

**THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.  
RECORDS RETENTION POLICY-April 2005 (Policy 7-1)**

**INTRODUCTION**

This policy sets out The Statue of Liberty-Ellis Island Foundation, Inc. (Foundation) record retention policy. It specifies the length of time records shall be kept. The length of time is the MINIMUM length of time. Unless otherwise stated, “year” means the Foundation’s fiscal year ending March 31 of each year.

Records must be kept if they are needed to:

Provide the Foundation with information and data needed for its operations.

Comply with the request of auditors.

Comply with federal, state, and local laws.

Comply with tax or other regulations of administrative bodies.

Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. All concerned must recognize that the cost of maintaining records is an expense that can grow unreasonably if good housekeeping is not performed. Furthermore, the mass of records that exists makes it more difficult, as the mass increases, to find pertinent records.

**GENERAL PROCEDURES**

**RECORDS CUSTODIAN.** The Secretary, Vice President and Controller (Controller) is designated as the records custodian.

- The records custodian shall be accountable for storage and preservation of all records, whether written or electronic or in other forms.
- The records custodian shall maintain an index generally showing what records presently exist and which records have been destroyed in the past. This index does not need to duplicate the index of electronics records maintained by the IT Director.
- The records custodian will set retention periods for records not covered by this guide after consultation with the Foundation’s attorney.
- The IT Director will keep a catalog of all types of electronic data and where it exists.
- The IT Director will be accountable to the records custodian for the storage, preservation, and destruction of electronic records.
- The IT Director will maintain an index showing generally what electronic records presently exist and what electronic records have been destroyed in the past. On a periodic basis, the updated version of the index will be given to the records custodian.

## **The Statue of Liberty-Ellis Island Foundation, Inc.**

Page 2      Records Retention Policy      April 2005

TIME RECORDS KEPT. Records shall be maintained for the period of time specific in this memo. Records designated as PERMANENT may be disposed of only upon the express authorization of the CEO of the Foundation. Records not so designated as PERMANENT will be kept only for the period of time set forth in this memo.

DUPLICATE COPIES. Duplicate copies of records should not be retained.

UNNEEDED RECORDS. Records will be destroyed in accordance with this policy. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files.

EMPLOYEE DUTY. All employees must obey the Foundation's retention and destruction instructions.

RECORD OF DESTRUCTION. The Controller and the IT Director shall keep a PERMANENT record of the records destroyed and the method of disposition. As records are destroyed, the destruction will be reported to the Controller or IT Director in accordance with any procedures that they establish.

ANNUAL CLEANUP AND AUDIT. During the month of December of each year, employees shall review records in their control and destroy those that are beyond their retention life. The destruction shall be reported to the IT Director or to the Controller in such manner as they direct.

The Controller shall supervise a regular yearly audit of the employee's use of this policy, to ensure compliance. In addition the IT Director shall supervise his/her own separate regular semi-annual audit of the employees' use of this policy, to ensure compliance in regard to electronic data.

CONFIDENTIAL RECORDS. Confidential records which are authorized for destruction shall be shredded or burned if they are written records, or other than electronic records. If they are electronic records, they shall be deleted or destroyed as instructed by the IT Director. Confidential records include records which would provide information to competitors or which would allow a criminal to access information to which they should not be allowed access. Confidential records also include personnel records which would be useful only to the person which is the subject of the record. Examples of confidential records are a bank account, internal reports of a sensitive nature, and health records of employees.

ELECTRONIC DATA TIME PERIODS. Electronic data and records shall be kept for the time periods specified for paper documents unless more specific instructions are given in this policy memo for electronic data.

## **The Statue of Liberty-Ellis Island Foundation, Inc.**

Page 3 Records Retention Policy April 2005

YEAR COMPUTATION. Except for records which are required by law to be maintained on a calendar year basis, records shall be maintained by fiscal year. Time periods are measured from the end of the calendar year or fiscal year, as appropriate. The Foundation's fiscal year ends on March 31 of each year.

LEGAL INTERRUPTION OF NORMAL OPEARTIONS. On occasion, the Foundation attorney or CEO may issue instructions to employees to retain specific records required for legal actions or proceedings. When such instructions are issued the records are to be held until specific authorization is granted for their destruction. In addition, whenever an employee knows that they are pending controversies, claims, or disputes, the pertinent records shall be held until specific authorization is granted for their destruction.

The CEO, or Foundation's attorney, or the Controller will notify all employees with dispatch if certain categories of documents are exempted by events such as pending, threatened, or reasonably foreseeable, litigation.

ADDITIONAL REVISIONS AND QUESTIONS. This policy memorandum is not all-inclusive and will be amended from time to time.

Employees should tell the Controller of any changes, amendments, or additions, to this policy that seem helpful to the employee. The Controller shall annually review, revise and update this policy and submit the revised plan to the Foundation's counsel for review before changes are made.

Where questions arise regarding retention periods for specific records, these should be referred for instructions first to the Controller and second, if needed, to the Foundation's counsel.

**The Statue of Liberty-Ellis Island Foundation, Inc.**  
Record Retention Policy April 2005

**RECORD RETENTION TIME PERIODS-page 1**

1. Corporate/organization records:

- Minutes of meetings of the Board of Directors including agendas, minutes and related documents are to be stored in the corporate record book and be retained on a PERMANENT basis.
- Minutes of all committees of the Board of Directors and such related documents shall be retained on a PERMANENT basis unless such minutes and/or related documents are included with the Minutes of the Board of Directors meeting.

After the final draft is issued and the approved minutes have been issued, all other drafts and copies should be disposed of, as well as all notes used in preparing such minutes. This is necessary so that there will be no confusion in future years as to which document is official or last in time in a group of drafts.

- Tax-exemption documents including application for tax exemption (IRS Form 1023), IRS determination letter, and any related documents shall be retained on a PERMANENT basis. Some such records must be made available for the public inspection upon request.
- Incorporation documents including articles of incorporation, bylaws and related documents should be maintained in the corporate record book and retained on a PERMANENT basis.

2. Foundation Publications:

Publications that the Foundation provides to the public should be maintained PERMANENTLY. Publications include annual reports, fund raising material (direct mail letters or e-mail letters), Press Releases et al.

Drafts and work papers used in preparing material that is published should be kept only until the information is published. The drafts and work papers should then be discarded unless they are to be used for future publications that are presently contemplated.

3. General books of accounts, records and reports:

The following should be maintained PERMANENTLY:

General ledgers and trial balances – year end; Financial statements year end;  
Chart of accounts; Deeds, mortgage, bills of sale; Journal books, Annual Reports, Annual Audits, Tax Returns.

## **The Statue of Liberty-Ellis Island Foundation, Inc.**

Record Retention Policy April 2005

### **RECORD RETENTION TIME PERIODS – page 2**

The following should be maintained seven years or after completion of an IRS audit, whichever is later:

Accounts payable ledgers, accounts receivable ledgers, inventory reports, invoices from vendors, sales records, voucher copies of checks, petty cash disbursement summaries and vouchers, approved travel expense vouchers, bank statements, canceled checks, record of charge and bad checks returned from the bank, bank reconciliations, check requests, cash advance vouchers to employees for travel and related expenses, depreciation computation schedules.

#### 4. Payroll and paid benefits records:

The following should be kept seven years after final payment of all employee benefits payable to a terminated employee, retiree, beneficiary, or joint annuitant: Employment history records, retirement plan records, including correspondence relating to employee status or procedure, group insurance records.

The following should be kept seven years or three years after completion of any IRS audit, whichever is later: Payroll register, payroll distribution, payroll expense run.

Attendance records that form the basis for payroll should be kept seven years. Group Insurance policy records all in place should be kept while the plan is in affect and for four years thereafter.

Deduction authorization and records should be kept for seven years after termination of the employee.

Elective group insurance and employee insurance plan and benefit elections should be kept four years after termination of the employee or cancellation of the authorization deduction, whichever is later. This includes notices to discontinue deductions.

The following should be kept seven years or after completion of IRS audit, whichever is later: Payroll tax and related forms, social security forms, unemployment insurance forms, any employee copy of W-2 earnings statement that is not deliverable.

State and local tax withholding reports should be kept seven years.

State income tax records declaration forms should be kept five years.

Employer copy of W-2 earnings statement should be kept four years.

Employer form W-4 should be kept four years after termination or cancellation.

#### 5. Personnel records:

Basic background data on people should be reviewed at least once a year and extraneous matter discarded.

Applications for employment of employees actually hired should be kept seven years after termination or retirement.

**The Statue of Liberty-Ellis Island Foundation, Inc.**  
Record Retention Policy April 2005

**RECORD RETENTION TIME PERIODS – page 3**

Applications for employment of potential employees that were not hired should be kept two years. Unsolicited resumes or job inquires may be discarded immediately if there are no vacancies.

Job evaluation ratings should be kept while employee is current and for three years after termination.

Employee address records should be kept until superseded.

Compensation insurance records on a claim should be kept four years after settlement of claim.

Records of occupational injuries and illness required under the Occupational and Health Act should be kept five years after the end of the calendar year to which they apply.

Accident and claim reports should be kept seven years after termination of the claim. Loss prevention reports, payroll records, and premium worksheets regarding workers compensation should be kept three years after termination of the policy.

6. Purchasing and related records:

The following records should be maintained for three years: Bids and Awards including such documentation as to quality and cost comparison, purchase orders, requisitions, freight bills, postal records, receiving and shipping documents. Bills of sale for important purchases should be retained PERMANENTLY.

7. Contracts, insurance records, and other legal commitments:

Agreements, contracts, leases, and permits should be kept six years after expiration or termination of the agreement.

Certificates of insurance furnished by others or to others should be kept one year after the termination of the policy.

Insurance ledges should be kept PERMANENTLY.

Insurance procedures and manuals should be kept until superseded.

Premium invoices should be kept one year after termination of the policy.

Bonds and insurance policies, kept six years after expiration or termination of the policy.

8. Correspondence:

Correspondence to and from the Foundation staff that is desired for reference shall be removed from the regular file and retained by the principal users for their reference. Correspondence, which is not so removed, shall be kept for the period specific below and then destroyed. Internal procedures and other instructions should be kept until superseded. Outside or third party correspondence should be kept one year. Other inter and intra department memos should be kept one year and then destroyed. See also Email policy.