

1.11 POLICY ON RECORD RETENTION AND DESTRUCTION

This Policy on Record Retention and Destruction of Scholars Academy, Inc. identifies the record retention responsibilities of staff, volunteers, officers and members of the Board of Directors, and third-parties for maintaining and documenting the storage and destruction of Scholars Academy documents and records.

1. **Rules.** Scholars Academy's staff, volunteers, members and officers of the Board of Directors and third-parties (i.e., independent contractors via agreements with Scholars Academy) are required to abide by these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Administrative staff of the Scholars Academy; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

2. Retention Periods.

a. Retain permanently:

Governance records – The Scholars Academy's Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes, and any documents that must be filed with the Department of Public Instruction.

Tax records – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence and files related to tax audits.

Intellectual property records – Copyright and trademark registrations and samples of protected works.

Financial records – Audited financial statements and attorney contingent liability letters.

Correspondence – Correspondence for legal and important matters.

b. Retain for ten years:

Pension and benefit records -- Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies and supporting records, except as previously stated in Section a., above.

Government relations records – State and federal lobbying and political contribution reports and supporting records.

Other financial records - Accounts payable ledgers and schedules, bank statements, cash books, checks (canceled), donation records (after the period of the donation or endowment ends), invoices (both to and from the Scholars Academy), depreciation schedules, duplicate deposit slips, expense analyses and expense distribution schedules (includes allowance and reimbursement of employees, officers, etc., for travel and other expenses), sales records, subsidiary ledgers, time sheets and cards, voucher register and schedules) and sales records.

c. Retain for three years:

Employee/employment records – Employee names, addresses, social security numbers, dates of birth, USCIS Form I-9 documents, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary

matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status and all other documentation related to employment will be maintained during the term of employment for all current employees and independent contractors, and for three years after departure of each individual.

Correspondence – general correspondence that is not related to legal or important matters.

Lease, insurance, and contract/license records – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

d. Retain for one year:

All other electronic records, documents and files.

3. **Legal Holds.** Scholars Academy’s Executive Director, Chair of the Board of Directors, or legal counsel for Scholars Academy may issue a legal hold. A legal hold requires suspension from any document destruction due to the reasonable likelihood of litigation, audits, government investigations or similar proceedings.

4. **Exceptions.** Exceptions to Policy may be granted only by the Scholars Academy Executive Director or by a vote of the Board of Directors. Whenever an exception is granted, the exception and the reason for the exception will be documented and that documentation will be retained for at least as long as records to which the exception applies would have been retained absent the exception.

Adopted: August 26, 2014