KIWANIS INTERNATIONAL FOUNDATION

DOCUMENT RETENTION AND DESTRUCTION POLICY

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PURPOSES

The purposes of this document retention policy ("Policy") are for Kiwanis International Foundation ("Kiwanis") to (i) promote the proper treatment of its records, and (ii) enhance compliance with applicable laws and regulations, including, without limitation, the Sarbanes-Oxley Act of 2002.

POLICY

Section 1. General Guidelines. 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. The cost of maintaining records is an expense which can grow unreasonably if a proper retention policy is not implemented. A mass of records also makes it more difficult to find pertinent records. From time to time, Kiwanis may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation-relevant documents, and any other pertinent factors.

Section 2. Exception for Litigation-Relevant Documents. Kiwanis expects all of its employees to comply fully with any published records retention or destruction policies and schedules, provided that all employees should note the following general exception to any stated destruction schedule: If an employee believes, or Kiwanis informs an employee, that Kiwanis records are relevant to litigation, or potential litigation (a dispute that could result in litigation), then that employee must preserve those records until it is determined that the records are no longer needed. That exception supersedes any established destruction schedule for those records.

Section 3. Minimum Retention Periods for Specific Categories. Pursuant to the General Guidelines above, and subject to the exception for Litigation-Relevant Documents, the following represent general guidelines for the retention period of certain documents. **It should be noted that the suggested retention periods shown are not offered as final authority, but as guidelines only. There may occur situations, for historical or reference purposes, that require longer periods than legally required.** Also, in all circumstances, certain Treasury Regulations require that all books and records must be maintained so long as they remain material in the computation of any tax.

ACCOUNTING SYSTEMS	SUGGESTED RETENTION PERIOD*
Accounts Payable Ledger	7
Accounts Receivable Aging Reports	7
Accounts Receivable Ledger	7
Accounts Receivable Invoices	7
Accounts Written-off	7
Annual Audits and Financial Statements	P
Authorization – Accounting	5
Balance Sheets	P
Bank Reconciliations	7
Bank Statements	7
Bank Deposit Slips	3
Budgets	3
Canceled Checks	10
Cancelled Dividend Checks	P
Cash Book	P
Cash Disbursement & Record Receipt	P
Cash Sales Slips	7
Charge Slips	7
Charts of Accounts	P
Check Register	P
Credit Card Receipts	3
Depreciation Schedules	P
Expense Reports	7
Financial Statements	P
General Ledger	P
Investment – Sales/Purchases	P
IRS Form 990 Tax Returns	P
IRS Form 1099	7
Invoices	7
Journal Entries	P
Petty Cash Records	7
Profit/Loss Statements	P
Purchase Order	7
Sales Records (box office, concessions, gift shop)	5
Subsidiary Ledger	P
Trial Balance	P
Vendor Invoices	7
Voucher Check Copies	7

BANK RECORDS	SUGGESTED RETENTION PERIOD
Check Registers	17 / P
Bank Deposit Slips	7
Bank Statement and Reconciliation	7
Electronic Fund Transfer Documents	7

CORPORATE RECORDS	SUGGESTED RETENTION PERIOD
Amendments	P
Annual Reports	P
Articles of Incorporation	P
Audit Reports – Public	P
Audit – Internal	P
Board of Directors – Committee	P
Board of Directors – Minute Book	P
Bylaws	P
Capital Stock Certificates	P
Capital Stock Ledger	P
Capital Stock Transactions	P
Charter	P
Contracts – After Termination	P
Contributions	7
Correspondence – Accounting	7
Correspondence – General	7
Dividend Register and Cancelled Dividend Checks	P
Election Records	P
Financial Statements	P
Fixed Asset Records	P
IRS Application for Tax-Exempt Status (Form 1023)	P
IRS Determination Letter	P
Organizational Charts	P
Partnership Agreement	P
State Sales Tax Exemption Letter	P
Stock Transfer Records	P
Stockholders – Minute Book	P

DONOR AND GRANT RECORDS	SUGGESTED RETENTION PERIOD
Donor Records and Acknowledgement Letters	7
Grant Applications and Contracts	10 years after completion

FIXED ASSETS	SUGGESTED RETENTION PERIOD
Depreciation Schedule	P
Inventory Records	P
Plans and Blueprints	P
Plant Cost Ledger	P
Property Appraisals	P
Property Register	P
Records for Property Subject to Depletion	P

HUMAN RESOURCES	SUGGESTED RETENTION PERIOD
Accident Reports – Settled	7
Attendance Records	7
Dental Benefits	5
Disability Benefits – After Expiration/Settlement	7
Employee Medical History	7
Employee Application – Not Hired	4
Garnishments	6
Life Insurance Benefits	5
Medical Benefits	7
EEOC Charges/Cases	4
Pension Plan Agreement	P
Performance Record – After Termination	7
Personnel File – After Termination	7
Personnel Files – Current Employees	P
Profit Sharing Agreement	P
Safety Reports	5
Vacation Files	4
Workers' Compensation Benefits	10
Sick Pay	4
Family & Medical Leave	4

INSURANCE	SUGGESTED RETENTION PERIOD
Automobile Insurance Claims	10
Disability Insurance Claims – After Termination	7
Expired Insurance Policies	P
Fire Inspection Reports	6
Insurance Appraisals	6
Safety Records	6
Foreign Insurance Policies	3

LEGAL, INSURANCE AND SAFETY RECORDS	SUGGESTED RETENTION PERIOD
Appraisals	P
Bill of Sale	P
Business Permits	P
Claims and Litigation Concerning Torts and Breach of Contract	P
Contracts – Employees	P
Contracts – General	3 years after termination
Contracts – Government	P
Contracts – Labor Union	P
Contracts – Special	P
Copyrights	P
Correspondence – Legal	P
Deeds/Titles	P
Environmental Studies	P
Insurance Policies	P
Leases/Canceled Leases	10
Licenses	P
Mortgages	P
Notes Receivable – Canceled	10
OSHA Documents	5
Patents	P
Real Estate Documents	P
Stock and Bond Records	P
Trademark Registrations	P

PAYROLL	SUGGESTED RETENTION PERIOD
Contractors	3 years from date of completion of contract
Checks – Payroll	7
Commission Reports – Salesperson	6
Earnings Records	7
Employee Withholding Exemption Certificates	10
Garnishment Records	7
Payroll Register	4
Payroll Records – After Termination	10
Payroll Tax Records	7
Salary History	8
State Unemployment Tax Records	P
Time Reports	7
W-2 Forms	P

I-9 Forms and Other Supporting Documentation	4 years after termination
Vacation/Sick Pay	4
Large Food or Beverage Establishment Reporting Tips	3
Employee Tip Substantiation	3

SECURITY	SUGGESTED RETENTION PERIOD
Classified Material Violations	P
Visitor Clearance	2

TAXATION	SUGGESTED RETENTION PERIOD
Tax Free Reorganization	P
338 Election	7
Canceled Checks – Tax Payments	P
Correspondence – Tax	P
Depreciation Schedules	P
Income Tax Returns	P
Inventory Reports	P
FUTA/FICA/Income Tax Withholding	4
Payroll Tax Returns	P
Revenue Agent Reports	P
Sales Tax Returns	P
NOL Company	P
AMT NOL Company	P
Transfer Pricing	4

MISCELLANEOUS	SUGGESTED RETENTION PERIOD
Receiving Documents	10
Title Papers	P
Vehicle Operating and Maintenance	2
Telecommunications Copies	1
Prepaid Dues Income	4
Financial Institution Loan Loss Reserves	P
Mutual Savings Bank Bad Debt Reserve	P

* “P” means permanent records; Numeric means years

Section 4. Electronic Documents and Records. Electronic documents will be retained as if such documents were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types listed above, will be maintained for the appropriate amount of time. If a user 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. It is suggested that backup and recovery methods be tested on a periodic basis.

Section 5. Emergency Planning. Kiwanis records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping Kiwanis operating in an emergency will be duplicated or backed up at least every week and maintained off-site.

Section 6. Document Destruction. Kiwanis' chief financial officer is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing destruction. It is suggested that most documents be destroyed by shredding. Destruction of documents containing personal information (including but not limited to social security information), financial documents and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when legal action appears imminent and/or a litigation hold is requested by counsel for KIF. Destruction will be reinstated upon conclusion of the investigation or the lifting of the litigation hold.

Section 7. Compliance. Failure on the part of employees to follow this policy can result in possible civil or criminal sanctions against Kiwanis and its employees and possible disciplinary action against responsible individuals. The chief operating officer and the Kiwanis Treasurer will periodically review these procedures with legal counsel or certified public accountants to ensure compliance with new or revised regulations.