

**BETMAR OWNERS, INC.
BETMAR ACRES CLUB, INC.**

A 55+ Older Community
Operating Policy and Procedure

121

Records Retention and Disposal Policy

Effective Date: 2-1-2010

Last Revision: 12-21-23

Version 121.1

SCOPE: This Policy represents Betmar Owners, Inc. and Betmar Acres Club, Inc. policy regarding the retention and disposal of records and electronic documents. The Internal Revenue Service (IRS) record retention regulations will provide guidance. It applies to Betmar Owners, Inc. and Betmar Acres Club, Inc. staff, trustees, volunteers, committee members and outsiders (independent contractors via agreement with Betmar Owners, Inc. and Betmar Acres Club, Inc.) persons engaged in production, retention, and disposal of records.

PURPOSE: Outlines the time period various corporate records must be retained prior to disposal, assigns responsibility for appropriate disposal of these records, and describes processes for destruction/disposal.

1. This policy applies to all physical records generated in the course of Betmar Owners, Inc. and Betmar Acres Club, Inc. operations, including both original documents and reproductions.
2. It also applies to electronic documents such as computer files, e-mail correspondence, sound and/or video recordings of official corporate meetings.
3. Provide guidelines to prevent destruction of relevant documentation if the organization is involved in litigation.

POLICY:

1. Betmar Owners, Inc. and Betmar Acres Club, Inc., including its staff, trustees, volunteers, committee members and outsiders (independent contractors via agreement with the Betmar Owners, Inc. and Betmar Acres Club, Inc.), are responsible for and

will retain documents in accordance with Generally Accepted Accounting Practices and applicable laws.

2. Any use of an outside vendor to complete file disposal requires a binding non-disclosure agreement between the Betmar Owners, Inc. and Betmar Acres Club, Inc., and the vendor.
3. From time to time the Board of Directors and/or the Board of Trustees may issue a “legal hold,” suspending the disposal of any records due to pending, threatened, or foreseeable litigation, audits, government investigations, or similar proceedings. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the advice of counsel determines otherwise.
4. To alter, cover up, falsify, or destroy any document to prevent its use in a local or federal investigation is a federal crime.
5. Failure on the part of the Board of Directors, Trustees, employees, and volunteers to follow this policy may result in civil and criminal sanctions against Betmar Owners, Inc. and Betmar Acres Club, Inc. and its employees, trustees, and officers. Disciplinary action against responsible individuals employed by Betmar Acres, Inc. or Betmar Owner, Inc. up to and including termination of employment may occur.

RECORD RETENTION SCHEDULE: The following table indicates the minimum retention requirements for all documents, written and electronic, and is provided as guidance. The retention periods are based on Internal Revenue (IRS) record retention regulations as restated in various internet guidelines and publications.

CATEGORY	RECORD TYPE	RETENTION PERIOD
Accounting and Finance	Accounts payable and receivable ledgers	7 years
	Annual Reports and Financial Statements	Permanent
	Annual audit reports including work papers & related documents	7 years after completion of audit
	General Ledgers	7 years
	Notes receivable information	7 years
	Investments records	7 years
Contracts	Contracts and all related documents, including bids, proposals, and all supporting documents	7 years after completion or work or termination of contract

Corporate Records	Minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports	Permanent
Personnel & Payroll records	Employee deduction authorizations	4 years after termination of employment
	Payroll deductions, W-2 & W-4 forms, Garnishments, etc.	Termination plus 7 years
	Payroll registers	7 years
	Timecards/sheets	2 years
	Unclaimed wage reports	6 years
	Employee personnel records	6 years after separation
	Employee Handbook	1 copy kept permanently
	I-9 Forms	3 years after hiring or 1 year after separation if later
	Employment records: non-hired applicants resume, post-offer correspondence, results of background or reference checks, etc.	2 to 4 years (4 years if any correspondence might be construed as
	Employment records – advertisements or postings for job openings.	3 years after decision
Property Records	Deeds, Assessments, Correspondence	Permanent
	Insurance Policies	Permanent
Tax Records	Tax exemption documents and all related correspondence	Permanent
	IRS rulings	Permanent
	Tax bills, receipts, statements	7 years
	Payroll Tax Records	7 years
	Tax Returns – income, franchise, property	Permanent
	Tax Work paper packages – originals	7 years
	Sales/Use tax records	7 years
	IRS or other government audit records	Permanent

PROCEDURES

1. All paper and electronic documents are stored in a manner and location in which they are reasonably secure.
 - a. Paper originals of Corporate Bylaws and Articles of Incorporation shall be stored in the fireproof safe.
 - b. Paper copies of Policies and Procedures, minutes and other corporate documents shall be stored in the vault.

- c. Electronic data shall be secured via daily computer back-ups.
 - d. Financial data shall be stored off-site via financial software.
 - e. Computers shall be password protected.
 - f. Commercial anti-virus and malware protection shall be installed.
 - g. Personnel shall sign out of computers if the latter is left unattended.
 - h. Paper documents shall be scanned into digital backups.
2. Betmar Owners, Inc. and Betmar Acres Club, Inc. conducts a regular review of back up and archiving procedures.
3. Disposal of paper documents.
 - a. The record retention schedule determines when files shall be destroyed.
 - b. Betmar Acres, Inc. maintains contracted services with an outside vendor to complete file disposal. Contracts are secured in accordance with Betmar Acres, Inc. policy 122.1 titled purchasing.
 - c. The manner of destruction must preserve confidentiality.
 - i. Office staff retain documents to be disposed in a locked bin located in the Betmar Office.
 - ii. When the vendor arrives, an office employee witnesses the entire of process of unlocking, emptying, and shredding of all documents.
 - iii. Other departments with documents to dispose may bring documents to shred to the office for the vendor. Documents will be secured in a locked location until vendor arrives.
 - iv. When the service is complete, the witness will sign the vendor's record of completion.
 - v. The invoice is retained as verification of service as it documents date, location, and method of disposal.
 - d. A trustee shall oversee the destruction and record keeping (certificate of destruction) of all stored documents governed by IRS guidelines.
 4. Disposal of electronic documents.
 - a. Electronic or machine-readable records containing confidential information require a two-step process for assured, confidential destruction.
 - i. First, delete the contents of the electronic file on your computer.
 - ii. Then empty the trash/recycle bin/deleted items.
 - iii. This satisfies the definition of confidential destruction.
 - b. If a computer is taken out of inventory, the hard drive must be backed up, purged, then shredded, pulverized, or incinerated.
 - c. USB flash drives and SD cards with confidential corporate data will be purged and destroyed via shredding or incineration when no longer in use.

- d. The secretary will:
 - i. Maintain possession of Betmar Acres Club, Inc. yearly meeting recordings until final minutes of the calendar year are approved.
 - ii. Maintain possession of Betmar Owners, Inc. yearly meeting recordings until final minutes of the fiscal year are approved.
 - iii. At the end of the respective years, turn in recordings and minute notebooks to be stored in the office vault for one(1) year.
- e. After one (1) year, the recordings shall be destroyed in accordance with this policy, section 4f.
- f. A trustee shall oversee the destruction and record keeping (certificate of destruction) of all electronically stored documents governed by IRS guidelines.

VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR
121	Betmar Owners BOD	2-18-2010		
121.1	Betmar Owners / Acres BOD	12-21-2023	Complete rewrite and Reformatted form	P & P Committee

121.1 Approved

Policy and Procedure Chairperson: _____ Date: _____

President Betmar Owners, Inc., Betmar Acres Club, Inc.

_____ Date: _____

Three (3) Year Policy and Procedure Committee Review Date: 2026

Signed: _____

Three (3) Year Policy and Procedure Committee Review Date: 2029

Signed: _____