



Monarch River Academy

Business and Non-Instructional Operations | Records RECORDS RETENTION & DISPOSAL POLICY

I. Purpose

The records of Monarch River Academy (“Monarch” or the “Charter School”) are important to the efficient and effective operation of the Charter School. Monarch records include those produced and received by Monarch’s administrators, employees, volunteers, and board members, both in electronic and paper form, when acting in the course and scope of their roles at Monarch. Monarch records are those found on computers, email accounts, or other electronic storage devices owned or controlled by Monarch and may include Monarch records on personal devices and email accounts. Items that may seem unimportant, such as interoffice emails, desktop calendars, and printed memoranda are considered records under this Policy.

The purpose of this Policy is to ensure that necessary records of Monarch are adequately protected and maintained and that records no longer needed by Monarch or that are of no value are appropriately discarded at the proper time. This Policy should also aid administrators, employees, volunteers, and board members of Monarch (sometimes referred to herein as “you”) in understanding obligations in retaining electronic documents, including e-mail, web files, text files, sound and movie files, PDF, Word, or other native-formatted files. If you are ever uncertain as to any procedures set forth in this Policy (e.g., what records to retain or destroy, when to do so, or how), it is your responsibility to seek direction from the Administrator of this Policy (defined below).

II. Policy and Scope

This is Monarch’s formal policy (the “Policy”) regarding the retention and destruction of records, including electronic documents. This Policy applies to all records generated in the course of Monarch’s operation, including both original documents and reproductions. It also applies to electronic documents.

The goals of this Policy are to:

- Retain important documents for reference and future use;
- Delete or dispose of documents that are no longer necessary for the operation of Monarch charter schools;
- Organize important documents for efficient retrieval; and
- Ensure that Monarch’s administrators, employees, volunteers, and board members know what documents should be retained, the length of their retention, means of storage, and when / how they should be destroyed.

Federal and state laws require Monarch to maintain certain types of records for particular periods. Failure to maintain such records could subject Monarch to penalties and fines, obstruct justice, affect evidence, and/or seriously harm Monarch's position in tax or litigation matters. Thus, it is important that you understand and comply with this Policy and any future records retention or destruction policies and schedules. Notwithstanding anything contrary to this Policy, you should retain and seek direction from the Administrator concerning any records which you reasonably believe:

- i) are or could be relevant to any future tax or litigation matter;
- ii) arise from a dispute that could lead to litigation; or
- iii) pertain to a lawsuit in which Monarch is a party. In such situations, Monarch must preserve records unless or until Monarch's legal counsel determines that the records are no longer needed.

"Records" discussed herein refers to all business records of Monarch (and is used interchangeably with "documents"), including written, printed, and recorded materials, as well as electronic records (i.e., e-mails and documents saved electronically). All records shall be retained for a period no longer than necessary for the proper conduct and functioning of Monarch. No business records shall be retained longer than seven (7) years, except those that:

- (i) have periods provided for herein;
- (ii) are in the Record Retention Schedule, found at **Appendix A**; or
- (iii) are specifically exempted by the Administrator.

III. Administration and Oversight

Attached as Appendix A is a Record Retention Schedule (the "Retention Schedule") that is approved as the initial maintenance, retention and disposal schedule for physical records of Monarch and the retention and disposal of electronic documents. The Retention Schedule lists several categories of records, as well as specific records that contain specific retention periods. The Superintendent of Monarch (the "Administrator") or her/his designee is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Retention Schedule is followed. The Administrator is also authorized to:

- (i) make modifications to the Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for Monarch and the charter schools it operates;
- (ii) monitor local, state and federal laws affecting record retention;
- (iii) annually review the record retention and disposal program; and
- (iv) monitor compliance with this Policy.

To ensure compliance with this Policy, the Administrator is responsible for the following oversight functions:

- Implementing this Policy;
- Ensuring that administrators, employees, volunteers, and board members are properly informed, understand, and follow this Policy and the Retention Schedule;

- Providing oversight on actual retention and destruction/disposal of documents;
- Ensuring proper storage of documents;
- Periodically following-up with legal counsel to ensure proper retention periods are in place;
- Suspending the destruction of documents upon actual or foreseeable litigation or governmental investigation; and
- Keeping administrators, employees, volunteers, and board members apprised of changes in relation to this Policy or the Retention Schedule.

The Administrator shall periodically review this Policy and Retention Schedule, modify them accordingly, and inform and educate all Monarch administrators, employees, volunteers, and board members on any such changes. All document retention and/or destruction questions should be directly addressed to the Administrator.

IV. How Records are Stored

Tangible Records

Tangible records are those which you must physically move to store, such as paper records (including records printed versions of electronically saved documents), photographs, audio recordings, advertisements and promotional items. Active records that are retained as set forth in the Retention Schedule and need to be easily accessible may be stored in Monarch's administration space or equipment. Inactive tangible records that are retained as set forth in the Retention Schedule may be sent to an off-site storage facility.

Electronic Records

Electronic mail ("e-mail") that is required to be retained as set forth in the Retention Schedule should be either printed and stored as tangible records or stored electronically.

V. Destruction/Deletion of Records

Tangible Records

Tangible records that are not required to be retained as set forth in the Retention Schedule should be destroyed by shredding or some other means that will render them unreadable. If you have a record that you do not know how to destroy, such as a photograph, compact disk, or tape recording, ask the advice of the Administrator.

Electronic Records

E-mail records that you "delete" from a device typically remain in Monarch's system. Thus, Monarch information technology ("IT") staff or vendor will be responsible for permanently removing deleted emails from the computer system that are not required to be retained as set forth in the Retention Schedule. Permanently deleting a file is usually sufficient in most circumstances to dispose of a record. However, because electronic records can be stored in many locations, Monarch's IT staff or vendor will be responsible for permanently removing deleted files from the entire system. Keep in mind, where duplicate records are involved, both/all copies should be destroyed/deleted, where proper.

Email that is considered SPAM or advertising and is not necessary to the discharge of an official duty may be immediately deleted.

VI. Suspension of Record Disposal in the Event of Litigation, Investigation, or Claims

In the event Monarch is served with a document subpoena, or an employee becomes aware of a governmental investigation or audit concerning Monarch or the commencement of any litigation against or concerning Monarch, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of legal counsel, determines otherwise (“Legal Hold”). A Legal Hold will always supersede any retention period noted in **Appendix A** below. The Administrator shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

APPENDIX A - RECORD RETENTION SCHEDULE

The following types of records will be retained for the following periods of time. At least one copy of each record will be retained according to the following schedule:

A. CORPORATE RECORDS

Document	Time Period
Articles of Incorporation (<i>including all amendments</i>)	Permanent
Corporate Bylaws	Permanent
IRS Application for Tax Exempt Status (Form 1023)	Permanent
IRS Letter of Determination granting tax-exempt status	Permanent
State Application for Tax Exempt Status (Form 3500)	Permanent
State Determination Letter granting tax-exempt status	Permanent
Board Policies/Resolutions	Permanent
Board and Committee Meeting Minutes, including the text of a rule, regulation, policy or resolution not set forth verbatim in the minutes but included therein by reference.	Permanent
Sales Tax Exemption Documents	Permanent
Tax ID Number Designations	Permanent
Licenses and Permits	Permanent
Annual Reports	Permanent
School Employee Directories	Permanent
Employee Newsletters and Handbooks	Permanent
Yearbooks and Other School Publications	Permanent

B. FINANCIAL RECORDS

Document	Time Period
Chart of Accounts	Permanent
Fiscal Policies and Procedures	Permanent
Audits	Permanent
Financial Statements	Permanent
General Ledger	Permanent
Average Daily Attendance Reporting	Permanent
Official budgets for each fiscal year	Permanent
All detailed records related to land building and equipment.	Permanent
Real estate closing statements	Permanent
Average Daily Attendance Reports, including reports for the first and second interim reporting periods (P-1 and P-2)	Permanent
Financial report of all funds, including cafeteria and student body funds	Permanent

Records relating to loans, bonds, receivable sales, or any other liability.	Permanent
Check Registers/Books	7 years
Business Expenses Documents	7 years
Bank Statements and Bank Deposit Slips	7 years
Canceled Checks	7 years
Invoices	7 years
Investment Records (deposit, earning, withdrawals)	7 years
Property and Asset inventories	7 years
Petty cash receipts /documents	7 years
Credit card receipts	7 years
Travel, Transportation, Entertainment and Gift Expenses (specific recordkeeping rules apply to these expenses. For more information, see IRS Publication 463).	3 years from the date you file an income tax return on which a deduction or item of income is claimed. If the nonprofit does not file a return, or a fraudulent return is filed, records must be kept indefinitely.

C. INSURANCE RECORDS

Document	Time Period
Property Insurance Policy	Permanent
Directors and Officers Insurance Policy	Permanent
Workers' Compensation Insurance Policy	Permanent
General Liability Insurance Policy	Permanent
Insurance Claims Applications	Permanent
Insurance Disbursements/Denials	Permanent

D. CONTRACTS

Document	Time Period
All Insurance Contracts	Permanent
Construction Contracts	Permanent
Loan/Mortgage and Real Estate Documents	Permanent
Leases/Deeds	Permanent
Vendor Contracts	7 years
Warranties	7 years

E. LEGAL RECORDS

Document	Time Period
Legal Correspondence	Permanent
Litigation Files	Permanent
Court Orders	Permanent
Trademark and Copyright Registrations	Permanent

F. DONATIONS / FUNDRAISING RECORDS

Document	Time Period
Grant Dispersal Contract	Permanent
Donor Lists	7 years
Grant Applications	7 years
Donor Acknowledgments	7 years
All requested IRS/grantee correspondence including determination letters and “no change” in exempt status letters	7 years
All evidence of returned grant funds	7 years

G. MANAGEMENT PLANS AND PROCEDURES

Document	Time Period
Strategic Plan	7 years
Staffing, programs, marketing, finance, fundraising and evaluation plans	7 years
Disaster Recovery Plan	7 years

H. PERSONNEL RECORDS

General Principle: Pension documents and supporting employee data shall be kept in such a manner that can establish at all times whether or not any pension is payable to any person and if so, the amount of such pension.

Document	Time Period
<p>Employment and Performance</p> <ul style="list-style-type: none"> • Employment contracts/agreements • Training and testing • Performance goals • Performance evaluations • Written feedback and commendations • Promotions and demotions • Letters of reprimand and discipline • Performance Improvement Plans • Termination, resignation, lay-offs, etc. 	<p>Permanent</p>
<p>Recruitment, Hiring and Job Placement Records</p> <ul style="list-style-type: none"> • Job applications • Job descriptions • Resumes • Letters of recommendation • Job advertisements/postings • Results of non-medical pre-employment tests • Offers of employment • Signed pre-employment disclosures (employee handbook acknowledgment, complaint procedures, etc.) • Employee training (harassment prevention, mandated reporting, etc.) • Employee certificates, credentials, licenses, and other evidence of qualifications • Certificate of criminal background check clearance (or failure) 	<p>4 years after separation, or for the duration of any claim or litigation</p>
<p>Employee Medical Leave Records (PDL, FMLA, CFRA, etc.) *</p> <ul style="list-style-type: none"> • Requests for leave** • Health care provider notes • Leave calculations • Records of disputes regarding leave • Employee benefits related to leave • Leave policies 	<p>4 years after separation</p> <p>* Records that contain employee confidential medical information should be retained in a separate, secure file.</p> <p>**Sick leave record is permanent.</p>

<p>Employee Wage Records</p> <ul style="list-style-type: none"> • Wage rates and calculations • Shift schedules (hours and days) • Time cards • Individual calculations for absences, sick days, vacation days, etc. • Itemized wage statements/pay stubs 	<p>3 years after separation</p> <p>Note: If a record is both a <i>wage record</i> and a <i>payroll record</i>, follow the longer retention period.</p>
<p>Employee Payroll Records</p> <ul style="list-style-type: none"> • Employee name, address, age, and occupation • Individual wage records • Regularly hourly rate • Hours worked (daily/weekly) • Weekly overtime earnings • Daily and weekly straight time earnings • Deductions from or additions to wages • Wages paid each pay period • Pay dates and pay period • Unemployment Insurance Records 	<p>Permanent</p>
<p>Employment Eligibility (I-9 Forms)</p>	<p>The later of (a) 1 year after separation, or (b) 3 years from date of hire.</p>
<p>Employee Health Records*</p> <ul style="list-style-type: none"> • First-aid records • Job injuries (causing loss of work time) • Drug and alcohol test records 	<p>5 years after separation</p> <p>* Records that contain employee confidential medical information should be retained in a separate, secure file.</p>

<p>Employee Workers' Compensation Records</p> <ul style="list-style-type: none"> • Copies of claim forms • Reports of occupational injury or illness • Letters of denial of benefits • Reports to the Division of Workers' Compensation • Benefits paid • Estimates of future benefits • Applications to the Workers' Compensation Appeals Board • Orders and Awards of the Workers' Compensation Appeals Board 	<p>5 years after date of injury and 2 years after claim has been closed.</p> <p>* Records that contain employee confidential medical information should be retained in a separate, secure file.</p>
<p>Employee Benefit Records</p> <ul style="list-style-type: none"> • Benefits elections • Beneficiary designations • Eligibility determinations • COBRA notices • Summary plan descriptions • Other welfare benefit plan information (life, health, disability, long-term care, post-retirement medical) 	<p>6 years after separation, but not less than 1 year following a plan termination.</p> <p>* Records required to determine retirement benefits, including 401(k) and similar plans, must be kept indefinitely.</p>
<p>Chemical Safety and Toxic Exposure Records</p>	<p>30 years after separation (medical records of employees who have worked for less than (1) year for the employer need not be retained beyond the term of employment if they are provided to the employee upon the termination of employment)</p>

I. TAX RECORDS

General Principle: Monarch must keep books of account or records as are sufficient to establish amount of gross income, deductions, credits, or other matters required to be shown in any tax return or audit.

These documents and records shall be kept for as long as the contents thereof may become material in the administration of federal, state, and local income, franchise, sales and property tax laws.

Document	Time Period
IRS Annual Tax Filing Form 990	Permanent
FTB Annual Form 199	Permanent
Payroll Registers	Permanent
IRS Form 1099 Filings	Permanent
Payroll tax returns and withholding returns	Permanent
Earnings records	Permanent
W-2 statements	Permanent

J. STUDENT RECORDS

Document	Time Period
Mandatory Permanent (Original or copy)	Permanent (even after student leaves the charter school)
(A) Legal name of student	
(B) Date of Birth	
(C) Method of verification of birth	
(D) Sex of student	
(E) Place of birth	
(F) Name and address of parent of minor student	
- Address of minor student if different than above.	
- An annual verification of the name and address of the parent and the residence of the student.	
(G) Entering and leaving date of each school year and for any summer session or other extra session	
(H) Subjects taken during each year, half-year, summer session or quarter	
(I) If marks or credit are given, the mark or number of credits toward graduation allows for work taken.	
(J) Verification of or exemption from required immunizations	

(K) Date of high school graduation or equivalent	
Mandatory Interim (Original or copy)	
(A) A log or record identifying those persons (except authorized school personnel) or organizations requesting or receiving information from the record. The log or record shall be accessible only to the legal parent or guardian or the eligible pupil, or a dependent adult pupil, or an adult pupil, or the custodian of records.	At least 3 school years after the student leaves the charter school or usefulness ceases.
(B) Health information, including Child Health Developmental Disabilities Prevention Program verification or waiver.	
(C) Participation in special education programs including required tests, case studies, authorizations, and actions necessary to establish eligibility for admission or discharge.	
(D) Language training records.	
(E) Progress slips and/or notices as required by Education Code Sections 49066 and 49067.	
(F) Parental restrictions regarding access to directory information or related stipulations.	
(G) Parent or adult pupil rejoinders to challenged records and to disciplinary action.	
(H) Parental authorizations or prohibitions of pupil participation in specific programs.	
(I) Results of standardized tests administered within the preceding three years.	
(J) Expulsion order	

(K) Independent Study Records, including but not limited to independent study agreements, representative samples of student work product, contemporaneous records documenting student attendance, evaluations pursuant to Education Code Section 51747 determining whether it is in the best interest of the pupil to remain in independent study, records of pupil participation or lack of participation in synchronous instruction and live interaction as applicable by grade level, written or computer-based evidence of pupil engagement that includes but is not limited to, a grade book or summary document that for each class, lists all assignments, assessments, and associated grades.	4 years
(L) Documentation of continuous enrollment and satisfactory progress towards a high school diploma for pupils 19 and over.	4 years
Permitted Records (Original or copy)	At least 6 months after the student's completion of or withdrawal from the charter school.
(A) Objective counselor and/or teacher ratings.	
(B) Standardized test results older than three years.	
(C) Routine discipline data (<i>not including expulsion orders</i>).	
(D) Verified reports of relevant behavioral patterns.	
(E) All disciplinary notices (<i>not including expulsion orders</i>).	
(F) Attendance records not used for apportionment or compulsory education (<i>i.e. attendance rosters, truancy letters, SART/SARB contract, etc.</i>)	
Miscellaneous	
Individual student injury record for which a claim was filed	Permanent (or if litigated, 4 years settlement / dismissal of the claim)
Individual student injury record for which a claim was not filed.	4 years

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