

ATTACHMENT 4

CHALK HILL HOMEOWNERS ASSOCIATION, INC. Records Production and Copying Policy and Retention Policy

WHEREAS, the Board of Directors (the "Board") of CHALK HILL HOMEOWNERS ASSOCIATION, INC. (the "Association") wishes to adopt reasonable guidelines to establish Records Production and Copying Policy for the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.005 of the Texas Property Code ("Section 209.005") regarding Owner access to Association documents and records ("Records"); and

WHEREAS, the Board intends to file these guidelines in the real property records of each county in which the subdivision is located, in compliance with Section 209.005 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines for Records Production and Copying are established by the Board:

1. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is actually from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
 - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
 - b. contain sufficient detail to identify the specific Records being requested; and
 - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded. If forwarded, the letter must indicate the format, delivery method and address:
 - i. format: electronic files, compact disk or paper copies
 - ii. delivery method: email, certified mail or pick-up
3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:
 - a. the requested Records, if copies were requested and any required advance payment had been made; or
 - b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or
 - c. a written notice that the requested Records are available for delivery once a payment of the cost to produce the records is made and stating the cost thereof; or
 - d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method and the delivery address; or

- c. a written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.
- 4. The following Association Records are not available for inspection by owners or their proxies:
 - a. the financial records associated with an individual owner; and
 - b. deed restriction violation details for an individual owner; and
 - c. personal information, including contact information other than an address for an individual owner; and
 - d. attorney files and records in the possession of the attorney; and
 - e. attorney-client privileged information in the possession of the Association.

The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.

- 5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
- 6. If an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
- 7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below: (Please go to the Attorney General web-site for current charges) <https://texasattorneygeneral.gov/og/charges-for-public-information>
- 8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.
- 9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.
- 10. On a case-by-case basis where an owner request for Records is deemed to be minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 4.

11. All costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly.

RECORDS RETENTION

The Record Retention Policy of Chalk Hill ensures that necessary records and documents are adequately protected and maintained and that records that are no longer needed or are of no value are discarded at the proper time.

1. Policy. This Policy represents the Association's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

2. Administration. The Record Retention Schedule herein is approved as the initial maintenance, retention and disposal schedule for physical records of the Association and the retention and disposal of electronic documents. The Board or Secretary of the Association ("Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. 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 the Corporation; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

3. Suspension of Record Disposal In Event of Litigation or Claims. In the event the Association is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator will take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

4. Applicability. This Policy applies to all physical records generated in the course of the Association's operation, including both original documents and reproductions. It also applies to the electronic documents described above.

Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Electronic Documents

- E. Payroll Documents
- F. Personnel Records
- G. Property Records
- H. Tax Records

The following are the Association's retention periods. These apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to 'read' the electronic document must also be retained. If a record does not fall within the following categories, Board approval must be obtained to dispose of such record.

A. ACCOUNTING AND FINANCE

Record Type

Accounts Payable & Accounts Receivable ledgers and schedules
 Annual Audit Reports and Financial Statements
 Annual Audit Records, including work papers and other documents that relate to the audit
 Bank Statements and Canceled Checks Employee Expense Reports
 General Ledgers
 Notes Receivable ledgers and schedules Investment Records

Retention Period

7 years
 Permanent
 7 years after completion of audit
 7 years
 7 years
 Permanent
 7 years
 7 years after sale of investment

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B. CONTRACTS

<u>Record Type</u>	<u>Retention Period</u>
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	4 years after expiration or termination

C. ASSOCIATION RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Corporate Records (unless otherwise specifically addressed in this Policy - Governing Documents, Dedicatory Instruments, minute books, signed minutes of the Board and all committees, corporate seals, annual corporate reports)	Permanent
Licenses and Permits	Permanent
Account records of current owners	5 years

D. ELECTRONIC DOCUMENTS

1. **Electronic Mail:** Not all email needs to be retained, depending on the subject matter.
 - All e-mail—from internal or external sources—is to be deleted after 12 months.
 - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.
 - The Corporation will archive e-mail for six months after the staff has deleted it, after which time the e-mail will be permanently deleted.
 - The Corporation's business-related email should be downloaded to a service center or user directory on the server, when determined by the Board.
 - Staff will not store or transfer the Corporation's related e-mail on non-work-related computers except as necessary or appropriate for the Corporation's purposes.
 - Staff will take care not to send confidential/proprietary information to outside sources.
2. **Electronic Documents:** Retention depends on the subject matter and follows D.1 above
3. **Web Page Files: Internet Cookies**
 - All workstations: Internet Explorer should be scheduled to delete Internet cookies once per month.

E. PAYROLL DOCUMENTS

<u>Record Type</u>	<u>Retention Period</u>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

F. PERSONNEL RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Commissions/Bonuses/Incentives/Awards	7 years
EEO- 1 /EEO-2 - Employer Information Reports	2 years after superseded or filing
Employee Earnings Records Employee Handbooks	(whichever is longer)
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	Separation + 7 years 1 copy kept permanently
Employment Contracts — Individual	6 years after separation
Employment Records - Correspondence with Employment Agencies and Advertisements for Job Openings	7 years after separation
Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)	3 years from date of hiring 2-4 years (4 years if file contains any correspondence which might be construed as an offer)

<u>Record Type</u>	<u>Retention Period</u>
Personnel Count Records	3 years
Forms 1-9	3 years after hiring, or 1 year after separation if later

G. PROPERTY RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Property Insurance Policies	Permanent

H. TAX RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Tax Bills, Receipts, Statements	7 years
Tax Returns - Income, Franchise, Property	Permanent
Tax Workpaper Packages - Originals	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
All other Tax Records	7 years

This is to certify that the foregoing Records Production, Copying, and Retention Policies was adopted by the Board of Directors, in accordance with Section 209.0062 of the Texas Property Code and shall become effective upon recording in the county or counties in which the subdivision is located.

[End of Records Production and Copying Policy and Retention Policies]