

EQUIPMENT & TOOL INSTITUTE DOCUMENT RETENTION AND DESTRUCTION POLICY

The purpose of this policy is to allow the Equipment & Tool Institute (hereinafter “ETI” or “the Association”) to identify, retain, store, and dispose of the Association’s records in an appropriate, legally sound, and orderly manner.

It is the intention of this policy that documents are retained only so long as they are (1) necessary to the conduct of the Association’s business; (2) required to be kept by statute or government regulation; or (3) relevant to pending or foreseeable investigations or litigation.

Except as otherwise indicated, documents shall be retained for the number of years indicated below. Irrespective of the retention periods specified below, upon (i) receiving notice of a lawsuit, government investigation, or other legal action against or involving the Association, or (ii) learning of circumstances likely to give rise to such an action, proceeding or investigation, all documents in any way relating to such matter shall be preserved and safeguarded.

No officer, director, employee, agent or member of the Association shall knowingly destroy a document with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any government department or agency or in relation to or contemplation of any such matter.

Employees are expected to utilize document retention practices as trained and are required to comply with the document retention standards outlined in this policy. Failure to do so could result in disciplinary action, up to and including termination of employment. Employees with questions about this policy should consult with management or volunteer leadership or seek legal advice.

Currently relevant documents should be filed systematically and accessibly. Documents that must be maintained permanently can be catalogued and, if possible, reduced to some secure form of electronic record for storage and easy access when needed. Designated staff will maintain complete, accurate and high-quality records electronically or in local, damage-proof storage for the duration of the time periods provided for in this policy. Once any such time period is complete, the records are to be destroyed.

Documents maintained solely in electronic format will be scanned and retained in highly organized electronic folders on the Association’s network in accordance with this schedule. All records or directories will be password protected and will be physically stored on separate network servers from their original server, with access only provided to the appropriate employee(s). Daily backups will be performed and the records will be stored off site in a security warehouse that meets the Association’s strictest security handling and safety practice requirements. The Association’s management or volunteer leadership shall conduct spot checks and visits to ensure the appropriate backup and handling of the information.

Designated staff shall be responsible for authorizing, overseeing, and ensuring that records are destroyed pursuant to this policy. Destruction of paper files and electronic media will be performed by an independent, outside service for shredding and disposal. Disposal of specific electronic files will be performed through the use of a scrubbing program. Disposal of records or electronic media into our general trash service is strictly prohibited.

The following schedule provides retention periods for the major categories of documents, *both paper and electronic*, for ETI.

<u>Type of Record</u>	<u>Retention Period (years)</u>
<u>ACCOUNTING</u>	
Auditors' reports	Permanent (hereinafter "P")
Budgets	7
Cancelled checks, generally	3
Depreciation records	P
Officer, Director and employee expense reports	7
Employee payroll records (W-2, W-4) annual earnings records, etc.)	7
Payroll journal	3
Approved Board minutes and records of all actions taken by Board without a meeting	P
Approved executive committee minutes and records of all actions taken by executive committee without a meeting	P
Approved minutes of all members' meetings and records of all actions taken by members without a meeting	P
Articles of Incorporation	P
Authorizations for expenditures	7
Bylaws	P

Policies	P
Contracts, generally	Expiration +7
Membership applications	5
Membership names and addresses	Current
Notes (internal reports, memos, etc.)	1
Written communications to members	1
<u>CORRESPONDENCE</u>	
General, routine	3
<u>INSURANCE</u>	
Accident reports	7
Insurance policies	P
<u>LEGAL</u>	
Claims and litigation files	P ¹
<u>PERSONNEL</u>	
Applications	1
Employee earnings/payroll records	3
Employee files	4
Employment contracts	Expiration + 3
Form I-9	3 years after hire or 1 year after termination, whichever is later
Garnishments	7
Medical or exposure to toxic substances records	30

¹ ETI copies of all pleadings, key briefs and motions, court orders and opinions of record on dispositive motions and hearings, any attorney-client confidential privileged communications, all original witness statements and affidavits, exhibits, and settlement agreements/contracts need to be kept permanently. Mere drafts of various and routine pleadings, motions, and briefs, as well as multiple copies of business documents need not be retained.

Pension documents/profit sharing plans	6
Government reports	5
Employee pension records, including service, eligibility, personal information, pensions paid	6
Time cards/sheets	3
<u>TAXES</u>	
Income tax returns and cancelled checks (federal, state and local)	6
Payroll tax returns	4
Property tax returns	P
Sales and use tax returns	4