



## **Document Retention and Destruction Policy**

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### **I. Purpose**

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this Policy provides for the systematic review, retention and destruction of documents received or created by United Cerebral Palsy (“UCP”) in connection with the organization's business. This Policy covers all records and documents, whether in hard copy or in electronic media (both of which may be referred to as “Documents” in this Policy), contains guidelines for how long certain documents should be kept and how records should be destroyed. This Policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate UCP's operations by promoting efficiency and freeing up valuable storage space. Notwithstanding the foregoing, UCP reserves the right to revise or revoke this Policy at any time.

### **II. Responsibilities**

This Policy relates to the responsibilities of Board members, staff, volunteers, and outsiders with respect to retention, storage, and destruction of UCP's Documents.

- This Policy shall be provided to all members of UCP's Board of Directors.
- This Policy shall be distributed at staff orientation and referenced in the staff handbook, as it applies to every member of UCP's staff. Members of the staff are expected to be familiar with this Policy, to act in accordance with this Policy, and to assist the administrator of this policy, UCP's [Title of person] (“Administrator”), as requested, in implementing this Policy.
- This Policy applies to volunteers in the same manner that it applies to UCP's staff. Volunteers whose activities involve creation, use, retention, storage, or destruction of Documents on behalf of UCP shall be provided with this Policy and required to comply with it.
- Outsiders may include vendors or other service providers. Depending upon the sensitivity of the Documents involved with the particular outsider relationship, UCP, through the Administrator, may share this Policy with the outsider, requesting compliance. In particular instances, the Administrator may require that the contract with the outsider specify the particular responsibilities of the outsider with respect to this Policy.

### **III. Suspension of Document Destruction; Compliance**

In the event the Administrator becomes aware that litigation, a governmental audit, or a government investigation has been instituted, or is reasonably anticipated or contemplated, the Administrator shall

immediately issue a notice, known as a "Legal Hold," that orders a halt to all Document destruction under this Policy, communicating the Legal Hold to all affected constituencies in writing. The Administrator may thereafter amend or rescind the Legal Hold only after conferring with legal counsel. If any Board member, staff member, volunteer, or outsider required to comply with this Policy becomes aware that litigation, a governmental audit, or a government investigation has been instituted, or is reasonably anticipated or contemplated, with respect to UCP, and is not sure whether the Administrator is aware of it, the Board member, staff member, volunteer, or outsider shall make the Administrator aware of it. Failure to comply with this Policy, including, particularly, disobeying any Legal Hold or other destruction halt order, could result in possible civil or criminal sanctions. In addition, for staff, failure to comply with this Policy, including any Legal Hold, is grounds for disciplinary action, including possible termination.

#### **IV. Electronic Documents; Document Integrity.**

Documents in electronic format ("Electronic Documents") shall be maintained just as hard copy or paper Documents are, in accordance with the Document Retention Schedule. Due to the fact that the integrity of Electronic Documents, whether with respect to the ease of alteration or deletion, or otherwise, may come into question, the Administrator shall attempt to establish standards for Electronic Document integrity, including guidelines for handling Electronic Document files, backup procedures, archiving of Electronic Documents, and regular checkups of the reliability of the system; provided, that such standards shall only be implemented to the extent that they are reasonably attainable considering the resources and other priorities of UCP.

#### **V. Privacy**

It shall be the responsibility of the Administrator, in coordination with UCP's Privacy Officer and after consultation with counsel, to determine how privacy, security, and data breach notification laws and rules (collectively, "Privacy Laws") will apply to UCP's Documents from and with respect to employees and other constituencies; to establish reasonable procedures for compliance with such Privacy Laws; and to allow for audit and review of UCP's compliance with Privacy Laws on a regular basis.

#### **VI. Document Retention**

Documents shall be retained for at least the minimum retention periods shown in the attached **Appendix A**. If a Document falls into more than one category, it should be retained for the longest applicable retention period. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

#### **VII. Electronic Documents and Records**

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

#### **VIII. Emergency Planning**

UCP's records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping UCP operating in an emergency will be duplicated or backed up at least **every week** and maintained **off site**. The Administrator shall develop reasonable procedures for document retention in the case of an emergency.

## **IX. Document Destruction**

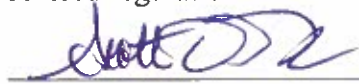
UCP's Chief Executive Officer/designee is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding. This will occur annually during the month of July for all documents that met expiration criteria in the previous fiscal year. All electronic Documents shall be deleted by the IT department, which shall log any such document deletion.

Prior to the destruction of client records UCP will provide a public notice to inform clients of destruction of records.

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.

## **X. Compliance**

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



Scott Tash, CEO



Date

**Appendix A**  
**Document Retention Schedule**

- A. Finance and Tax Documents. Documents relating to finance must be retained for the following time periods, and may be destroyed only upon the expiration of the following time periods:

1. Annual reports/financial statements	Permanent
2. Audit reports (external or internal)	10 years
3. Accounts payable	10 years
4. Accounts Receivable	10 years
5. Bank statements/check registers/records	Permanent
6. Budget records	10 years
7. Canceled Checks – routine	10 years
8. Canceled Checks – canceled for important purpose	Permanent
9. Cash receipts/disbursements	10 years
10. Credit Card Receipts	10 years
11. Employee/Business Expense Reports/Documents	10 years
12. General Ledgers	Permanent
13. Financial Statements	10 years
14. Inventory Records	10 years
15. Journal Entries	Permanent
16. Vendor invoices	10 years
17. IRS Rulings	Permanent
18. FUTA/FICA/Income Tax Withholding reports	10 years
19. Payroll Tax Reports	Permanent
20. Sales Tax Returns	Permanent
21. Sales Tax Exemptions	Permanent
22. Depreciation Schedule	10 years
23. IRS Exemption Application	Permanent
24. IRS Exemption Determination Letter	Permanent
25. State Exemption Application	Permanent
26. State Exemption Determination Letter	Permanent
27. Employer Identification (EIN) Designation	Permanent
28. Federal and State tax returns and reports	Permanent
29. CMS Loan documents	Permanent

- B. Development. Documents relating to fundraising and development must be retained according to the following timetables, and may be destroyed only upon the expiration of the following time

periods.

1. Contribution Records	Permanent
2. Documents Evidencing Terms of Gifts	Permanent
3. Grant Records	10 years after end of grant period

- C. Real Estate. Documents relating to real estate must be retained according to the following timetables, and may be destroyed only upon the expiration of the following periods:

1. Plans and Blueprints	Permanent
2. Property Appraisals	Permanent
3. Property Sales Transactions and closing documents	Permanent
4. Requisitions/Estimates on Work	1 year
5. Deeds	Permanent
6. Title Insurance	Permanent
7. Leases	10 years
8. Mortgages	Permanent

- D. Corporate. Corporate records and related Documents must be retained for the following time periods, and may be destroyed only upon the expiration of the following time periods:

1. Articles of Incorporation and Amendments	Permanent
2. Bylaws and Amendments	Permanent
3. Minutes of Board Meetings	Permanent
4. Minutes of Board Committee Meetings	Permanent
5. Annual Reports to Attorney General & Secretary of State	Permanent
6. Licenses and Permits	Permanent
7. Copyright, trademark, patent	Permanent
8. Policies and Procedures	Permanent

- E. Insurance. Documents related to insurance must be retained for the following time periods, and may be destroyed only upon the expiration of the following time periods:

1. Expired Insurance Policies	10 years
2. Automobile Insurance Claims	10 years
3. Disability Insurance Claims – After Termination	10 years
4. Fire Inspection Reports	10 years
5. Insurance Appraisals	10 years
6. Safety Records	10 years
7. Foreign Insurance Policies	10 years
8. Incident reports	10 years

- F. Legal and Contracts. Documents relating to contracts (other than those contracts specified in other

sections of this Document Retention Schedule) must be retained according to the following timetables, and may be destroyed only upon the expiration of the following time periods:

1. Contracts, related correspondence and other supporting documentation	10 years from completion of contract
2. Business Permits	Permanent
3. Claims and Litigation Concerning Torts and Breach Of Contract	10 years from end of litigation
4. Legal correspondence	Permanent
5. Notes Receivable – cancelled	10 years

G. Employment. Documents relating to employment must be retained according to the following timetables, and may be destroyed only upon the expiration of the following time periods:

1. Contractors	10 years from completion of contract
2. Employee contracts	10 years after termination
3. Attendance Records	10 years
4. Employee health, dental, and life benefits	10 years
5. Employee health records	10 years
6. Employment Application – Not Hired	10 years
7. Garnishments	10 years
8. Compensation (wage rates, salary history and schedules)	10 years
9. Time Reports	10 years
10. Employee tax records	Permanent
11. Vacation/Sick pay	10 years
12. Pension Plan Agreement and amendments	Permanent
13. Retirement benefit records	10 years
14. Performance Record – After Termination	10 years
15. Personnel Records	10 years after employment ends
16. Personnel Files – Current Employees	Permanent
17. Safety Reports	10 years
18. Worker Compensation Benefits	10 years
19. Family & Medical Leave Records	10 years
20. Employee Training and Attendance Records	10 years
21. Personnel policies and employee handbooks	10 years

H. Regulatory. Documents relating to regulation by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (“CMS”), the Maine Department of Health and Human Services (“DHHS”), or other governmental entities must be retained for the following time periods, and may be destroyed only upon the expiration of the following time periods:

1. Health professional credentialing files	3 years
2. HIPAA-related policies and documents and communications required by HIPAA	Later of 6 years from (i) the document's creation, or (ii) the date the document was last in effect
3. Audit reports	Permanent

- I. Buildings, Facilities, and Equipment. Documents relating to buildings, facilities, and equipment shall be retained according to the following timetables, and may be destroyed only upon the expiration of the following time periods:

1. Blueprints of building	Duration of ownership
2. Hazardous waste manifest records, exception records to EPA, lab test data, inspection records and reports, leak testing	10 years
3. Local, county correspondence and reports regarding sewer, water, and other compliance	10 years
4. Equipment operating instructions	Life of equipment plus 10 years
5. Equipment maintenance log and inspection records	10 years

J. Client Records

1. Children (with exception of CDS and K-12 record referenced below)	6 years after age of majority
2. Children's Special Education Records (CDS and K-12)	Permanent
3. Adult	3 years after last date of service
4. Targeted Case Management (Adults)	7 years after last date of service
5. Client records that have been involved in legal proceedings, DHHS reports or audits should be kept for	Minimum of ten (10) years. If an audit is initiated within the five (5) year retention period, the records must be retained until the audit is completed and a cost settlement has been made or a minimum of ten(10) years, whichever is greater.
6. Financial Records for Representative Payee clients	12 years from last Rep Payee service date

- K. Management & Miscellaneous. Documents relating to management, and other miscellaneous Documents, must be retained according to the following timetables, and may be destroyed only upon the expiration of the following time periods:

1. Consultant Reports – RN, Pharmacy, and Dietary	10 years
2. Consumer Satisfaction Survey	10 years
3. Disaster Recovery Plan	10 years after replacement
4. Fire Drill Log	10 years
5. Licensing Surveys	10 years
6. Resident Records	10 years
7. Strategic Plans	10 years after expiration

L. Correspondence. Documents in the form of correspondence, internal memoranda, or email, whether in hard copy or electronically stored, must be retained according to the following timetables and may be destroyed only upon the expiration of the following time periods. Documents should be stored electronically rather than in hard copy whenever possible, and should be archived in a manner that promotes easy access to all related Documents.

- Correspondence, internal memoranda, and emails relating to a particular Document otherwise addressed in this Document Retention Schedule must be retained for the same period as the Document to which they relate.
- Correspondence and internal memoranda relating to routine matters with no lasting significance should be retained for two (2) years.
- Correspondence and internal memoranda important to UCP or having lasting significance must be kept permanently.