

Don't Get Overwhelmed by Paper!

Create & Use a Document Retention Policy

Records retention problems have diminished somewhat as organizations have moved toward paperless operations, but you still need to maintain important documents including tax forms, accounting records, bank statements, corporate contracts, personnel files, and property deeds. Creating and following a record retention policy is the best way to keep paper at bay while saving what you need.

Creating Your Policy

Create a records retention policy that describes how long critical documents should be maintained and ultimately disposed of. Have your key staff members review it to make sure you won't hit snags in the implementation process. **Having legal counsel review the policy can be beneficial.** State and federal regulations mandate the time period for record retention and also stipulate which records you should maintain permanently. For example, state and federal entities govern personnel records to protect against unfair labor practices and workplace discrimination.

The final step in creating a truly effective document policy is to make sure you **train your staff and volunteers on the new procedures.**

Disposal Guidelines

Once you have a document policy in place, enlist the help of a major shredding firm like Adelante Document Destruction Services to purge documents you no longer need to keep. After all, records containing sensitive information about personnel and clients should always be shredded.

Next, establish a system for monitoring dates as records expire and set a chain of authority for proper authorization of the records disposal. That will ensure that documents continue to be managed properly. Place shredding boxes around the workplace as a constant reminder that proprietary information should be shredded and not put in a trashcan. Consider enlisting the ongoing service of a record destruction firm like Adelante Document Destruction Services to ensure you don't leak sensitive information to the public.



Records Retention Guidelines

Accounting & Banking Records

Generally, seven years is an adequate time to maintain records including bank records, accounts receivable, accounts payable, expenditures purchase orders, and donation records. You should permanently maintain certain items such as audit reports, depreciation schedules, financial statements, general ledgers, fixed asset purchase records and tax returns.

Corporate Records Permanently retain all corporate records, including board minutes, by-laws, licenses, patents and trademarks. Keep contracts, insurance policies and leases for seven years after expiration.

Personnel Records Maintain employee personnel records, employment tax record, payroll records and time sheets for seven years. You can dispose of employment application records after three years. But you should retain pension and profit sharing records permanently.

Other Records You should permanently retain construction records, leasehold improvement records and real estate purchase records. You can dispose of lease payment records four years after the end of the lease. Keep grant contracts for seven years after the grant's closure.

