

# STONEBRIDGE RANCH COMMUNITY ASSOCIATION, INC

## Policy Record Retention Policy

Revision 2

03/23/2017

### **I. PURPOSE/REFERENCES:**

The Board of Directors (the "Board") of Stonebridge Ranch Community Association, Inc (the "Association") desires to adopt a Record Retention Policy in order to be in compliance with Section 209.005(m) of the Texas Property Code; and added by Acts 2001, 77th Log., Ch. 926, Sec. 1, eff. Jan I, 2002.

The Board intends to file this policy in the real property records of each county in which the subdivision is located, in compliance with Sections 209.005: Association Record of the Texas Property Code.

### **II. PROCEDURE:**

The following Record Retention Policy is established by the Board:

1. Governing Documents - All governing documents including but not limited to certificates of formation, bylaws, restrictive covenants, design guidelines, and all amendments and supplements thereto shall be retained permanently.
2. Financial Records - Financial books and records to include tax returns, audits of the Association's books, invoices paid by the Association, bank statements, and each year's budget shall be retained for seven years.
3. Record of Owners' Account - Account records of current owners to include transaction ledgers, violations, architectural requests, and disputes shall be retained for five years.
4. Contracts - Contracts with a term of one year or more shall be retained for four years after the expiration of the contract term.
5. Minutes of Meetings - Minutes of Annual and Special Meetings of the Members, Board meetings, and committee meetings minutes shall be retained a minimum of seven years.
6. Tax returns and audits records shall be retained for seven years.
7. Electronic copies or hard copies of the Stonebridge Ranch Association News (magazine, newspaper or current form of homeowners' news) shall be retained for five years.
8. Electronic messaging that needs to be saved should be either: (1) printed in hard copy and kept in the appropriate file; or (2) downloaded to a computer file and kept electronically or on appropriate electronic media as a separate file. The retention period depends upon the subject matter of the electronic messaging, as covered elsewhere in this policy. There is no single retention period that applies to all electronic messages or communications. Retention periods are determined by the content, nature, and purpose of records, and are set based on their legal, fiscal, administrative, and historical values, regardless of the format in which they reside or the method by which they are transmitted. Electronic documents will be retained as if they were paper documents. If there is sufficient reason to keep an electronic document, the document should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder.

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In the event the Association is served with any subpoena, request for documents, becomes aware of a governmental investigation, or origination of any litigation concerning the Association, all documents pertaining to such investigation, claim, or litigation shall be retained indefinitely. Additionally, any further disposal of documents shall be suspended and shall not be reinstated until completion of the investigation or litigation until such time as the Board, with the advice of legal counsel, determines otherwise.

At the end of the retaining periods indicated in paragraphs II. Procedure: 1 thru 8 above, all records, documents and files will be shredded or disposed of appropriately.

This policy shall supersede and render null and void any previously adopted Record Retention Policy and revisions to the extent that the terms of such policy are contradictory.

### **III. REVISION HISTORY**

| REVISION | DATE       | CHANGES   |
|----------|------------|---|
| 1        | 06/16/2016 | Updated original Record Retention Policy with additional document types. i.e. email, electronic, tax and SBRA News and establishes disposition of records at end of retention period. |
| 2        | 03/23/2017 | Updated II. 8. Electronic Messages to current content   |
| 2        | 06/28/2018 | Reviewed by the Board of Directors with no changes.   |
| 2        | 06/20/2019 | Reviewed by the Board of Directors with no changes.   |
| 2        | 06/18/2020 | Reviewed by the Board of Directors with no changes.   |
| 2        | 06/24/2021 | Reviewed by the Board of Directors with no changes.   |
| 2        | 06/23/2022 | Changed retention requirement on meeting minutes to 7 years to match state statute. Do not file until more substantial changes required.  |
| 2        | 07/20/2023 | Minor editorial changes to match state statute. Do not file until more substantial changes made.  |