

CAYUGA ECONOMIC DEVELOPMENT AGENCY, INC.

Document Retention and Destruction Policy

Section 1. Purpose. In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by the Cayuga Economic Development Agency, Inc. (“CEDA”) in connection with the transaction of the organization’s business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold). The policy is designed to ensure compliance with Federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate operations by promoting efficiency and freeing up valuable storage space.

Section 2. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

Section 3. Exception for Litigation Relevant Documents. CEDA expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the organization informs you, that CEDA records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

Section 4. Document Retention. CEDA follows the document retention procedures outlined in the attached schedule. Documents not listed in the schedule, but substantially similar to those listed in the schedule, will be retained for the appropriate length of time. The Board will periodically review these procedures with legal counsel or the organization’s certified public accountant to ensure that they are in compliance with new or revised regulations.

Section 5. Electronic Documents. Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

Section 6. Emergency Planning. Records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the organization operating

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in an emergency will be duplicated or backed up at least every week and maintained off-site.

Section 7. Document Destruction. CEDA's Executive Director is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Section 8. Compliance. Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against CEDA and its employees and possible disciplinary action against responsible individuals. The Audit Committee will periodically review these procedures with legal counsel or the organization's certified public accountant to ensure that they are in compliance with new or revised regulations.