

California Lawyer's Association Record and File Retention Policy

I. General

It is CLA's policy to maintain complete, accurate and high-quality records. Records are to be maintained for the period of their immediate use, unless longer retention is required for historical reference, contractual or legal requirements or for other purposes. Records that are no longer required or have satisfied their periods of retention will be destroyed pursuant to the retention period outlined below. For purposes of this Policy, a "record" or "document" is a memorialization of a decision, transaction or other matter that may reasonably be considered to relate to the business of the California Lawyers Association or any one of its constituent parts, such as a section or committee, regardless of its physical embodiment or the medium in which it is recorded and regardless of whether paper or electronic.

II. Rules

All CLA personnel, board members and volunteers are required to follow these rules. In certain cases, the rules may also apply to contractors, vendors and other third parties conducting business with or on behalf of CLA.

Upon request, paper or electronic documents required to be maintained under the terms of this retention policy that are not currently in CLA's possession will be transferred to and maintained by CLA.

No documents will be destroyed or deleted if pertinent to any existing or anticipated government investigation, proceeding or litigation—whether criminal or civil or discovery of facts and circumstance reasonably likely to lead to litigation, or a government proceeding or investigation. In the event any employee, Board member or other volunteer leader becomes aware of a government investigation, proceeding or litigation to which CLA may be a party or to which CLA receives a subpoena as a witness, he or she shall immediately notify the Executive Director or, in her absence, the Associate Executive Director and the Board Chair and any one of them may cause a formal "litigation hold" to be issued.

While this Policy is not intended to be a comprehensive litigation hold policy, it *is* the policy of CLA to stop the routine destruction of records in the ordinary course of business if litigation or an investigation is underway or reasonably anticipated. This includes back-ups retained pursuant to any disaster-recovery or business-continuity plan CLA may adopt. In such a scenario, the personnel responsible for the relevant records will be notified as soon as reasonably possible and instructed to not destroy, discard, remove or otherwise tamper with the records that are reasonably anticipated to be at issue.

Failure to adhere to the stipulations of a legal hold is a serious offense and may result in disciplinary action and, in certain circumstances, criminal prosecution. Only the issuer of the legal hold, in consultation with counsel, may modify or lift a legal hold.

Documents that have historical significance or may be useful for historical reference should not be destroyed. CLA will err on the side of retention with respect to such historical documents. Destruction of such documents requires approval by all three of CLA's President, Board Chair and Executive Director.

III. Document Custodians and File Maintenance

As a state-wide association with geographically dispersed volunteers and remote employees, documents subject to this policy may be located in multiple venues. To facilitate the periodic review of documents and the consolidation of documents subject to this policy, from time to time but no less frequently than once per year after the adoption of this Policy, the Associate Executive Director of CLA will designate periods for file review and clean-up. During such file maintenance periods, Section Coordinators will work with their section volunteers and Executive Coordinators will work with committee volunteers to ensure that all relevant documents are filed and retained pursuant to this policy and that superfluous and outdated documents are deleted or destroyed. To the extent a volunteer or employee has questions about the status of a document, the Associate Executive Director shall make any required decisions in consultation with others as appropriate.

The following individuals are the custodians of the following documents, which should be appropriately filed, retained and destroyed pursuant to this policy on an ongoing basis as part of their day-to-day work.

- H.R. Manager—H.R., payroll and insurance records
- Chief Financial Officer—accounting, audit and financial records
- Associate Executive Director—governance records, including minutes and Board materials

IV. Terms of Retention

The following documents must be **permanently** retained:

- Governance Records: Including articles of incorporation, charter and amendments, bylaws, board minutes, IRS documents pertaining to tax exempt status
- Tax Records: Filed state and federal tax returns/report
- Intellectual Property records: Copyright and Trademark registrations applications, assignments, licenses, written agreements
- Financial Records: Audited financial statements
- Major Asset Records: Deeds, mortgages, property assessments and bills of sale
- Current contracts, leases and insurance (in effect)
- Records addressing any employee medical complaint

- Information supporting membership records (duration of membership, membership application and overall membership statistics)
- Records required to determine retirement benefits, including 401(k)

The following documents must be retained for **7 years**:

- Accounts receivable records including invoices to customers
- Accounts payable records including invoices from vendors, expense reports
- Cancelled checks
- Bank statements
- “Back-up” and supporting documentation for tax returns
- “Back-up” and supporting documentation for audited financial statements

The following documents must be retained for **6 years**:

- Employee benefits data: (but not less than 1 year following a plan termination) benefit information

The following documents must be retained for **5 years**:

- Workers compensation/injury records from latest of date of injury or date of compensation last provided

The following documents must be retained for **4 years**:

- Employee income tax records
- CLE Records
- Contracts, leases and insurance policies after expiration
- Payroll records
- The following documents must be retained for **3 years**: Employee personnel files (3 years after termination of employment)
- Recruitment and hiring records
- FMLA records

V. Destruction

All items that are ready to be destroyed must be shredded, incinerated or otherwise rendered permanently unreadable.

This document provides general guidance for staff. Nothing herein is intended to preclude staff from developing more detailed internal schedules or “desk books” or guidance documents to supplement this policy and to guide their day-to-day work so long as such more detailed internal schedules, “desk books” or guidance documents are consistent with this policy.