

Nonprofit document-retention requirements — understanding what merits retention

Here's a quick summary of common recommendations from the Charities Review Council and other nonprofit-focused organizations. In some cases, state-specific sample document-retention policies are available through the local state association of nonprofits.

Keep in mind, however, these are simply guidelines. Your organization may choose to keep certain documents permanently—or on a schedule recommended by your finance or legal advisers.

Company/ Entity records

<u>Document</u>	<u>Retention period</u>
• Annual reports to the secretary of state or attorney general	Permanent
• Articles of incorporation	Permanent
• Board meeting and board committee minutes	Permanent
• Board policies and resolutions	Permanent
• Bylaws and all amendments	Permanent
• Construction documents (If they apply)	Permanent
• Fixed asset records	Permanent
• IRS application for tax-exempt status (Form 1023)	Permanent
• IRS determination letter	Permanent
• State sales tax exemption letter	Permanent
• Contracts	7 years after termination
• General correspondence	3 years

Accounting and tax records

<u>Document</u>	<u>Retention period</u>
• Annual audits and year-end financial statements	Permanent
• Depreciation schedules	Permanent
• IRS Form 990 tax returns	Permanent
• General ledgers	7 years
• Business expense records	7 years
• IRS Form 1099	7 years
• Journal entries	7 years
• Invoices	7 years
• Sales records (books)	5 years
• Petty cash vouchers	3 years
• Cash receipts	3 years
• Credit card receipts	3 years

Bank records

<u>Document</u>	<u>Retention period</u>
• Check registers	7 years
• Bank deposit slips	7 years
• Bank statement and reconciliation	7 years

Bank records continued

Document	Retention period
<ul style="list-style-type: none">• Electronic fund transfer documents	7 years

Payroll and employment tax records

Document	Retention period
<ul style="list-style-type: none">• State unemployment tax records	Permanent
<ul style="list-style-type: none">• Payroll records	Permanent
<ul style="list-style-type: none">• Garnishment records	7 years
<ul style="list-style-type: none">• Payroll tax returns	7 years
<ul style="list-style-type: none">• W-2 statements	7 years
<ul style="list-style-type: none">• Employment tax records 4th quarter taxes (or longer, if required by state law)	At least 4 years after filing the year's

Human resource records

Document	Retention period
<ul style="list-style-type: none">• Employment and termination agreements	Permanent
<ul style="list-style-type: none">• Retirement and pension plan documents	Permanent
<ul style="list-style-type: none">• Records relating to promotion, demotion or discharge	7 years after termination
<ul style="list-style-type: none">• Accident reports and workers' compensation records	5 years
<ul style="list-style-type: none">• Background checks, drug test results, driving records and employment verifications	5 years
<ul style="list-style-type: none">• Resumes, employment applications and related materials (including interview notes) for employees	4 years after termination
<ul style="list-style-type: none">• Resumes, employment applications and related materials (including interview notes) for applicants not hired	3 years
<ul style="list-style-type: none">• Timesheets, compensation history and job history	4 years after termination
<ul style="list-style-type: none">• Performance appraisal and disciplinary action records	4 years after termination
<ul style="list-style-type: none">• I-9 forms	3 years after hire date or 1 year after employment ends (whichever is later)

Donor and grant records

Document	Retention period
<ul style="list-style-type: none">• Donor records and acknowledgment letters	7 years
<ul style="list-style-type: none">• Grant applications and contracts	7 years after expiration

Legal, insurance and safety records

Document	Retention period
<ul style="list-style-type: none">• Appraisals	Permanent
<ul style="list-style-type: none">• Copyright registrations	Permanent
<ul style="list-style-type: none">• Environmental studies	Permanent
<ul style="list-style-type: none">• Insurance policies	Permanent

Legal, insurance and safety records - continued

<u>Document</u>	<u>Retention period</u>
• Real estate documents	Permanent
• Stock and bond records	Permanent
• Trademark registrations	Permanent
• Leases	7 years after expiration
• OSHA documents	5 years
• General contracts	3 years after expiration

When the retention period for any particular document has ended, be careful to erase, shred or otherwise destroy the document so that any confidential information can't be read or reconstructed.

Source:

<https://www.missionbox.com/article/351/document-retention-for-us-nonprofits-a-simple-guide>

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Document Retention for US Nonprofits: A Simple Guide

By Alexis Logsdon