

## **02.1.6 Document Retention**

The records of Bethany College and its subsidiaries (hereafter the “College”) are important assets. College records include essentially all records you produce as an employee, whether paper or electronic. A record may be as obvious as a memorandum, an e-mail, a contract or something not as obvious, such as a computerized desk calendar, an appointment book or an expense record.

The law requires the College to maintain certain types of business records, usually for a specified period of time. Failure to retain those records for those minimum periods could subject you and the College to penalties and fines, cause the loss of rights, obstruct justice, spoil potential evidence in a lawsuit, place the College in contempt of court, or seriously disadvantage the College in litigation.

The College expects all employees to fully comply with any published records retention or destruction policies and schedules, provided that all employees should note the following general exception to any stated destruction schedule: If you believe, or the College informs you, that College records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until the Executive Vice President and General Counsel determines the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records. If you believe that exception may apply, or have any question regarding the possible applicability of that exception, please contact the Executive Vice President and General Counsel.

From time to time the College establishes retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that bear special consideration are identified below. While minimum retention periods are suggested, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors.

### **2.1.6.1 Student Records**

State and federal statutes require the College to keep certain records pertaining to student admission, academic, financial aid and other records maintained by the Office of the Registrar. The College should also keep any correspondence relating to students written to or from the College or individual employees under applicable state and federal statutes. Student records should be retained in perpetuity.

### **2.1.6.2 Accounting**

Tax records include, but may not be limited to, documents concerning payroll, expenses, business costs, accounting procedures, and other documents concerning the College's revenues, expenses and property. Accounting records should be retained for at least six years from the date of filing the applicable return.

### **2.1.6.3 Employment Records/Personnel Records**

State and federal statutes require the College to keep certain recruitment, employment and personnel information. The College should also keep personnel files that reflect performance reviews and any complaints brought against the College or individual employees under applicable state and federal statutes. The College should also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file. Employment and personnel records should be retained for six years after the employee terminates from the College.

### **2.1.6.4 Board and Board Committee Materials**

Meeting minutes should be retained in perpetuity in the College's minute book. A clean copy of all Board and Board Committee materials should be kept for no less than three years by the College.

### **2.1.6.5 Press Releases/Public Filings**

The College should retain permanent copies of all press releases and publicly filed documents under the theory that the College should have its own copy to test the accuracy of any document a person or governmental agency can theoretically produce against that College.

### **2.1.6.6 Legal Files**

The Executive Vice President and General Counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

### **2.1.6.7 Recruiting and Promotional**

The College should keep final copies of recruiting and promotional documents for the same period of time it keeps other business files, generally three years.

As to the contracts, leases, licenses and other legal documents, these documents should be kept for at least six years beyond the life of the agreement (see 2.1.6.9 below).

### **2.1.6.8 Development/Intellectual Property and Trade Secrets**

Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the College and are protected as a trade secret where the College:

1. Derives independent economic value from the secrecy of the information; and

2. The College has taken affirmative steps to keep the information confidential.

The College should keep all documents designated as containing trade secret information for at least the life of the trade secret.

#### **2.1.6.9 Contracts**

Final, execution copies of all contracts entered into by the College should be retained. The College should retain copies of the final contracts for at least ten years beyond the life of the agreement, and longer in the case of contracts and other materials filed with governmental and regulatory agencies.

#### **2.1.6.10 Electronic Mail**

E-mail that needs to be saved should be either:

1. Printed in hard copy and kept in the appropriate file; or
2. Downloaded to a computer file and kept electronically or on disk as a separate file.

The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

Failure to comply with this Document Retention Policy may result in disciplinary action against the employee, including suspension or termination. Questions about this policy should be referred to Executive Vice President and General Counsel who is in charge of administering, enforcing and updating this policy.