



**Records Retention Rule**

**1. Association Records**

An Association should retain all records of any kind for the first eleven (11) years of operation, following completion of the development. Additionally, if the Association has initiated litigation, or has any information suggesting litigation may be initiated by or against the Association, records should be preserved until either the completion of pending litigation or pending review by counsel. There are strict “litigation hold” requirements concerning document retention related to existing or potential litigation, and the Association should err on the side of caution if there is any question whether a document should be retained.

Other than stated above and following the eleventh year after completion of the original construction of the property, Association records should generally be maintained as follows:

<b>Type of Record</b>	<b>Retention Period</b>
Corporate documents (Articles of Incorporation, Governing Documents, Rules & Regulations including all changes and amendments)	Permanent
Minutes of Meetings (Membership Meetings, Board of Directors Meetings in open and executive session, Board Organizational Meetings, Board Committee Meetings)	Permanent
Records of Board Elections, Special Elections, Special Assessment Votes, and Any Other Votes of the Membership	Permanent
Association and Board Policies	Permanent
Resolutions of the Board	Permanent
Financial Reports and Documents (Annual Budgets, Year-end Financial Reports, Annual Audits, Federal and State Tax Returns, Financial Accounting Electronic Files)	Permanent
Association Candidate Registration List and Voter Registration List For the First Year from Notice of Election Results Provided to Board and Members or any Challenge to Election, whichever is later, held by Inspector of Elections or its Designee, then by Association Until 3 Fiscal Years have Elapsed	3 Fiscal Years
Association Membership Lists* <i>*Except for Membership Lists Used to Establish Voting Rights, which shall be 3 Fiscal Years from Conclusion of Vote or Election Challenge.</i>	As Updated*
Legal Documents (including records of legal actions for delinquent fee payments, claims and litigation files where Association is a party, legal opinions on which Association actions were based)	Permanent
Procurement Records (Purchase Orders, Invoices, Check Requests, Competitive Bidding and Sole Source Documentation)	10 years

<b>Type of Record</b>	<b>Retention Period</b>
Reserve Studies	10 years
Insurance Policies and Records of Claims against Insurance Policies	10 years
Bank Statements, Deposit Slip, Cancelled Checks	10 years
Employee Personnel Records (after termination)	10 years
Employee Expense Records	6 years
Accounts Receivable and Accounts Payable Records	6 years
Expired and Terminated Contracts	At least 6 years
General Correspondence	4 years
Ballots, Balloting Envelopes, Proxies For the First Year from Notice of Election Results Provided to Board and Members or any Challenge to Election, whichever is later, held by Inspector of Elections or its Designee, then by Association Until 3 Fiscal Years have Elapsed	3 Fiscal years
Judgments and Recorded Abstracts	Until the Judgement is satisfied
Architectural Applications and Approvals	Permanent
Recorded Easements, Licenses, Maintenance and Indemnity Agreements and Similar Documents	Permanent
Developer Agreements, Plans Approved by the Local Agency or County for the Construction or Improvement of Facilities that the Association is Obligated to Maintain or Repair Including As-Builts, Notice of Completion Certificates Issued for Common Area Improvements	Permanent

The text of the foregoing rule was provided to the members by general notice along with an explanation of its purpose and effect on May 28, 2020. The Board of Directors formally adopted the above rule at a duly noticed open Board meeting on May 28, 2020.