

BOARD POLICY RESOLUTION No. 34 (“BP 34”)

RECORD RETENTION

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS the Articles and Bylaws shall take precedence over Board Policies and the definitions in the Bylaws shall apply. The following Board Policy shall provide instruction, direction and guidelines regarding Record Retention and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policy regarding Record Retention:

All documents originated by RCSC will have assigned retention times and shall be destroyed at the end of this time or as soon after as practically possible. Documents may be archived offsite in a secure facility, within sixty (60) miles of RCSC Corporate Offices. Draft documents and copies of original documents shall be destroyed at the end of their useful life, which shall be no longer than the retention schedule for the original document. All RCSC documents should have an origination date, which determines the beginning of the retention period. Any revision of a document must be noted and the retention period for the revised document will start at the revision date. These requirements apply to both paper and electronic records. Hard drive information may be deleted if either paper outputs are made or electronic storage media is used (i.e. DVD, CD, flash memory), archived, and kept for the required retention period.

Destruction of paper documents shall be completed either internally via RCSC shredding machines or externally via the utilization of a reputable, sensitive material processing facility. Destruction of electronic documents shall be by data deletion from hard disks and reformatting/destruction of removable disks. Before disposal of any computer hard disk that may contain RCSC records, it must be electronically erased by using Corporate approved software, or preferably, physically destroyed by a reputable sensitive material processing facility.

If non-RCSC parties and legal agents, such as Legal Counsel, financial institutions, auditors, etc., are holding RCSC documents requiring retention, the non-RCSC parties shall be made aware of this document retention policy.

The RCSC General Manager (GM), Assistant General Manager (AGM) and Director of Finance (DOF) shall have the responsibility to ensure that document management procedures are in place both at the on site and off site locations where retained documents are kept to assure that the policy’s intent of efficient document retrieval and effective document destruction is followed.

The RCSC Controller, Information Technology Manager, Support & Service Administrator and Corporate Executive Coordinator are the primary persons responsible for implementing this policy and must conduct an annual audit of one or more categories of records as requested and issue a written report of compliance to the GM, AGM and DOF. An audit may be initiated at any time by the GM, AGM or DOF to determine compliance with this policy.

The audit should include, as a minimum, a review that the correct documents are being retained, revisions are correct, and the document management procedures for efficient retrieval are in place. Documents not in compliance shall be scheduled for destruction as soon as practically possible.

An original document shall be defined as any final record of RCSC created in either a paper or electronic form by an employee of RCSC, the RCSC Board of Directors, RCSC Member committees, or by a legal agent of RCSC such as legal counsel, financial institutions or auditors. Documents created by companies or individuals performing other contractual service for RCSC shall not be defined as originated by RCSC.

Correspondence received by RCSC but not originating within RCSC will not be considered to be documents of RCSC. Operating manuals, third party policies and procedures, warranties, and all other documents not meeting the definition of a RCSC original document may be disposed at the end of their useful life.

Time periods may be extended for select documents by RCSC Senior Management or Board of Directors when a lawsuit is anticipated or in progress, a subpoena has been served, the Corporation has been informed that an investigation is underway or as required.

This policy is intended to comply with the legal requirements of the state of Arizona and the United States Government.

The following Retention Schedule shall be used:

Type of Record	Retention Period
<u>CORPORATE</u>	
Articles of Incorporation <i>(including amendments)</i>	PERMANENT
Audit Reports – Financial & 401(k)	PERMANENT
Board Meeting Agendas, Motions, Documents	7 YEARS
Board of Directors – Election Records	7 YEARS
Board of Directors – List Names Served	PERMANENT
Board Policy Resolutions <i>(including amendments)</i>	PERMANENT
Bylaws <i>(including amendments)</i>	PERMANENT
Cardholder Disciplinary Hearings/Action	7 YEARS
Committee Summaries	7 YEARS
Conflict Disclosures	7 YEARS after conflict has expired
Corporate Annual Reports	PERMANENT
Corporate Document Requests	7 YEARS
Deeds, Property Parcel Records, Real Estate Purchases/Exchanges	PERMANENT
Facilities Agreements, Versions of	PERMANENT
Management Reports <i>(when not part of minutes)</i>	7 YEARS

Minutes – Board Meetings	PERMANENT
Minutes – Executive Sessions	PERMANENT
Minutes – Investment Commission	7 YEARS
Minutes – Membership Meetings	PERMANENT
Motions <i>(when not part of minutes)</i>	PERMANENT
Project and Bid Commission Approval Records	PERMANENT
Proxies	7 YEARS
Tax Returns – Income	PERMANENT
Tradenames and Trademarks <i>(registered)</i>	PERMANENT
Video Recording of Annual Membership Meeting	1 YEAR
Video Recordings of Board of Director Meetings	90 DAYS
Video Recordings of Presentations Posted on Website	1 YEAR
Water Rights, Arizona Department of Water Resources	PERMANENT

GENERAL

Accident reports and claims	7 YEARS After Accident/Settlement
Construction Records <i>(including Drawings, Plans, Easements and Permits)</i>	PERMANENT
Contracts	7 YEARS After the Term
Fire Inspection and Safety Reports	7 YEARS
Incident Reports	7 YEARS
Insurance Claims	7 YEARS After Settlement
Insurance Documents and Policies	7 YEARS After the Term
Leases	7 YEARS After the Term
Newsletters and Other Marketing Material	7 YEARS
Other Agreements	7 YEARS After the Term
Standard Operating Procedures, Training Manuals - Current	PERMANENT

CARDHOLDER SERVICES

Certs - Golf	3 YEARS
Collection Files – Closed	3 YEARS
Facilities Agreement – Post Resale if not recorded	PERMANENT
Facilities Agreement – Post Resale if recorded	1 YEAR

Membership Records	PERMANENT
Ownership Records	PERMANENT
Resale Packets – Aged 2 years	3 YEARS
Transfer Files – Closed prior year	3 YEARS

HUMAN RESOURCES

5500	7 YEARS
Background Checks – Pre Employment	4 YEARS Post Separation
Benefit Election Forms	4 YEARS Post Separation
Benefits Records – Expired Plans	7 YEARS
Correspondence – Department of Labor	PERMANENT
Correspondence – Internal Revenue Service	PERMANENT
Drug Test Records	4 YEARS Post Separation
EEO-1 Reports	PERMANENT
Employment Agreements	7 YEARS Post Separation
FMLA Leave Records	4 YEARS Post Separation
Health and Benefits Beneficiary Forms	4 YEARS Post Separation
Health Care Continuation – COBRA	4 YEARS Post Separation
Help Wanted Ads and Job Opening Notices	2 YEARS
Hiring Records	4 YEARS Post Separation
HR Policies	Current + 3 YEARS
I9 Form	4 YEARS Post Date of Hire
New Hire Reports – State	3 YEARS
OSHA 300/300A	5 YEARS from Issue Date
Personnel Records – General – <i>401k Allocation, EAP, Conflict of Interest Statement, Disciplinary Records, Employment Application, Employee Development, Employee Change Action, Employee Review, Employee Policy Acknowledgements, Exit Interview, New Hire Action Form, Offer Letter, Resignation Letter, Termination Action Form</i>	4 YEARS Post Separation
Retirement Plan/401(k) Plan Information	PERMANENT
Safety Data – Occupational Injury and Illness Records	PERMANENT
USERRA Leave Records	PERMANENT
Workers’ Compensation Claim Detail	7 YEARS

FINANCE & ACCOUNTING

1099	7 YEARS
Accounts Payable Records and Reports	7 YEARS
Accounts Receivable Records & Reports	7 YEARS
Asset Acquisition, Fixed Asset Records, Bills of Sale (<i>invoices, cancelled checks, depreciation schedules</i>)	PERMANENT
Bank Statements, Deposit Slips, Reconciliations	7 YEARS
Budgets	7 YEARS
Cancelled Checks – Fixed Assets, Income Taxes	PERMANENT
Cancelled Checks – Payroll, payroll taxes, general	7 YEARS
Capital Reserve Study - Current	PERMANENT
Chart of Accounts	PERMANENT
Correspondence – Department of Labor	PERMANENT
Correspondence – Internal Revenue Service/Taxing Authorities	PERMANENT
Debt Related Documents	7 YEARS
Depreciation Schedules	PERMANENT
Electronic Payment Records	7 YEARS
Employee Expense Reports	7 YEARS
Financial Statements – Monthly	7 YEARS
Financial Statements – Year End	PERMANENT
Freight Bills and Bills of Lading	7 YEARS
General Ledger Detail	7 YEARS
Inventory Records	7 YEARS
Investment Account Statements and Confirmations	PERMANENT
Liquor Licenses, Layout of Facilities Licensed - Current	PERMANENT
Pay Records – <i>Earnings Register, Paychecks/stubs, Forms W-4, Employee Withholding, Federal & State Payroll Tax Forms</i>	7 YEARS
Payroll Journal	7 YEARS
Payroll Tax Returns includes Forms W-2	PERMANENT
Property and Equipment Records and Invoices	7 YEARS after disposal
Property Tax Records	7 YEARS
Purchase Records including Purchase Orders	7 YEARS

Statistics	10 YEARS
Subsidiary Ledgers (<i>accounts receivable, accounts payable, equipment</i>)	7 YEARS
Tax Documents Relating to Preparation of Tax Returns	7 YEARS
Tax Returns – Payroll	7 YEARS
Tax Returns – Sales & Use	PERMANENT
Time Cards/Time Sheets	4 YEARS
Trail Balance – Year End	PERMANENT
Utility Records	7 YEARS
Vendor Invoices	7 YEARS

LEGAL and INSURANCE

Accident Reports and Claims	7 YEARS post Settlement
Court Filings and Pleadings	7 YEARS
Insurance Policies - Current	PERMANENT
Insurance Policies - Expired	7 YEARS
Legal Opinions	PERMANENT
Legal Recommendations	7 YEARS
Litigation Records	PERMANENT

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this 25th day of June, 2020 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Dan Schroeder, Board President

Darla Akins, Secretary