

**THE NATOMAS BASIN CONSERVANCY
DOCUMENT RETENTION AND DESTRUCTION POLICY**

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 the Natomas Basin Conservancy (Conservancy) 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 federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate the Conservancy's operations by promoting efficiency and freeing up valuable storage space.

Document Retention

The Conservancy 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.

Because of its role as the "Plan Operator" of the Natomas Basin Habitat Conservation Plan (NBHCP) and the Metro Air Park Habitat Conservation Plan (MAPHCP), the Conservancy has accepted certain archive and records retention obligations that may extend the length of time that certain documents are held (see NBHCP, Section VI.F.3). In some cases, this means for the 50-year life of the NBHCP. This includes, but is not limited to, biological and species monitoring data, the Annual Implementation Report and the information and data which supports it, geographic information system data and other information which assists in determining the success of implementing the NBHCP and MAPHCP. The Conservancy will be alert to such supplemental document and records retention requirements, and consider the retention schedule stated in this policy as a minimum length of time to retain documents and records, and allow document preservation for extended periods as deemed necessary given the demands and adaptations that occur from time-to-time with the NBHCP and MAPHCP.

<u>Conservancy Retention Schedule</u>	<u>Retention Period (minimum)</u>
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Corporate Records

Annual Reports to Secretary of State/ Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
By-laws	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
California Application for Tax-Exempt Status	Permanent
California Determination Letter	Permanent
Contracts (after expiration)	10 years

*Adopted by the Conservancy Board of Directors on December 3 2008.
Conservancy Board of Directors Approved Revisions: June 1, 2011.*

Correspondence (general)	4 years
Correspondence (legal and important matters)	Permanent
Licenses and Permits	Permanent

Accounting and Corporate Tax Records

Annual Audits and Financial Statements (including budget)	Permanent
Depreciation Schedules	Permanent
General Ledgers	Permanent
IRS 990 Tax Returns	Permanent

Accounting and Corporate Tax Records (cont.)

NBHCP Finance Model (including budget)	Permanent
IRS 1099s	Permanent
<u>California Tax Returns</u>	<u>12 years</u>
<u>California Tax Records</u>	<u>12 years</u>
Business Expense Records	10 years
IRS 1099s	Permanent
Journal Entries	10 years
Invoices	10 years
Cash Receipts	10 years
Credit Card Receipts	10 years
<u>Contracts (after expiration)</u>	<u>10 years</u>
<u>California Sales and Use Tax Returns (UBIT)</u>	<u>5 years</u>
<u>Correspondence (general)</u>	<u>4 years</u>

Bank Records

Check Registers	
<u>Electronic Fund Transfer Documents</u>	Permanent
Bank Deposit Slips	<u>Permanent</u>
Bank Statements and Reconciliation	10 years
	10 years
Electronic Fund Transfer Documents	Permanent

Payroll and Employment Tax Records

Payroll Registers	Permanent
<u>Payroll Tax returns</u>	<u>10 years</u>
State Unemployment Tax Records	4 years
Individual Wage Records	4 years
Garnishment Records	4 years
Payroll Tax returns	10 years
W-2 Statements (after due date or date filed)	3 years

Employee Records

Employment and Termination Agreement	3 years
Retirement Plan Documents	Permanent
Employee Performance Reviews	7 years after termination

Records Relating to Promotion, Demotion or Discharge	7 years after termination
Employment and Termination Agreement	4 years
Employment Applications and Resumes	3 years
Time Cards	3 years after termination
W-4	3 years after due date
I-9 Forms	3 years after date of hire; if
W-4 (after due date or date due) 3 years	I-9 Forms 3 years if
employed for more than 3 years	then 1 year after termination
	Time Cards
	3 years after
	termination

Donor/Grant Records

Restricted Endowment Funds & Donor Advised Funds	Permanent
Donor Records and Acknowledgement Letters	10 years
Grant Applications and Contracts	7 years after completion
Restricted Endowment Funds & Donor Advised Funds	Permanent

Legal, Insurance and Safety Records

Appraisals	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Leases	10 years after expiration
General Contracts	10 years after termination
Employee Accident Reports and Insurance Claims	Permanent
Worker's Compensation Records	Permanent
Leases	10 years after expiration
General Contracts	10 years after termination
Litigation Documents	7 years after termination of matter

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.

Emergency Planning

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

Document Destruction

The Conservancy's ~~(chief financial officer)~~ Business & Accounting Manager is responsible for the ongoing process of identifying records which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

~~Rename this position as relevant to TNBC~~

Exception for Documents Relevant to Litigation

Document destruction will be suspended immediately (a) upon any indication of an official investigation or (b) when a lawsuit is filed or appears imminent, and an officer, director, or employee believes, or is informed that the Conservancy's records are relevant to such litigation or potential litigation. This exception supersedes any other established destruction schedule for records, including those set forth in this Policy. Document destruction will be reinstated upon conclusion of the investigation or litigation or upon determination that preserved documents are no longer needed for potential litigation.

Press Releases/Public Filings

Copies of all press releases and publicly filed documents should be retained permanently under the theory that the Conservancy should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Conservancy.

Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against the Conservancy and its employees and possible disciplinary action against responsible individuals. The ~~(chief financial officer)~~ Business & Accounting Manager and finance committee chair 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.

~~Rename this position as relevant to TNBC~~

Note: Accounting records prior to 2005 are held by the City of Sacramento and subject to the City of Sacramento's records policy.

Summary report:	
Litéra® Change-Pro 7.5.0.135 Document comparison done on 4/28/2016 9:59:14 AM	
Style name: Redline	
Intelligent Table Comparison: Active	
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Modified DMS: iw://iManage/iManage/25056827/2	
Changes:	
<u>Add</u>	22
Delete	11
Move From	8
<u>Move To</u>	8
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	49