

MJM ELECTRIC COOPERATIVE, INC.

SECTION 1 – THE ORGANIZATION

Policy 10 Approved 9/25/2008

REVISED: 03/22/2018

REVIEWED: 02/26/2015

RECORDS RETENTION

OBJECTIVE

To retain records created by or for the cooperative, whether paper or electronic, that are necessary for: (1) business operations; (2) accounting, audit, tax and financial purposes; (3) compliance with applicable law; (4) possible future use in litigation involving the Association; and (5) possible future use in an official proceeding or governmental investigation or other matter.

To provide a procedure for destruction of records not necessary for these stated reasons.

DELEGATION OF AUTHORITY

The Director of Finance and Administration is hereby designated the Records Manager with authority to administer this policy with assistance and support from Records Coordinators consisting of Management and the Cooperative Attorney. The Records Manager and Records Coordinators constitute the Records Management Committee with the Records Manager serving as chair of the committee.

POLICY

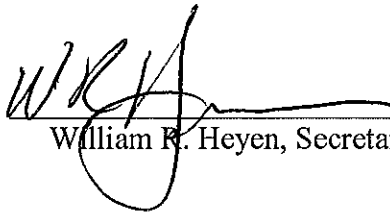
Records of MJM Electric Cooperative, whether in electronic or paper form, shall be retained in accordance with the time periods indicated on the attached Addendum A. Consistent with the objectives stated above, unless the Records Management Committee determines the records should be retained for extended periods of time after consideration of appropriate statutes of limitations for bringing claims by or against the Cooperative, addendum A will be established using the guidelines of RUS Bulletin 180-2 and 18 CFR Part 125.

Cooperative records not subject to this policy include written and electronic correspondence and documentation **not** listed on Addendum A and not related to business operations, accounting, audit, tax and financial purposes, compliance with applicable law, possible future use in litigation involving the cooperative and possible future use in an official proceeding or governmental investigation or other matter.

Addendum A shall be prepared by Management with advice and counsel of the Cooperative's Attorney and may be amended time to time by Management.

Employees desiring to destroy records subject to this policy shall request authority to do so by completing the Records Destruction Request Form, a copy of which is attached hereto as Addendum B. The Records Manager is authorized to grant or deny the request, with conditions if necessary, consistent with the requirements of this policy. A copy of the Records Destruction Request Form shall be retained by the requesting employee with the original retained in the records destruction log maintained by the Records Manager.

Any employee, director, officer or agent of the cooperative aware of violations of this policy shall promptly report the noncompliance to the Records Manager and President/CEO.



William R. Heyen, Secretary

ADDENDUM A

DESCRIPTION	MINIMUM REQUIRED RETENTION
Accident reports/claims (settled cases)	7 Years
Accounts payable ledgers and schedules	7 years
Accounts Receivables ledgers and schedules	7 years
Audit reports	Permanently
Bank Reconciliations	2 years
Bank Statements	7 years
Billing registers	2 years
Capital Credits/Memberships	Permanently
Capital Credit records from outside vendors	Permanently
Chart of Accounts	Permanently
Checks - Regular cancelled checks.	7 Years
Checks - Cancelled for important payments, i.e., taxes, purchases of property, special contracts, etc. Checks should be filed with the papers pertaining to the underlying transaction.	Permanently
Company policy bulletins	Destroy at option after expiration/supersession
Company procedure bulletins	Destroy at option after expiration/supersession
Completed construction report	10 years after posted to CPR's
Consumer Deposit Records	7 years after refund
Contractor construction contracts	10 years after posted to CPR's
Contracts, mortgages, notes, and leases:	
Expired	7 years
Still in effect	Permanently
Correspondence:	
General	2 years
Legal and important matters only	Permanently
Routine with customers and/or vendors	2 years
Deeds, mortgages and bills of sales	Permanently
Depreciation schedules	Permanently
Donation/contribution for construction	Permanently
Duplicate deposit slips (matches up with bank reconciliation)	2 years
Easements	Permanently
Employment applications	3 years
Expense analyses/expense distribution schedule	7 years
Financial statements:	
Year End	Permanently
Other	Optional
Form 219 inventory reports	6 years after retirement
Garnishments	7 years
General ledgers/year end trial balance	Permanently
Insurance policies (expired)	3 years
Insurance records (policies, claims, etc.)	Permanently
Internal audit reports	3 years
Inventories of products, materials and supplies	7 years

Invoices (to customers, from vendors)	7 years
Journals	Permanently
Journal entries	7 years
Maintenance work orders	7 years
Material inventory list	7 years
Material used, transferred or returned	7 years
Meter reading cards	2 years
Minute book of directors, bylaws and charters	Permanently
Notes receivable ledgers and schedules	7 years
Payment stubs	2 years
If scanned on Remitplus	90 days
Payroll records and summaries	7 years
Personnel Records:	
If no longer employed	7 years
If currently employed	Permanently
Petty cash vouchers	3 years
Physical inventory tags	3 years
Plant Cost ledgers	7 years
Property records (including depreciation schedules)	Permanently
Purchase orders:	
Purchasing department copy	7 years
other copies	1 year
Rate sheets	2 years
Receiving sheets	1 year
Refundable contracts for construction	1 year after total refund
Retirement and pension records	Permanently
Requisitions	1 year
Retirement work orders	10 years after cleared from CPR's
Sales Report and misc records	7 years
Scrap material sold records	3 years
Special equipment summaries	10 years after posted to CPR's
Staking Sheets	7 years after retirement
Subsidiary ledgers	7 years
Tax returns and worksheets, examination reports and other documents relating to determination of income tax liability	Permanently
Time sheets	7 years
Trademark registration and copyrights	Permanently
Training manuals	7 years
Unitization reports	7 years after retirement
Voucher register	7 Years
Vouchers for payments to vendors, employees, etc. (Includes allowances and reimbursement of employees, officers, etc, for travel and entertainment expenses)	7 years
Withholding tax statements	7 years
Work in progress reports	10 years after posted to CPR's

ADDENDUM B

Records Destruction Request Form

Requesting Employee: _____

Date of Request: _____

Name of Record: _____

Age of Record: _____

Employee Signature: _____

Has the time requirement for retaining this record been met?

Yes No

Should a digital copy be archived? Yes No

Method of Destruction: Shred Trash

Approval: _____

Name: _____

Title: _____

Signature: _____

Date: _____

I certify that this destruction has been completed:

Name: _____

Signature: _____

Date: _____

Witness: _____

Signature: _____

Date: _____

A copy of this form is to be retained by the requesting employee and the original included in the records destruction log.

Date Added to Destruction List	Employee	(List Separately) Item to Destruct (ie. Accounts Payable, etc.)	Age of Document