

- B. Documents which are no longer required, or have satisfied their recommended period of retention, are to be destroyed in an appropriate manner.
- C. The Association's Board shall be primarily responsible for maintaining the documents for the Association.

1.4 Compliance

This Documentation Retention Policy is not intended to be all inclusive and accordingly, must be tailored to meet the specific needs of the Association. The retention periods set forth herein are guidelines based on the current retention periods set forth in federal, state and local statutes and regulations and industry custom and practice.

1.5 Board Members

The Association does not require board members to maintain any Documents. Board members, in their discretion may dispose of Documents generated by the Association because the Association has maintained such documents in the Official Files. However, if Board members received Documents relating to the Association, which were not generated by the Association, or not received through the Association, Board members shall send the originals of such Documents to the Manager to be maintained in the Official Files.

1.6 Annual Purge of Files

The Association's Board shall conduct an annual purge of files. The annual purge shall be completed within the _____ quarter of each calendar year.

1.7 Miscellaneous

There may be an immediate destruction of copies of any Document, regardless of age, provided that an original is maintained in the Official Files of the Association.

1.8 Litigation

At the onset of litigation, or if it is reasonably foreseeable that litigation may be imminent, all Documents potentially relevant to the dispute must be preserved.

Thus, at the direction of legal counsel, the Association's property manager will advise the Board Members, and any other person who may maintain Association Documents, of the facts relating to litigation. Thereafter, all Documents potentially relevant to the dispute shall be deemed "held" until such litigation is concluded and all appeals have expired. At the conclusion of the litigation, the "hold" period will cease and the time periods provided in the Document and Retention and

Destruction Guidelines will recommence.

SECTION 2

Definitions

2.1 Current

“Current” means the calendar year in which the Document was created, obtained or received.

2.2 Document

“Document” means any documentary material, that is generated or received by the Association in connection with transacting its business, is related to the Association’s legal obligations, and is retained for any period of time. The term “Document” includes, among others, writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and any other electronic documents from which information can be obtained or translated such as electronic mail, voice mail, floppy discs, hard discs and CD ROM.

2.3 Official Files

“Official Files” means the files maintained by the Association.

Legal documents and documents subject to the attorney-client privilege and the work product privilege maintained by the Association’s legal counsel are not part of the “Official Files” of the Association.

2.4 Permanent

“Permanent” means that the retention period for that document is permanent.

SECTION 3

Document Retention and Destruction Guidelines

The Association’s Documents are grouped into four functional categories as set forth below. Although every conceivable Document is not listed, the following list should provided guidance as to which subcategory a particular Document relates.

The retention periods identified with particular Documents are intended as guidelines. In particular circumstances, the Board Members shall have the discretion to determine that either a longer or shorter retention period is warranted.

Financial Documents**Retention Period**

General Ledgers and Journals	Current year plus 7
Year End Financial Statements	Current year plus 7
Tax Returns	Current year plus 7
Audit Reports	Current year plus 7
Depreciation Schedules / Capital Inventory Plan	Current year plus 7
Accounts Payable/Accounts Receivable Ledgers	Current year plus 7
Expense Records	Current year plus 7
Canceled Checks	Current year plus 7
Electronic Payment Records	Current year plus 7
Purchase Orders and Vendor Invoices	Current year plus 7
Bank Statements	Current year plus 7
Deposit Slips	Current year plus 7
Budgets	Current year plus 7
Petty Cash Vouchers	Current year plus 7
Billing (Owners) Records	Current Owner period plus 1 year after sale or transfer to new owner.

Governing Documents**Retention Period**

Deed Covenants and Restrictions	Permanent
Bylaws	Permanent
Articles of Incorporation	Permanent
Rules and Regulations	Permanent

Policies Permanent

Corporate Documents

Retention Period

Board meeting minutes Current year plus 7

Membership Meeting Minutes Current year plus 7

Proxies and Voting Records Current year plus 7

Attendance Records at Membership Meeting where quorum is required Current year plus 7

Committee Meeting Minutes Current year plus 7

A CC Applications, Approved or Denied Permanent

ACC Variances, Approved or Denied Permanent

Legal / Insurance / Claims

Retention Period

Contract - Active Current Version

Contracts - Expired Current Year plus 7

Insurance Policies - Active Current Version

Insurance Policies - Expired Current Year plus 7

Insurance Records Current Year plus 7

Settled Insurance Claims Current Year plus 7

Court Files, Pleadings (liens, foreclosure, small claims actions) Current Year plus 7, or until case has been settled, whichever is longer.

Attorney Legal Opinions Permanent

Destruction of Records

The Association's board of directors shall be responsible for the complying with the records retention policy and the destruction of such records. The destruction of records may be done one of several ways, including shredding, incinerating, pulverizing, and deleting/destroying of electronic

files. While no particular method is mandatory, the method chosen should preserve the confidentiality of the documents.

Amendment

This policy may be amended from time to time by the Board of Directors of the Association.

This Document Retention Policy is effective upon recordation in the Public Records of Bexar County, Texas, and shall supercede any policy regarding document retention which may have previously been in effect. Except as affected by Section 209.005 and/or this Policy, all other provisions contained within the Association’s Declaration or any other dedicatory instruments of the Association shall remain in full force and effect.

Approve and adopted by the Board on this ____ day of December, 2011.

Edward A. Duchin
President
Churchill Estates Homes Association, Inc.

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

Before me, the undersigned authority, on this day personally appeared Edward A. Duchin, President of the Churchill Estates Homes Association, Inc., a Texas non-profit corporation, known to be to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein state.

Given under my hand and seal of office this ____ day of December, 2011.

Notary Public, State of Texas

Printed Name

My commission expires: _____