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POLICY TITLE: RECORDS RETENTION
POLICY NUMBER: 1040

COMMITTEE APPROVAL DATE: 09/09/2020 **WRITTEN/REVISED BY:** M. SUUA, C. HIGA
BOARD APPROVAL DATE: 09/23/2020 **SUPERSEDES:** 07/22/2015

POLICY:

1040. It is the policy of the Beach Cities Health District (“District”) to provide guidelines regarding the retention or disposal of District records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

GUIDELINES:

1040.1 Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

1040.2 The Chief Executive Officer is authorized by the Board of Directors to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below.

1040.3 Pursuant to the provisions of California Government Code §§60200 through 60203, California Water Code §21403, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the District.

1040.3.1 Duplicate records, papers and documents may be destroyed at any time without the necessity of Board authorization or copying to photographic or electronic media.

1040.3.2 Originals of records, papers, documents and email messages more than two (2) years old that were prepared or received in any manner other than pursuant to State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media.

1040.3.3 In no instances are records, papers, documents or email messages to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.



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1040.3.4 Records, papers, documents or email messages that are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:

1040.3.4.1 The record, paper, document or email message is photographed, microphotographed, reproduced on film of a type approved for permanent photographic records by the National Bureau of Standard, or copied and saved to an approved electronic media;

1040.3.4.2 The device used to reproduce such record, paper or document on film, hard drive, or any other medium, or retrieves and prints the document from the electronic media, is one that accurately reproduces the original thereof in all details and that does not permit additions, deletions, or changes to the original document images; and,

1040.3.4.3 The photographs, microphotographs, or other reproductions on film, hard drive, or any other medium are placed in conveniently accessible files and provisions are made for preserving, examining, and using the same, together with documents stored via electronic media.

1040.3.5 Any accounting record except the journals and ledgers which are more than six (6) years old and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:

1040.3.5.1 There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc., and;

1040.3.5.2 There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;

1040.3.5.3 Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that;

1040.3.5.4 Said audit or audits contain the expression of an unqualified opinion.

1040.3.6 Any accounting record created for a specific event or action may be destroyed upon authorization six (6) years after said event has in all respects terminated. Any source document detailed in a register, journal, ledger or statement may be authorized for destruction six (6) years from the end of the fiscal period to which it applies. The following may be destroyed at any time:



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1040.3.6.1 Duplicates (originals are subject to the aforementioned requirements).

1040.3.6.2 Rough drafts, notes or working papers (except audit).

1040.3.6.3 Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.

1040.3.7 All payroll and personnel records shall be retained indefinitely. Originals may upon authorization be destroyed after seven (7) years retention, provided said records have been microfilmed and qualify for destruction in section **1040.3.4**, above. Payroll and personnel records include the following:

1040.3.7.1 Accident reports, injury claims and settlements.

1040.3.7.2 Medical histories.

1040.3.7.3 Injury frequency charts.

1040.3.7.4 Applications, changes and terminations of employees.

1040.3.7.5 Insurance records of employees.

1040.3.7.6 Time cards.

1040.3.7.7 Classification specifications (job descriptions).

1040.3.7.8 Performance evaluation forms.

1040.3.7.9 Earning records and summaries.

1040.3.7.10 Retirements.

1040.3.8 All assessing records may upon authorization be destroyed after seven (7) years retention from lien date; however, their records may be destroyed three (3) years after the lien date when said records are microfilmed as provided for in section **1040.3.4**, above.

1040.3.9 Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed as provided for in section **1040.3.4**, above. Terms and conditions of bonds, warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten (10) years if microfilmed as provided for in section **1040.3.4**, above. Paid bonds, warrant certificates and interest coupons



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may be destroyed after six (6) months if detailed payment records are kept for ten (10) years.

1040.4 Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may upon authorization be destroyed if said minutes are microfilmed as provided for in section **1040.3.4**, above. Recording tapes (or other media) of Board meetings will be kept for a period of one (1) year from the date of the recorded meeting, after which they may be destroyed.

1040.4.1 Construction records, such as bids, correspondence, change orders, etc., shall not be kept in excess of seven (7) years unless they pertain to a project that includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven (7) years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.

1040.4.2 Contracts should be retained for its life plus seven (7) years. Any unaccepted bid or proposal for the construction or installation of any building, structure or other public work which is more than two (2) years old may be destroyed.

1040.4.3 Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

1040.5 Except for writings concerning matters subject to discussion or consideration at an open meeting of the Board of Directors, which are subject to Government Code section 54957.5, retention of text messages, chats/instant messages, voicemail and social media posts and messages not saved to an archive or a more permanent medium are intended to be ephemeral documents, not preserved in the ordinary course of business. Directors and staff are not required to retain these electronic documents. Business done on behalf of the District that requires the creation and preservation of records should be conducted in other media.



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Appendix A Definitions for Records Retention and Disposal Policy

1. **AUTHORIZATION.** Approval from the Chief Executive Officer, as authorized by the District's Board of Directors.
2. **ACCOUNTING RECORDS.** Include but are not limited to the following:
 - a. **SOURCE DOCUMENTS**
 - (1) Invoices
 - (2) Warrants
 - (3) Requisitions/Purchase Orders (attached to invoices)
 - (4) Cash Receipts
 - (5) Claims (attached to warrants in place of invoices)
 - (6) Bank Statements
 - (7) Bank Deposits
 - (8) Checks
 - (9) Bills
 - (10) Various accounting authorizations taken from Board minutes, resolutions or contracts
 - b. **JOURNALS**
 - (1) Cash Receipts
 - (2) Accounts Receivable or Payable Register
 - (3) Check or Warrant (payables)
 - (4) General Journal
 - (5) Payroll Journal
 - c. **LEDGERS**
 - (1) Expenditure
 - (2) Revenue
 - (3) Accounts Payable or Receivable Ledger
 - (4) Construction
 - (5) General Ledger
 - (6) Assets/Depreciation
 - d. **TRIAL BALANCE**
 - e. **STATEMENTS (Interim or Certified - Individual or All Fund)**
 - (1) Balance Sheet
 - (2) Analysis of Changes in Available Fund Balance
 - (3) Cash Receipts and Disbursements
 - (4) Inventory of Fixed Assets (Purchasing)



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f. JOURNAL ENTRIES

g. PAYROLL and personnel records include but are not limited to the following:

- (1) Accident reports, injury claims and settlements
- (2) Applications, changes or terminations of employees
- (3) Earnings records and summaries
- (4) Fidelity Bonds
- (5) Garnishments
- (6) Insurance records of employees
- (7) Job Descriptions
- (8) Medical Histories
- (9) Retirements
- (10) Time Cards

h. OTHER

- (1) Inventory Records (Purchasing)
- (2) Capital Asset Records (Purchasing)
- (3) Depreciation Schedule
- (4) Cost Accounting Records

3. LIFE. The inclusive or operational or valid dates of a document.

4. RECORD. Any paper, bound book or booklet, card, photograph, drawing, chart, blueprint, map, tape, microfilm, or other document, issued by or received in a department, and maintained and used as information in the conduct of its operations.

5. RECORD COPY. The official District copy of a document or file.

6. RECORD SERIES. A group of records, generally filed together, and having the same reference and retention value.

7. RECORDS CENTER. The site selected for storage of inactive records.

8. RECORDS DISPOSAL. The planning for and/or the physical operation involved in the transfer of records to the Records Center, or the authorized destruction of records pursuant to the approved Records Retention Schedule. The District shall not destroy or dispose of any record that is the subject of any pending request made pursuant to the Public Records Act whether or not the District maintains that the record is exempt from disclosure, until the request has been granted or two years have elapsed since the District provided written notice to the requestor that the request has been denied.



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9. RECORDS RETENTION SCHEDULE. The consolidated, approved schedule list of all District records which timetables the life and disposal of all records.

10. RETENTION CODE. Abbreviation of retention action which appears on the retention schedule.

11. VITAL RECORDS. Records which, because of the information they contain, are essential to one or all of the following:

- a. The resumption and/or continuation of operations;
- b. The recreation of legal and financial status of the District, in case of a disaster;
- c. The fulfillment of obligations to bondholders, customers, and employees;
- d. Compliance to laws and regulations, e.g., Public Records Act, Health Insurance Portability and Accountability Act (HIPAA) as applicable to the District Hybrid HIPAA Organization, etc.

Vital records include but are not limited to the following:

1. Agreements
2. Annexations and detachments
3. As-built drawings
4. Audits
5. Client Records
6. Contract drawings
7. Customer statements
8. Deeds
9. Depreciation schedule
10. Disposal of surplus and excess property
11. Disposal of scrap materials
12. District insurance records
13. District water rights
14. Employee accident reports, injury claims and settlements
15. Employee earning records
16. Employee fidelity bonds
17. Employee insurance records
18. Encroachment permits (by others)
19. Encroachment permits (by OWID)
20. Facility improvement plans
21. Health Information and Privacy Program Records
22. Improvement districts
23. Individual water rights
24. Individual claims/settlements



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25. Inventory
26. Journal vouchers
27. Ledgers
28. Licenses and permits (to operate)
29. Loans and grants
30. Maps
31. Minutes of Board meetings
32. Payroll register
33. Policies, Rules and Regulations
34. Purchase orders and requisitions
35. Restricted materials permits
36. Rights of ways and easements
37. Spray permits
38. Statements of Economic Interest
39. State surplus acquisitions
40. Warehouse requisitions
41. Warrant/Voucher register
42. Warrants (with backup)
43. Water rights history

12. ELECTRONIC COMMUNICATION records include the following:

- a. Email Messages: An electronic communication sent and received via web mail or email client.
- b. Text Messages: An electronic, written communication sent and received via telephone or Internet connection.
- c. Voicemail Messages: An electronic, aural communication sent or received via telephone or Internet connection.
- d. Social Media: Information posted or received to websites and applications that enable users to create and share content or to participate in social networking, including Facebook, Twitter, Instagram, LinkedIn and Yelp.



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**Appendix B
Records Retention & Storage Summary**

Administrative Records		
Record	Retention Period	Reference/Remarks
Administration manual	6 years	
Contracts	Life of contract, plus 7 years	
Correspondence Records (memorandas, e-mails, etc.)	2 years	Retain only that of continuing interest. Review annually.
Memoranda and emails sent	2 years	

Business/Finance Records		
Record	Retention Period	Reference/Remarks
Audit reports	Permanent	
Bank Deposits	6 years	
Bank Statements	6 years	
Budgets	6 years	
Check registers	6 years	
Check – canceled • Payroll • Taxes, capital purchases, important contracts	6 years Permanent	
Disbursements – unclaimed/returned	3 years	Code of Civ. Procedure Title 10, Chapter 7 – Unclaimed Property Law.
Equipment depreciation records	Permanent/life of equipment, plus 6 years	
Financial reports	Permanent	
Income – daily summary	6 years	
Invoices • Fixed assets • Accounts receivable/payable	Permanent/life of equipment, plus 6 years. 6 years	
Journals – general	6 years	
Ledgers – general	6 years	
Packing slips	3 months	Keep copy of record on voucher in business office
Payroll records, including: • Hours worked • Leaves of absence	Permanent	Retention of comprehensive payroll records is required under numerous federal and

Business/Finance Records		
Record	Retention Period	Reference/Remarks
<ul style="list-style-type: none"> • Overtime, vacation and sick leave entries • Time cards • Wages paid 		<p>state laws, including the Fair Labor Standards Act, Equal Pay Act, Age Discrimination in Employment Act, Title VII of the Civil Rights Act, Americans with Disabilities Act, California Fair Employment & Housing Act, California Unemployment Insurance Code and ERISA. Although most of the acts require retention for a period no longer than 4 years, ERISA requires current availability of all payroll records necessary to determine entitlement to pension benefits. It is therefore recommended that payroll records be permanently retained. (As ERISA requirements vary according to the type of pension plan, facilities may wish to have their attorneys review their plans to determine whether a shorter retention period may be appropriate and to determine which payroll records should be retained.)</p>
Posting audits	7 years	
Registers	6 years	

Business/Finance Records		
Record	Retention Period	Reference/Remarks
Returned goods credits	2 years	Keep copy of record on voucher in business office
Social security reports	4 years, after taxes are paid	
Time cards (or sheets)	2 years	
Unemployment tax records	4 years	
W-2, W-4 forms	4 years	
Wage statements, itemized	4 years	
Withholding tax-exemption certificates (W-4 forms)	4 years	
Withholding tax statements (W-2 forms)	4 years, after taxes are paid	

Communications/Public Records		
Record	Retention Period	Reference/Remarks
Ancillary committee records (e.g., volunteer committee, ad hoc committee)	6 years	
Clippings (historical)	Permanent	
Corporate records, including the following: Articles of Incorporation; bylaws of the governing body; bylaws of the medical staff; minutes of meetings of the board of directors, executive committee, medical staff.	Permanent	
Permission to release information/photographs	7 years	
Photographs - institutional	Permanent	
Press releases	2 years	
Publications (in-house)	Permanent	
Text Messages	None	1040.5
Chats/Instant Messages	None	1040.5
Voicemail Messages	None	1040.5
Social Media Posts and Messages	None	1040.5

Youth/Adult/Older Adult Services Records

Record	Retention Period	Reference/Remarks
Health and Human Services grants	3 years	Retain financial, statistical and nonexpendable property records, and any other records pertinent to grants for 3 years or until resolution of all federal audit findings. 45 C.F.R., §74.20.
Client records	7 years	
Health Information Privacy Program records	6 years	Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy regulations require HIPAA program records to be retained for six years from when the record was created. See 45 CFR §164.530(j)(2).
Surveys	3 years	

HR/Personnel Records

Record	Retention Period	Reference/Remarks
Applications – employees, permanent and temporary, and non-employees	2 years after date of personnel action	Records must be kept at least 1 year. Longer in cases of interest. 29 C.F.R., §§1602.14, 1602.20, 1602.21 and 1627.3(b). Gov. Code, §12946.
Employee personnel records	6 years after termination of employment	
Garnishment records	7 years	
Job classifications	6 years	
Overtime reports	5 years	

HR/Personnel Records		
Record	Retention Period	Reference/Remarks
Pension records	Permanent	
Personnel records for employees and applicants required by Title VII of the Civil Rights Act, the Americans with Disabilities Act and the Age Discrimination in Employment Act.	2 years after date of employment action	Providers must keep for at least 1 year application forms submitted by applicants, requests for reasonable accommodations, and other records relating to hiring, promotions, demotions, transfers, lay-offs or terminations, rates of pay or other terms of compensation, and selection for training or apprenticeship. 29 C.F.R., §§1602.14, 1627.3.
Policy and procedure manuals	Life of manual, plus 6 years	
Volunteer personnel records.	6 years after termination of employment	Includes certification of hospital worker.
Workers' compensation documents	6 years	
Workers' compensation records, self-insured claims and claims logs.	2 years after inactive for originals; then can microfilm for access indefinitely.	Must be kept in California. 8 C.C.R., §15400.2.

Property Services/Risk Management Records

Record	Retention Period	Reference/Remarks
Accident (or incident) reports (subject to civil action)	6 years	
Air filter maintenance records	Life of air filter, plus 6 years	
Appraisal reports	Permanent	
Blueprints of buildings	Permanent	
Construction projects	Permanent	
Deeds or titles of property	Permanent	
Emergency generator records: inspection, performance, exercising period and repairs.	Life of generator, plus 6 years	
Equipment records	Life of equipment, plus 6 years	
Equipment records on inspection and maintenance	6 years	
Inspection reports of grounds and buildings	1 year	
Insurance policies, current and expired.	Permanent	
Leases	Life of lease, plus 6 years.	
Maintenance logs	3 years	
Permits	Life of permit, plus 6 years	
Work Orders	2 years	