

**POLICY: Records Retention and Archiving**

**Policy Number: WBP-1**

**Effective Date: April 15, 2009**

**Responsible Officer: President**

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**OBJECTIVE**

**1.**

1.1. The purpose of this SOP is to outline the record retention and archiving policy for the Bucks County Association for the Education of Young Children

**DEFINITIONS**

**2.**

2.1. Company – The Bucks County Association for the Education of Young Children (“BCAEYC”)

**RESPONSIBILITIES**

**3.**

The following personnel are responsible for activities referenced in this document:

**Treasurer** is responsible for maintaining controls over the Accounting System, Accounting Files, Tax Returns, Human Resource System and files.

**President** is responsible for maintaining control and the approving of any documents that would be destroyed after the retention time period.

**Secretary** is responsible for recording and retaining the minutes from board meetings.

**PROCEDURE**

**1.**

1.1. The following outline from the Internal Revenue Service will define both what will need to be retained along with the required length of time for business records and documents:

<b>Document</b>	<b>Retention Time</b>
Accident Reports/Claims (Settled Cases)	7 Years
Accounts Payable Ledgers And Schedules	7 Years
Accounts Receivable Ledgers And Schedules	8 Years
Audit Reports	Permanently
Bank Statements	3 Years
Capital Stock And Bond Records: Ledgers, Transfer Registers, Stubs Showing Issues, Record of Interest Coupons, Options, Etc.	Permanently
Charts Of Accounts	Permanently

<b>Document</b>	<b>Retention Time</b>
Checks (Cancelled Checks For Important Payments), Special Contracts, Purchase Of Assets, Payment Of Taxes, etc. Checks Should Be Filed With The Papers Pertaining To The Underlying Transaction	Permanently
Checks (Cancelled Except Those Noted Above)	7 Years
Contracts And Leases (Expired)	7 Years
Contracts And Leases Still In Effect	Permanently
Correspondence, General And Schedules	2 Years
Correspondence, Legal And Important Letters	Permanently
Correspondence, Routine With Customers/Vendors	2 Years
Deeds, Mortgages And Bills Of Sale	Permanently
Depreciation Schedules	Permanently
Employee Personnel Records (After Termination)	7 Years
Employment Applications	3 Years
Financial Statements (Year-end, Other Months Optional)	Permanently
General Ledgers, Year-end Trial Balances	Permanently
Insurance Records, Policies, etc.	Permanently
Internal Audit Reports (Miscellaneous)	3 Years
Inventory Records	7 Years
Invoices to Customers Or From Vendors	7 Years
IRA And Keogh Plan Contributions, Rollovers, Transfers And Distribution	Permanently
Minute Books Of Directors, Stockholders, Bylaws & Charter	Permanently
Payroll Records, Summaries And Tax Returns	7 Years
Petty Cash Vouchers	3 Years
Property Records, Including Costs, Depreciation Reserves, Year-End Trial Balances, Depreciation Schedules, Blueprints, And Plans	Permanently
Purchase Orders	3 Years
Receiving Sheets	1 Year
Safety Records	6 Years

<b>Document</b>	<b>Retention Time</b>
Sales Records	7 Years
Grant awards and contributions	7 Years
Stock And Bond Certificates (Cancelled)	7 Years
Subsidiary Ledgers	7 Years
Tax Returns, Revenue Agents' Reports, And Other Documents Relating To Determination Of Income Tax Liability	Permanently
Time Cards And Daily Reports	7 Years
Trademark Registrations, Patents, And Copyrights	Permanently
Voucher Register And Schedules	7 Years
Vouchers For Payments To Vendors, Employees, etc. (Includes Allowances & Reimbursements Of Employees, Officers, etc., For Travel & Entertainment Expenses)	7 Years

- 1.2. The normal statute of limitations on federal returns is three years. Under some circumstances it is six years, and if you fail to file a return or there is fraud involved, the statute of limitations does not close. BCAEYC will follow all federal regulations and guidelines.
- 1.3. All financial and corporate related documents are maintained by the President and Treasurer.
- 1.4. The President and Secretary will maintain all Human Resource and Personnel records.
- 1.5. Documents maintained in an electric format are stored on a server that is backed-up on a weekly and daily basis. Back-up tapes are maintained offsite.
- 1.6. When documents are nearing the end of their retention period, they could be destroyed via a paper shredding process.
  - 1.6.1. Documents will only be destroyed with the approval of the President.
  - 1.6.2. Boxed documents will be destroyed and observed by the Treasurer/Secretary.
- 1.7. The company physical records are stored in a locked storage facility or the office the President or Treasurer.
  - 1.7.1. Documents are secured in a locked filing cabinet or secured in a locked desk.
  - 1.7.2. Computers will be password protected

