

## Operation Healing Forces Document Retention and Destruction Policy

### Policy

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### PURPOSE

The purpose of the following policy and procedure is to ensure the most efficient and effective operation of Operation Healing Forces. We are implementing this Document Retention and Destruction Policy (“DRDP” or “policy”). The records of Operation Healing Forces are important to the proper functioning of organization. Our records include virtually all of the records you produce as an Operation Healing Forces employee. Such records can be in electronic or paper form. Thus, items that you may not consider important, such as interoffice emails, desktop calendars and printed memoranda are records that are considered important under this policy. If you are ever uncertain as to any procedures set forth in this policy (e.g., what records to retain or destroy, when to do so, or how) it is your responsibility to seek answers from the Operation Cruise DRDP Manager.

The goals of this DRDP are to:

- Retain important documents for reference and future use;
- Delete documents that are no longer necessary for the proper functioning of the organization;
- Organize important documents for efficient retrieval; and
- Ensure that you, as an Operation Healing Forces employee, know what documents should be retained, the length of their retention, means of storage, and when and how they should be destroyed.

Federal and state laws require Operation Healing Forces to maintain certain types of records for particular periods. Failure to maintain such records could subject you and Operation Healing Forces to penalties and fines, obstruct justice, spoil legal evidence, and/or seriously harm Operation Healing Forces’ position in litigation.

Thus, it is imperative that you fully understand and comply with this, and any future records retention or destruction policies and schedules, UNLESS you have been notified by Operation Healing Forces, or if you believe that:

- Such records are or could be relevant to any future litigation,
- There is a dispute that could lead to litigation, or
- The organization is a party to a lawsuit, in which case you MUST PRESERVE such records until the Operation Healing Forces legal counsel determines that the records are no longer needed.

## **DEFINITIONS**

- “Records” discussed herein refers to all business records of Operation Healing Forces (and is used interchangeably with “documents”), including written, printed, and recorded materials, as well as electronic records (i.e., emails and documents saved electronically).
- All business records shall be retained for a period no longer than necessary for the proper conduct and functioning of Operation Healing Forces.
- No business records shall be retained longer than five (5) years, EXCEPT those that (1) have periods provided for herein, (2) are in the Document Retention Schedule, found at Appendix “A”, or (3) are specifically exempted by Organization’s DRDP Manager.

## **MANAGEMENT**

To ensure compliance with this DRDP, Organization’s DRDP Manager is responsible for the following oversight functions:

- Implementing the DRDP;
- Ensuring that employees are properly educated, understand, and follow the DRDP’s purpose;
- Providing oversight on actual retention and destruction of documents;
- Ensuring proper storage of documents;
- Periodically following-up with counsel to ensure proper retention periods are in place;
- Ensuring the proper storage of documents;
- Suspending the destruction of documents upon foreseeable litigation; and
- Keeping corporate officers, directors, and employees apprised of changes in relation to the DRDP.

The Operation Healing Forces’ DRDP Manager shall annually review the DRDP, modify it accordingly, and inform and educate all Organization employees on any

such changes. All questions relating to document retention and/or destruction should be directly addressed to Organization's DRDP Manager.

## **TYPES OF RECORDS**

Appendix "A", attached at the end of this DRDP, lists several categories of records, as well as specific records that contain specific retention periods. This is referred to as a Document Retention Schedule ("DRS"). All records not provided for in the DRS or described herein, shall be classified into three types, (1) Temporary Records, (2) Final Records, and (3) Permanent Records.

### **Temporary Records**

Temporary records include all business documents that have not been completed. Such include, but are not limited to written memoranda and dictation to be typed in the future, reminders, to-do lists, report, case study, and calculation drafts, interoffice correspondence regarding a client or business transaction, and running logs

Temporary records can be destroyed, or permanently deleted if in electronic form (see protocol below for proper destruction of data in electronic form) when a project/case/file closes. Upon the closing of a project/case/file, gather and review all such temporary records.

Before you destroy or permanently delete these documents, make sure you have duplicates of all the final records pertaining to the project/case/file. Upon destruction or deletion, organize the final records (and duplicates) in a file marked "FINAL" and store them appropriately.

### **Final Records**

Final records include all business documents that are not superseded by modification or addition. Such include, but are not limited to: documents given (or sent via electronic form) to any third party not employed by Operation Healing Forces, or government agency; final memoranda and reports; correspondence; handwritten telephone memoranda not further transcribed; minutes; design/plan specifications; journal entries; cost estimates; etc. All accounting records shall be deemed final.

Except as provided for in the DRS, all final documents are to be discarded ten (10) years after the close of a project/case/file.

### **Permanent Records**

Permanent records include all business documents that define the Operation Healing Forces scope of work, expressions of professional opinions, research and reference materials. Such include, but are not limited to contracts, proposals, materials referencing expert opinions, annual financial statements, federal tax returns, payroll registers, copyright registrations, patents, etc.

Except as provided for in the Document Retention Schedule (Appendix "A"), all permanent documents are to be retained indefinitely.

### **Accounting and Corporate Tax Records**

Accounting and corporate tax records include, but are not limited to: financial statements; ledgers; audit records; invoices and expense records; federal, state, and property tax returns; payroll; accounting procedures; gross receipts; customer records; purchases; etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of six (6) years or until the statute of limitations for a particular record expires.

### **Workplace Records**

Workplace records include, but are not limited to Articles of Incorporation, bylaws, meeting minutes, deeds and titles, leases, policy statements, contracts and agreements, patents and trademark records, etc.

Unless otherwise specified in the DRS, such records should be retained in perpetuity.

### **Employment, Employee, and Payroll Records**

Employment records include, but are not limited to job announcements and advertisements; employment applications, background investigations, resumes, and letters of recommendation of persons not hired; etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of one (1) year.

Employee records include, but are not limited to employment applications, background investigations, resumes, and letters of recommendation of current and past employees, records relating to current and past employee's performance reviews and complaints, etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of three (3) years following unemployment with Operation Healing Forces.

Payroll records include, but are not limited to wage rate tables; salary history; current rate of pay; payroll deductions; time cards; W-2 and W-4 forms; bonuses; etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of six (6) years.

### **Bank Records**

Bank records include, but are not limited to bank deposits; check copies; stop payment orders; bank statements; check signature authorizations; bank reconciliations; etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of three (3) years.

### **Legal Records**

Legal records include, but are not limited to all contracts, legal records, statements, and correspondence, trademark and copyright registrations, patents, personal injury records and statements, press releases, public findings, etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of ten (10) years.

### **Historical Records**

Historical records are those that are no longer of use to Operation Healing Forces, but by virtue of their age or research value may be of historical interest or significance to Organization.

Historical records should be retained indefinitely.

## **STORAGE**

### **Tangible Records**

Tangible records are those in which you must physically move to store, such as paper records (including records printed versions of electronically saved documents), photographs, audio recordings, advertisements and promotional items. Active records and records that need to be easily accessible may be stored the Operation Healing Forces office space or equipment. Inactive records are also stored in the office space.

**Electronic Records**

Electronic mail (“E-mail”) should be either printed and stored as tangible evidence, or downloaded to a computer file and kept electronically or on a disk.

If you save sensitive or important records on computer disks, you should duplicate the information in an alternate format because disks are easily lost or damaged.

**DESTRUCTION/DELETION**

**Tangible Records**

Tangible records should be destroyed by shredding or some other means that will render them unreadable. If you have a record that you do not know how to destroy, such as a photograph, compact disk, or tape recording, ask the advice of the Operation Healing Forces DRDP Manager.

**Electronic Records**

E-mail records that you “delete” remain on your computer. Thus, it will be necessary to permanently remove deleted emails from the computer system.

Deleting files and emptying the recycling bin is usually sufficient in most circumstances to get rid of a record. Keep in mind, where duplicate records are involved, both copies must be destroyed/deleted where proper.

**CESSATION OF RECORD DESTRUCTION/DELETION**

If a lawsuit is filed or imminent, or a legal document request has been made upon the Operation Healing Forces, ALL RECORD DESTRUCTION MUST CEASE IMMEDIATELY. The Operation Healing Forces DRDP Manager may suspend this DRDP to require that documents relating to the lawsuit or potential legal issue(s) be retained and organized. A critical understanding of this section is imperative. Should you fail to follow this protocol, you and/or Organization may be subject to fines and penalties, among other sanctions.

**ACKNOWLEDGEMENT**

I have read and understand the purpose of this DRP. I understand that strict adherence to this DRP is a condition of my employment with Organization. If I do not understand something regarding this DRP, I will contact Organization’s DRP Manager immediately for clarification. I agree to abide by Organization’s DRP.

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Employee’s Signature

Date

Employee's Name (print)

**APPENDIX A**  
**Operation Cruise**  
**Document Retention Schedule**

TYPE OF RECORD	SPECIFIC RECORD	RETENTION PERIOD
Accounting Records	<ul style="list-style-type: none"> <li>• Annual Financial statements</li> <li>• Monthly financial statements</li> <li>• General ledger</li> <li>• Annual audit records</li> <li>• Journal entries</li> <li>• Special reports</li> <li>• Cancelled checks</li> <li>• A/P paid invoices</li> <li>• Expense reports</li> <li>• A/R invoices</li> <li>• Accounts payable</li> <li>• Accounts receivable</li> <li>• Audit reports</li> <li>• Chart of accounts</li> <li>• Inventory records</li> <li>• Loan documents</li> <li>• Purchase orders</li> <li>• Sales records</li> <li>• Stop payment orders</li> <li>• Bank statements</li> <li>• Brokerage Account Statements</li> <li>• Deposit slips</li> <li>• Depreciation Schedules</li> <li>• Copies of gift checks</li> <li>• Documents supporting gifts other than publicly traded stock &amp; cash</li> <li>• Gift acknowledgements</li> <li>• Grant acknowledgement &amp; required reports</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• 3 years</li> <li>• 20 years</li> <li>• 10 years</li> <li>• 8 years</li> <li>• 7 years</li> <li>• 8 years</li> <li>• 7 years</li> <li>• 7 years</li> <li>• 7 years</li> <li>• Permanent</li> <li>• 7 years</li> <li>• 7 years after final payment</li> <li>• 7 years</li> <li>• 7 years</li> <li>• 3 years</li> <li>• 3 years</li> <li>• 3 years</li> <li>• 3 years</li> <li>• Permanently</li> <li>• 7 years</li> <li>• 7 years</li> <li>• 4 years</li> <li>• 7 years</li> </ul>
Tax Records	<ul style="list-style-type: none"> <li>• Federal tax returns (not payroll)</li> <li>• State &amp; local tax returns</li> <li>• Form 990 &amp; supporting documentation</li> <li>• Supporting documentation for taxes</li> <li>• City &amp; State tax reports &amp; supporting documents</li> <li>• Payroll taxes (W2)</li> <li>• Payroll taxes (Form 941, state withholding forms, state unemployment</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• Permanent</li> <li>• Permanent</li> <li>• 4 years</li> <li>• 5 years</li> <li>• Permanent</li> <li>• 8 years</li> </ul>

	returns)	
Payroll Records	<ul style="list-style-type: none"> <li>• Wage rate tables</li> <li>• Cost of living tables</li> <li>• Wage</li> <li>• Salary</li> <li>• Payroll deductions</li> <li>• Time cards or forms</li> <li>• W-2 forms</li> <li>• Garnishments</li>   <li>• Payroll registers</li> <li>• State employment forms</li> <li>• State unemployment tax records</li> <li>• Cancelled payroll checks</li> <li>• Deductions register</li> <li>• Earnings records</li> <li>• Changes or adjustments to salary</li> </ul>	<ul style="list-style-type: none"> <li>• 3 years</li> <li>• 3 years</li> <li>• 6 years</li> <li>• 6 years</li> <li>• 6 years</li> <li>• 5 years</li> <li>• 8 years</li> <li>• 4 years following unemployment</li> <li>• Permanent</li> <li>• 4 years</li> <li>• Permanent</li> <li>• 8 years</li> <li>• 8 years</li> <li>• 8 years</li> <li>• 8 years</li> </ul>
Insurance Records	<ul style="list-style-type: none"> <li>• Policies (including expired)</li> <li>• Claims for loss/damage, accident reports, appraisals</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• 5 years</li> </ul>
Workplace Records	<ul style="list-style-type: none"> <li>• Incorporation &amp; reorganization records (Articles of Incorporation, Bylaws, etc.)</li> <li>• Meeting minutes</li> <li>• Policy statements</li> <li>• Employee directories</li> <li>• Florida Division of Corporations Registration</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li>   <li>• Permanent</li> <li>• 10 years</li> <li>• 5 years</li> <li>• Permanent</li> </ul>
Legal Records	<ul style="list-style-type: none"> <li>• General contracts</li> <li>• Real estate contracts &amp; records</li> <li>• Personal injury records</li> <li>• Trademark registration</li> <li>• Copyright registration</li> <li>• Patents</li> <li>• Litigation claims</li> <li>• Court documents &amp; records</li> <li>• Deposition materials</li> <li>• Leases</li> </ul>	<ul style="list-style-type: none"> <li>• 3 years after termination</li> <li>• 20 years-permanent</li> <li>• 8 years</li> <li>• Permanent</li> <li>• Permanent</li> <li>• Permanent</li> <li>• 5 years following close of case</li> <li>• 5 years following close of case</li> <li>• 3 years following close of case</li> <li>• 6 years after termination</li> </ul>
Personnel Records	<ul style="list-style-type: none"> <li>• Employment applications (persons not hired)</li> <li>• Employment applications (persons hired)</li> <li>• Employment resumes &amp; employment history</li> <li>• Evaluations</li> <li>• Promotions, raises, reclassifications &amp; job descriptions</li> <li>• Disciplinary warnings, demotions, lay-off &amp; discharge</li> </ul>	<ul style="list-style-type: none"> <li>• 1 year</li>   <li>• 3 years following employment</li>   <li>• 3 years following employment</li>   <li>• 3 years following employment</li> <li>• 5 years following employment</li>   <li>• 5 years following employment</li> </ul>

	<ul style="list-style-type: none"> <li>• Employment &amp; termination agreements</li> <li>• Beneficiary information</li> <li>• Medical &amp; safety records</li> <li>• Accident reports</li> <li>• Education assistance</li> <li>• Sick leave benefits</li> <li>• Retirement plans (after expiration)</li> <li>• Incentive plans (after expiration)</li> <li>• Pension plans (after expiration)</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent</li> <li>• 3 years following employment</li> <li>• 6 years</li> <li>• 6 years</li> <li>• While employed</li> <li>• While employed</li> <li>• 6 years</li> <li>• 6 years</li> <li>• 6 years</li> </ul>
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