

Harlem Academy Records Retention Policy

(Adopted by the Board of Trustees on October 10, 2012)

Policy Statement

This memorandum sets forth the policies and procedures for the management of Documents (as defined below) created, used or stored by or on behalf of Harlem Academy (the "School"). It is based upon applicable legal and operational requirements.

This Document Retention Policy applies to all departments of the School, and to all School trustees, employees, interns and other volunteers who create, use, or store the School's records. It also applies to any contractors, consultants, vendors and other third parties involved in the creation, use, or storage of any paper and electronic records that belong to the School.

Objective

The objective of this Document Retention Policy is to establish a consistent policy for managing, retaining, storing and disposing of Documents, regardless of the media in which they are created, in order to:

- A. ensure the preservation of Documents relevant to any pending, threatened, reasonably foreseeable or contemplated legal action or proceeding or government investigation;
- B. ensure that Documents required for the School's operations are maintained in an efficient manner so they can be readily accessed when necessary;
- C. comply with applicable legal requirements for retaining Documents;
- D. reduce the volume and cost of storing Documents that are no longer needed by the School; and
- E. ensure an appropriate and orderly Document disposal process.

Policy

The general policy of the School is to retain for an appropriate time all Documents that are needed to operate the School or required by law to be retained. Documents should be retained or routinely disposed of in accordance with the time periods indicated in the Document Retention Schedule, attached as Exhibit A. These time periods apply to all Documents regardless of how or where they are maintained.

"Document" means any document, communication, memorandum, report, record, data compilation or other similar item generated, received, transmitted or maintained by (i) the School, or (ii) any of the School employees for or on behalf of the School (including informational, working and personal copies), regardless of the format or storage method of or medium used to store the item, including any paper, chart, card, book, photograph, microfilm, microfiche, magnetic media, daytimer, electronic calendar, computer tape, floppy disk, zip drive, computer hard drive, e-mail, electronic image or CD-ROM, and any copy, back-up or printout thereof.

Paper documents should be stored in a safe, secure, and accessible manner, either onsite or a contracted storage facility offsite. Electronic documents will be retained as electronically, with appropriate backup and recovery methods.

Any documents relevant to impending or ongoing litigation, government investigation, or audit must be retained until such matters have been resolved, all appeals are exhausted, and the retention period has expired. Destruction of relevant documents must cease, including the destruction of documents according to approved retention periods, when such a document hold is in place. All notifications to employees regarding document holds (suspension and reinstatement) will be issued by the Head of School.

Each department is responsible for the on-going compliance with the policy and will conduct an annual review of all Documents maintained in or by employees of the Department. The results of annual reviews will be documented and provided to the Finance Director. If a Department is uncertain whether a particular Document should be retained or disposed of per Exhibit A, he or she should seek advice from the Head of School who will make the final determination.

To the extent original versions of Documents to be retained are available, only the originals will be retained. Copies should not be retained. If an original is not available, only one copy will be retained. Only the most recent draft of a Document should be retained. Once a draft has been superseded by a new draft, the old draft should be disposed appropriately.

Documents must not be retained beyond their retention periods as defined in Exhibit A unless valid business reasons for their continued retention are provided or they are the subject of a document hold. Destruction of records pursuant to this policy should occur regardless of the medium in or on which records appear or their location. As a general rule, records should be destroyed if:

- They have outlived their retention period per Exhibit A, **and**
- Continued preservation is not required per a current document hold.

School Documents should be reviewed for retention no less than annually.

The standard methods of destruction are by recycling (as long as not confidential), or by shredding. Destruction of records may occur on-site or through an outside vendor who has provided written assurance of confidentiality. All destruction of records should be conducted in a secure and confidential manner. Electronic Documents will be disposed of by the information technology department.

Policy Revisions

Each Department is also responsible for ensuring the review and revision, if applicable, of its Document Retention Schedule. Periodically, it may be required that new categories of records be added or that categories that are no longer applicable be removed. It is recommended that each Department review its Document Retention Schedule every three years for accuracy.

Exhibit A

| Organization Records | |
|---|----------------------------------|
| Annual Reports | Permanent |
| Articles of Incorporation | Permanent |
| Board Meeting and Board Committee Minutes | Permanent |
| Board Policies/Resolutions | Permanent |
| Bylaws | Permanent |
| IRS Application for Tax-Exempt Status | Permanent |
| IRS Determination Letter | Permanent |
| State Sales Tax Exemption Letter | Permanent |
| Training manuals & handbooks | Permanent |
| Long-Term Strategic Plans | Permanent |
| Capital Construction Project File | 7 years after project completion |

| Finance & Accounting Records | |
|---|-----------|
| Petty Cash Vouchers | 3 years |
| Budget | 3 years |
| Sales Records | 5 years |
| Cash Receipts | 7 years |
| Invoices (to customers, from vendors) | 7 years |
| Journal Entries | 7 years |
| Business Expense Records | 7 years |
| Credit Card Receipts | 7 years |
| IRS Forms 1099/1096 | 7 years |
| Bank Statements and Reconciliations | 7 years |
| Bank Deposit Slips | 7 years |
| Check Registers | 7 years |
| Check Disbursements | 7 years |
| Financial statements (interim/internal) | 7 years |
| State/Federal Reimbursement Claims | 7 years |
| Fixed Asset & Depreciation Records | Permanent |
| IRS Form 990 Tax Returns | Permanent |
| General Ledgers | Permanent |
| Annual Audits and Financial Statements | Permanent |
| Depreciation Schedules | Permanent |
| Deeds, mortgages and bills of sales | Permanent |

| <i>Employee Records</i> | |
|--|---------------------------|
| Time Cards | 3 years |
| Worker's Compensation/Disability Records | 5 years |
| Personnel Records | 7 years after termination |
| Employment Contracts | 7 years after termination |
| State and Federal Employment Forms | 7 years after termination |
| Employment and Termination Agreements | Permanent |
| Retirement and Pension Plan Documents | Permanent |

| <i>Payroll and Employment Tax Records</i> | |
|--|---------|
| Payroll Tax Returns | 7 years |
| Earnings Records | 7 years |
| Garnishment Records | 7 years |
| W-2 Statements | 7 years |
| Payroll Registers | 7 years |
| State Unemployment Tax Records | 7 years |

| <i>Legal, Insurance, and Safety Records</i> | |
|--|---|
| Insurance Policies occurrence based | 3 years after expiration of coverage period |
| Insurance Policies – claims made | Permanent |
| Contracts (including real estate leases) | 7 years after termination/expiration |
| Audits – Other (Policies, Projects, Public Funding, etc) | 7 years |
| Real Estate Documents | Permanent |
| Claims and litigation files | Permanent |
| Correspondence (legal and important matters) | Permanent |
| Emergency Response Plans | Permanent |

| <i>Student Records (Period effective date is date of graduation or student withdrawal)</i> | |
|---|-----------|
| Admission Applications – Non-enrolled Students | 1 Year |
| Student Test Records | 1 year |
| Health Files | 2 years |
| Financial Aid Files | 5 years |
| Basic Educational Data System (BEDS) records | 5 years |
| Transcripts | Permanent |
| Academic Records | Permanent |
| Attendance Records | Permanent |

| <i>Food Management & Child Nutrition</i> | |
|---|---------|
| Program Records (Lunch applications, rosters, etc) | 3 years |
| Inspection Reports | 3 years |
| Program Participation Agreement | 7 years |

| <i>Development & Communications Records</i> | |
|--|--------------------------|
| Grant Applications – Non-awarded | 3 years |
| Donor Records/Acknowledgment Letters (excluding Master File) | 7 years |
| Grant Applications and Contracts | 7 years after completion |
| Images (Pictures, Logos, etc) | Permanent |
| Publications | Permanent |
| Fund/Trust Agreements and Statements | Permanent |
| Master Summary File of Donor Gifts/Grants | Permanent |