

## UNIVERSITY CORPORATION AT MONTEREY BAY BOARD POLICY

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### Policy 101

### **Records Retention Policy**

Section: 100- Administration

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#### 1) **PURPOSE**

The Corporation is committed to records management that ensures compliance with statutory and regulatory requirements, and helps to promote best governance practices by preserving institutional history while limiting potential fiscal liabilities.

#### 2) **POLICY**

Records/information will be retained and destroyed in accordance with the guidelines in section IV below. Each department's administrative manager (or designee) is responsible for implementing this policy. Retention periods may increase by government regulation, judicial or administrative order, private or governmental contract, pending litigation or audit requirements.

- a) **Definitions.** The definitions below are from the CSU Chancellor's Office Executive Order No. 1031.
- i) **Disposition:** A range of processes associated with implementing records/information retention, destruction, or transfer decisions that are documented in the records/information retention and disposition schedule or other authority.
  - ii) **Media:** A general term referring to the material onto which business information has been recorded and may subsequently be used for business purposes.
  - iii) **Record/Information:** Every means of recording upon any tangible thing in any form of communication or representation, including letters, words, pictures, sounds, or symbols, any combination of these or other means to engage in business, regardless of media. This includes, but is not limited to:
    - (1) Electronic communication such as email content and attachments, voicemail, instant messages, and data on a contactless integrated circuit;
    - (2) Content on websites, PDAs, mobile devices, desktops, and servers;
    - (3) Information/data captured in various databases;
    - (4) Physical paper in files, such as memos, contracts, reports, photographs and architectural drawings;
    - (5) Licenses, certificates, registration, identification cards, or other means
    - (6) Handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile;
    - (7) Any record thereby created, regardless of the manner or media in which the records has been stored and/or created; and
    - (8) Backups of electronic information.
  - iv) **Retention Period:** The period of time that a record/information shall/should be kept. This period may be divided into:

- (1) Active Retention Period – This is the length of time the records or information are to remain available for immediate retrieval to meet operational needs.
  - (2) Inactive Retention Period – This is the length of time the records or information are to be retained to meet the long-term needs of the Corporation.
- v) Value: Records and information may have value in one or more of the following areas:
- (1) Operational – Required by a department to perform its primary function.
  - (2) Legal – Required to be kept by law or may be needed for litigation or a government investigation.
  - (3) Fiscal – Related to the financial transactions of the Corporation, especially those required for audit or tax purposes.
  - (4) Historical – Of long-term value to document past events. This may arise from exceptional age and/or connection with some significant historical event or person associated with the Corporation.
  - (5) Vital – Critical to maintain to ensure operational continuity for the Corporation after a disruption or disaster. Vital records or information may fall into any one of the above value categories.

**b) Policy Guidelines.**

- i) Record Retention Schedule: Each department's administrative manager (or designee) is responsible for:
  - (1) Issuing copies of record retention schedules to all appropriate individuals,
  - (2) Reviewing the record retention schedule at least annually to ensure that records titles and retention periods are appropriate, and
  - (3) Determining the active and inactive retention periods for records.
- ii) Designated Records Centers: Each department's administrative manager (or designee) is responsible for ensuring appropriate access to records. A department may have more than one records storage location for active retention. Records that are in their inactive retention period should be stored in the department-designated storage space until destruction. The department administrative manager (or designee) is responsible for ensuring that records in their inactive retention period are retired to the warehouse.
- iii) Systematic Organization of Retained Records: Each department's administrative manager (or designee) is responsible for ensuring that retained records are systematically organized and stored. Each department is strongly encouraged to develop procedures to document a department's record organization and storage methods in order to maintain a consistent and robust records retention system for the department. Examples of what might be included in a departmental records retention procedure include:
  - (1) Specification of storage boxes – size, strength, color
  - (2) Labeling requirements for storage boxes – document number range (from – to), date range, description of document, destroy date or so noted if permanent retention
  - (3) The keeping and regular updating of a master log of boxes
  - (4) The keeping and regular updating of a master log of CDs or other media for digital file storage
  - (5) An annual review of the master log to schedule record destruction as needed
  - (6) Obtaining authorized signatures for record retrieval and destruction
  - (7) However, procedures are not required.

- iv) Protection of Vital Records: Vital records must be safeguarded appropriately and each department’s administrative manager (or designee) is responsible for determining and implementing appropriate safeguards. Examples of appropriate safeguards might include:
  - (1) Off-site storage for back-ups
  - (2) Fireproof and/or waterproof storage
  
- v) Destruction of Obsolete Records: When it is deemed appropriate to dispose of certain records, they should be destroyed appropriately. The date and method of destruction must be noted on the master log. Obsolete records may be destroyed in one of the following ways:
  - (1) Recycle non-confidential paper records;
  - (2) Shred or otherwise render unreadable confidential paper records; or
  - (3) Erase or destroy electronically stored data.
  
- vi) Digital Records: Digital records and files should be treated with the same confidentiality and security as hard copy documents. Computer records should be retained according to the retention periods outlined in the table below.
  - (1) University IT regularly backs up the servers. Users are encouraged to save their work files on a server instead of on their own hard drives because individual hard drives are not backed up.
  - (2) Computer users are responsible for the maintenance and security of their electronic files and data.
  - (3) Users should review and delete any unused or obsolete files on a regular basis, but no less than annually, unless litigation or other restrictions are in effect.
  - (4) Users should periodically clean up their email accounts by reviewing and deleting any unused or obsolete emails unless litigation or other restrictions are in effect.
  - (5) When records are digitized (e.g., scanned), all relevant notes, worksheets and other papers necessary for reconstructing or understanding the records also must be digitized.
  
- vii) Inconsistencies in Retention Periods: If there are inconsistencies in the required retention periods, the longer period will be followed.

Document	Retention Period	Retention Location	Responsibility	Retention Source Authority
<b>1. Corporate/Organizational Records</b>				
a. Board and committee meeting documents, including agendas, minutes, and related documents	Permanently	Corporation administration	Governance and Compliance Manager	Corps Code § 6320
b. Business correspondence – nonessential	Sender/recipient discretion	Sender/recipient files	Sender/recipient	Best Practice
c. Contracts and leases in effect	7 years after expiration date	Corporation administration	Governance and Compliance Manager	Best Practice

<b>Document</b>	<b>Retention Period</b>	<b>Retention Location</b>	<b>Responsibility</b>	<b>Retention Source Authority</b>
d. Incorporation documents including articles of incorporation, bylaws, amendments, and related documents	Permanently	Corporation administration	Governance and Compliance Manager	Corps. Code § 5160
e. Tax-exemption documents, IRS determination letter, and any related documents	Permanently	Corporation administration	Governance and Compliance Manager	Corps. Code § 5160 U.S. Treas. Reg. § 1.6033-2(a)(2)(i)
<b>Document</b>	<b>Retention Period</b>	<b>Retention Location</b>	<b>Responsibility</b>	<b>Retention Source Authority</b>
<b>2. Financial Records</b>				
a. Annual Reports (year-end financial statements)	Permanently	Corporation accounting	Controller	Cal. Gov. Code §12586(e)(1)
b. Accounts payable records (authorizations for payment, check copies, supporting documentation and related documents)	7 years	Corporation accounting	Controller	Best Practice
c. Accounts receivable records	7 years	Corporation accounting	Controller	Best Practice
d. Audit reports of accountants/CPAs	Permanently	Corporation accounting	Controller	Cal. Gov. Code §12586(e)(1)
e. Bank statements and reconciliations, canceled checks, check registers, investment statements and related documents	7 years	Corporation accounting	Controller	Best Practice
f. Cash receipt records (including cash register records, prenumbered receipts, payment logs, cash journals and reconciliations)	7 years	Corporation accounting	Controller	Best Practice

<b>Document</b>	<b>Retention Period</b>	<b>Retention Location</b>	<b>Responsibility</b>	<b>Retention Source Authority</b>
g. Credit card merchant receipts	3 years plus current fiscal year	Corporation accounting	Controller	Best Practice
h. Endowment records (including trusts, bequests, wills)	Permanently	University Development	Manager of University Development	Best Practice
i. Equipment and vehicle records (including warranties and purchase information)	5 years after disposal of equipment	Corporation purchasing	Buyer	Ed Code 89048
j. Gift records/agreements	7 years	University Development	Manager of University Development Services	Best Practice
k. Insurance letters/correspondence	3 years after policy expiration date	Corporation risk management	Risk Analyst	Best Practice
l. Insurance policies (including expired policies)	Permanently	Corporation risk management	Risk Analyst	Best Practice
m. Payroll records (FLSA)	7 years	Corporation payroll	Payroll Specialist	29 U.S.C. Section 201-219 29 CFR Section 1627.3 or 28 U.S.C. Section 1658
n. Procurement records	7 years	Corporation purchasing	Buyer	Best Practice
o. Property records (interest in real property)	5 years after disposal of property	Corporation accounting	Controller	2 CFR 215.53/
p. Tax returns and records, worksheets, and related documents	Permanently	Corporation accounting	Controller	Revenue and Taxation Code Section 19704

### 3) RELATED DOCUMENTS

- a) Executive Order No. 1031
- b) TL-PR2004-01: Records Retention Guidelines for Employment-Related Records
- c) Uniform Guidance (2 CFR 200) § 200.333