

**Record Retention and Destruction Policy of
Highway 1 Tourism Alliance
A California Nonprofit Mutual Benefit Corporation**

**ARTICLE I
STATEMENT OF POLICY**

This Records Retention and Destruction Policy (Policy) covers all records and documents of Highway 1 Tourism Alliance (H1TA) related in some substantial way to San Luis Obispo County Tourism Business Improvement District (SLOCTBID) business regardless of physical form or type of account used in preparation or transmission, and contains guidelines for how long certain documents should be kept and how records should be destroyed. This Policy is designed to ensure compliance with applicable local, federal, and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate the operation of H1TA and the SLOCTBID by promoting efficiency and freeing up valuable storage space.

**ARTICLE II
RETENTION SCHEDULE AND ADMINISTRATION**

H1TA's Record Retention Schedule is set forth in Appendix A. The H1TA Secretary (Administrator) shall administer this Policy. The Administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for H1TA and the SLOCTBID; monitor local, federal, and state laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

**ARTICLE III
ELECTRONIC DOCUMENTS AND RECORDS**

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types in Appendix A will be maintained for the appropriate amount of time.

Definitions

1. *Email Message*: An electronic communication sent and received via web mail or email client.
2. *Social Media*: Information posted to websites and applications that enable users to create and share content or to participate in social networking, including Facebook, Twitter, Instagram, Snapchat, and LinkedIn.
3. *Text Message*: An electronic, written communication sent and received via telephone or Internet connection.

4. *Voicemail Message:* An electronic, aural communication sent or received via telephone or Internet connection.

Text Messages, Voicemail Messages, and Social Media

Text messages, voicemail messages, and social media posts not saved to an archive, or a more permanent medium are intended to be ephemeral documents, not preserved in the ordinary course of business. Accordingly, they do not constitute disclosable public records, as that term is defined by the California Public Records Act, Government Code §7920.000 et seq. H1TA Directors, officers, employees, volunteers, or agents are not required to retain these electronic documents. Business done on behalf of H1TA that requires the creation and preservation of records should be conducted in other media.

Email Messages

1. Email messages sent or received by the H1TA's server are intended to be ephemeral and exempt from disclosures unless necessary for SLOCTBID purposes. In that case, emails shall be preserved in an email archive in paper or electronic form and retained for at least six (6) months and made available for public disclosure (except for privilege and other bases for non-disclosure) as other records of the H1TA subject to the California Public Records Act (i.e., those involving SLOCTBID assessment-funded activities).
2. Except as provided in point 3 below, H1TA Directors, officers, employees, volunteers, or agents are required to copy admin@SLOCountyBID.com on all email messages regarding matters of SLOCTBID business. Such email messages shall be preserved for six (6) months and made available for public inspection on the same terms as other H1TA records, in accordance with subsection 1 above.
3. Email messages to and from residents, business owners and property owners within the SLOCTBID's jurisdiction that are not addressed or copied to any other H1TA officials and employees are not subject to the provisions of subsection 1 and 2 above. This is intended to protect the privacy and email contact information of private parties who wish to engage with H1TA relative to the SLOCTBID.
4. H1TA Directors, officers, employees, volunteers, or agents need not copy admin@SLOCountyBID.com on email traffic in their personal, political and professional lives unrelated to SLOCTBID business.
5. H1TA will comply with Government Code §54957.5 which deems any document communicated to a majority of the Board or applicable committees regarding H1TA-funded activity, whether at the same time or seriatim, with respect to an item of SLOCTBID business regardless of the means of that communication, including via non-H1TA email accounts, a public record. Directors and committee members are encouraged to forward such email messages not copied to H1TA staff to admin@SLOCountyBID.com so they can be preserved in H1TA's email retention system, relieving individual Directors and committee members of any duty to preserve such email messages or make them available for public inspection.

6. This Policy applies only to the conduct of HITA business funded by SLOCTBID assessment dollars. It has no application to communications to or from Directors in their other public and private capacities or communications to or from HITA staff that are personal, private or otherwise not HITA assessment-funded SLOCTBID business.

**ARTICLE IV
CALIFORNIA PUBLIC RECORDS ACT REQUESTS**

Whenever the HITA receives a California Public Records Act request, the recipient shall immediately forward the request to the Administrator. The Administrator and legal counsel will review any such records and documents to protect the inadvertent disclosure of non-responsive information or protected information exempt from disclosure.

**ARTICLE V
SUSPENSION OF RECORD DISPOSAL IN THE EVENT OF LITIGATION OR CLAIMS**

No Director, committee member, officer, employee, volunteer, or agent of HITA shall destroy, dispose of, conceal, or alter any record or document while knowing that it is or may be relevant to an anticipated or ongoing investigation or legal proceeding conducted by or before a federal, state, or local government agency, including tax and regulatory agencies, law enforcement agencies, and civil and criminal courts, or an anticipated or ongoing internal investigation, audit, or review conducted by HITA.

During the occurrence of an anticipated or ongoing investigation or legal proceeding as set forth above, the Administrator shall suspend any further disposal of documents until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator shall take such steps as necessary to promptly inform all staff and the Board of Directors of any suspension in the further disposal of documents.

This Policy was adopted by the HITA Board of Directors on July 23rd, 2025.

Mill Colett _____ July 28, 2025
Secretary of the Board Date

APPENDIX A – RECORD RETENTION SCHEDULE

A. Accounting and Finance Record Type

<u>Record Type</u>	<u>Retention Period</u>
Accounts Payable ledgers and schedules	7 years
Accounts Receivable ledgers and schedules	7 years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit Records, including work papers and other documents that relate to the audit	7 years
Bank Statements and Canceled Checks	7 years
Expense Records	7 years
General Ledgers	Permanent
Electronic Payment Records	7 years
Notes Receivable ledgers and schedules	7 years
Investment Records	7 years

B. Corporate Records Record Type

<u>Record Type</u>	<u>Retention Period</u>
By-laws	Permanent
Board Meeting and Board Committee	Permanent
Minutes	Permanent
Board Policies/Resolutions	Permanent
IRS Application for Tax-exempt Status (Form 1024)	Permanent
IRS Determination Letter	Permanent

FTB Application for Tax-exempt Status (3500A)	Permanent
FTB Determination Letter	Permanent
Contracts (after expiration)	7 years
Licenses and Permits	Permanent

C. Employee Documents Record Type

<u>Record Type</u>	<u>Retention Period</u>
Benefit Plans	Permanent
Employee Files	Termination
Employment applications, resumes and other forms of job inquiries, ads or notices	3 years
Forms I-9	3 years after separation
Employment Taxes	7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	5 years
Unclaimed Wage Records	6 years
Retirement and Pension Records	Permanent

D. Property Records Record Type

<u>Record Type</u>	<u>Retention Period</u>
Lease Agreement	Permanent
Property Insurance Policies	Permanent

E. Tax Records Record Type

<u>Record Type</u>	<u>Retention Period</u>
Tax-Exemption Documents and Related	Permanent

Correspondence	
IRS 990 and 990T tax returns	Permanent
State taxes and tax returns	Permanent
Tax Bills, Receipts, Statements	7 years
Tax Workpaper Packages - Originals	7 years
Sales/Use Tax Records	
Sales/Use Tax Records	4 years

F. Grant Records Record Type

<u>Record Type</u>	<u>Retention Period</u>
Original grant proposal	7 years after completion of grant
Grant agreement and subsequent modifications, if applicable	7 years after completion of grant
All requested IRS/grantee correspondence including determination letters and "no	7 years after completion of grant
Final grantee reports, both financial and narrative	7 years after completion of grant
All evidence of returned grant funds	7 years after completion of grant
All pertinent formal correspondence including opinion letters of counsel	7 years after completion of grant
Report assessment forms	7 years after completion of grant
Documentation relating to grantee evidence of invoices and matching or challenge grants and support agreement	7 years after completion of grant
Pre-grant inquiry forms and other documentation for expenditure responsibility	7 years after completion of grant
Grantee work product produced with the grant funds	7 years after completion of grant

G. Contribution Records

<u>Record Type</u>	<u>Retention Period</u>
Records of Contributions	Permanent
The Corporation's or other documents evidencing terms of gifts	Permanent

