



# CFAR

## CENTER FOR APPLIED RATIONALITY

### Document Retention and Destruction Policy

#### 1. Purpose

This policy provides for the systematic review, retention and destruction of documents received or created by Center For Applied Rationality (“CFAR”) in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with applicable federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate CFAR’s operations by promoting efficiency and freeing up valuable storage space.

#### 2. Document Retention

CFAR follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

#### Record Type

#### Retention Time

#### Corporate Records

Articles of Incorporation	Permanent
Board Meeting Minutes	Permanent
Board Policies/Resolutions	Permanent
By-laws and Amendments	Permanent
Construction Documents	Permanent
IRS Application for Tax-Exempt Status IRS	Permanent
Determination Letters	Permanent

State Sales Tax Exemption Letter Permanent

### **Accounting and Corporate Tax Records**

Annual Audits and Financial Statements Permanent  
Depreciation Schedules Permanent  
General Ledgers Permanent  
IRS 990 Tax Returns Permanent  
State Unemployment Tax Records Permanent  
Payroll Registers Permanent  
Fixed Asset Records Permanent  
Business Expense Records 7 years  
Bank Statements and Reconciliation 7 years  
Garnishment Records 7 years  
IRS 1099s 7 years  
W-2 Statements 7 years  
Payroll Tax Returns 7 years  
Sales Records (with contract) 6 years  
Sales Records (without contract) 3 years  
Cash Receipts 3 years  
Credit Card Receipts 3 years

### **Contributions, Gifts, and Grants**

Contribution Records Permanent  
Documents Evidencing Terms of Gifts Permanent  
Grant Records 7 years after grant period

### **Employee Records**

Employment and Termination Agreements Permanent  
Retirement and Pension Plan Documents 5 years  
Accident Reports and Worker's Compensation Records 3 years after termination  
I-9 Forms

### **Legal, Insurance and Safety Records**

Appraisals Permanent  
Copyright Registrations Permanent  
Insurance Policies Permanent  
Real Estate Documents Permanent  
Stock and Bond Records Permanent  
Trademark Registrations Permanent  
Leases 6 years after expiration  
OSHA Documents 5 years

General Contracts

6 years after termination

### **3. Electronic Documents and Records**

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. Backup and recovery methods will be tested on a regular basis.

### **4. Emergency Planning**

CFAR's records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping CFAR operating in an emergency will be stored electronically and backed up at least every week off site.

### **5. Document Destruction**

CFAR's Executive Director is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

### **6. Compliance**

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against Center For Applied Rationality and its employees and possible disciplinary action against responsible individuals. The Executive Director will periodically review these procedures with the organization's certified public accountant to attempt to ensure that they are in compliance with new or revised regulations.