

**CAMANO COOPERATIVE WATER AND POWER COMPANY
ISLAND COUNTY, WASHINGTON
ATTACHMENT A**

DOCUMENT RETENTION AND DESTRUCTION POLICY

1. Policy and Purposes:

This Policy represents the policy of Camano Cooperative Water and Power Company (Cooperative) with respect to the retention and destruction of documents and other records, both in hard copy and electronic media (which may merely be referred to as “documents” in this Policy). Purposes of the Policy include (a) retention and maintenance of documents necessary for the proper functioning of the Cooperative as well as to comply with applicable legal requirements; (b) destruction of documents which no longer need to be retained; and (c) guidance for the Board of Directors, officers, staff and others with respect to their responsibilities concerning document retention and destruction. Notwithstanding the foregoing, the Cooperative reserves the right to revise or revoke this Policy at any time.

2. Administration:

2.1 Responsibilities of the Office Manager. The Cooperative’s Office Manager shall be the administrator (“Administrator”) in charge of the administration of this Policy. The Administrator’s responsibilities shall include supervising and coordinating the retention and destruction of documents pursuant to this Policy and particularly the Document Retention Schedule included later. The Administrator shall also be responsible for documenting actions taken to maintain and/or destroy Cooperative’s documents and retaining such documentation. The Administrator may recommend changes to the Document Retention Schedule from time to time as necessary to comply with law and/or to include additional or revised document categories as may be appropriate to reflect organizational policies and procedures. The Administrator shall periodically review this Policy and Policy compliance with legal counsel and to report to the Board of Directors as to compliance. The Administrator may also appoint the Assistant Office Manager to assist in carrying out the Administrator’s responsibilities, with the Administrator, however, retaining ultimate responsibility for administration of this Policy.

2.2 Responsibilities of Constituencies. This Policy also relates to the responsibilities of board members, staff and outsiders with respect to maintaining and documenting the storage and destruction of the Cooperative’s documents. The Administrator shall report to the Board of, which maintains the ultimate direction of management. The Cooperative’s staff shall be familiar with this Policy, shall act in accordance therewith, and shall assist the Administrator, as requested, in implementing it. Outsiders may include vendors or other service providers. Depending upon the sensitivity of the documents involved with the particular outsider relationship, the Cooperative, through the Administrator, may share this Policy with the outsider, requesting compliance. In particular instances, the Administrator may require that the contract with the outsider specify the particular responsibilities of the outsider with respect to this Policy.

3. Suspension of Document Destruction: Compliance:

The Cooperative becomes subject to a duty to preserve (or halt the destruction of) documents once litigation, an audit or a government investigation is reasonably anticipated. Further, federal law imposes criminal liability upon whomever “knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States ... or in relation to or contemplation of any such matter or case.” Therefore, if the Administrator becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, the Administrator shall immediately order a halt to all document destruction under this Policy, communicating the order to all affected constituencies in writing. The Administrator may thereafter amend or rescind the order only after conferring with legal counsel. If any board member or staff member becomes aware that litigation, a governmental audit or a government investigation has been instituted, or is reasonably anticipated or contemplated, with respect to the Cooperative, and they are not sure whether the Administrator is aware of it, they shall make the Administrator aware of it. Failure to comply with this Policy, including disobeying any destruction halt order, could result in possible civil or criminal sanctions. In addition, for staff, it could lead to disciplinary action including possible termination.

4. Electronic Documents: Document Integrity:

Documents in electronic format shall be maintained just as hard copy or paper documents are, in accordance with the Document Retention Schedule. Due to the fact that the integrity of electronic documents, whether with respect to the ease of alteration or deletion, or otherwise, may come into question, the Administrator shall establish standards for document integrity, including guidelines for handling electronic files, backup procedures, archiving of documents, and regular checkups of the reliability of the system; provided, that such standards shall only be implemented to the extent that they are reasonably attainable considering the resources and other priorities of the Cooperative.

5. Privacy:

It shall be the responsibility of the Administrator, after consultation with counsel, to determine how privacy laws will apply to the Cooperative’s documents from and with respect to employees and other constituencies; to establish reasonable procedures for compliance with such privacy laws; and to allow for their audit and/or review on a regular basis.

6. Emergency Planning:

Documents shall be stored in a safe and accessible manner. Documents which are necessary for the continued operation of the Cooperative in the case of an emergency shall be regularly

duplicated or backed up and maintained in an off-site location. The Administrator shall develop reasonable procedures for document retention in the case of an emergency.

7. Document Creation and Generation:

The Administrator shall discuss with staff the ways in which documents are created or generated. With respect to each employee or organizational function, the Administrator shall create documents in a way in which they can be easily segregated from others, so that, when it comes time to destroy (or retain) those documents, they can easily be culled for disposition.

8. Document Retention Schedule

<u>Document Type</u>	<u>Retention Period</u>
<u>Accounting and Finance</u>	
Accounts Payable (Vendors)	7 years
Accounts Receivable	7 years
Annual Financial Statements and Audit/Review Reports	Permanent
Bank Statements & Deposit Slips	7 years
Chart of accounts	Permanent
Coastal Community State Loan Money Market Act (RE: STATE LOANS)	7 years after end of Loan period
Customer invoices	7 years
Deposits (Customer Check Copies)	7 years
Depreciation Schedules	Permanent
General Ledger	Permanent
ING Bank Statements (RE: STATE LOANS)	7 years after end of Loan period
Payments by Billing Codes	2 years
Reconciliations of bank accounts	1 year
Wells Fargo Bank Statements (RE: STATE LOANS)	7 years after end of Loan period
Year-end financial statements	Permanent
<u>Grants/Loans</u>	
Grant Records	Permanent
Loan Records	Permanent
<u>Corporate and Exemption</u>	
Annual Reports to Attorney General & Secretary of State	Permanent
Articles of Incorporation and Amendments	Permanent
Bylaws and Amendments	Permanent
Franchise Documents	Permanent
IRS Exemption Application (Form 1023 or 1024)	Permanent
IRS Exemption Determination Letter	Permanent
Licenses and Permits	Permanent
Minute Books, including Board & Committee Minutes	Permanent

Document Type**Retention Period**

Proxies from Annual Meetings
Other Corporate Filings
State Exemption Application (if applicable)
State Exemption Determination Letter (if applicable)

Permanent
Permanent
Permanent
Permanent

Employment, Personnel

All payroll & payroll tax records
Employee contracts
Employee applications (hired not hired)
Personnel records

7 years
10 years after expiration
5 years
7 years after employment ends

Engineering

Non-Project Related Documents
Project Related Documents
Project permits to work in right of way

5 years
Until Superseded
Permanent

Insurance

Property, D&O, Workers' Compensation and
General Liability Insurance Policies
Insurance Claims Records

Permanent
5 years after expired

Legal and Contracts

Contracts, related correspondence and other
supporting documentation
Legal correspondence

10 yrs after termination
Permanent

Management and Miscellaneous

Disaster Recovery Plan
Policies and Procedures Manual
Strategic Plans

7 years after replacement
Current version with revision
7 years after expiration

Water Quality Related Items

Chemical analysis monitoring plan
Copies of CCR
Copies of Public Notice
Copies of WQMP
IOC, VOC, SOC & etc.

Lead/Copper
Microbial & turbidity analysis monitoring plan
Microbial (Bacteria) analyses
Records' concerning a variance or exemption expires

Records of action taken to correct violations

10 years
3 years
3 years after issued
5 years
As long as the system is in
operation
12 years for ALL related data
5 years
5 years
5 years once the variance or
exemption granted
3 years after violation is
resolved

Document Type

Retention Period

Sanitary surveys & all related documentation

10 years after the survey is complete

Cross Connection Records

5 years or the life of the assembly, whichever is shorter.

Property – Real, Personal and Intellectual

All Property records (deeds, titles, appraisals, bills of sale, improvements, etc.)

Permanent

Personal Property Leases

10 years after termination

Property Tax

Permanent

Real Property Leases

Permanent

Trademarks, Copyrights and Patents

Permanent

Tax

Annual information returns – federal & state

Permanent

Income tax returns

Permanent

IRS Forms I-9

1 year after employee termination

IRS Form W-4

5 years

IRS Rulings

Permanent

Tax exemption documents & correspondence

Permanent

Tax returns

Permanent

Audio Recordings

Audio recording of Board meeting shall be deleted after paper copy has been approved and signed by the President at the next monthly meeting and the electronic copy marked as “FINAL” has been received by the Office Manager. If any electronic copies of the audio have been sent out they should be deleted from the email server and any person who received them shall delete them as well. This applies to all other Meetings regarding Board business. Audio recordings taken for any other reason such as customer complaints or threats received via phone messages or special in person meetings may be recorded and stored indefinitely.

Correspondence and Internal Memoranda

Hard copy correspondence and internal memoranda relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate.

Hard copy correspondence and internal memoranda relating to routine matters with no lasting significance

Two years

Correspondence and internal memoranda important to the Cooperative or having lasting significance

Permanent, subject to review

Document Type

Retention Period

Electronic Mail (E-mail) to or from the Cooperative

Electronic mail (e-mails) relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate, but may be retained in hard copy form with the document to which they relate.

E-mails considered important to the Cooperative or of lasting significance should be printed and stored in a central repository.

Permanent, subject to review

E-mails not included in either of the above categories

12 months

Electronically Stored Documents

Electronically stored documents (e.g., in pdf text or other electronic format) comprising or relating to a particular document otherwise addressed in this Schedule should be retained for the same period as the document which they comprise or to which they relate, but may be retained in hard copy form (unless the electronic aspect is of significance).

Electronically stored documents considered important to the Cooperative or of lasting significance should be printed and stored in a central repository (unless the electronic aspect is of significance).

Permanent, subject to review

Electronically stored documents not included in either of the above categories

Two years
