



POLICY: Retention & Destruction of Books & Records

POLICY NUMBER: 2.08

**ISSUING AUTHORITY: Community CFPD of
Portage and District Inc.**

APPROVED:

LAST REVIEWED:

June 2023

NEXT REVIEW:

June 2026

Purpose:

The purpose of this policy is to provide information regarding retention and destruction of CFPD’s books, records and documents. This policy is to ensure the records and documents of the CFPD are adequately protected, maintained and records no longer needed are discarded at the proper time. The CEO shall include the list of proposed dispositions in a report to the Board for review and approval prior to destruction.

Policy Statement:

CFPD’s books and records must allow the Canada Revenue Agency (CRA) to: verify revenues, including all charitable donations received; verify that resources are spent on charitable programs; and verify that the charity’s purposes and activities continue to be charitable. The legal requirements on record retention are found in the Income Tax Act and Canada Revenue Agency (“CRA”) applicable guidelines. Consideration should be given to the Personal Information Protection Electronic Documents Act (“PIPEDA”). PIPEDA enforces the appropriate collection of data from donors, stakeholders, employees, and volunteers to ensure only information required for their function is collected and held as long as CFPD is a registered charity.

Books and Records include governing documents such as incorporation papers, By-laws, financial statements, copies of official donation receipts, copies of annual information returns (Form T3010, Registered Charity Information Return), written agreements, contracts, Board meeting minutes, annual reports, ledgers, bank statements, expense accounts, inventories, investment agreements, accountant’s working papers, payroll records including T4 slips, promotional materials, and fundraising materials.

Books and records also include **source documents**. Source documents support the information in the books and records, and include items such as: invoices, cancelled cheques, vouchers, formal contracts, work orders, delivery slips, purchase orders, and bank deposit slips.

Specific books and records must be **kept for CRA purposes** by CFPD for the time period below:

- Copies of official donation receipts must be kept for a minimum of six (6) years from the end of the calendar year in which the donations were made.
- Records for gifts held longer than 10 years (or more likely in perpetuity) must be kept for as long as CFPD as a charity is registered and for a minimum of two years after

the date the registration of CFPD as a charity is revoked. This includes the donation receipt plus fund agreements.

- Minutes of Board meetings (and supporting committee meetings not incorporated into the Board minutes) must be kept for as long as CFPD as a charity is registered and for a minimum of two years after the date the registration of CFPD as a charity is revoked or, in the case of CFPD as a corporation, for two years after the day that CFPD as a corporation ceases to exist or is dissolved.
- Governing documents and By-laws relating to CFPD must be held for as long as CFPD is registered as a charity and for two years after the date the registration of CFPD as a charity is revoked.
- General ledgers or other books of final entry containing summaries of year-to-year transactions and the accounts necessary to verify the entries must be kept for six (6) years from the end of the tax year to which they relate; while CFPD is registered as a charity, and for two years after the date the registration of CFPD as a charity is revoked or, in the case of CFPD as a corporation, for two years after the day CFPD as a corporation is dissolved.
- Financial statements, source documents and copies of annual information returns (T3010 forms) must be kept for six (6) years from the end of the last tax year to which they relate or, if the registration of CFPD as a charity is revoked, for two years after the date of the revocation.

Books and records shall also be **kept for reasons other than CRA purposes**, preferably for the time CFPD is in existence. These should include previous audited financial statements, annual reports, fund agreements and their histories, grants with supporting documentation and agreements, estate files, important correspondence, insurance policies, previous policies and governance documents, declarations of Board members and volunteers, documents related to events and media advertising/coverage, plus others considered of value to CFPD.

It is acceptable to keep books and records in an **electronic readable format**, as long as the system we are using is capable of producing an accessible and useable copy that would allow auditors to process and analyze the electronic records on CRA equipment. Books and records that are created in an electronic format must be kept in an electronically readable format, even if CFPD has paper printouts of the electronic records. The same holds true for any source documents created initially in electronic form. Scanned images of paper documents, records, or books of account that are maintained in electronic format are acceptable if proper imaging practices are followed and documented.

CFPD is responsible for making its books and records available to CRA officials, who are authorized to inspect, audit, or examine CFPD's records, as well as make copies of any records, including electronic records.

CFPD will maintain **electronic copies** of all important documents, with the originals safe guarded by on and off site storage.

The above policy will serve as a guideline to practice. The information is time sensitive and subject to change by the CRA from time to time. Up to date information is available on line at the CRA site.

Responsibility: Review, and revision of this policy if required, with subsequent recommendation to the Board for approval.

** Source document for this policy is from the Canada Revenue site on books and records dated July 21, 2021.

** CRA requires official donation receipts to be kept for only two (2) years, however the Investment and Finance Committee along with the Treasurer wishes CFPD to keep them for six (6) years in order to cover potential audit years and provide consistency with other CFPD record keeping.