

## Records Retention Policy

The Montgomery County – Norristown Board of Directors is hereby establishing a schedule for the retention of records used in the operation of the Montgomery County – Norristown Public Library (MC-NPL). The benefits of a Record Retention Policy include: effectively managing the costs associated with storage space particularly in regards to maintaining material beyond its useful life, determining the proper periods for retaining records [records should be preserved only as long as they serve a useful purpose or until all legal requirements are met], and establishing the appropriate methods for the destruction of records that have reached the end of their retention periods. This policy will be reviewed annually and updated, if necessary, by \_\_\_\_\_ in light of changing government regulations and the cost of maintaining these records. All changes to this policy must be reviewed by MC-NPL's solicitor and approved by the Board of Directors before implementation.

It will be the responsibility of \_\_\_\_\_ to ensure that this policy is enforced uniformly organization-wide.

Secure storage of documents is an important component of record keeping. Maintaining the entirety of an organization's vital documents in one location is a point failure source if that location is damaged by fire, flood or other disasters. This fact should be kept foremost in mind when selecting the locations to store documents. The Board of Directors does not wish to specify a location to keep vital documents, but recommends that the safety of the location, cost and timeliness of access be considered during the site selection process.

The destruction of records that have reached the end of their retention periods is of particular importance. Once materials reach the trash bin, they become part of the public domain, accessible to anyone who wishes to go through it and remove items of interest. The law is clear that any proprietary interests in documents cease when they are discarded. These abandoned materials may be searched and seized by the government without the procurement of a warrant and may be used by any other third party who chooses to search the refuse bin. Materials containing confidential or private information should be disposed of in a way that destroys that confidential or private information. Procedures should be developed by staff and updated on a regular basis to ensure this level of destruction for confidential or private information.

Note: Whenever documents/records are relevant to a pending lawsuit or charge of discrimination, they must be retained until final disposition of the lawsuit or charge.

The following is the schedule to be followed for Record Retention:

Record Type	Disposition	Disposal Instructions
<b>Corporate/Organizational records:</b>		
Incorporation documents including articles of incorporation, by-laws, and related documents	Permanent	
Tax-exemption documents including application for tax exemption (IRS Form 1023), IRS determination letter, and any related documents	Permanent	
Meeting/Board documents including agendas, minutes and related documents (Care should be taken to include only necessary information in those documents)	Permanent	
Contracts, mortgages, notes and leases (Expired)	7 years	Shred
Contracts, mortgages, notes and leases (Still in effect)	Permanently	
Deeds, maps, surveys, policies on title insurance, abstract of titles, and other documents relating to real estate owned by the corporation	Permanently	
Property appraisals by outside appraisers	Permanently	
Property records including costs, depreciation reserves, year-end trial balances, depreciation schedules, blueprints and plans	Permanently	
Stenographers' notebooks	1 year	Shred
<b>Financial Records:</b>		
Accounts payable ledgers and schedules	7 years	Shred
Accounts receivable ledgers and schedules	7 years	Shred
Annual Information Returns (IRS Form 990) – Federal Law requires that the 3 most recent years returns be kept in the organizations headquarters and be made available for public inspection upon request	7 years	Shred

Audit Reports	Permanently	
Bank Reconciliations	2 Years	Shred
Bank statements	3 Years	Shred
Cash Books	Permanently	
Chart of Accounts	Permanently	
Checks (canceled – see exception below)	7 years	Shred
Checks (canceled for important payments, ie. taxes, purchases of property, special contracts, etc. Checks should be filed with the papers pertaining to the underlying transaction).	Permanently	
Depreciation Schedules	Permanently	
Duplicate deposit slips	2 years	Shred
Expense Analyses/expense distribution schedules	7 years	Shred
Financial report/statement (year end)	Permanent	
Financial report/statement (periodic)	3 Years	Shred
Garnishments	7 years	Shred
General/Private Ledgers, year-end trail balance	Permanently	
Internal Audit reports (longer retention period may be desired)	3 years	Shred
Invoices (to customers, from vendors)	7 years	Shred
Notes receivable ledgers and schedules	7 years	Shred
Petty Cash vouchers	3 years	Shred
Stock and bond certificates (canceled)	7 years	Shred
Subsidiary ledgers	7 years	Shred
Voucher register and schedules	7 years	Shred
Vouchers for payments to vendors, employees, etc. (includes allowances and reimbursement of employees, officers, etc. for travel and entertainment expenses)	7 years	Shred
Withholding tax statements	7 years	Shred
<b>Operational Records:</b>		
Accident reports/claims (settled cases only)	7 years	Shred
Correspondence (general)	2 years	Shred
Correspondence (legal and important matters only)	Permanent	
Correspondence (routine) with customers and/or vendors	2 years	Shred
Employment applications	3 years	Shred
Insurance policies (expired)	3 years	
Insurance records, current accident reports, claims, policies, etc.	Permanently	
Internal reports (miscellaneous)	3 years	Shred
Inventories of products, materials and supplies	7 years	
Journals	Permanently	
Payroll records and summaries	7 years	Shred
Personnel files (current)	Permanently	
Personnel files (terminated)	7 years	Shred
Physical Inventory tags	3 years	Shred
Plant cost ledgers	7 years	
Purchase orders (except purchasing department copy)	1 year	
Purchase orders (purchasing department copy)	7 years	
Receiving sheets	1 year	
Retirement and pension records	Permanently	
Requisitions	1 year	
Scrap and salvage records (inventories, sales, etc.)	7 years	
Schedules – work assignments	1 year	
Stockroom withdrawal forms	1 year	
Time books/cards	7 years	Shred
Training Manuals	Permanently	
Union agreements	Permanently	

<b>Patron Related Records:</b>		
Library Card Registration forms and Internet Registration forms should be filed together and purged after 3 years of inactivity.	3 years	Shred
Temporary Registrations (sent to other libraries)	Special 1	Shred
Automated Circulation Records	Special 2	
Paper Circulation Records (including, but not limited to: Holds requests, Special item sign outs, computer sign outs and Special Handling material sign outs)	Special 3	Shred
Patron lists (program registration lists, waiting lists, attendance lists, etc.)	Special 4	Shred

**Special 1** - should be purged immediately after the registering Library enters the Data

**Special 2** - Circulation records are to be kept only as long as the automation system stores them.

**Special 3** - All paper circulation records should be destroyed immediately upon return of the material: on-time, in good condition and completion of all summary statistical information.

**Special 4** - All lists should be destroyed after completion of the program and any relative statistics are compiled. The board understands the value of proper planning and maintaining a master list of patrons for advertising and planning purposes is allowed. However, patrons must be informed what the purpose of the list is and asked if they wished to be included on such a list.