



DOCUMENT RETENTION AND DESTRUCTION POLICY

1. Policy and Purposes

This Policy represents the policy of Marathon Kids, Inc. (“Marathon Kids”) with respect to the retention and destruction of documents and other records, both in hard copy and electronic media (which may merely be referred to as “documents” in this Policy). Purposes of the Policy include (1) retention and maintenance of documents necessary for the proper functioning of Marathon Kids as well as to comply with applicable legal requirements; (2) destruction of documents that no longer need to be retained; and (3) guidance for the Board of Directors, officers, staff and other constituencies with respect to their responsibilities concerning document retention and destruction. Notwithstanding the foregoing, Marathon Kids reserves the right to revise or revoke this Policy at any time.

2. Administration

2.1 Responsibilities of the Administrator. Marathon Kids’ Executive Director shall be the Administrator in charge of the administration of this Policy. The Administrator’s responsibilities shall include supervising and coordinating the retention and destruction of documents pursuant to this Policy and particularly the Document Retention Schedule included below. The Administrator shall also be responsible for documenting the actions taken to maintain and/or destroy organization documents and retaining such documentation. The Administrator may also modify the Document Retention Schedule from time to time as necessary to comply with law and/or to include additional or revised document categories as may be appropriate to reflect organizational policies and procedures. The Administrator is also authorized to periodically review this Policy and Policy compliance with legal counsel and to report to the Board of Directors as to compliance. The Administrator may also appoint one or more assistants to assist in carrying out the Administrator’s responsibilities, with the Administrator retaining ultimate responsibility for administration of this Policy.

2.2 Responsibilities of Constituencies. This Policy also relates to the responsibilities of board members, staff, volunteers and outsiders with respect to maintaining and documenting the storage and destruction of Marathon Kids’ documents. The Administrator shall report to the Board of Directors (the board members acting as a body), which maintains the ultimate direction of management. Marathon Kids’ staff shall be familiar with this Policy, shall act in accordance with it, and shall assist the Administrator, as requested, in implementing it. The responsibility of volunteers with respect to this Policy shall be to produce specifically identified documents upon request of management, if the volunteer still retains such documents. In that regard, after each project in which a volunteer has been involved, or each term that the volunteer has served, it

shall be the responsibility of the Administrator to confirm whatever types of documents the volunteer retained and to request any such documents that the Administrator feels will be necessary for retention by Marathon Kids (not by the volunteer). Outsiders may include vendors or other service providers. Depending upon the sensitivity of the documents involved with the particular outsider relationship, Marathon Kids, through the Administrator, shall share this Policy with the outsider, requesting compliance. In particular instances, the Administrator may require that the contract with the outsider specify the particular responsibilities of the outsider with respect to this Policy.

3. Suspension of Document Destruction; Compliance. Marathon Kids becomes subject to a duty to preserve (or halt the destruction of) documents once litigation, an audit or a government investigation is reasonably anticipated. Further, federal law imposes criminal liability (with fines and/or imprisonment for not more than 20 years) upon whomever “knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States ... or in relation to or contemplation of any such matter or case.” Therefore, if the Administrator becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, the Administrator shall immediately issue a preservation notice or, if necessary, order a halt to all document destruction under this Policy, communicating the order to all affected constituencies in writing. The Administrator should confer with legal counsel to ensure that the preservation notice is adequate to protect and preserve documents that could be related to the litigation, audit, or investigation. If any board member or staff member becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, with respect to Marathon Kids, and they are not sure whether the Administrator is aware of it, they shall make the Administrator aware of it. Failure to comply with this Policy, including, particularly, disobeying any destruction halt order, could result in possible civil or criminal sanctions. In addition, for staff, it could lead to disciplinary action including possible termination.

4. Electronic Documents; Document Integrity. Documents in electronic format shall be maintained in their native format, wherever possible, in accordance with the Document Retention Schedule. Due to the fact that the integrity of electronic documents, whether with respect to the ease of alteration or deletion, or otherwise, may come into question, the Administrator shall attempt to establish standards for document integrity, including guidelines for handling electronic files, backup procedures, archiving of documents, and regular checkups of the reliability of the system; provided, that such standards shall only be implemented to the extent that they are reasonably attainable considering the resources and other priorities of Marathon Kids.

5. Privacy. It shall be the responsibility of the Administrator, after consultation with counsel, to determine how privacy laws will apply to Marathon Kids’ documents from and with respect to employees and other constituencies; to establish reasonable procedures for compliance with such privacy laws; and to allow for their audit and review on a regular basis.

6. Emergency Planning. Documents shall be stored in a safe and accessible manner. Documents that are necessary for the continued operation of Marathon Kids in the case of an emergency shall be regularly duplicated or backed up and maintained in an off-site location. The Administrator shall develop reasonable procedures for document retention in the case of an emergency.

7. Document Creation and Generation. The Administrator shall discuss with staff the ways in which documents are created or generated. With respect to each employee or organizational function, the Administrator shall attempt to determine whether documents are created that can be easily segregated from others, so that, when it comes time to destroy (or retain) those documents, they can be easily culled from the others for disposition. This dialogue may help in achieving a major purpose of the Policy -- to conserve resources -- by identifying document streams in a way that will allow the Policy to routinely provide for destruction of documents. Ideally, Marathon Kids will create and archive documents in a way that can readily identify and destroy documents with similar expirations.

8. Document Retention Schedule. [Subject to input/refinement from auditors.]

<u>Document Type</u>	<u>Retention Period</u>
Accounting and Finance	
Accounts Payable	7 years
Accounts Receivable	7 years
Annual Financial Statements and Audit Reports	Permanent
Bank Statements, Reconciliations & Deposit Slips	7 years
Canceled Checks – routine	7 years
Canceled Checks – special, such as loan repayment	Permanent
Credit Card Receipts	3 years
Employee/Business Expense Reports/Documents	7 years
General Ledger	Permanent
Interim Financial Statements	7 years
Contributions/Gifts/Grants	
Contribution Records	Permanent
Documents Evidencing Terms of Gifts	Permanent
Grant Records	7 yrs after end of grant period
Corporate and Exemption	
Articles of Incorporation and Amendments	Permanent
Bylaws and Amendments	Permanent
Minute Books, including Board & Committee Minutes	Permanent
Annual Reports to Attorney General & Secretary of State	Permanent
Other Corporate Filings	Permanent
IRS Exemption Application (Form 1023 or 1024)	Permanent
IRS Exemption Determination Letter	Permanent

State Exemption Application (if applicable)	Permanent
State Exemption Determination Letter (if applicable)	Permanent
Licenses and Permits	Permanent
Employer Identification (EIN) Designation	Permanent

Correspondence and Internal Memoranda

Hard copy correspondence and internal memoranda relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate.

Hard copy correspondence and internal memoranda relating to routine matters with no lasting significance. Two years

Correspondence and internal memoranda important to Marathon Kids or having lasting significance. Permanent, subject to review

Electronic Mail (E-mail) to or from Marathon Kids

Electronic mail (e-mails) relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate, but may be retained in hard copy form with the document to which they relate.

Permanent, subject to review.

E-mails considered important to Marathon Kids or of lasting significance should be printed and stored in a central repository. Permanent, subject to review

E-mails not included in either of the above categories. 12 months

Electronically Stored Documents

Electronically stored documents (e.g., in pdf, text or other electronic format) comprising or relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document that they comprise or to which they relate, but may be retained in hard copy form (unless the electronic aspect is of significance).

Permanent, subject to review.

Electronically stored documents considered important to Marathon Kids or of lasting significance should be printed and stored in a central repository (unless the electronic aspect is of significance). Permanent, subject to review

Electronically stored documents not included in either of the above categories. Two years

Employment, Personnel and Pension

Personnel Records	10 yrs after employment ends
Employee contracts	10 yrs after termination

Retirement and pension records	Permanent
Insurance	
Property, D&O, Workers' Compensation and General Liability Insurance Policies	Permanent
Insurance Claims Records	Permanent
Legal and Contracts	
Contracts, related correspondence and other supporting documentation	10 yrs after completion, expiration, or termination
Legal correspondence	Permanent
Management and Miscellaneous	
Strategic Plans	7 years after expiration
Disaster Recovery Plan	7 years after replacement
Policies and Procedures Manual	Current version with revision history
Property – Real, Personal and Intellectual	
Property deeds and purchase/sale agreements	Permanent
Property Tax	Permanent
Real Property Leases	Permanent
Personal Property Leases	10 years after termination
Trademarks, Copyrights and Patents	Permanent
Tax	
Tax exemption documents & correspondence	Permanent
IRS Rulings	Permanent
Annual information returns – federal & state	Permanent
Tax returns	Permanent

Questions about this policy should be referred to the Executive Director or the Chairman of the Finance Committee of the Board of Directors.