

Records Retention Policy

Effective March 26, 2019

Purpose

This Policy provides the guidelines for retention and disposal of records.

Definitions

- Records – Records shall mean all documents, papers, letters, maps, books, photographs, microfilms, electronic data processing files and output, films, sound records, or other material, regardless of physical form or characteristics made or received pursuant to law or ordinance or in connection with the transaction of official business by BrightRidge.
- Permanent Records – Those records which have a permanent administrative, fiscal, historical, or legal value.
- Temporary Records – Those records which can be disposed of in a short period of time (most often less than seven years) as being without value in documenting activities or transactions. There may be temporary records that have longer periods for some specific reason.
- Work Papers – Those records created to serve as input for final reporting documents, including electronic data processing records, and those records which become obsolete immediately after agency use or publication.
- Records Retention Schedule – This is a guide for the management of records and how long they should be kept. Also, the records retention schedule serves as the ongoing authorization for the dispositions of records.

Reasons for Record Retention

Records are a necessary part of the management and operations of BrightRidge. Effective record keeping can provide better efficiency by reducing the time to find and locate information. Records that are paper related often take up large amounts of space. This space and the amount of records can slow down the process to retrieve documents. While Electronic records do not require much physical space, they may require servers and data storage drives. Often records must be purged from enterprise system to improve the operational efficiency of the

software. The more records in the data tables the more data that a system must go through on inquires and report generation. The access and storage of some records are required by law or regulation. Audits often require detailed records to complete.

Public Records

Open records laws make public records available for inspection, absent a specific law or legal order to the contrary. Public Records request are covered under a separate Public Records Policy and information about making a request is located at www.brightridge.com.

Confidentiality and Protection of Personal Information

BrightRidge recognizes the importance of protecting personally identifiable information of its customers and employees. There are multiple laws relating the protection of personal information such as a person's social security number or bank account number. BrightRidge has multiple policies related to the protection of information such as the Red Flags Policy, Broadband Privacy Notice and Policy, and Customer Proprietary Network Information (CPNI) Policy.

Permanent Records

Permanent records are of such value that they must always be retained in some kind of permanent format. Permanent records may identify ownership or some obligation. Also, they may have some legal significance in perpetuity. Some records may be categorized as permanent due to the historical value. Information that may be helpful for statistical information or planning purposes could be designated as permanent. Some records may be permanent based on some regulatory directive or law.

This policy allows permanent records to be reproduced by other viable methods and therefore allow the original document to be destructed. This could include photocopies, film, scanned images, audio records, and any other electronic methods.

Work Papers

Work papers is a class of records that comprises all the records that may be considered small, informal, insignificant or not valuable. Rough drafts of reports, notes, calculations, etc., are examples of items that could be categorized as a work paper. Work papers may be destroyed immediately without retaining the originals of the records. A large portion of daily work by many departments would be categorized as work papers.

Temporary Records

Any record that must be kept for some use after its initial use may be a temporary record. Any record which can be disposed of in a short period of time as being without value in documenting the functions of BrightRidge. Payroll records are good examples. Many payroll records have fulfilled their primary purpose once an employee is paid but those records must be kept in order to comply with audits and governmental regulation and statues. While these records are important, they are not required for permanent storage. Some temporary records could have a longer retention period. Some temporary records may be transferred to a format that is much easier to search and/or store.

Records Storage

BrightRidge records come in a variety of formats. There is onsite storage, offsite storage, electronic storage, and multiple forms of redundant storage. The preferred method of storage will be electronically when practical. Electronic records are easier to manage, retrieve and are generally protected by a redundant backup system. Records may be converted to an electronic format unless it is a record that is required to be in a physical format.

Retention Schedule

A retention schedule provides the direction on what to do with permanent and temporary records by class of record and in some cases by specific record. The retention period is considered the minimum period of retention and records may be retained longer than this period. If a record does not fit within a classification on the retention schedule, the CEO or the BrightRidge Officer whose department is responsible for the record may assign the record to the appropriate classification.

Category	Description of Record	Retention Period (minimum)	Explanation/Rationale
Employment & Safety Records	ADA Request for Reasonable Accommodations	Temporary (2 years)	Same retention requirements as Title VII of the Civil Rights Act
Employment & Safety Records	Citizenship or Authorization to Work	Temporary (3 years from date of hire or year after separation, whichever is later)	Immigration Reform and Control Act
Employment & Safety Records	EEOC Information	Temporary (2 Years from the date of making the record or personnel action whichever occurs later)	Employment Law 29 C.F.R. 1602.31
Employment & Safety Records	Employee Contracts and Records	Temporary (7 Years after termination of employment)	Based on audit purposes and statute of limitations on contracts
Employment & Safety Records	Employee Drug Testing Records	Temporary (5 Years unless some issue has been discovered that mandates longer retention)	Omnibus Transportation Employee Testing Act of 1991
Employment & Safety Records	Employment and Payroll Tax Records	Temporary (3 Years)	Audit purposes and IRS
Employment & Safety Records	Fire Safety Inspections and Similar Reports	Temporary (Current year plus 3 years)	Audit or enforcement purposes
Employment & Safety Records	FMLA Leave Records	Temporary (3 Years)	Family and Medical Leave Act
Employment & Safety Records	General Safety Records	Temporary (3 Years)	Proof of OSHA and TOSHA
Employment & Safety Records	Group Health Insurance Coverage Records	Temporary (7 Years)	IRS
Employment & Safety Records	Job Related Advertisements, applications and resumes	Temporary (1 year)	Reasonable amount of time
Employment & Safety Records	Material Safety Data Sheets (MSDS)	Temporary (30 Years)	Occupational Safety and Health Act

Category	Description of Record	Retention Period (minimum)	Explanation/Rationale
Employment & Safety Records	Occupational Injuries and Illness Records	Temporary (5 Years)	Occupational Safety and Health Act
Employment & Safety Records	Personnel Files	Temporary (7 Years after termination)	Based on 5 Year Statute of Limitations for personnel actions plus 2 years
Employment & Safety Records	Retirement Plan Records	Temporary (7 Years)	Audit purposes
Employment & Safety Records	Safety - Bloodborne Pathogens/Infectious Material Standards	Exposure Plan - Duration of employment plus 30 years. Training Records - 3 years. Employee Exposure Records - 30 years.	Occupational Safety and Health Act
Financial Records	Account Payable, Accounts Receivable, and Invoices	Temporary (10 Years)	Recommendation of the comptroller set forth in the Internal Control and Compliance Manual for Tennessee Municipalities
Financial Records	Accounting Journals	Temporary (10 Years)	FERC Guidance
Financial Records	Audit and Annual TVA Report	Permanent	Audit purposes and analysis
Financial Records	Awarded Contracts	Temporary (7 Years after contract expires or is terminated)	Reasonable amount of time and based on statute of limitations for legal action on breach of contract plus one year
Financial Records	Banking Records, including Cancelled Checks and Reconciliations	Temporary (10 Years)	Audit purposes and analysis (FERC requires 3 years)
Financial Records	Bond Indebtedness, Record of	Temporary (15 years after maturity date)	Based on the length of time a bond payee has to take action against the issuer TCA 28-3-113
Financial Records	Budget Records and Reports	Permanent (stored in board minutes)	Audit purposes and analysis (FERC requires 3 years)

Category	Description of Record	Retention Period (minimum)	Explanation/Rationale
Financial Records	Cash Related Entries and Journals	Temporary (5 Years)	FERC Guidance
Financial Records	Chart of Accounts	Permanent	Audit purposes and analysis
Financial Records	Customer Billing Information	Temporary (5 Years)	Audit Purposes and Reasonable Amount of Time
Financial Records	Customer Contracts	Temporary (4 Years after Expiration)	FERC Guidance
Financial Records	Fixed Assets, Closed Work Orders, Plant Records and Depreciation	Permanent	FERC recommends no less than 25 years
Financial Records	General Ledger Accounts	Permanent	Audit purposes and analysis (FERC requires 10 years)
Financial Records	Insurance Records	Temporary (6 Years)	FERC Guidance
Financial Records	Inventory and Construction Work in Progress	Temporary (5 Years after clearance to plant accounting)	FERC Guidance
Financial Records	Miscellaneous Billings and Receipts	Temporary (7 Years)	Audit purposes and analysis
Financial Records	Monthly Financial Reports	Permanent (stored in board minutes)	Audit purposes and analysis
Financial Records	Other monthly, quarterly, and annual financial reports and presentations not covered under another category	Temporary (5 Years)	FERC Guidance
Financial Records	Payroll Records	Temporary (10 Years)	Audit purposes and analysis

Category	Description of Record	Retention Period (minimum)	Explanation/Rationale
Financial Records	Performance and Payment Bonds from Contractors	Temporary (Based on period of the contract plus 7 years)	Reasonable amount of time and based on statute of limitations for legal action on breach of contract plus one year
Financial Records	Petty Cash Records	Temporary (10 Years)	Audit purposes and analysis
Financial Records	Purchasing Bids, Orders, and Requisitions	Temporary (7 Years)	FERC Guidance recommends no less than 6 years
Financial Records	Rate Schedules	Temporary (6 Years after published rates are superseded)	FERC Guidance
Financial Records	Statistical Information	Temporary (5 Years)	FERC Guidance
Financial Records	Travel Authorization	Temporary (5 Years)	Audit purposes and analysis
Financial Records	Unclaimed Funds, Record of	Temporary (10 Years)	Keep for audit purposes and reason period of time for interested parties to make inquiries.
General Records	Articles of Incorporation, Bylaws, Copyrights, Trademarks, Patents	Permanent	Creating Documentation and Core Operations Authority
General Records	Board Meeting Packets	Permanent	Open meeting and records laws. Useful for operational and historic purposes
General Records	Draft or supporting information of any type used for analysis, operational decisions or support for final reports. This may include documents, files, notes, spreadsheets or any other data and information.	These are considered working papers and may be destroyed immediately.	May be useful for analysis, budgeting, decision making, operation needs, and historical records
General Records	Public Advertisement Notices for bids, meeting notices, employee opportunities, etc.	Temporary (2 Years)	FERC Guidance

Category	Description of Record	Retention Period (minimum)	Explanation/Rationale
Legal Records	Legal Opinions and Court Decision directly tied to BrightRidge	Temporary (20 years or until record is not relevant, whichever is later)	Legal impact on operations may continue to affect future years.
Legal Records	Minutes of the Board of Directors	Permanent	Open meeting and records laws. Useful for operational and historic purposes
Legal Records	Reports and Filings to Local, State, and Federal Regulatory Entities	Temporary (5 Years)	FERC Guidance
Operational Records	Agreements and Contracts with contractors, service providers, and vendors	Temporary (7 Years after termination of the contract)	Based on audit purposes and statute of limitations on contracts
Operational Records	Correspondence Files regarding policies, procedures or work activities	Temporary (Generally retain for 5 years)	Maintain for a reasonable period of time
Operational Records	Emails - Spam and other emails not relevant to litigation	May be discarded immediately	No requirement for retention
Operational Records	Emails Other	Temporary (retain based on subject matter related to other areas in the retention schedule or 5 years whichever is longer)	Unless this email is identified it will fall into the 5 year retention period
Operational Records	Emails relative to contracts, personnel, or relevant to litigation	Temporary (7 Years after termination of the contract)	Reasonable amount of time and covers statute of limitations
Operational Records	Leases and Agreements to Use Equipment	Temporary (7 years after completion of lease or agreement)	Based on audit purposes and statute of limitations on contracts
Operational Records	Vehicle and Equipment Maintenance Records	Temporary (life of the vehicle plus 1 year)	Determination of replacement; proof of maintenance

Category	Description of Record	Retention Period (minimum)	Explanation/Rationale
Property Records	Building Plans and Designs	Temporary (Retain for life of the building plus three years)	Necessary for maintenance and operational needs.
Property Records	Deeds, Easements, Right of Way, etc.	Permanent	Keep for property rights and access.
Property Records	Mapping of Physical Assets	Permanent	Necessary for maintenance and operational needs. Also, for public safety and the marking of utilities. Many of the software packages interface with mapping.
Tax Records	Regulatory Assessments, Fees, and Filings	Temporary (10 Years)	Keep for audit purposes
Tax Records	Sales Tax Report	Temporary (10 Years)	Keep for audit purposes
Tax Records	Tax Records including payroll taxes	Temporary (2 Years after final tax liability is determined)	FERC Guidance