



RECORDS MAINTENANCE POLICY

The responsibility to keep records and make them reasonably available to members derives from the Association's By-Laws as well as State and Federal laws. The Association's By-Laws state in part:

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

ARTICLE XI BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

With the intent to meet these duties, the Board of Directors adopts the following policies, procedures, and definitions:

1. Definitions:

Record Copy: The single copy of a document, often the original, that is designated as the official copy for reference and preservation.

Permanent Records: Have enduring value as documentary evidence of the Association's organization, actions, rights, and responsibilities. Permanent Records are never obsolete, superseded, or replaced, they are only accumulated or amended.

Perpetual Records: Document the current state of the subject to which they pertain. Perpetual records are replaced when superseded or obsolete, they are not accumulated.

Temporary Records: Document Association activities but which are of value or have legal significance for only a limited time. Temporary Records are eligible for disposal after a specified time or event. The majority of Association's records are temporary.

Primary Office: The Association is located within Crawford's Barn, located at: 2715 Tiber Drive, Sacramento, California, and all Association records not specified otherwise will be maintained at that location.

2. Confidential Records: Confidential Records will be clearly marked and securely stored separate from member-inspectable records. The following records are not subject to inspection by members (see Civ. Code §4935 and §5215):
 - A. Bids and contract proposals.
 - B. Board packets.
 - C. Correspondence between members, vendors, or others with the Board.
 - D. Disciplinary actions, collection activities, or payment plans of other owners.
 - E. Email between Board members.
 - F. Executive session minutes.
 - G. Information privileged by law, such as documents subject to attorney-client privilege or relating to litigation in which the association is or may become involved, and confidential settlement agreements.
 - H. Legal invoices.
 - I. Personal information, including social security number, tax id number, driver's license number, credit card account numbers, bank account number, and bank routing number.
 - J. Personnel records (other than salaries).
 - K. Records likely to lead to identity theft.
 - L. Records likely to lead to fraud.
 - M. Records reasonably likely to compromise the privacy of an individual member.
 - N. Security camera recordings.
3. Electronic Records: Until and unless a legally-sufficient methodology for ensuring the security and integrity of electronic records is adopted, all Association records with a retention greater than one year and all Confidential Records will be maintained in hard copy.
4. Categorization of Records: Association records will be retained in the following categories for the prescribed time in the described manner.
 - A. **PERMANENT RECORDS** shall be maintained in the Association's Primary Office, clearly labeled and arranged for accessibility. When necessary due to space limitations, older and/or less often referenced Permanent Records may be stored in clearly marked file boxes in an appropriate storage area. Permanent Records include:
 - (1) Governing Documents: original and amended CC&Rs, Bylaws, Articles of Incorporation, Parcel Maps, etc.
 - (2) Deeds to Property Owned by the Association.
 - (3) Tax Identification Notice.
 - (4) Legal settlements and agreements.
 - (5) Minutes of open board meetings, executive sessions, membership meetings, and meetings of committees with decision-making authority.
 - (6) Annual Budget & Policy Disclosures.
 - (7) Year End Financial Statements, Annual General Ledgers, and Tax Returns.
 - (8) Annual Independent Financial Review.
 - (9) Reserve Studies and Reviews.

- B. **PERPETUAL RECORDS** shall be maintained in the Association's Primary Office, clearly labeled and arranged for immediate accessibility. Perpetual records are replaced when obsolete or superseded, they are never accumulated nor inactivated. Perpetual records include:
- (1) Source documents of current homeowners / association members.
 - (2) Member contact information and alternate address election forms.
 - (3) Manuals, instructions, or procedures for facilities and/or equipment.
 - (4) Other similar documents that have value by association with a specific event or which are continually replaced by more current versions of same record.
- C. **TEMPORARY RECORDS** are considered active during the year in which they are produced and accumulated. Temporary records are considered inactive at the end of the year in which they are produced and accumulated and are thereafter retained for the period of time specified below.

Active records will be maintained in the Primary Office, clearly labeled and arranged for immediate location and accessibility.

Inactive records will remain in the Primary Office, clearly labeled and arranged for immediate location and accessibility, during the immediately following year.

After the first year, inactive records requiring longer retention may be removed to an appropriate storage area for the remainder of the retention period. Inactive records shall be clearly labeled as to the year of accumulation and disposal date, example: "CGEHOA Financial Records FY2023, Disposal Date January 1, 2026". When practical, combine records with like disposal dates into common storage boxes to prevent accidental early destruction.

Temporary Records will be retained for the following periods beyond the end of the year in which they originate:

(1) One Year

- (a) Meeting Agendas.
- (b) Projects completed or issues resolved not documented elsewhere.
- (c) Election Materials (retained by the Independent Inspector Of Elections for one year after the date of the election, at which point the statute of limitations for challenging an election expires, and then the materials are transferred to the Association).

(2) Two Years

- (a) Financial Records as described in Civil Code Section 5500, also including: invoices from vendors, deposit slips, purchase orders, etc.
- (b) General Correspondence.
- (c) Non-decision-making committee meeting minutes.
- (d) Association Newsletters.

(3) Seven Years

- (a) Insurance Records (accident reports, settled claims, expired policies, fidelity bonds, certificates of insurance).
- (b) Personnel Records.
- (c) Expired Contracts.
- (d) Closed Litigation Files.

- 4. Records Disposal. The Association shall, when disposing of records, ensure that the records are completely destroyed, preferably by shredding. Simply throwing them into the trash can result in potential liability if confidential records end up in the wrong hands.
- 5. Litigation Hold. Records shall not be destroyed if the Association has a litigation hold or if a request for access to the records has been made, even if the records would be eligible for disposal at the time the request was made.

Policy Relating to: RECORDS MAINTENANCE POLICY

Adopted at a meeting of the Board of Directors on: November 9, 2022

Motion by: _____ Seconded by: _____

	<u>In Favor</u>	<u>Against</u>	<u>Abstain</u>	<u>Absent</u>
Motion Voted:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Attestation:

Secretary

Date