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**FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.**

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**GENERAL POLICY No. 305****SUBJECT: RETENTION, MAINTENANCE, AND DISPOSITION OF RECORDS**

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**I. PURPOSE:**

The purpose of this policy is to ensure the reasonable and good faith retention of all records created by or under the control of the Cooperative, whether paper or electronic, that are necessary or advisable to retain for: business operations; historical value; accounting, audit, tax and financial purposes; compliance with applicable law; possible future use in litigation involving the Cooperative; and possible future use in an official proceeding or governmental investigation, audit or other matter. Other records, which are not necessary to retain for these reasons, shall be destroyed in accordance with the guidelines set forth in this policy. All other information that is not a record should be discarded after it has fulfilled its purpose to avoid the unnecessary expense and effort that would be required to preserve it. A legal hold notice shall be issued when it becomes necessary to preserve a record or other information otherwise scheduled or due for ordinary and appropriate destruction in accordance with this policy.

**II. DEFINITIONS:**

Unless otherwise indicated in this policy, the following terms will have the meanings provided in this section.

Active Data/Records – Electronic or paper records and information that are presently in use or are immediately accessible to users.

Archival Data/Records – Electronic or paper records and information that are not directly accessible to users, but which are maintained long term and accessible with some effort.

Backup Data/Records – Electronic or paper records and information that

are not presently in use and which are routinely stored on portable media (e.g., disks, magnetic tape) and/or off-site and are a source for disaster recovery.

Distributed Data/Records – Data living on portable media or “non-local” devices (e.g., PDAs, smart phones, employee home computer, application service provider, ISPs). Most are probably “active” data.

ESI – “Electronically Stored Information” – Any file, document, data, image, database, etc. that is stored on a computing device or electronic medium, including but not limited to servers, computer desktops and laptops, cell phones, hard drives, flash drives, PDAs, CDs or DVDs, floppy disks and magnetic tapes.

Obsolete System Data – Information which has retained some importance or usefulness to the Cooperative for a period of time but has been created or stored by the use of software and/or hardware that has subsequently become obsolete or been replaced.

Record – Information (paper or electronic) recorded in a tangible form that is created or received by the Cooperative and documents some aspect of its operations. A record has some enduring value to the Cooperative that merits its retention for some period of time. Records include originals and copies of contracts and other legal documents, memos, reports, forms, checks, accounting journals and ledgers, work orders, drawings, maps, images, and photographs. Records may be found in various electronic or machine-readable formats, including without limitation, CD-ROMs, DVDs, tape recordings, voice mail messages, e-mails, microfiche, web pages, computer and other electronic files.

Other Information/Data – “Other information” or “data” are any other material that is of a transitory nature, that after serving its limited purpose or being transferred to a more permanent form, or being incorporated with other record material, the Cooperative has no need to retain except in the event of a legal hold. Some examples are notes, drafts, routine correspondence, informational or courtesy copies, extra copies of filed or preserved records and emails containing non-record information (scheduling or logistics information, thank you notes, etc.).

### **III. PROCEDURE:**

- A. An appointed Records Compliance Manager shall be responsible for supervising the Cooperative’s retention practices and procedures, ensuring that the appropriate internal controls are implemented.

- B. Each department shall appoint a Records Custodian who shall be responsible for instituting and monitoring policy compliance within the department.
- C. The Records Custodian for each department shall submit an annual Certification of Records Compliance & Destruction, the form marked Appendix V, to the Records Compliance Manager and update the Master Index Appendix IV.

**IV. POLICY:**

- A. Records of the Cooperative – Records of the Cooperative, which may be in electronic or paper form, shall be retained in accordance with these guidelines. Records that do not need to be retained shall be destroyed after the requisite retention period, if any, has passed. A log or other documentation of records destruction may be created to track compliance and assist in evaluating the effectiveness of this policy. Pending or potential litigation, governmental investigation and other circumstances may require a “hold” or suspension of regularly scheduled destruction of records or other information. Employees will be promptly notified of any such hold by the CEO/General Manager or the Human Resources Manager. The format of the hold notification is shown on Appendix III to this policy.
- B. Retention of Records – Records shall be indexed and retained in a manner that ensures their easy accessibility. Records shall be maintained for as long as the period stated in the schedule appended to this policy, Appendix II, which schedule is based on the minimum periods required by applicable state or federal law and on necessity for ongoing business purposes. The retention schedule will be reviewed periodically and amended as needed to reflect changing legal requirements, business needs or evolving practices. Paper and electronic records and other information shall be

maintained in the formats, medium and at the locations provided in the master index, which media shall ensure a life expectancy that, at a minimum, preserves the records for as long as specified in the schedule. All records that require transfer to storage media that is different from the media in which the document was originally created or is being maintained requires documentation of the transfer and verification for accuracy.

- C. Destruction of Records & Other Information – Unless a legal hold is in effect, destruction of records shall occur within four (4) weeks after the time period stated in the schedule has been met, if reasonably practical. If not reasonably practical, then such destruction shall occur as soon thereafter as is reasonably practical. Other information should be discarded as soon as practicable after it has served its purpose, unless subject to a legal hold.

Destruction may occur by the following acceptable methods:

- i. Paper:
  - Recycling or trash if no sensitive, personally identifiable or confidential information is included
  - Shredding, burning or pulverizing if sensitive, personally identifiable or confidential information is included
- ii. Electronic:
  - Deletion of records and data on shared network files, computer desktop and laptop hard drives, including personal copies
  - Deletion of distributed data/records on peripheral devices and portable storage media (e.g., PDAs, memory sticks, CDs, floppy disks, etc.)
  - Erasing or recycling of magnetic tapes

D. Suspension of Destruction / "Legal Hold" – A legal hold is the process for suspending the destruction of records and other information that becomes necessary for the Cooperative to preserve.

A legal hold may need to be issued for various reasons, such as:

- A complaint is filed against the Cooperative
- A credible threat of litigation has been received by the Cooperative
- A discovery request is received
- A records preservation order has been issued
- A subpoena has been served on the Cooperative
- A governmental, regulatory or law enforcement agency has instituted an investigation
- An event has occurred that resulted in death or serious bodily injury
- A circumstance has arisen that is likely to cause the Cooperative to file a lawsuit against someone or some entity
- An employee has made a complaint/allegation/report regarding a violation of law, Cooperative policy or other improper conduct prompting an internal investigation

If a staff member of the Cooperative receives any such complaint, request, subpoena, or inquiry, they should immediately submit it to the CEO/General Manager. Following consultation with legal counsel, a determination will be made regarding the need to preserve records. If such a need is determined to exist, then the Cooperative's attorney will issue a legal hold notification.

The legal hold requires the preservation of all records and other information detailed in the legal hold notice. With regard to electronic records and information, all such active, distributed and archived materials must be preserved. Back-up tapes that only contain

records or other information redundant to that which is being maintained as active or archived data, will be recycled, or destroyed in accordance with the Cooperative's regular back-up tape policy/practice.

If a computer or peripheral device (mobile phone, external disk drive, etc.) has stored on it records or other information subject to the legal hold, then any scheduled replacement of that computer or device must be suspended until the stored materials on such computer or device are copied to a secure medium before the computer or device is taken out of service. Such steps must be documented in a hardware replacement, IT maintenance or other log noting the dates of such copying and the equipment replacement, the person responsible for the copying and replacement and the location of the copied materials.

- E. Compliance & Questions – Every employee, director and agent of the Cooperative is required to comply with this policy. Training will be provided as needed to ensure that everyone subject to the policy is familiar with its provisions and understands the specific responsibilities and tasks associated with carrying out the policy. Periodic compliance audits and testing of retention, legal hold and destruction procedures will be undertaken at the direction and supervision of the General Manager/CEO or the Human Resource Manager. The form marked Appendix I attached to this Policy shall be completed and signed by all employees. The form marked Appendix V attached to this Policy shall be completed and signed by those employees who are responsible for the retention or destruction of the Cooperative's records.

Questions about this policy should be directed to the Records Compliance Manager.

F. Reporting of Suspected Noncompliance – Should any employee, director or agent of the Cooperative become aware of information indicating that a person responsible for the retention or destruction of records is not in compliance with this policy, such information shall be promptly reported to the CEO/General Manager.

V. **RESPONSIBILITY:**

It shall be the responsibility of the CEO/General Manager to administer this policy.

VI. **PRIMACY OF POLICY:**

This policy supersedes any existing policy that may be in conflict with the provisions of this policy.

APPROVED BY THE CEO/GENERAL MANAGER

  
\_\_\_\_\_  
Bryan Case, CEO/General Manager

DATE APPROVED: November 22, 2010

DATE REVISED: November 20, 2017

April 27, 2020

February 27, 2025

# Appendix I

Fall River Rural Electric Cooperative, Inc.

## Acknowledgment

I acknowledge that I have received, read and will abide by Policy #305, the Cooperative's Records Management Policy, distributed to me on \_\_\_\_\_ (date). I will bring any questions I have regarding this policy to the Cooperative's Records Coordinator. I further understand that I am required to complete periodic training on records procedures. The records or types of records subject to the retention and destruction requirements of Policy #305 of which I have, or may reasonably be expected to have, the custody, possession, or control of are:

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\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_



**Appendix II**  
**Retention Schedule**

## Appendix III

Fall River Electric Cooperative Inc.

### Sample Legal Hold Notification

To ensure that every employee, director and agent of the Cooperative will recognize and respond appropriately to a notification that certain records are now potentially relevant and necessary for litigation or a governmental investigation, this appendix provides a sample legal hold notification.

#### URGENT NOTICE

TO: Name all persons identified as likely to have relevant records including the designated Records Custodian or Coordinator

FROM: CEO/General Manager/Cooperative Attorney/Litigation Attorney

DATE:

RE: Your Obligation to Preserve Records & Other Information

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The event/circumstance described below has triggered an obligation to preserve records and other information. Your assistance is necessary and required for the preservation of the Cooperative's records and other information to fulfill the Cooperative's legal obligations and/or preserve the Cooperative's rights. Failure to fully comply with this directive could result in harm or penalties against the Cooperative; therefore, employees could be subject to discipline, up to and including termination of employment, for failure to follow the directives in this notice.

Event or Circumstance Triggering the Need to Preserve Records (Description of lawsuit, investigation, occurrence, etc. If litigation, describe specific claims involved.)

#### Types of Records & Other Information to be Preserved

All paper and electronic records and other information that could be relevant to the above described event or circumstance must be preserved – that is, retained and not deleted – including, without limitation: *(Tailor description as needed to specific trigger event – such as, documents (including drafts & revisions), spreadsheets (including drafts and revisions), emails (sent & received), databases, calendars, presentations, image files, maps, voice messages, data generated based on Internet activity (cookies, cache, history files), computer usage logs, etc.)*

When potentially relevant records or other information exist on multiple platforms or media, for example: a file on a desktop computer, on a laptop computer, on a mobile device, on a portable storage medium such as a CD-ROM, and a paper copy, every copy must be preserved.

Any routine or planned destruction of these types of records or data that you are aware of and can control (e.g. a user's personal email setting to automatically delete messages older than a certain date) must be suspended for the period of this hold.

### Time Period

All of the above described records and other information currently in your possession or under your control must be preserved (*from this point forward until you are notified that this hold is lifted, or state specific time period if known*).

### Verification of Preservation

(Describe the actual steps that a recipient of this notice must take to verify preservation. Different types of records or information may require different preservation methods, e.g. certain electronic files may be subject to automatic purging that requires an override or programming change.)

### Contact Person(s)

If you have questions regarding this notice, or are aware of any other persons not listed as recipients of this notice –including retired employees, contractors, consultants or others– who should receive this notice, please direct all such questions and information to \_\_\_\_\_ (*Provide name and contact details of the person overseeing the matter triggering the legal hold, such as the Cooperative’s attorney or litigation counsel*).

### Reminders

Reminders will be sent to you periodically during the course of this (*litigation, investigation, audit, matter*) to ensure that you continue to preserve relevant information and to inform you of any change as the matter progresses that would affect your preservation obligations. Such a change could include a change in scope that could add additional categories of records or other information for preservation or may require you to take additional preservation or verification steps.

**Appendix IV**  
Records Retention Master Index

**Appendix V**

Fall River Rural Electric Coop., Inc

**CERTIFICATE OF RECORDS COMPLIANCE AND DESTRUCTION**

*This form documents the destruction of cooperative records in accordance with Policy #305*

Person Completing Form:

Department:

**Records to Be Destroyed**

| a) Record Series | b) Record Description | c) Date Range (mo/yr) | d) Location | e) Destruction Method |
|------------------|-----------------------|-----------------------|-------------|-----------------------|
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Destruction Approvals: We certify that the records listed above have been retained for the scheduled retention period, required audits have been completed, and no pending or ongoing litigation or investigation involving these records is known to exist.

Department Records Custodian (print) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Records Compliance Manager (print) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Records Destroyed By (print) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

## Appendix VI

Fall River Rural Electric Cooperative, Inc.

### Certification of Untimely Destruction or Loss of Records

\_\_\_\_\_ certifies that the below identified records were lost/destroyed prior to the expiration of the applicable retention period.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

*Records Lost or Destroyed Prior to the Expiration of the Retention Period:*

| Record Description | Applicable Retention Period | Loss or Destruction (Describe event or circumstances) | Date & Time Loss or Destruction Occurred (If not known, it seems to make sense to note when the loss or destruction was discovered.) |
|--------------------|-----------------------------|---|--|
|                    |                             |   |  |
|                    |                             |   |  |
|                    |                             |   |  |