

**SUNLAND DIVISION 17 OWNERS ASSOCIATION
RECORDS RETENTION SCHEDULE
REVISION 1
BOARD APPROVED MAY 10, 2023**

Sunland Division 17 Owners Association (HOA) takes seriously its obligations to retain and dispose of its business records according to law and good business practices. Business records are materials that the HOA must retain for specified periods of time (the retention period) to satisfy legal, operational (business), contractual, fiscal or historical requirements. The benefits of a records management schedule include reduction of storage costs and easier access to those records which are still required to be maintained.

The information listed in the retention schedule below is intended as a guideline and may not contain all the records the HOA may be required to keep in the future. Questions regarding the retention of documents not listed in this chart should be directed to the Board of Directors.

The Board of Directors may issue a notice, known as a “legal hold,” suspending the destruction of records due to pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the legal hold is withdrawn in writing by the Board of Directors.

All records remain the property of the Association and must be turned over promptly by the contractor, board member, or committee chair/member/coordinator (to the Board Chair, Secretary or archivist, as designated by the Board chair), by the end of each board year or the completion of the individual’s service in a given capacity, whichever occurs first.

Because the Association does not have administrative staff to facilitate their conversion to alternative formats or for filing, Association records will be retained in the form originally created, whether paper or digital, and will not necessarily be retained in both formats.

File Category		Item	Retention Period	Official Record Holder
1. Corporate Records	1.a	Governing Documents Articles of Incorporation, Declaration of Covenants, Conditions & Restrictions (CC&Rs), By-laws, and Rules and Regulations,	Permanent	Secretary. Articles of Incorporation & Annual Reports on file with WA Secretary of State. CC&Rs are on file with Clallam County.
	1.b	Meetings & Minutes: Approved Board meeting agendas and minutes, including Annual Meeting, Special Meetings, Executive Sessions	Permanent	Secretary
	1.c	Election Records: Ballots, owner sign in sheets (attendance sheets), voting proxies and any other papers related to voting by unit owners	Election + 1 year	Secretary
	1.d	Election Records: Approved annual election packet distributed to unit owners	Permanent	Secretary
	1.e	Corporate Records Other: Board of Directors Roster and Dates of Service, updated with each board member change	Permanent	Secretary
	1.f	Corporate Records Other: Memorandums for Record	Until superseded or rescinded	Committee Chair/Secretary
	1.g	Corporate Records Other: Plat map; unit map by address; property surveys	Reference copies for HOA	Clallam County
	1.h	Corporate Records Other: Non Profit Corporation Annual Report – WA Secretary of State	Annual Filing + 1 Year	Accountant contractor files this with state; treasurer retains copy
2. Finance and Administration (see also “Taxes,” below)	2.a	Annual Budget – Approved (Detailed Budget & Operating Budget Overview)	Permanent	Treasurer

	2.b	Banking Records: Monthly Expense Reports – Tracking and Reconciliation with Accountant Contractor; Check register, checks; Bank deposits and statements, General Ledgers and journals, including bank reconciliations.	Calendar Year + 6 years	Treasurer and Contractor Accountant
	2.c	Annual financial review or audit	Calendar Year + 6 years	Outside contractor performs financial review/audit; Treasurer maintains final report
	2.d	Reserve Studies	Permanent	Outside contractor performs full reserve study every third year; Treasurer performs Do It Yourself Study first and second years. Treasurer.
3. Contracts and agreements	3.a	Contracts and agreements	Contract Termination + 7 years	Board Member who negotiates/signs the contract (Board president Landscape Chair, External Maintenance Chair: turn over to Secretary upon signature approval.
4. Taxes	4.a	IRS exemption determination and related correspondence	Tax filing + 6 years	Contractor Accountant files with IRS
	4.b	Tax returns	Tax filing + 6 years	Contractor Accountant files with IRS; Treasurer maintains copy
	4.c	IRS Tax ID Assignment Letter	Permanent	Treasurer
5. Communications	5.a	Newsletters	Permanent	Communication Chair
	5.b	Correspondence — general	Calendar year + 2 years	Any Board Member generating or receiving the correspondence

	5.c	Unit Owner Correspondence	Calendar Year + 2 years	Secretary and any Board Member/Committee Chair generating or receiving the correspondence
	5.d	Unit Owner Violations	Violation Resolution + 7 years	Secretary and any Board Member/Committee Chair generating or receiving the correspondence
	5.e	Welcome Packet	Until Superseded	Communication Chair
	5.f	Owner Information: Contact Form: Owner(s) Name, address, phone #'s, emergency contact information, rental occupants (if rental). Also grants permission to use electronic communication (email) for most association notices. Directory of current Division 17 owners and renters.	Current Copy, electronic (<i>includes information protected from public disclosure</i>)	Secretary
6. Architectural Control Committee (ACC)	6.a	Exterior Change Requests documentation, unit owner correspondence, approvals/denials; SLOA approval, annual painting schedule list of units painted and what colors, Memorandum for Record (MFR), Contractors Certificate of Liability Insurance	Permanent; hard-copies arranged by address, plus data entered into Basecamp project tracking database by unit address	ACC Chair
7. Exterior Maintenance Committee	7.a	Exterior Maintenance Requests; work performed	Request forms: Completion + 5 years. Data entered into Basecamp by unit address	Exterior Maintenance Chair
	7.b	Warranties for repairs made on common property or unit exteriors covered by HOA.	7 years after warranty expires	
8. Landscape Committee	8.a	Landscaper contract	Contract Termination + 7 years	Landscape Chair

	8.b	Solicited bids	Bid award + 2 years	Landscape Chair
	8.c	Landscape Maintenance Requests	Completion + 5 years	Landscape Chair
9. Natural Habitat Committee	9.a	Records related to use or changes to common greenspace area (33 acres).	Hard-copy reference files	Natural Habitat Chair
10. Grievance Committee	10.a	Records related to any grievance brought forth by a unit owner and committee resolution—i.e., grievance forms with disposition noted and dated	Resolution + 7 years	Turned over to Secretary upon resolution
11. Insurance Committee	11.a	Insurance Policy and Certificate of Insurance	Policy renewal + 7 years. Current Certificate of Insurance posted to website.	Insurance Chair.
	11.b	Insurance Claims	7 years after settlement	Insurance Chair
	11.c	Square Footage Schedule per Building	Permanent	Insurance Chair
12. Legal (litigation) records	12.a	Records related to any pending or actual litigation brought against the HOA or litigation initiated by the HOA, including correspondence, investigations, copies of court records, depositions, etc.	7 years after litigation settlement NOTE: The official court records are available to the public as filed with Clallam County.	Board member(s) responsible for handling the litigation
13. Special Projects/Issues/Research	13.a	May include “hay proposal” for greenspace, insurance/earthquake insurance, county/noxious weed control greenspace, roof moss/algae, split rail fence perimeter, open space control (SLOA/Division 17), RV lot and arbor vitae screening, water meters, roads transfer, resident surveys, slope issues with adjacent divisions and how resolved, etc.	CY + 7 years	Board or Committee member responsible for the projects/issues/research

15. Records Retention Schedule	14.a	Document identifying business records that the HOA must retain for specified periods of time (the retention period) to satisfy legal, operational (business), contractual, fiscal or historical requirements.	Until revised + 7 years	Board of Directors
	14.b	Record of destroyed records: Ongoing list of what has been destroyed per the records retention schedule, when and by whom	Permanent	Board of Directors

1. Definition of “records” and “non-records”

Washington State HOA law (RCW 64.38.050) defines what records the Association must keep and make available for owner inspection, specifically “financial and other records sufficiently detailed to enable the association to fully declare to each owner the true statement of its financial status...including but not limited to checks, bank records, and invoices;” the “names and addresses of owners and other occupants of the lots;” at least annually “a financial statement of the association;” and an annual audit or financial review, whichever the owners elect each year. As indicated, other records retained for federal tax purposes are also addressed in this schedule.

Drafts and working files are not defined as records. Examples of non-record working materials are preliminary drafts of letters, memoranda, and reports, worksheets, and informal notes, duplicate copies of original records, and transitory e-mails where no decision making process has taken place.

2. Electronic Documents and Records.

Electronic documents will be retained per the same records retention schedule as they would be in paper format. It should be noted that in general, emails are considered informal and temporary, but if a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file, or moved to an “archive” computer file folder. As with other Association records, digital records are to be presented on a suitable memory device to the Association Board chair, Secretary or designated archivist before the close of that individual’s service to the Association in that specific capacity

3. Emergency Planning.

The HOA’s records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the Association operating in an emergency will be duplicated or backed up at least every week and maintained off-site.

4. Document Destruction.

The Board of Directors is responsible for the ongoing process of identifying those of its records which have met the required retention period, and overseeing their destruction, per this policy. Destruction of financial and personnel-related documents will be accomplished by shredding. A cumulative list of documents destroyed, the date they were destroyed, and by whom, will be maintained as a part of the Association records.

Document destruction will be suspended immediately upon any indication of an official investigation, or when a lawsuit is filed or appears imminent. Destruction will be reinstated as per the records retention schedule upon conclusion of the investigation and as authorized by the Board of Directors.

5. Compliance and Periodic Review

Failure to follow this policy can result in possible civil and criminal sanctions against the HOA and its Board of Directors and Committee Chairs, and possible disciplinary action against responsible individuals. The President and Board Chair will periodically review these procedures with legal counsel or the organization’s certified public accountant to ensure that they are in compliance with new or revised regulations.