

Big Sky Institute for the Advancement of Nonprofits (BSI) Document Retention and Destruction Policy¹

I. Purpose

- A. Big Sky Institute for the Advancement of Nonprofits (BSI) recognizes the importance of maintaining records for many reasons, including, but not limited to, the following:
1. Maintain a record of the legal structure of BSI
 2. Document board and board committee membership, decisions and activities
 5. Maintain BSI's policies -- both board and administrative policies
 6. Allow BSI to demonstrate effective pursuit of its mission, to evaluate the success of its programs and to determine whether the organization is achieving desired results
 7. Maintain a record of federal and state tax filings and important supporting information
 8. Maintain a record of financial statements and budgets and important supporting information, to monitor budgetary and financial results and activities, and to identify sources of receipts
 9. Identify all donations and grants and to maintain required documents
 10. Maintain personnel and employment records
 11. Maintain records of all contracts or other documents creating legal obligations or potential legal liabilities, including insurance contracts, vendor contracts, personal services contracts, leases and other property related contracts, as well as notices of any legal processes involving BSI or of any government investigations.
- B. BSI's goal is to maintain such documents for a time period defined at a minimum by law, but otherwise for as long as such documents create an important historical record of BSI's activities or may be relevant to BSI's business needs, legal obligations, or any litigation or investigation.

II. Method of Retention

- A. BSI may maintain records in electronic form or paper or in any other safe and reliable manner.
- B. Records shall be stored in a secure location, which may be in the BSI offices or in a storage facility or other location.
- C. BSI shall maintain a record of where records are stored or located so that they may be accessed within a reasonable period of time.

¹ Based upon a policy adopted on July 8, 2008 by the Montana Nonprofit Association, which is a membership organization that promotes a stronger nonprofit sector in Montana through –public policy, affordable products and services, organizational development, research and information sharing, and network building.

III. Document Destruction, Including Prohibition on Document Destruction

- A. Documents not covered by this policy shall be destroyed when no longer useful to BSI and the files of BSI should be periodically culled of such documents.
- B. Documents covered by this policy must be maintained for the period established in this policy, at a minimum, but may be maintained for a longer period of time.
- C. Documents may not be destroyed and must be preserved and not altered in any manner if BSI knows or has been informed that they may be relevant to an investigation by any government entity or to litigation or potential litigation.

IV. Executive Director's Authority

- A. The Executive Director is authorized and directed to take steps to reasonably implement this policy and shall report to the Board on any issues, resource constraints, or concerns related to adequate implementation of this policy.
- B. The Executive Director shall notify the Board of any additional document retention requirements mandated by law that should be added to this policy, and is directed to implement such requirements, even if not included in this policy.
- C. The Executive Director may, by administrative policy and without Board authorization, create additional document retention requirements, as long as such requirements are not more restrictive than this policy.

V. Documents that must be maintained and retention periods

Legal structure of BSI	
1. Articles of Incorporation and any amendments	Permanently
2. Annual filing with the Secretary of State	Permanently
3. Bylaws and any amendments	Permanently
4. IRS Form 1023 and amendments	Permanently
5. IRS letter recognizing BSI's tax exempt status	Permanently
Board and Board Committee membership, decisions and activities	
1. Minutes of Board and standing committee meetings	Permanently
2. Financial statements and budgets approved by the Board or any committee of the Board	Permanently
3. List of board members, contact information, and their terms	Permanently
4. Periodic reviews of Board effectiveness conducted by the Board, a committee of the board, a consultant, or management	15 years

5. Board resolutions, including banking resolutions, should be maintained as part of the minutes	Permanently
6. Annual Conflict of Interest disclosure statements	10 years after director is no longer on the board
BSI's Board and Administrative Policies	
1. Board policies, including record of effective dates, amendments and revisions	Permanently
2. Administrative policies, including record of effective dates, amendments and revisions	5 years after last effective date
Documents that demonstrate effective pursuit of BSI's mission, evaluate program success and determine whether the organization is achieving desired results	
1. Strategic planning documents approved by the Board	15 years after end of effective period
2. Board, board committee, management reviews or evaluations of BSI projects	15 years
3. Consultant's reports on core BSI projects	15 years
4. Program files on BSI programs	10 years for major projects involving more than \$25,000 during any fiscal year; as determined by the ED for other programs
Financial statements, budgets, tax returns, and important supporting information.	
1. Federal and state annual tax returns and any amendments	Permanently
2. Business records that support federal and state annual returns	10 years
3. Financial reviews by outside CPAs or audited financial statements of BSI	Permanently
4. Documents that establish BSI's sources of receipts for tax and other purposes	10 years
Note: All other significant documents related to the budget and financial results and activities should be part of the minutes of the Finance Committee or the Board.	
Donations and Grants	

1. Records of all donations, names and contact information for donor, any limitations on use, and disbursements	Permanently
2. Grants: records shall be kept as required by any grant document, but shall include the names and contact information of the grantor, any limitations on use, and disbursements	Permanently
Other	
1. Personnel and employment records	10 years after termination
2. Contracts or other documents creating legal obligations or potential legal liabilities, including insurance contracts, vendor contracts, personal services contracts, leases and other property related contracts as well as notices of any legal processes involving BSI or of any government investigations.	10 years after termination

Approved by the BSI Board of Directors on August 1, 2013