



Francis Small Heritage Trust, Inc.

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Records Policy Adopted July 26, 2009

- 1) **Purpose.** Maintenance of consistent, complete, secure, and authentic records is central to fulfilling the mission of Francis Small Heritage Trust. This policy concerning Records is developed to ensure compliance with the intentions of donors (including donors of land and easements), to document the recreation and conservation values of protected lands and their stewardship, and to protect Francis Small Heritage Trust' status as a public charity. All such records are the property of Francis Small Heritage Trust and for the organization's exclusive use unless determined otherwise by a vote of the Board. For the purposes of this policy, "Records" shall be defined as documents, letters, memoranda, reports and notes, maps, photographs, including both informal materials, such as handwritten notes, as well as formal documents, such as executed contracts, recorded deeds or trail easements. Records shall include paper documents and electronic files such as e-mails and database files.
- 2) **Corporate Records.** Francis Small Heritage Trust staff will create and maintain files containing originals of the following corporate records, which will be stored in a fireproof filing cabinet:
 - a) Articles of Incorporation, with amendments
 - b) Bylaws, with amendments
 - c) State of Maine Annual Reports for most recent 7 years
 - d) IRS 501(c)(3) Determination Letter
 - e) IRS Form 990's for most recent 7 years
 - f) Financial Audits or Reviews for most recent 7 years, if in existence
 - g) Promissory Notes, Mortgages and other security instruments
 - h) Digital Back-ups of the Financial Books
 - i) Public relations records such as brochures, newsletters, etc.

The Secretary of the Board will annually inspect these files to ensure that they are accurately and fully maintained.

- 3) **Project Records.** Francis Small Heritage Trust staff (i.e. Executive Director, Board Members, and Officers) will create and maintain files relating to all aspects of land acquisition projects, as follows, and will store them as described.
 - a) During the period of negotiating a new acquisition (e.g., fee simple title), documents exchanged and notes of discussions with land owners and their representatives will be held in the specific project file in a filing cabinet.
 - b) Upon execution of a written agreement by Francis Small Heritage Trust and the relevant landowner(s) concerning an acquisition (such as an option agreement, purchase and sale agreement, letter of intent, or delivery of the easement, license or deed that completes acquisition), original records concerning the project (including the project file described above plus baseline documentation, ecological inventories, boundary surveys, appraisals,

- management plans) will be placed in a fireproof filing cabinet dedicated to stewardship records. As new information is produced regarding the project, this information will be added to these records.
- c) A full copy of the baseline documentation of conservation easements and preserves, management plan of preserves, and correspondence file for all projects will be held offsite in a reasonably secure place. Copies of updated information will be added to these files as they are developed or received. Digital files may replace hard copies for all documents except baseline documentations.
 - d) A reference file that consists of a subset of copies of the above-referenced project documents(e.g., the deed or trail easement, boundary survey, management plan, etc.) necessary for day-by-day review in stewardship of the project will be maintained in a standard filing cabinet.
 - e) Deeds of parcels owned in fee simple title by Francis Small Heritage Trust and related boundary surveys (when available) and records of any rights-of-way or other easements will be recorded in the appropriate county registry of deeds. Conservation easements, trail easements, and related boundary surveys (when available), as well as amendments thereto, will be recorded in the appropriate county registry of deeds.
 - f) Francis Small Heritage Trust staff will annually audit the original and copied records of all completed acquisitions to ensure that documentation is complete and properly organized, and to be sure that documentary evidence, including photographic records and original documentation is not deteriorating beyond the point of usefulness.
- 4) **Financial and Donation Records.** Francis Small Heritage Trust Treasurer will create and maintain a record-keeping system concerning all grant awards, payments under governmental contracts for services provided by the Francis Small Heritage Trust, and donations of funds and in-kind services. The files will include at minimum the name and contact information for the source of the funds, the amount of the funds received by the Francis Small Heritage Trust and the date of receipt, the purpose to which the funds are to be applied, and the bank account into which the funds were deposited. This system will consist of two components:
- a) Membership Management Database -- The Treasurer will manage records of all the above information in a suitable electronic database. The record of each source of funds will be updated as new funds are received by the Francis Small Heritage Trust, and a copy of that record will periodically be given to at least one other Board member.
 - b) Financial Accounts Database -- The Treasurer will create and maintain records of all financial transactions of Francis Small Heritage Trust, including income from the above sources, on QuickBooks or an equivalent computer software program.
- 5) **Personnel Records.** At such time that the Francis Small Heritage Trust hires employees, the Executive Director will create and maintain confidential personnel files for every Francis Small Heritage Trust employee that contains all employment information concerning that employee such as application for the position, offer letter, evaluations, and compensation information. Access to personnel files is restricted to the Executive Committee, the Executive Director and the specific employee. Personnel records will be stored in the office of the Executive Director in a locked drawer or file cabinet.

- 6) **Meeting Records.** Francis Small Heritage Trust Secretary will maintain binders of the minutes of all meetings of the Board and Meetings of the Membership. These binders will be stored in the Executive Director's office. In addition, electronic backup copies of the minutes will be stored offsite.
- 7) **Audits.** Every three years, the Secretary of the Board of Directors will complete an audit of corporate, project, financial, and personnel records. Upon completion of this audit, a task list of any requirements for necessary improvements in maintenance of the records will be provided to the Stewardship staff with a scheduled date for implementation of such improvements. The records audit of the financial records shall not serve as a customary financial audit, and shall only determine if financial records are being maintained in accordance with this Records Policy.
- 8) **Retention and Disposal of Records and Documents.**
 - a) Retention Schedule. All of the above-described records will be retained according to the following retention schedule:
 - i) Permanent:
 - (1) Articles of Incorporation, with amendments
 - (2) Bylaws, with amendments
 - (3) IRS 501(c)(3) Determination Letter
 - (4) Meeting minutes
 - (5) Board policies
 - (6) Original public relations materials (brochures, etc.)
 - (7) Original deeds, licenses, mortgages, etc.
 - (8) Year-end financial statements
 - (9) Financial audit and review reports
 - (10) Project files (unless Francis Small Heritage Trust no longer owns any property interest, in which case 7 years)
 - ii) Seven Years:
 - (1) Personnel records (after cessation of employment or denial of hiring)
 - (2) Payroll records
 - (3) Tax records
 - (4) Insurance records
 - (5) Accounts payable and receivable ledgers
 - (6) Lapsed members' records
 - (7) Correspondence (non-Project-related)
 - (8) Website files (updated quarterly)
 - (9) Volunteer Waiver Forms
 - iii) Three Years:
 - (1) Periodic internal financial statements
 - (2) Bank statements, deposit slips, petty cash records

- b) Confidential Records. Documents or copies of documents that show donor information, personnel information, financial information, or any other information confidential to the Francis Small Heritage Trust will be shredded prior to sending to recycling facilities.
- c) Litigation Records. Notwithstanding the foregoing retention schedule, staff shall consult with legal counsel before destroying any records relevant to any threatened, pending or actual litigation or government investigation.

