

**MICHIGAN STATE BAR FOUNDATION  
RECORD RETENTION AND DESTRUCTION POLICY**

This policy and related schedule identify records to be retained and the individual responsible for each type of record.

**1) Purpose**

The purpose of this Policy is to establish procedures for managing, retaining and disposing of the records of the Michigan State Bar Foundation (“MSBF”) consistent with applicable legal requirements. It is also for the purpose of reducing all hard copies of documents as much as feasibly possible; any physical records which can reasonably be converted to electronic format shall be converted as soon as reasonably possible, after which the hard records shall be disposed of by appropriate procedures as soon as reasonably possible. This related checklist is a guide for employees and agents of MSBF in understanding their obligations in retaining records.

**2) Definition of “Record”**

The term “record” includes all physical and electronic communications and information produced by or for MSBF. Unless otherwise designated, informal materials of transitory utility (e.g., temporary notes of internal meetings, casual or personal electronic mail and facsimile transmittal cover sheets) shall not be considered “records” for purposes of this policy.

**3) Statement of Retention Policy**

- a) The Executive Director of MSBF shall oversee the implementation of this policy and shall designate the appropriate way records shall be managed, retained and disposed, including the implementation of processes and procedures to ensure that the Record Retention Schedule is followed.
- b) The employee who originates or creates a record is responsible for maintaining, filing and storing such record in accordance with the procedures developed by the Executive Director. The employee listed in the Record Retention Schedule is responsible for reviewing records periodically to ensure records have been properly filed and stored by employees and to request employees review records and destroy records when appropriate.
- c) Electronic materials, including email, are to be treated in the same manner as other Foundation materials. Employees should regularly review emails and delete those not covered by this policy (i.e., emails of only transitory value or personal in nature) at least bi-annually. Email and other electronic documents that are subject to this policy should be archived in electronic form as determined by the Executive Director.
- d) It is preferable to not retain a copy of a record when the original or an official copy is maintained elsewhere. With rare exceptions, no document should be filed in more than one location. Cross links will be established through the MSBF. Absent a compelling reason to keep drafts of a document, only final documents should be permanently filed. Drafts kept permanently or temporarily should be named “draft”
- e) With rare exceptions, no documents should be filed in locations outside network and no documents should be filed permanently on a particular computer’s hard drive.

- f) Employees may discard all publications, correspondence, reports and other paper copies of records that are legally maintained on and capable of being retrieved from an electronic system and are thus maintained consistent with this document retention policy.
- g) Each employee will be responsible for notifying the responsible individual listed in the Record Retention Schedule of any records under his or her control for which they discover the applicable retention period expired during such year. On the attached schedule, retention is generally expressed in terms of the number of calendar years to be added to the current calendar year. For example, if a record is classified as “7 Years,” a record created during the year 2007 must be kept until December 31, 2014.
- h) MSBF may destroy all records following the expiration of the applicable retention period in accordance with procedures developed by the Executive Director, unless the Executive Director determines that a record must be retained for a longer period to comply with legal or other requirements.
- i) Employees who become aware of any claim, threatened claim, legal proceeding, or governmental investigation or audit concerning MSBF must promptly notify the Executive Director so that all documents with potential relevance to the claim, legal proceeding, investigation or audit can be retained pending further determination by the Executive Director in accordance with Section j below.
- j) Employees should consult with the Executive Director before disposing of records that may be needed in connection with investigations, audits, pending litigation or other disputes in which some future proceedings can reasonably be anticipated. When litigation is anticipated, MSBF will take reasonable steps to preserve evidence and maintain any documents or information that may be discoverable in the litigation. Further, MSBF may receive notice of a pending investigation or subpoena which may involve certain records. Upon receipt of such notice, the Executive Director shall suspend any scheduled disposal of relevant documents, and promptly notify employees of such suspension, until such time as the Executive Director, with the advice of counsel, determines otherwise.
- k) MSBF’s records should be stored on MSBF premises or at offsite locations designated by MSBF, including but not limited to, a qualified professional records depository within the geographic area, company providing electronic storage services or other depositories which are approved by the Executive Director.
- l) The Executive Director shall provide a copy of this policy to all employees of MSBF when hired, promptly inform employees of any changes hereto, and assure that periodic training and/or information sessions are conducted concerning this policy, as the Executive Director deems necessary and appropriate.
- m) The Executive Director shall review this policy on a periodic basis to determine whether it is being successfully implemented by MSBF’s employees (including ensuring that electronic data is converted to and maintained in accessible formats and is maintained on accessible media) and for compliance with all applicable legal, tax, audit, organizational and operational requirements.
- n) Any amendments or changes to this policy must be approved by the Board of Directors.

#### **4) Record Retention Schedule**

Attached as Appendix A is the Record Retention Schedule for the maintenance, retention and disposal of physical and electronic records of MSBF. The Executive Director is authorized to make modifications to

the Record Retention Schedule from time to time consistent with 1) this policy; 2) local, state and federal laws; and 3) appropriate document and record categories for MSBF.

This Policy was approved by the Board of Trustees of Michigan State Bar Foundation on November 17, 2021.

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**APPENDIX A - RECORD RETENTION SCHEDULE**

This schedule lists the retention periods for different types of records of the Foundation and the person responsible for ensuring retention. In the event a record is not listed on this schedule, please contact the Executive Director to determine the appropriate retention period for such record.

**A. CORPORATE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer
Corporate Records (board meeting minutes, articles of incorporation, bylaws, annual corporate reports)	Permanent	ED
Board policies	Permanent	ED
Licenses and Permits and Patents/Trademarks/Copyrights and related documents	Permanent	ED

**B. ACCOUNTING, FINANCE AND TAX RECORDS**

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer
Accounts Payable ledgers and schedules	7 years	CFO
Accounts Receivable ledgers and schedules	7 years	CFO
Annual Audit Reports and Annual Audited Financial Statements and Management Letters	Permanent	CFO
Annual Audit Records, including work papers and other documents that relate to the audit, such as Expense Analysis/Expense Distribution Schedules	7 years after completion of audit	CFO
Annual Budget	7 years	CFO
Bank Statements and Reconciliations	7 years	CFO
Employee Expense Reports	7 years	CFO
General Ledgers/Chart of Accounts	Permanent	CFO
Depreciation Schedules	Permanent	CFO
Interim Financial Statements	7 years	CFO
Annual Investment Performance Reports	7 years	CFO
Investment Records	7 years	CFO

**Tax Records General Principle:** MSBF must keep books of account or records sufficient to establish amount of gross income, deductions, credits, or other matters required to be shown in any tax return. These documents and records shall be kept for as long as the contents thereof may

become material in the administration of federal, state, and local income, franchise, and property tax laws.

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer PC – Program Coordinator
IRS determination letter	Permanent	CFO
IRS statements, communications, receipts and records	7 years	CFO
IRS Form 990 tax returns and worksheets	Permanent	CFO
IRS or other Government Audit Records and Rulings	Permanent	CFO

### C. PERSONNEL RECORDS, AND PAYROLL AND PENSION DOCUMENTS

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer
Commissions/Bonuses/Incentives/Awards	7 years	CFO
Employee Earnings Records	Separation + 7 years	CFO
Employee Handbooks	Permanent	CFO
Employee Medical Records	7 years after separation	CFO
Employment Contracts – Individual	7 years after separation	CFO
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, test results, training and qualification records)	7 years after separation	CFO
Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)	3 years	CFO
Job Descriptions	3 years after superseded	CFO
Forms I-9	3 years after separation	CFO
Employee Deduction Authorizations	According to PEO record retention policies	PEO
Payroll Deductions and Withholding tax statements	According to PEO record retention policies	PEO
W-2 and W-4 Forms	Termination + 7 years	CFO
Garnishments, Assignments, Attachments	Termination + 7 years	CFO
Labor Distribution Cost Records	7 years	CFO
Payroll Registers (gross and net)	7 years	CFO
Summary time records	7 years	CFO
Unclaimed Wage Records	7 years	CFO
Retirement and Pension Records and related Benefits Records	Permanent	CFO
Compensation Consultant Reports and Studies relating to Compensation of Directors, Officers and Key Employees	7 years	CFO

**D. CONTRACTS AND PROPERTY RECORDS**

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer
Contracts, including license agreements and leases	7 years after expiration or termination	CFO
Property Deeds, mortgages and bills of sale,	Permanent	CFO

**E. INSURANCE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer
Insurance Claims (annual loss summaries, releases and settlements, audits and adjustments)	7 years	CFO
Certificates of Insurance issued or received	Permanent	CFO
Group Insurance Plans - Active Employees	Until Plan is amended or terminated	CFO
Group Insurance Plans – Retirees	Permanent or until 7 years after death of last eligible participant	CFO
Insurance Policies (including expired policies)	4 years	CFO

**F. LEGAL FILES AND PAPERS**

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director
Legal Memoranda and Opinions (including all subject matter files)	7 years after close of matter	ED
Litigation Files	7 years after expiration of appeals or time for filing appeals	ED
Court Orders	Permanent	ED
Records of Changes to Records Retention Schedule	Permanent	ED

**G. GRANT DOCUMENTS, PROGRAMS & SERVICES RECORDS, AND FISCAL SPONSOR PROJECT RECORDS**

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer PC – Program Coordinator
Original grant proposal and required supporting documentation	7 years after completion of grant period	PC
Grant agreement and subsequent modifications, if applicable	7 years after completion of grant period	PC
Final grantee reports, both financial and narrative, including report assessment forms and peer reviews	7 years after completion of grant period	PC
Grantee work product produced with the grant funds	7 years after completion of grant period	PC

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer PC – Program Coordinator
MSBF convenings	Permanent (1 copy only)	PC
Publications	Permanent (1 copy only)	PC
Sponsorship agreements	Permanent	CFO

## H. CONTRIBUTION RECORDS

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer PC – Program Coordinator
Records of Contributions	Permanent in donor database	CFO
Documents evidencing terms and conditions of gifts, including pledge forms, checks, and other gift documentation	7 years	CFO
Records of contributions and documentation supporting gift to be or received upon the death of a donor	Permanent	CFO

## I. CORRESPONDENCE AND INTERNAL MEMORANDA

**General Principle:** Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract (7 years after expiration). It is recommended that records that support a particular project be kept with the project and take on the retention time of that particular project file.

<b>Record Type</b>	<b>Retention Period</b>	<b>Responsibility</b> ED – Executive Director CFO – Chief Financial Officer PC – Program Coordinator
Correspondence (general)	1 year	Each Staff Member
Material of Historical Value (including pictures, publications)	Permanent	PC
Policy and Procedures Manuals	Current version with revision history	CFO
Annual Reports	Permanent	PC

Correspondence or memoranda that do not pertain to documents having a prescribed retention period may generally be discarded sooner. Some examples include:

- Routine letters and notes that require no acknowledgment or follow-up, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
- Form letters that require no follow-up.
- Letters of general inquiry and replies that complete a cycle of correspondence.
- Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).
- Other letters of inconsequential subject matter or that definitely close correspondence to which no further reference will be necessary.

- Chronological correspondence files.

Please note that copies of interoffice correspondence and documents where a copy will be in the originating department file may be read and destroyed unless that information provides reference to or direction to other documents and must be kept for project traceability.

#### J. **EMAIL**

- Most email and electronic internal memoranda should be retained for the same period as the document they pertain to or support. Not all email needs to be retained, depending on the subject matter.
- Staff will not transfer MSBF-related email or documents to non-work-related computers except as necessary or appropriate for MSBF purposes, and such email or documents on non-work-related computers shall be promptly deleted after use.
- Staff will take care not to send confidential/proprietary MSBF information to outside sources.
- If necessary the Executive Director may determine any limit on the size of the email account of staff (e.g., 10GB). Staff with more than that size in their email account will be unable to send or receive messages until the size of their email account is reduced. Staff will be notified by the Administrator as their account size approaches that size.
- Any email staff deems vital to the performance of their job should be saved to an electronic file (word processing or PDF) and stored in the location on the MSBF file server pertinent to the content of the email.