DOCUMENT RETENTION POLICY

Five Horsemen Nonprofit, Inc.

Atlanta, Georgia

Effective Date: January 15, 2026

Approved by Board of Directors

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I. PURPOSE AND SCOPE

This Document Retention Policy (the "Policy") establishes guidelines for Five Horsemen Nonprofit, Inc. (the "Organization") regarding the systematic review, retention, and destruction of documents and records. This Policy is designed to ensure compliance with federal and state laws, facilitate efficient operations, protect vital organizational information, and ensure governance transparency as required by the Internal Revenue Service (IRS) and applicable Georgia state regulations.

A. Objectives

The primary objectives of this Policy are to:

- Ensure compliance with IRS requirements for tax-exempt organizations
- Meet record-keeping requirements outlined in Form 990
- Comply with the Sarbanes-Oxley Act provisions applicable to nonprofits
- Adhere to Georgia state record retention laws
- Protect the Organization from liability associated with document destruction during litigation or investigation
- Promote efficient document management and reduce storage costs
- Preserve institutional knowledge and historical records
- Maintain transparency and accountability with stakeholders, donors, and regulators

B. Scope of Application

This Policy applies to all documents and records created, received, or maintained by the Organization in any format, including paper, electronic, audio, video, and photographic materials. All employees, officers, directors, volunteers, contractors, and agents of the Organization are required to comply with this Policy.

II. DEFINITIONS

Document: Any recorded information, regardless of format, including but not limited to written, printed, typed, electronic, photographic, audio, or video materials.

Record: A document preserved as evidence of activities, decisions, or transactions of the Organization.

Retention Period: The length of time a document must be kept before it may be destroyed.

Permanent Retention: Documents that must be kept indefinitely and never destroyed.

Legal Hold: A directive to preserve all documents relevant to actual or anticipated litigation, government investigation, or audit, superseding normal retention periods.

Document Custodian: The individual responsible for maintaining and managing specific categories of documents as designated by this Policy.

III. ROLES AND RESPONSIBILITIES

A. Board of Directors

The Board of Directors is responsible for:

- Adopting and approving this Policy and any amendments
- Ensuring the Policy is properly implemented throughout the Organization
- Reviewing the Policy annually to ensure continued compliance
- Designating a Document Retention Officer

B. Document Retention Officer

The Document Retention Officer (typically the Executive Director or designee) is responsible for:

- Overseeing the day-to-day implementation of this Policy
- Coordinating with Document Custodians to ensure compliance
- Maintaining the Document Retention Schedule (Appendix A)
- Training staff, board members, and volunteers on retention procedures
- Issuing Legal Holds when necessary
- Conducting periodic audits of document retention practices
- Reporting to the Board on Policy compliance

C. Document Custodians

Document Custodians (department heads or designated staff) are responsible for:

- Maintaining documents within their assigned categories
- Ensuring proper organization, storage, and security of documents
- Destroying documents in accordance with the Retention Schedule
- Notifying the Document Retention Officer of any issues or questions
- Complying with Legal Holds immediately upon notification

D. All Personnel

All employees, officers, directors, volunteers, and contractors must:

- Familiarize themselves with and comply with this Policy
- Maintain documents in an organized and accessible manner
- Consult with their supervisor or Document Custodian before destroying any documents
- Report any violations of this Policy to the Document Retention Officer
- Preserve documents subject to a Legal Hold

IV. DOCUMENT RETENTION SCHEDULE

The following retention schedule establishes minimum retention periods for various categories of documents. These periods are based on federal and state legal requirements, IRS regulations, and nonprofit best practices. The complete Document Retention Schedule is maintained as Appendix A and includes specific document types within each category.

A. Corporate Records and Governance

Document Type	Retention Period	Legal Basis/Notes
Articles of Incorporation and Amendments	Permanent	Required for organizational existence
Bylaws (current and superseded)	Permanent	Governance foundation
IRS Determination Letter (501(c)(3))	Permanent	Proof of tax-exempt status
Board Meeting Minutes	Permanent	IRS recommendation; Form 990
Board Resolutions	Permanent	Legal and historical record
Committee Minutes and Reports	7 years	Governance documentation
Conflict of Interest Disclosures	7 years after separation	Form 990, Part VI
Annual Reports to State	Permanent	Georgia nonprofit requirements
State Registration/Charitable Solicitation	7 years after expiration	Georgia compliance

B. Tax and Financial Records

Document Type	Retention Period	Legal Basis/Notes
IRS Form 990 and supporting documents	Permanent	Must be available for public inspection
Form 990-T (Unrelated Business Income)	Permanent	Tax record; IRS audit risk
Annual financial statements (audited)	Permanent	Organizational financial history
General ledger and journals	Permanent	Financial record foundation
Chart of accounts	7 years after superseded	Financial system documentation

Bank statements and reconciliations	7 years	IRS audit period; SOX
Accounts payable/receivable records	7 years	Standard business practice
Invoices and receipts	7 years	IRS substantiation requirement
Canceled checks	7 years	Payment verification
Credit card statements	7 years	Expense documentation
Payroll records and tax returns	7 years after termination	FLSA requirement; IRS
Employee W-2/W-4 forms	7 years	IRS requirement
Form 1099 (issued and received)	7 years	IRS requirement
Donation acknowledgment letters	7 years	IRS substantiation for donors
Grant applications and reports	7 years after completion	Funder requirements; audit
Audit reports (external)	Permanent	Financial accountability
Budget documents	7 years	Financial planning record

C. Personnel and Human Resources

Document Type	Retention Period	Legal Basis/Notes
Personnel files (active employees)	7 years after separation	EEOC; Title VII
Employment applications (hired)	7 years after separation	Employment documentation
Employment applications (not hired)	3 years	EEOC requirement
Job descriptions	3 years after superseded	HR documentation
Performance evaluations	7 years after separation	Employment record
Disciplinary actions	7 years after separation	Legal protection
I-9 forms	3 years after hire or 1 year after separation (whichever is later)	Immigration Reform Act
FMLA records	3 years	Department of Labor

Workers' compensation records	10 years after closure	Georgia requirement
Benefits enrollment/changes	7 years after separation	ERISA; plan documentation
Volunteer agreements and waivers	7 years after separation	Liability protection
Background check results	7 years after separation	Risk management
Training records	7 years	Professional development history
Time sheets and attendance records	7 years	FLSA requirement

D. Contracts and Legal Documents

Document Type	Retention Period	Legal Basis/Notes
Contracts (after expiration)	7 years	Statute of limitations
Leases (after expiration)	7 years	Property documentation
Insurance policies (current)	Permanent	Coverage history
Insurance policies (expired)	10 years	Claims filing period
Claims and litigation files	Permanent or 7 years after resolution	Legal protection
Intellectual property documents	Permanent	Ownership rights
Deeds and titles	Permanent	Property ownership
Correspondence (legal matters)	7 years after resolution	Legal documentation
Settlement agreements	Permanent	Legal record

E. Program and Development Records

Document Type	Retention Period	Legal Basis/Notes
Donor records and gift documentation	Permanent	Stewardship; tax substantiation
Major gift agreements	Permanent	Legal obligation; donor intent
Grant agreements and contracts	7 years after completion	Funder requirement; audit
Program evaluations and reports	7 years	Outcome documentation
Event records	3 years	Historical reference

Marketing materials	3 years or until superseded	Historical record
Publications and newsletters	Permanent (samples)	Organizational history
Photographs and videos (official)	Permanent (archival selections)	Historical documentation
Client/beneficiary records	7 years after service ends	Privacy; program documentation
Service delivery records	7 years	Program accountability

F. Electronic Communications

Document Type	Retention Period	Legal Basis/Notes
Email (general business)	2 years or until resolved	Business communication
Email (legal/contractual matters)	Same as paper equivalent	Same retention as content
Email (transitory/informational)	Delete when no longer needed	No business value
Electronic files and databases	Same as paper equivalent	Format doesn't change retention
Social media posts (official)	3 years	Public communications
Website archives (annual snapshots)	7 years	Historical documentation

V. LEGAL HOLD PROCEDURES

A Legal Hold suspends the normal retention schedule for documents related to actual or reasonably anticipated litigation, government investigation, audit, or other legal proceedings. Destruction of relevant documents during a Legal Hold may result in serious legal consequences, including sanctions, adverse judgments, and criminal penalties.

A. Triggering Events

A Legal Hold must be issued when:

- Litigation has been filed against or by the Organization
- The Organization receives a subpoena or document preservation request
- A government investigation or audit is announced or anticipated
- Internal investigation identifies potential legal exposure
- Legal counsel advises that litigation is reasonably anticipated

B. Implementation

Upon determining that a Legal Hold is necessary:

- The Document Retention Officer, in consultation with legal counsel, issues a written Legal Hold Notice
- The Notice identifies the subject matter, relevant document types, and custodians
- All identified custodians receive the Notice and confirm receipt in writing
- IT personnel suspend automatic deletion of relevant electronic documents
- Relevant documents are segregated and clearly marked as subject to Legal Hold
- The Document Retention Officer monitors compliance until the Legal Hold is lifted

C. Duration and Release

A Legal Hold remains in effect until the Document Retention Officer, in consultation with legal counsel, determines that the litigation, investigation, or audit has concluded and all appeals periods have expired. Upon release of the Legal Hold, documents are returned to normal retention schedules, and Document Custodians are notified in writing.

VI. DOCUMENT DESTRUCTION PROCEDURES

Proper destruction of documents is essential for maintaining confidentiality, complying with privacy laws, and managing storage costs. All document destruction must be conducted in accordance with this Policy and applicable laws.

A. Authorization for Destruction

Before destroying any documents:

- The Document Custodian verifies that the retention period has expired
- The Document Custodian confirms no Legal Hold applies
- For documents with historical value, the Document Retention Officer determines whether permanent archival is appropriate
- Destruction is documented on a Document Destruction Log (date, document type, custodian, and method)

B. Methods of Destruction

Documents must be destroyed using secure methods appropriate to their sensitivity:

- **Paper Documents:** Shredding (cross-cut or micro-cut for confidential materials), pulping, or incineration
- **Electronic Documents:** Secure deletion using software that overwrites data, physical destruction of storage media, or degaussing for magnetic media
- **Audio/Video Materials:** Physical destruction of media or secure electronic deletion
- **Backup Systems:** Ensure backup systems are purged according to retention schedules; coordinate with IT

C. Confidentiality and Privacy

Documents containing personal information, donor data, financial information, or other confidential materials must be destroyed in a manner that prevents unauthorized access or reconstruction. Third-party destruction vendors must provide certificates of destruction and comply with all applicable privacy laws.

VII. ELECTRONIC RECORDS MANAGEMENT

Electronic documents are subject to the same retention requirements as paper documents. The Organization maintains a comprehensive approach to electronic records management.

A. Email Management

- Email that constitutes a business record must be retained according to the subject matter retention period
- Transitory email (scheduling, general information) may be deleted when no longer needed
- Personal email on Organization systems should be minimal and is subject to this Policy
- Staff should use folder systems or archiving to preserve important email

B. Cloud Storage and Third-Party Systems

- Documents stored in cloud services (Google Drive, Dropbox, etc.) are subject to this Policy
- Access controls must ensure only authorized personnel can modify or delete records
- The Organization maintains copies or export capabilities for critical documents stored with third parties

C. Backup and Disaster Recovery

- Backup systems must be configured to respect retention periods
- Disaster recovery plans include provisions for document preservation
- IT staff coordinate with the Document Retention Officer on backup retention cycles

VIII. COMPLIANCE AND ENFORCEMENT

A. Training and Communication

The Organization provides:

- Initial training for all new employees, officers, directors, and volunteers
- Annual refresher training on this Policy
- Ready access to the Policy and Retention Schedule for all personnel
- Guidance from the Document Retention Officer upon request

B. Monitoring and Audits

The Document Retention Officer conducts:

- Annual reviews of document retention practices
- Periodic spot-checks of compliance
- Reports to the Board on Policy effectiveness and compliance issues

C. Violations and Consequences

Violations of this Policy may result in:

- Disciplinary action, up to and including termination of employment or volunteer status
- Removal from the Board of Directors
- Potential civil or criminal liability for the individual and the Organization
- Loss of tax-exempt status or other regulatory sanctions

Intentional destruction of documents subject to a Legal Hold or destruction of documents to obstruct justice is a federal crime under the Sarbanes-Oxley Act and may result in fines and imprisonment.

IX. POLICY REVIEW AND UPDATES

This Policy shall be reviewed annually by the Board of Directors to ensure continued compliance with federal and state laws and alignment with organizational needs. The Document Retention Officer is responsible for monitoring changes in applicable laws and recommending Policy amendments as necessary.

Any amendments to this Policy must be approved by the Board of Directors and communicated to all personnel within 30 days of adoption.

X. COMPLIANCE WITH FORM 990 REQUIREMENTS

This Policy directly supports the Organization's compliance with IRS Form 990 requirements, particularly:

- **Part VI, Section B, Question 14:** The Organization has a written document retention and destruction policy
- **Schedule O:** This Policy may be referenced to explain governance practices
- **Public Inspection Requirements:** Form 990 and supporting documents are retained permanently for public disclosure

By adopting and implementing this Policy, the Organization demonstrates strong governance practices and transparency to the IRS, donors, grantors, and the public.

XI. GEORGIA STATE LAW CONSIDERATIONS

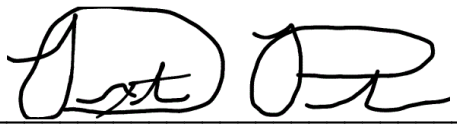
As a Georgia nonprofit corporation, Five Horsemen Nonprofit, Inc. is subject to Georgia state laws regarding record retention, including:

- **Georgia Nonprofit Corporation Code (O.C.G.A. § 14-3-1601):** Requires corporations to maintain records of all proceedings of members and boards, articles of incorporation, bylaws, and annual financial statements
- **Georgia Charitable Solicitations Act:** May require retention of solicitation campaign records
- **Georgia Workers' Compensation Law:** Requires 10-year retention of workers' compensation records
- **Georgia Tax Laws:** May impose state-specific retention requirements for sales tax or other state tax filings

The retention periods in this Policy meet or exceed Georgia state requirements. The Document Retention Officer monitors Georgia law developments and recommends Policy updates as necessary.

XII. ACKNOWLEDGMENT AND ADOPTION

This Document Retention Policy was adopted by the Board of Directors of Five Horsemen Nonprofit, Inc. on January 15, 2026.

Board Chair Signature: 

Printed Name: DEXTER PORTER

Date: 1/26/2026

APPENDIX A: QUICK REFERENCE RETENTION GUIDE

This quick reference guide summarizes key retention periods. For complete details, see Section IV.

Permanent Retention (Never Destroy)

- Articles of Incorporation and amendments
- Bylaws (all versions)
- IRS Form 1023 and Determination Letter
- Board meeting minutes and resolutions
- IRS Form 990 (all years)
- Audited financial statements
- General ledger and journals
- Property deeds and titles
- Current insurance policies
- Donor records and major gift agreements

7 Years

- Tax records and supporting documents
- Bank statements and canceled checks
- Accounts payable/receivable
- Invoices and receipts
- Payroll records (after termination)
- Personnel files (after separation)
- Contracts (after expiration)
- Grant files (after completion)
- Program and service records

3 Years

- Employment applications (not hired)
- I-9 forms (special rule: 3 years after hire or 1 year after separation, whichever is later)
- FMLA records
- General email (business-related)

For questions about specific documents or retention periods, contact the Document Retention Officer.