

**TURKISH PHILANTHROPY FUNDS, INC.**  
**Record Retention Policy**  
**Adopted on October 28, 2009**

This Policy was approved by the Board of Directors of The Turkish Philanthropy Funds, Inc. (the "Foundation") on \_\_\_\_\_, 2009 and represents the Foundation's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

**1. Purpose**

The purpose of this Policy is to ensure that necessary records and documents of the Foundation are adequately protected and maintained and to ensure that records that are no longer needed by the Foundation or are of no value are discarded at the proper time. This Policy is also for the purpose of aiding employees of the Foundation in understanding their obligations in retaining electronic documents - including e-mail, Web files, text files, sound and movie files, PDF documents, and all Microsoft Office or other formatted files.

**2. Administration**

Attached as Appendix A is a Record Retention Schedule that is approved as the initial maintenance, retention and disposal schedule for physical records of the Foundation and the retention and disposal of electronic documents. The President and CEO (the "Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. The Administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for the Foundation; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

Note: In the event of a governmental audit, investigation or pending litigation, record disposal shall be suspended upon the direction of the Administrator. In addition, the Administrator should be informed of any situation that might give rise to legal action as soon as the situation becomes apparent and the Administrator shall thereafter have the discretion to suspend record disposal as he or she may consider appropriate.

**3. Applicability**

This Policy applies to all physical records generated in the course of the Foundation's operation, including both original documents and reproductions. It also applies to the electronic documents described above.

## **APPENDIX A - RECORD RETENTION SCHEDULE**

The Record Retention Schedule is organized as follows:

### **SECTION TOPIC**

- A Accounting and Finance
- B Contracts
- C Corporate Records
- D Correspondence and Internal Memoranda
- E Electronic Documents
- F Grant Records
- G Insurance Records
- H Legal Files and Papers
- I Miscellaneous
- J Payroll Documents
- K Pension Documents
- L Personnel Records
- M Property Records
- N Tax Records
- O Contribution Records

#### **A. ACCOUNTING AND FINANCE**

<b>Record Type</b>	<b>Retention Period</b>
Accounts Payable ledgers and schedules	7 years
Accounts Receivable ledgers and schedules	7 years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit Records, including workpapers and other documents that relate to the audit	7 years after completion of audit
Annual Plans and Budgets	2 years
Bank Statements and Canceled Checks	7 years
Employee Expense Reports	7 years
General Ledgers	Permanent
Interim Financial Statements	7 years

<b>Record Type</b>	<b>Retention Period</b>
Notes Receivable ledgers and schedules	7 years
Investment Records	7 years after sale of investment

## B. CONTRACTS

<b>Record Type</b>	<b>Retention Period</b>
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	7 years after expiration or termination

## C. CORPORATE RECORDS

<b>Record Type</b>	<b>Retention Period</b>
Corporate Records (minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports)	Permanent
Licenses and Permits	Permanent

## D. CORRESPONDENCE AND INTERNAL MEMORANDA

**General Principle:** Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract (7 years after expiration). It is recommended that records that support a particular project be kept with the project and take on the retention time of that particular project file.

Correspondence or memoranda that do not pertain to documents having a prescribed retention period should generally be discarded sooner. These may be divided into two general categories:

1. Those pertaining to routine matters and having no significant, lasting consequences should be discarded *within two years*. Some examples include:

- Routine letters and notes that require no acknowledgment or follow-up, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
- Form letters that require no follow-up.
- Letters of general inquiry and replies that complete a cycle of correspondence.
- Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).
- Other letters of inconsequential subject matter or that definitely close correspondence to which no further reference will be necessary.
- Chronological correspondence files.

Please note that copies of interoffice correspondence and documents where a copy will be in the originating department file should be read and destroyed, unless that information provides reference to or direction to other documents and must be kept for project traceability.

2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

## **E. ELECTRONIC DOCUMENTS**

The following are the types of electronic documents and files covered under this portion of the Policy. Other formats may be added as necessary.

1. **E-mail** - All e-mail - either from internal or external sources - is to be deleted after six months. Employees will strive to keep the majority of their e-mail related to business issues. The Foundation will archive e-mail for six months after the employee has deleted it, after which time the e-mail will be permanently deleted.

Employees will not store or transfer Foundation-related e-mail on non-work-related computers except as necessary or appropriate for Foundation purposes. Employees will take care not to send confidential/proprietary Foundation information to outside sources.

Any e-mail the employee deems vital to the performance of his or her job should be stored electronically.

2. **Web page files** - Employees will delete Web page files saved on the network or their local machines after one year. This includes pages saved from Web sites onto an employee's laptop/desktop.
3. **Text/formatted files** - Employees will conduct quarterly reviews of all text/formatted files (e.g., Microsoft Word documents) and will delete all those they consider unnecessary or outdated. After five year(s), all text files will be deleted from the network and the employee's desktop/laptop. Text/formatted files the employee deems vital to the performance of his or her job should be printed and stored in the employee's workspace.
4. **Sound and movie files** - Sound and movie files (e.g., MP3s, AVIs) used for business purposes will remain on the employee's desktop/laptop or network share indefinitely and

- will be deleted at the employee's discretion. Sound and movie files downloaded for personal use will be deleted after six months.
5. **PowerPoint presentations** - All PowerPoint presentations should be deleted after one year unless they continue in use.
  6. **PDF documents** – The length of time that a PDF file should be retained should be based upon the content of the file and the category that it is in under the various sections of this Policy. The maximum period that a PDF file should be retained is 6 years.

The Foundation does not currently employ the means to automatically delete electronic files beyond the dates specified in this Policy. Because of this, it is vital that employees adhere to the guidelines specified in this Policy.

Each day the Foundation runs a tape backup copy of all electronic files (including email) on the Foundation's server. This backup tape is a safeguard which is used to retrieve lost information within a seven-day retrieval period should documents on the Foundation's server experience problems. The tape backup copy is considered a safeguard for the record retention system of the Foundation but is not considered an official repository of Foundation records.

This Policy does not apply to electronic documents related to litigation. The Administrator will work closely with employees to ensure that the document retention guidelines are suspended for documents that have relevance to legal action. Employees who knowingly destroy documents related to civil or criminal litigation against the Foundation will be immediately suspended pending an inquiry by the Administrator. If it is found that the employee knowingly destroyed electronic documents related to litigation, the employee will be terminated and likely subject to civil and criminal penalties.

## F. GRANT RECORDS

Record Type	Retention Period
Original grant proposal	7 years after completion of grant period
Grant agreement and subsequent modifications, if applicable	7 years after completion of grant period
All requested IRS/grantee correspondence including determination letters and "no change" in exempt status letters	7 years after completion of grant period
Final grantee reports, both financial and narrative	7 years after completion of grant period
All evidence of returned grant funds	7 years after completion of grant period

All pertinent formal correspondence including opinion letters of counsel	7 years after completion of grant period
Report assessment forms	7 years after completion of grant period
Documentation relating to grantee evidence of invoices and matching or challenge grants that would support grantee compliance with the grant agreement	7 years after completion of grant period
Pre-grant inquiry forms and other documentation for expenditure responsibility grants	7 years after completion of grant period
Grantee work product produced with the grant funds	7 years after completion of grant period

#### **G. INSURANCE RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Annual Loss Summaries	10 years
Audits and Adjustments	3 years after final adjustment
Certificates Issued to the Foundation	Permanent
Claims Files (including correspondence, medical records, injury documentation, etc.)	Permanent
Group Insurance Plans - Active Employees	Until Plan is amended or terminated
Group Insurance Plans – Retirees	Permanent or until 6 years after death of last eligible participant
Inspections	3 years
Insurance Policies (including expired policies)	Permanent
Journal Entry Support Data	7 years
Loss Runs	10 years
Releases and Settlements	25 years



## **H. LEGAL FILES AND PAPERS**

<b>Record Type</b>	<b>Retention Period</b>
Legal Memoranda and Opinions (including all subject matter files)	7 years after close of matter
Litigation Files	1 year after expiration of appeals or time for filing appeals
Court Orders	Permanent
Requests for Departure from Records Retention Plan	10 years

## **I. MISCELLANEOUS**

<b>Record Type</b>	<b>Retention Period</b>
Consultant's Reports	2 years
Material of Historical Value (including pictures, publications)	Permanent
Policy and Procedures Manuals – Original	Current version with revision history
Policy and Procedures Manuals - Copies	Retain current version only
Annual Reports	Permanent

## **J. PAYROLL DOCUMENTS**

<b>Record Type</b>	<b>Retention Period</b>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Labor Distribution Cost Records	7 years

<b>Record Type</b>	<b>Retention Period</b>
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

## **K. PENSION DOCUMENTS AND SUPPORTING EMPLOYEE DATA**

**General Principle:** Pension documents and supporting employee data shall be kept in such a manner that the Foundation can establish at all times whether or not any pension is payable to any person and if so the amount of such pension.

<b>Record Type</b>	<b>Retention Period</b>
Retirement and Pension Records	Permanent

## **L. PERSONNEL RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Commissions/Bonuses/Incentives/Awards	7 years
EEO- 1 /EEO-2 - Employer Information Reports	2 years after superseded or filing (whichever is longer)
Employee Earnings Records	Termination + 7 years
Employee Handbooks	1 copy kept permanently
Employee Medical Records	Termination + 6 years
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	6 years after termination
Employment Contracts – Individual	7 years after termination
Employment Records - Correspondence with	3 years from date of hiring decision

<b>Record Type</b>	<b>Retention Period</b>
Employment Agencies and Advertisements for Job Openings	
Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
Job Descriptions	3 years after superseded
Personnel Count Records	3 years
Forms I-9	3 years after hiring, or 1 year after termination if later

## M. PROPERTY RECORDS

<b>Record Type</b>	<b>Retention Period</b>
Correspondence, Property Deeds, Assessments, Permanent Licenses, Rights of Way	
Original Purchase/Sale/Lease Agreement	Permanent
Property Insurance Policies	Permanent

## N. TAX RECORDS

**General Principle:** The Foundation must keep books of account or records as are sufficient to establish amount of gross income, deductions, credits, or other matters required to be shown in any such return.

These documents and records shall be kept for as long as the contents thereof may become material in the administration of federal, state, and local income, franchise, and property tax laws.

<b>Record Type</b>	<b>Retention Period</b>
Tax-Exemption Documents and Related Correspondence	Permanent

<b>Record Type</b>	<b>Retention Period</b>
IRS Rulings	Permanent
Excise Tax Records	7 years
Payroll Tax Records	7 years
Tax Bills, Receipts, Statements	7 years
Tax Returns - Income, Franchise, Property	Permanent
Tax Workpaper Packages - Originals	7 years
Sales/Use Tax Records	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent

## **O. CONTRIBUTION RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Records of Contributions	Permanent
Wills, trusts or other documents evidencing terms of gifts	Permanent