



ILLINOIS TECHNOLOGY ASSOCIATION

RECORDS RETENTION POLICY

(Adopted by the ITA Board of Directors on December 5, 2012)

The Illinois Technology Association (the "Association"), an Illinois not for profit 501(c) 6 Corporation, is subject to certain federal and state laws governing its operations. Our reputation in the community and our obligation to comply with the federal and state laws therefore necessitates strict compliance with the law by the Association's Board members, officers, management, staff and volunteers. It is recommended that the Association follow certain guidelines to manage its records in compliance with applicable federal and state laws while meeting the business needs of the Association's.

I. Introduction

In the broadest sense, the records of the Association could be divided into the following two categories:

- Records that are legally required to be maintained; and
- Records that are not legally required to be maintained.

These records management guidelines apply to paper copies of records and to electronic records (including e-mail). Electronic records are sometimes referred to in these records management guidelines as "ESI," which means electronically stored information.

For purposes of these guidelines, it is important to understand what would constitute a "record". Subject to some important exceptions described below, this term refers to and includes (i) the specific items that are mentioned in the tables included in this document, and (ii) all materials that relate to those specific items, such as (but not limited to) letters and other communications (*e.g.*, e-mail), memoranda, reference materials, requests for quotations, formulas, drawings, and specifications. The term "records" does not ordinarily include notes or drafts of documents.

On the other hand, the Association could deem certain types of documents as "non-records" for purposes of its records management system. These are materials that have no remaining value to the Association, and could be disposed of after they have satisfied the immediate business need for them. Examples of non-records include the following:

- Identical extra copies of documents or reproductions of documents made for convenience; and
- Materials developed or collected when creating an official record, which after the action has been completed, have no remaining informational value (*e.g.*, non-final drafts of documents).

Non-records would not be subject to retention schedules and could be destroyed at any time.



II. Legal Retention Periods

Records that are subject to legal retention requirements generally fall into the following categories: (1) financial and personnel records; (2) general/organizational records; and (3) tax records. The general retention guidelines for these types of records are described below.

- A. Financial and Tax Records. The types of financial and tax records used by the Association that are subject to statutory or other legal retention requirements, together with the applicable retention periods, include the following:

<u>Type of Record</u>	<u>Retention Period</u>
Audit reports and work papers	Permanent
Financial statements	Permanent
Tax Returns	7 years after filing

- B. General/Organizational Records. The types of general/organizational records used by the Association that are subject to statutory or other legal retention requirements, together with the applicable retention periods, include the following:

<u>Type of Record</u>	<u>Retention Period</u>
Annual reports	Permanent
Articles of Association	Permanent
Board minutes	Permanent
Bylaws	Permanent

- C. Board of Directors Meeting Minutes. Of primary importance are minutes of meetings of the Board of Directors and its committees. Minutes should include the following factual information:

- the kind of meeting (*e.g.*, annual, special, regular);
- the name of the Association;
- the date the meeting was called to order and meeting site;
- the name of the presiding officer, the names of all Directors in attendance, the name of the Association's secretary, or other person who kept the notes of the business transacted (*i.e.*, from which the minutes of the meeting are to be prepared); and
- A statement indicating whether the minutes of the previous meeting were approved and by what method (including whether there were any changes made to the minutes before approval).

After recording the factual information described above, the remainder of the minutes should be a concise, chronological recital of business transacted indicating what was accomplished or done at the meeting. Minutes of the Board of Directors meetings need not and should not include a detailed recitation of the discussion particulars, unless specifically requested for the record by a Director. Minutes should reflect the matter and whether it was resolved or rejected and whether such action was by majority or unanimous consent.



III. Business Need Retention

Certain types of general records that do not relate to a matter covered in Section II (Legal Retention) are not subject to a statutory retention period. These types of general records consist of correspondence that does not relate to a matter covered in Section II above. Guidelines for retaining these types of records are set out below.

Non-final drafts of and comments relating to the Association's policy statements, articles, other publications, contracts and other business records generally have a short period of usefulness. However, it is important to note that with respect to the Association's publications that are revised from time to time, items such as the last copy submitted before publication, the galley proofs and any reference materials that are unusual or difficult to obtain shall be retained for use in connection with the next revision of the work in question.

IV. Electronic Mail and Other Electronic Records Retention Periods

The Association's record retention policies do not distinguish among media with regard to the definition of the Association's records. Accordingly, electronic mail and other electronic records would likely be subject to a records management system and should be retained in their original electronic form even if a paper copy exists.

E-mail users should be aware that generally it is not possible to assure the longevity of electronic mail records for record-keeping purposes, in part because of the difficulty of guaranteeing that electronic mail can continue to be read in the face of changing formats and technologies and in part because of the changing nature of electronic mail systems. This becomes increasingly difficult as electronic mail systems encompass more digital forms, such as those embracing compound documents composed of digital voice, music, image, and video in addition to text. Furthermore in the absence of the use of authentication systems¹, it is difficult to guarantee that e-mail documents have not been altered, intentionally, or inadvertently.

E-mail users and those in possession of the Association's records in the form of electronic mail are cautioned, therefore, to be prudent in their reliance on electronic mail for purposes of making a lasting record.

V. Holding Records In The Event Of Litigation Or Governmental Regulatory Action

In certain circumstances, such as when litigation or governmental regulatory action is threatened or can otherwise be reasonably anticipated to be taken or is actually commenced by or against the Association, it is essential to preserve certain types of records regardless of the retention period that would otherwise apply. To meet these special preservation needs, the Association should first consult with its counsel regarding the threatened or anticipated litigation or governmental regulatory action.

¹ There is no guarantee, unless "authenticated" mail systems are in use, that electronic mail received was in fact sent by the purported sender, since it is relatively straightforward, although a violation of most electronic mail policies, for senders to disguise their identity. Furthermore, electronic mail that is forwarded may also be modified. As with print documents, in case of doubt, receivers of electronic mail messages should check with the purported sender to validate authorship or authenticity.



VI. Document Destruction

All records, not otherwise retained in accordance with Section V above, shall be purged and destroyed within one year after the expiration of their respective holding periods.