



DURANGO ARTS CENTER & BOARD OF DIRECTORS

802 E. 2nd Avenue | Durango, CO 81301 | PH (970) 259-2606 | www.DurangoArts.org

# RECORD RETENTION POLICY

## *Board of Directors Policy Statement*

### **Purpose**

This policy provides for the systematic review, retention, and destruction of documents received or created by Durango Arts Center, Inc. (DAC) 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 DAC's operations by promoting efficiency and freeing up valuable storage space.

### **Document Retention**

The DAC 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.

#### ***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
Bylaws	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Contracts (after expiration)	7 years
Licenses and Permits	Permanent

#### ***Accounting and Finance***

Annual Audits/Reviews and Financial Statements	Permanent
General Ledgers and Journal Entries	Permanent
Notes Payable documents	Permanent
Business Expense Records	7 years
IRS Forms 1099	7 years
Accounts Payable ledgers and schedules	7 years
Accounts Receivable ledgers and schedules	7 years
Annual Audit/Review Records (workpapers and other related documents)	7 years after completion



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Sales Records (box office, concessions, gift shop) 5 years  
 Credit Card Receipts 3 years

***Tax Records***

IRS Form 990 and 990T Tax Returns Permanent  
 Tax-Exemption Documents and Related Correspondence Permanent  
 Tax Bills, Receipts, Statements 7 years  
 Tax Workpapers 7 years  
 Sales/Use Tax Records 4 years

***Bank Records***

Bank Deposit Slips 7 years  
 Bank Statements and Reconciliation 7 years  
 Electronic Fund Transfer Documents 7 years

***Payroll and Employment Tax Records***

Payroll Registers Permanent  
 Employee Files Termination + 7 years  
 Payroll Tax Returns 7 years  
 W-2 Statements 7 years

***Employee Records***

Employment applications, resumes and other forms of job inquiries, ads or notices for job opportunities 3 years  
 I-9 Forms 3 years after termination  
 Time Cards/Sheets 5 years  
 Unclaimed Wage Records 6 years

***Property Records***

Lease, Purchase or Sales Agreements Permanent  
 Property Insurance Policies Permanent

***Donor and Grant Records***

Records of Contributions Permanent  
 All documentation pertaining to grant applications, including proposals, agreements, financial and narrative reports, and formal correspondence between organization and grantor 7 years



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***Legal Records***

Appraisals	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Leases	6 years after expiration
General Contracts	3 years after termination

***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 an employee has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder.

***Document Destruction***

No director, employee, volunteer or agent of the DAC shall destroy, dispose of, conceal, or alter any record or document while knowing that it is or may be relevant to an anticipated or ongoing investigation or legal proceeding conducted by or before a federal, state or local government agency, including tax and regulatory agencies, law enforcement agencies, and civil and criminal courts, or an anticipated or ongoing internal investigation, audit or review conducted by the DAC.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

This policy was approved by the Finance Committee of the Durango Arts Center, Inc. on November 9, 2015.