

New Jersey Health Care Quality Institute Policy for Accounting Practices, and Records and Document Retention

Honest and accurate recording and reporting of information is critical to the Quality Institute's ability to make responsible business decisions. Employees, Officers, Directors, volunteers and contractors have a strict obligation to provide accurate information in the records of the Quality Institute (the Organization).

Such individuals and entities are expected to support the Organization's efforts in fully and fairly disclosing the financial condition of the Organization in compliance with applicable accounting principles, laws, rules and regulations and making full, fair, accurate timely and understandable disclosure in our reports filed with regulatory agencies and other communications.

Our financial statements and the books and records on which they are based must accurately reflect all transactions and conform to all legal and accounting requirements and our system of internal controls. All employees, volunteers, officers, directors, contractors – and, in particular, the President & CEO, have a responsibility to ensure that the Organization's accounting records do not contain any false or misleading entries. We do not tolerate any misclassification of transactions as to accounts, departments or accounting periods and, in particular:

- All accounting records, as well as reports produced from those records, are to be kept and presented in accordance with law and are to comply with generally accepted accounting principles;
- All records are to fairly and accurately reflect the transactions or occurrences to which they relate and employees and contractors shall utilize the approved forms in the operating manual;
- All records are to fairly and accurately reflect in reasonable detail the Organization's assets, liabilities, revenues and expenses;
- No accounting records are to contain any false or misleading entries;
- All transactions are to be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period and the approved forms are to be utilized;
- The Organization's system of internal accounting controls, including compensation controls, is required to be followed at all times.

Data shall be recorded in a timely and accurate manner to protect the Organization's resources and meet the expectations of the people who rely on the accuracy of the Organization's records to perform their jobs. Falsifying business records is a serious offense, which may result in criminal prosecution, civil action and/or disciplinary action up to and including termination of employment. If you are authorized to make expenditures or enter into transactions on behalf of the Organization, you must ensure that the applicable records comply with the Organization's accounting and purchasing policies and that all transactions are recorded properly.

Consistent with the reporting and recordkeeping commitments discussed above, you should accurately and truthfully complete all records used to determine compensation or expense reimbursement. This includes, among other items, reporting of hours worked (including overtime, which requires prior approval) and reimbursable expenses (including travel and meals).

Records and Document Retention Policy and Procedures

Compliance with the Organization's Records and Document Retention Policy and Procedures is mandatory. Destroying or altering a document with the intent to impair the document's integrity or availability for use in any potential official proceeding is a crime. Destruction of records may only take place in compliance with the Organization's Records and Document Retention Policy and Procedures as set forth herein.

Purpose

The purpose of this policy is to ensure that the Quality Institute manages data in an efficient and effective manner, maintains historical records related to its financial and administrative operations, and purges documents as part of its normal management process. By establishing a specific timeline for document purging, this shall also ensure compliance with the Sarbanes-Oxley Act, which prohibits the alteration, falsification or destruction of documents that are part of any official proceeding. If anyone associated with the Quality Institute becomes aware of any investigation, the Quality Institute shall be notified immediately so that document purging will cease and all relevant documents will be appropriately identified and protected. Documents relevant to any pending, threatened, or anticipated litigation, investigation, or audit shall not be destroyed for any reason. If anyone believes that Quality Institute records are being improperly altered or destroyed, that person should report their concerns to the President & CEO, or the Board Chairperson.

Definitions

The following definitions are used in this policy:

- a. "Document" refers to any item listed below, in either hard copy, or electronic form. Electronic files also include those in audio/visual or emailed forms.
- b. "Administrative" refers to documents pertinent to the day-to-day operations of the Quality Institute.
- c. "Historic" refers to documents that are valuable for maintaining knowledge of the history of the Quality Institute and its work.
- d. "Legal" refers to any document that is a contract or agreement between parties, that contains financial information relevant to IRS filings, or that must be maintained to comply with laws and regulations.
- e. "Recycle/scrap paper" includes disposal by normal recycling methods or reuse as scrap paper for internal printing or note taking.
- f. "Shred" means using a shredder machine to properly shred and dispose of documents.
- g. "Delete" means to delete an electronic file.

Labeling and Storage

All files, both hard copy and electronic, shall be labeled by topic and year (if applicable). Electronic copies shall be saved in appropriate folders on the network share drive. Each program of the Quality Institute and all documents shall be filed under the appropriate program or in the document author's staff file as appropriate. Hard copies, if created, shall be stored in file cabinets and labeled by topic and date.

Review and Purging

Review and purging of files may take place in an ongoing manner, but must occur at least every two years, and must follow the minimum retention requirements stated below. Such review and purging must also occur prior to archival storage of any files.

Document Drafts

Once the final copy of a document has been completed, the drafts may be recycled or deleted, unless they are documents of legal value. For documents determined to be of legal value, drafts containing comments shall be saved for a minimum of two years, and drafts without comment may be destroyed once the final version is complete.

DOCUMENT TYPE	VALUE	MINIMUM RETENTION PERIOD	DESTRUCTION METHOD
Organizational founding documents (e.g. Articles of Incorporation, Bylaws, IRS Letter of Determination) Legal, historic Permanently N/A Formal meeting notes (e.g. Board, Advisory Committee)	Historical and administrative	Retain permanently	Do not destroy

Informal meeting notes, materials, presentations, research, resources, statements	Administrative/research	Two years unless no longer relevant to Institute	Recycle
Funded grant proposals, reports, correspondence, etc.	Administrative/financial	7 years	Recycle except for financial /confidential which shall be shred and delete electronic version
Rejected grant proposals, correspondence, etc.	Administrative/historic	2 years	Recycle except for financial/confidential which shall be shred and delete electronic version
Payroll, expenses, personnel forms including evaluations, and Legal documents	Administrative/financial	7 years from last date of employment or tax filing as applicable	Shred if contains personal identifiers otherwise recycle and delete electronic
Financial reports and budgets	Administrative/financial	7 years	Shred and delete
Membership and sponsorship documents	Historic/administrative	3 years from end of last membership period	Shred if contains personal financial information, otherwise Recycle and delete
Contracts and invoices with consultants, vendors, outside contractors	Administrative/financial	7 years from end of final contract period	Shred if contains personal financial information, otherwise Recycle and delete
Conference materials (final versions and lists only)	Historic/administrative	3 years from date of event	Recycle and delete

Filings and reports to governmental entities	Administrative/financial/legal	7 years from filing date	Shred and delete
Photographs and videos	Historic/Administrative	Retain higher quality	Save in photo sharing account and external hard drive – only final versions
Emails & attachments	Administrative/financial	Governed by policy above; if N/A then 2 years	Share in cloud based share drive for 2 years. Then delete