



## **Record Retention: Know What To Hold, When To Fold**

*A firestorm erupted this past June when it was reported that the ACLU had improperly shredded documents. The controversy eventually resulted in the resignation of the ACLU's chief archivist. The controversy was sparked when the ACLU moved from centralized document shredding to placing shredders throughout its offices several years ago. To be fair, some of the shredding appears to have been motivated by concern over Social Security numbers, salary information, and other personal information falling into the wrong hands. But the controversy does serve to illustrate the problems facing all non-profits when it comes to record-retention policies: Which records do you keep — and for how long?*

### **Imposing Order**

There's no doubt: A solid document retention policy (DRP) offers real benefits.

- Among other things, such a policy can impose order and force you to clean up what can literally be rooms full of documents. You can free up storage space and perhaps reduce storage costs.
- Electronically, a DRP can help your organization preserve storage space on the network and on users' desktops, optimizing network performance.
- Proper document retention and storage procedures can also lessen the chance of having documents used for identity theft — a major consumer concern these days.

### **One Size Does *Not* Fit All**

Be forewarned: There is no one-size-fits-all document retention policy. However, the basics are fairly straightforward:

1. If you are governed by federal/state laws or regulations, follow them. If federal and state requirements conflict, follow the more stringent requirements.
2. Next, abide by internal bylaws, other mandatory procedures or industry standards.
3. If you are on your own after following rules 1 and 2, assume all documents in your possession — paper and electronic — will be needed somewhere down the line and act accordingly.

## Epic Novel Or Short Story?

DRPs don't have to be epic novels. They can be just a few paragraphs, as long as they address these fundamentals:

1. Define how long, how and where to store both paper and electronic records (don't forget information received and stored in facsimile machines, computers, e-mail and telephones). Specify retention periods for specific categories of records.
2. Make sure you have considered all forms of electronic data in all devices and media (don't forget digital printers/copiers and voicemail).
3. Specify how records are to be destroyed when their retention period has expired. Is it automated or are users responsible?
4. Specify the individuals responsible for enforcing, monitoring and updating the policy.
5. Detail the circumstances under which the policy should be suspended, such as when a lawsuit is anticipated or in progress, a subpoena has been served or an investigation is known to be underway.
6. Finally, if you are going to have a DRP, enforce it. And be sure to enforce it in a consistent fashion.

## Know What To Hold

Document retention regulations vary widely from state to state, so be sure to have your legal counsel review the guidelines your organization uses to ensure compliance. Also, be aware of any additional legal and/or grant agreements that may impact the records you must maintain.

*Our knowledgeable professionals can provide guidance and help your nonprofit draft a solid document retention policy that protects your interests as well as those of your donors.*

### Food For Thought

Findings from document retention experts provide some eye-opening food for thought:

- Nearly half of stored documents are of no current or future use.
- Some 40 percent of stored data are copies of already-filed documents.
- Nearly 95 percent of stored documents that need to be retrieved are less than three years old.