

RECORDS RETENTION – Operations Policy and Procedure

Policy

OUUC shall ensure that necessary records and documents are adequately protected, maintained, and destroyed in compliance with generally accepted legal requirements and church practice. To accomplish this a Record Retention and Destruction Procedure shall be maintained and periodically updated.

Procedure

- A. The Church Administrator (hereinafter referred to as Administrator) shall maintain and oversee compliance with the Record Retention and Destruction Schedule (hereinafter referred to as Schedule).
- B. The Administrator shall periodically monitor local, state, and federal laws affecting record retention to ensure that the Schedule complies.
- C. The Administrator shall conduct an annual review of the Schedule and make recommendations to the Minister as to records that have reached or exceeded their retention requirement and are eligible for destruction. The Minister shall review the information for proposed destruction and make the final determination. The Minister shall inform the board of compliance with the retention policy.
- D. In the event OUUC is served with any subpoena, request for documents, or any employee becomes aware of a governmental investigation or audit, such employee shall immediately inform the Administrator and Minister. Any further disposal of the documents shall be suspended until such time as the Minister and the Board determine otherwise the Administrator shall take such steps as are necessary to promptly inform all staff of any suspension in the future disposal of related documents.
- E. These procedures apply to all physical and electronic records generated in the course of OUUC operations.
 - a. All business-related email shall be maintained in an off-site server.
 - b. Staff shall not store or transfer OUUC related email on non-work-related computers except as necessary or appropriate for OUUC purposes.
 - c. Staff shall not send confidential or proprietary OUUC information to outside sources.
- F. The Administrator shall ensure that records are safely retained according to the retention schedule. Safe retention includes such options as use of an off-site server or fireproof cabinets. Priority shall be given to backing up records requiring permanent retention.

RECORD RETENTION SCHEDULE

RECORD TYPE		RETENTION PERIOD
Accounting and Financial		
Accounts payable & accounts receivable ledgers and schedules.		7 years

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Annual audit reports and financial statements	Permanent
Annual audit records, including work papers and other documents that relate to the audit	7 years after completion of audit
General Ledgers	7 years
RECORD TYPE	RETENTION PERIOD
Accounting and Financial continued	
Notes receivable ledgers and schedules	7 years
Bank statements and canceled checks	7 years
Employee expense records	7 years
Investment records	7 years after sale of investment
Invoices from vendors	7 years
Donor or customer credit card numbers	Full credit card numbers should not be retained any longer than immediate business needs and merchant account agreements dictate
Corporate Records	
Articles of incorporation, amendments, certification of incorporation and corporate records to the state	Permanent
Bylaws, amendments, and revisions	Permanent
Signed minutes of the Board	Permanent
Record Type	RETENTION PERIOD
Corporate Records continued	
License and permits	Permanent

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Payroll Documents	
Employee deduction authorizations	Termination + 7 years
Payroll deductions	Termination + 7 years
W-2, W-4 and 1099 forms	7 years
Garnishments, assignments, attachments	Termination + 7 years
Payroll registers (gross and net)	7 years
Time cards/sheets	2 years
Unclaimed wage records	6 years
Personnel Records	
Commissions/bonuses/incentives/awards	7 years
Employee earning records	Separation + 7 years
Employee handbooks	1 copy kept permanently
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)	Separation + 7 years
Employee contracts--individual	Separation + 7 years
Employment records—correspondence with employment agencies and advertisements for job openings	3 years from date of hiring decision
Employment records—all non-hired applicants (including all applications and resumes—whether solicited or unsolicited, results of post offer, pre employment physicals, results of background investigations, if any, related correspondence)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
RECORD TYPE	RETENTION PERIOD

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Personnel Records continued	
Job descriptions	3 years after superseded
Forms I-9	3 years after hiring, or 1 year after separation if later
Tax Records	
Tax-exemption documents and related correspondence	Permanent
IRS rulings	Permanent
Payroll tax records	7 years
Tax bills, receipts, statements	7 years
Tax returns--income, property, payroll, and excise	Permanent
Annual information returns—federal and state	Permanent
IRS or other government audit records	Permanent
Contribution Records	
Records of contributions	7 years
Documents evidencing terms, conditions, or restrictions on gifts	7 years after funds are expended
Endowment, Legacy Giving documents	Permanent
Property and Liability records	
Correspondence, property deeds, assessments, licenses, rights of way, easements	Permanent
Property and liability insurance policies	Permanent
Contracts	
Contracts and related correspondence (including any proposal that resulted in the contract and all other supportive documentation)	7 years after expiration or termination

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RECORD TYPE		RETENTION PERIOD
Email and Web browsers		
All email from internal or external sources		12 months
Email deleted by staff		6 months after staff deleted, then permanently deleted

NOTE: Policy and Procedures taken, with adaptation for OUUC, as recommended in Church Finance, 2nd Edition: The Church Leader's Guide to Financial Operations, by Michael E. Batts, CPA.