

GLENOAK HILLS COMMUNITY ASSOCIATION

RECORDS RETENTION POLICY

Following is a general guideline for how long records should be kept. The guideline does not cover all records or situations.

A. Permanent

1. Governing Documents

- CC&Rs
- Bylaws
- Articles of Incorporation
- Condominium Plan
- Parcel Map

2. Minutes

- board and membership meetings. (**Civ. Code §1365.2(i)(2).**)
- committees with decision-making authority.

3. Deeds to Property Owned by the Association

4. Architectural Plans for the common areas.

B. Seven Years. To ensure that all statutes of limitations have passed, the following records should be kept for seven years before disposing of them.

1. Financial Records

- budgets
- general ledgers, journals and charts of account
- year-end financial statements
- accounts payable
- accounts receivable ledgers, trial balances and billing records
- canceled checks and bank statements
- expense analysis and expense distribution schedules
- invoices from vendors

- deposit slips
- reconciliations
- petty cash vouchers
- purchase orders

2. Expired Contracts

3. Personnel Records (payroll records and employee records after termination)

4. Insurance Records

- accident reports
- settled claims
- expired policies
- fidelity bonds
- certificates of insurance

5. General Correspondence

6. Closed Litigation Files

7. Newsletters

8. Expired Warranties

9. Tax Returns

10. Owner architectural submittals.

C. One Year. Ballots must be stored by associations in a secure place for no less than one year after the date of the election. (**Civ. Code §1363.03(i).**)

D. Secure Destruction. Whenever an association disposes of records, it must ensure that the records are completely destroyed, preferably by shredding or incineration. Simply throwing them into the trash can result in potential liability if confidential records end up in the wrong hands.

E. Litigation Hold. Records should not be destroyed if the association has notice of or reasonably believes it will be involved in a lawsuit. Based on various California cases, the destruction of records could result in sanctions as summarized below: Unless justified by the responsible party, the intentional or negligent destruction, concealment, alteration or failure to preserve documents, data, information, or other evidence, reasonably known, at the time when it is eliminated, to be relevant to the issues or subject matter of reasonably knowable, pending or probable litigation, shall be subject to appropriate sanctions imposed in the pending action against a party if and to the extent such elimination of potential evidence is a reasonably certain cause of the substantial impairment of or significant prejudice to the ability to prove or disprove an element of the cause of action or defense.

Intentional, grossly negligent or other culpable conduct, done for the purpose of destroying or preventing the use of evidence or without reasonable concern for preserving evidence, and proximately causing the destruction or unavailability of relevant evidence in known pending or reasonably imminent litigation, may result in exemplary or punitive sanctions in order to adequately compensate the victim of such conduct or to deter future culpable conduct.

CERTIFICATE OF SECRETARY:

The undersigned duly appointed or acting Secretary of the GlenOak Hills Community Association hereby certifies the foregoing Policy was duly moved, seconded and adopted by the requisite majority of the Board of Directors at a duly noticed open meeting of the Board of Directors held on June 27, 2013, in Temecula, CA.



Secretary, GlenOak Hills Community Association

6-27-13

Date