper documents. They may be considered records, subject to the Record Retention Schedule. To determine whether an email is such a record, the email will be treated as if it were a paper document or record. If a paper document would be retained as a record because of its content, then an email message with the same content must be treated as a paper record, subject to the Record Retention Schedule.
2. **Electronic Documents:** including Microsoft Office Suite and PDF files. Retention depends on the subject matter. The length of time that an electronic document should be retained must be based upon the content of the file, the category under the various sections of this policy, and its determination of a record under the Record Retention Schedule.

**F. INSURANCE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Annual Loss Summaries	7 years
Audits and Adjustments	7 years
Claims Files (including correspondence, medical records, injury documentation, etc.)	Permanent
Group Insurance Plans (Medical, Dental, Vision and Life) – Active Employees (If Applicable)	Until Plan is amended or terminated
Group Life Insurance Plans – Retirees	Permanent or until 6 years after death of last eligible participant.
Insurance Policy (D&O and/or other as applicable) (Including expired policies)	7 years

## **G. LEGAL FILES AND PAPERS**

<b>Record Type</b>	<b>Retention Period</b>
Legal Memoranda and Opinions (Including all subject matter files)	Permanent
Litigation Files	Permanent
Court Orders	Permanent
Requests for Departure from Records Retention Schedule	10 Years

## **H. PAYROLL DOCUMENTS**

<b>Record Type</b>	<b>Retention Period</b>
Employee Deduction Authorizations	Termination + 7 years
Payroll Deductions	Termination + 7 years
W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Labor Distribution cost Records	Termination + 7 years
Payroll Registers (gross and net)	Termination + 7 years
Time Cards/Sheets	Termination + 7 years
Unclaimed Wage Records	Termination + 7 years

## **I. PERSONNEL RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Employee Retirement Records (401K if applicable)	Termination + 7 years
Bonuses/Incentives/Awards	Termination + 7 years
Personnel Policies (Employee Handbook)	7 Years

Only applicable to AAKP Policy changes

Employee Personnel Records (Including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training, and qualification records)	Termination + 7 years
Employment Contracts – Individual	Termination + 7 years
Employment Records – Correspondence with Employment Agencies and Advertisements for Job Openings.	One year from date of hiring decision.
Form I-9	Termination + 7 years

## **J. TAX RECORDS**

**General Principle:** AAKP must keep books of accounts or records as are sufficient to establish the amount of gross income, deductions, credits, or other matters required to be shown in any such return.

These documents and records shall be kept for as long as the contents thereof may become material in the administration of federal, state, and local income

<b>Record Type</b>	<b>Retention Period</b>
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Payroll Tax Records	7 years
Tax Bills, Receipts, Statements	7 years
Tax Returns Federal and State– (990's, 1099's, W-2 and W-3 records)	Permanent
Sales/Use Tax Records	7 years

IRS or other Government Audit Records                      Permanent

**K.     PROGRAM AND SERVICE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Conferences, Educational and Policy Convenings (Programs, advertisements, final work products)	5 Years (1 copy only)
Consultants' Work product	5 Years
Research & Publications	5 Years (1 copy only)

**L. HISTORIAL/ARCHIVAL**    Permanent