

Marion Fire Auxiliary Inc.

Document Retention and Destruction Policy

Policy adopted by the Board of Directors on November 6, 2017

Purpose

MFA has a document retention policy, because its Treasurer wants to be able to answer “yes” on IRS Form 990 tax returns to the question about whether MFA has a document retention policy.

Goal

MFA’s goal is to maintain documents for at least the minimum time required by law, but also for as long as they may be relevant to its needs or might be important for its historical record.

Destruction

No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation, audit, or private litigation proceeding. Documents not covered in this policy should be destroyed when no longer useful and MFA’s files periodically culled of useless documents.

Permanent Retention

Secretary’s Responsibilities

MFA’s Secretary is responsible to permanently retain the following documents and keep a copy of the documents on file in MFA’s office.

- Articles of Incorporation
- Bylaws
- Minutes of board meetings and annual meetings of Members
- Corporate resolutions
- Board policies with record of effective dates, amendments, and revisions
- Correspondence on legal or otherwise important matters
- List of Members with dates of membership and contact information

Treasurer’s Responsibilities

MFA’s Treasurer is responsible to permanently retain the following documents and keep a copy of the documents on file in MFA’s office.

- Tax returns and worksheets
- Year-end financial statements
- Determination Letter from the IRS
- Independent audit reports
- Insurance policies, claims, and other related records
- Depreciation schedules
- Donations records with names and contact information for donors, and restrictions on disbursement of funds
- Grant records with names and contact information of grantors, and restrictions on disbursement of funds

A copy of deeds, mortgages, and bills of sale will also be kept permanently in their own file in the office. Treasurers shall not make the mistake of keeping bills of sale solely with other receipts in the month the expense was incurred. If necessary, make a copy to keep with monthly records.

Minimum Retention

MFA policy is to retain documents for the minimum amount of time recommended for nonprofits by American Institute of Certified Public Accountants in the following table:

| Type of Document | Minimum Retention Requirement |
|--|---|
| Annual conflict of interest disclosures | 10 years after director is no longer on Board |
| Bank reconciliations | 2 years |
| Bank statements | 3 years |
| Contracts (expired) | 7 years |
| Contracts (in effect) | Contract period |
| Correspondence (general) | 2 years |
| Correspondence (with customers & vendors) | 2 years |
| Deposit slips | 2 years |
| Internal audit reports | 3 years |
| Inventory records for supplies or products | 3 years |
| Invoices (to customers & from vendors) | 7 years |
| Proxy statements or other evidence of authority of a person to vote for any nonprofit member | 5 years after no longer effective |