

Program Record Retention & Archiving – Field and HQ

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1. POLICY

1.1 Purpose and Scope

Mercy Corps’ records are important to the efficient and effective operation of the agency. Most records created by employees, consultants, interns and volunteers, whether in electronic or paper form, are agency records.

This policy has been enacted to:

- Comply with applicable law;
- Comply with donor regulations;
- Retain important records for reference and future use;
- Dispose of records that are no longer necessary for the proper functioning of the agency;
- Organize records for efficient retrieval; and
- Ensure that staff know
 - what records should be retained,
 - the length of retention,
 - the means of storage, and
 - when/how records may be destroyed.

For the purposes of this section, record retention refers to the organizing, filing and maintenance of active and/or permanent records which are related to program activities at both the field and HQ level. Archiving refers to the long term storage of inactive records once they are no longer needed for reference in relation to currently active programs. See [Annex A - Glossary](#) for more details.

This policy covers the basic record keeping for program records in both the field and HQ. Finance, Operations and Administrative Department record keeping is beyond the scope of this policy.

A program record is defined as any record pertaining to the implementation or results of a program. This includes records that relate to the planning, design, implementation and results, both of the program and of individual activities implemented by the program. A finance record is any record which supports financial transactions and internal controls. The following table outlines other types of records and the reference manual stating Mercy Corps’ policy.

Record Type	Resource	Section
Finance	Field Finance Manual	17
Human Resource	Field Administration Manual	2.2
Fleet and/or asset management	Field Asset Management Manual	9
Procurement	Field Procurement Manual	11
Security	Field Security Manual	N/A
Legal, host government and registration	Field Administration Manual	3
Visitor and inspection logs/reports	Warehouse Management Policy & Procedures	5

For the purposes of this policy, program is defined as one or more awards or interventions with a common purpose, to which a single manager is assigned. This policy applies to the level at which a single program manager is assigned; in the Mercy Corps context, this person might be called a “Project Manager,” “Program Manager,” “Program Director,” or “Chief of Party.” See Figure 1 or refer to the [Program Management Manual](#).

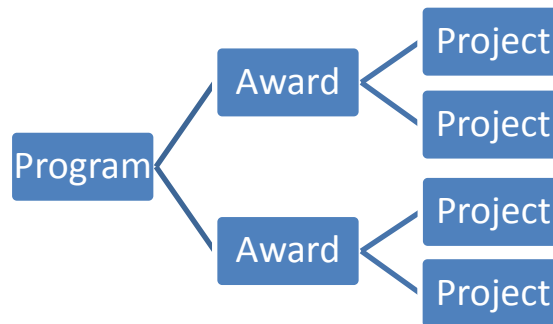


Figure 1.

1.2 General Policy

1.2.1 Responsibility for Program Record Retention and Archiving

The Country Director (CD) is responsible for implementing the policy at the country level and ensuring compliance and adherence. CDs introduce and communicate the policy to country staff to ensure all team members understand their roles and responsibilities.

The Program Manager (PM), or equivalent, is responsible for proper retention of records for each respective program. During the life of the program, the Program Manager is responsible for the program records kept in the country portfolio – refer to the [Retention Schedule](#) for responsibility by specific record type. This responsibility includes:

- Ensuring that current records are complete, properly organized and appropriately stored.
- Safeguarding and maintaining control over the program file.
- Ensuring the timely retrieval and subsequent re-filing and re-securing of any program records requested for audit or inspection.
- Ensuring records that are required to be retained at HQ are provided in a timely fashion.

At program completion, prior to the departure of the Program staff, the CD assigns, at the field level, responsibility for the maintenance of archiving and storage process of inactive records. The point person for this role should be clearly identified and known among team members.

The Regional Program Team (RPT) HQ desk officer is responsible for the maintenance and retention of program records held at HQ. They help support country teams with creation and close-out of the Program File, as needed, and verify that relevant records are received at HQ throughout the life of a program.

1.2.2 Transparency

It is Mercy Corps policy that program activities be recorded in a transparent manner. Transparency refers to the practice of open, clear and accurate recordation and processes. Transparency allows information to be readily available for use in decision-making or to assess organizational or program performance. This includes conducting all program activities in an open and traceable manner and retaining adequate records as evidence (for example, community selection rationale).

1.2.3 Safeguarding Records

Records serve as basic evidence that an activity took place and that Mercy Corps and donor policies were followed. Missing or inadequate records mean loss of evidence of implementation and can result in audit findings and costly disallowances, as well as a loss of trust from donors. Field offices must therefore take care to ensure that program records are safeguarded from loss or misuse.

It is Mercy Corps policy that active program records in Field offices must be kept in offices, storage containers or cabinets. Access to this storage must be restricted to authorized personnel only.

Destroying program records is strictly prohibited except as outlined in [Section 3.4](#) of this policy.

1.2.4 Original Records

Original program records are those that include original signatures, such as attendance sheets of beneficiaries (trainings, events, etc), beneficiary agreements, Memorandums of Understanding (without financial implications) with communities/partners/etc, should be maintained by the relevant Program Manager. Originals such as award or sub-grant agreements should be retained at HQ by the International Finance team. Offices should be consistent in filing and storing each category of original records, so that each original record can be easily located.

When original records cannot be located, every effort should be made to obtain copies of the missing record from other sources. If the original records or copies cannot be obtained, a missing record memo must be written. The memo should include a detailed description of each missing record and the reason the record is missing. The memo must be signed by the Program Manager responsible for maintaining the record and counter-signed for compliance by the CD then filed as a supporting record for the related transaction.

Consult Mercy Corps Legal Department (legal@mercy Corps.org) prior to providing any original records to any outside party, including outside auditors (such as the USAID Office of Inspector General), donors or host country governments. In general, *only copies of original records should be provided to outside parties*. Anytime a copy is provided, a notation should be made in the Retention Schedule Inventory. The notation should include the date the copy was provided, to whom the records were given and location of the originals. If, after consultation with Mercy Corps Legal Department, it is determined that originals must be provided, clean and fully legible copies of the originals must be maintained in the file along with a full Retention Schedule Inventory notation of the circumstances surrounding the provision of the originals. Regular checks on the status of records provided to auditors or donors should be performed to ensure the records are returned in a timely manner.

1.2.5 Electronic Records

As with tangible records, electronic records must be organized, filed and maintained to ensure access to active, inactive and archived agency records, as well as to facilitate the proper destruction of non-permanent records, as outlined in the retention schedule.

All head country offices should have a shared network drive, which is a hard drive available to multiple computers on a Local Area Network (LAN). The CD and relevant staff may determine whether or not to setup access to a shared network drive at the field sub-office level, depending on the capacity of the sub-office and resources available. To ensure retention, electronic records should be stored and archived at the country office with duplicate copies kept at the relevant field sub-office.

Regardless of an office's networking capacity, record retention policies for tangible records must be applied. For information on the setup and configuration of a shared drive, see *Recommended Guidelines for Setting Up a LAN in a Start Up Office* in the Digital Library:

<https://mcdl.mercycorps.org/gsd/lan/lanRecommendationforMCsmallFieldOffice.pdf>

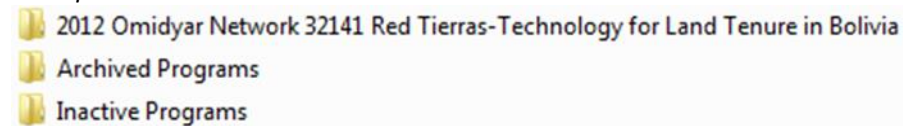
1.2.6 Organization of Electronic Records

The shared drive must have a records folder labeled "Programs" that contains:

- A folder labeled "Inactive Programs"
- A folder labeled "Archived Programs"
- Individual folders for each active program

Name active program folders using this format: [PROGRAM START YEAR] [DONOR] [COST CENTER]
[PROGRAM NAME]

Example:



Active program folders must contain these subfolders:

- "Permanent Program File"
- "Permanent Subgrant File" (if applicable)
- "Permanent Consultants File" (if applicable)

These subfolders must contain copies of the documents required for filing under the "Permanent Program File", "Permanent Subgrant Folder" and "Permanent Consultants File," as listed in [Annex B](#), Filing Template of this policy.

Non-permanent electronic records must also be kept in their relevant program folders. However, the creation, organization and labeling of non-permanent record subfolders is left to the discretion of local program managers.

Included with this policy is a zip file titled "[Shared Drive Folders](#) ." Use this to deploy the file structure described above.

2. FILING

2.1 Filing Systems

Field offices are responsible for maintaining appropriate filing systems in accordance with the standards outlined in this section. To assist offices with this, a filing system accompanied by tools and templates is

provided in [Annex B](#). Program Filing System (Tools & Templates). The program filing system template provides a complete and comprehensive filing structure that allows critical records to be easily located at all times across all Mercy Corps offices.

2.1.1 Filing Systems – General Standards

Filing systems should be simple, applied consistently and logical in the context used. Files should be maintained in an organized manner that ensures retention and allows for easy retrieval. Records must be referenced in a manner that:

- a) demonstrates that the records are complete, and
- b) that allows activities to be traced from program reports to the means of verification and vice-versa.

Program files should have labels that describe the purpose of the file and the specific records contained in the file. Please refer to [Annex B](#) for the structure of a program file.

2.1.2 Organizing Records by Program

In order to facilitate later archiving and retention of records, files should be organized based on the program – see [Annex B](#). Archiving and retention dates are assigned on the basis of donor retention requirements. If a program is funded by multiple donors, the date required by the donor requiring the longest retention date should be applied to the entire program file and all records.

2.2 Active & Inactive Records

Filing systems should be differentiated by active records (office) and inactive records (archive). Active records are those records that may need to be referenced in the normal course of business (current active programs) and must remain within possession and control of the responsible field office. Inactive records are those that must be retained due to policy, donor regulations or law, but will not likely be needed in the normal course of business (completed programs) and can be put in storage. For program records, the distinction between active and inactive records is generally made by the duration of the award and start/end dates.

3. PROCEDURES

Step-by-step guidelines for proper record retention

3.1 Retention & Archiving

- A. Identify program and/or specific project within a program.
- B. Designate the position responsible for maintaining program records created (this could be the Program or Project Manager depending on the most appropriate level).
- C. Create the program Retention Schedule Inventory, save a soft-copy version on the local server and print two hardcopies, one for the Program File located in the Field Office and one to be held at the Country Office.
- D. Review donor retention requirements to ensure Mercy Corps' internal retention periods fall within the donor's requirements. If they do not, the longest retention period should be used and applied.

- E. Set appropriate safeguarding by identifying a secure location for the storage of program records (see above [section 1.2.3](#)).
- F. Create program record filing structure – please refer to [Annex B](#).
- G. As records are created, determine whether the record needs to be retained by Program, Finance, Operations, or Administration. For finance, operations or administration records please refer to the relevant policy linked in [section 1.1](#).
- H. Identify any original records (see [section 1.2.4](#)).
 - a. If it's not an original, file and store according to filing system ([Annex B](#)).
 - b. If it is an original, file and store according to filing system ([Annex B](#)).
 - c. If the original record cannot be located, confirm whether a copy can be obtained from an alternative source:
 - i. If a copy can be retrieved, file and store according to filing system.
 - ii. If a copy cannot be retrieved, complete a Missing Record Memo (see [Annex C](#)) and file and store the memo according to the established filing system.
- I. Determine the type of record: tangible or electronic.
 - a. Tangible records: determine the status of the record. Using the Retention Schedule in [Annex B](#), determine whether the records are active or inactive.
 - i. Active tangible records should be retained and remain within the department/office.
 - 1. Referring to the HQ Retention Schedule, identify which records need to be retained at HQ and send them to the relevant HQ.
 - 2. File and store all active records in accordance with the procedures stated in this policy.

All Field Offices should review active records annually to update the record status and retain or move to storage/dispose of as appropriate – see [section 3.7](#) for procedures. Additionally, the Retention Schedule Inventory should be copied and sent to the HQ Program Operations desk officer at least once a year.
 - ii. Inactive tangible records need to be archived and properly stored.
 - 1. Determine number of boxes needed to properly store and easily retrieve inactive records. Procure boxes; labels and any other needed supplies.
 - 2. Maintain a Retention Schedule Inventory of all records in each box and include a reference to any separate electronic records. Inventory should be in triplicate (one copy kept by the sender, one copy within the box and one copy for the Program File at the Field office). Records should not be sent for archiving without a Retention Schedule Inventory.
 - 3. Update the overall Retention Schedule Inventory and save in the Program File.
 - 4. All boxes must be labeled clearly (see template in [Annex C](#)). Include: Agency name (Mercy Corps), Field designation, department, any disposal date and box number. Include a copy of the inventory in the top of the box (including reference to related records that may be stored elsewhere in electronic format).
 - 5. After the above steps have been completed, store in area office or transfer for storage in country office.

6. All Field Offices should review inactive records at least annually ([section 3.7](#)) to update the record status and retain or move to storage/dispose of as appropriate. Additionally, the Retention Schedule Inventory should be copied and sent to the HQ Program Operations desk officer at least once a year. For shipping inactive records to HQ, see [section 3.6](#) for procedures.
- b. Electronic records may either be printed and stored as a tangible record, or may be saved and filed to the appropriate folder as per [Annex B](#). The Retention Schedule Inventory should be created/updated to reflect the type and location of each record.
 - i. Active electronic records should be retained and remain within the country office (or department if HQ) with duplicates kept at the field office as necessary.
 1. Referring to the HQ Retention Schedule, identify which records need to be retained at HQ and send copies to the relevant HQ as they are created/updated.
 2. File and store all active records in accordance with the procedures stated in this policy including the creation of a Retention Schedule Inventory.
 3. All active records should be reviewed annually per [section 3.7](#) of this policy. Additionally, the Retention Schedule Inventory should be copied and sent to the HQ Program Operations desk officer at least once a year.
 - ii. Inactive electronic records should be retained and remain within the country office (or department if HQ) with duplicates kept at the field office as necessary.
 - iii. Closing active programs: After a program closes, move the entire program file to the Inactive folder. The Inactive folder and its subfolders must have read-only permissions for regular shared drive users.
 - iv. Archiving inactive programs: When an inactive program file has reached its retention end date, review the contents of the program folder. Following applicable retention schedule guidelines, delete all non-permanent files and folders from the program file. Do not delete any permanent records. These folders should remain in the program folder: “Permanent Program File”, “Permanent Subgrant File” (if applicable) and “Permanent Consultants File” (if applicable).
 - v. Move the remaining program file to the Archive folder. The Archive folder and its subfolders must have read-only permissions for regular shared drive users.

3.2 Status Change

All changes in records status will be accompanied by the subsequent change in the Retention Schedule Inventory. If the records in question are of a legal or financial nature, the Agency’s HQ Legal or Finance Department should be consulted to determine what legal or financial requirements exist.

- A. Identify the current status of the record in question: active or inactive.
 - a. Change from Active to Inactive:
 - i. If the record is currently active but is no longer needed for reference in current program operations, it can be changed to inactive. See procedure [I.a.ii](#) and [I.b.ii](#) above for appropriate relevant actions.
 - ii. Update the status of the record and location in the Retention Schedule Inventory.

- b. Change from Inactive to Active:
 - i. If the record is currently inactive but is needed for reference in current program operations, change the status to active.
 - ii. Using the Retention Schedule Inventory, located in the Program File, identify the type and location of the record.
 - iii. Follow the procedures [I.a.i](#) or [I.b.i](#) above and update the location of the record in the Retention Schedule Inventory.

3.3 Retrieval of Inactive Records

To retrieve inactive records in a Field office, contact the office administrator or relevant point person. Review the Retention Schedule Inventory in the Program File and identify the location of the specific record(s) you are seeking. Once the appropriate box has been identified and retrieved, the Office Administrator should note on the Retention Schedule Inventory that the record(s) have been pulled from storage. Once the record(s) are no longer needed, they should be re-filed appropriately and the box should be placed back in storage in accordance with the procedures stated in this policy. Update the Retention Schedule Inventory accordingly.

3.4 Record Destruction

- A. Tangible records may be scheduled for destruction by shredding, burning or other means that will render them unreadable in accordance with the Retention Schedule.
- B. Electronic records may be deleted from servers and devices in accordance with the Retention Schedule.
- C. When records are destroyed, update Retention Schedule Inventory and file in the Program File, and send a copy to HQ Program Operations Desk Officer.

3.5 Original Record Request

When a donor, auditor or other party requests to take an original record from Mercy Corps premises, follow the procedures below. Our policy permits that they are able to view originals if they physically remain within our office.

- A. Consult with HQ Legal Department to determine whether an actual original must be supplied, or if a copy will suffice.
- B. If a copy of the original will suffice, send it to the requestor and update the Retention Schedule Inventory with the date the copy was provided, and to whom.
- C. If the actual original must be supplied, make a clean and legible copy of the original for the files, and update the Retention Schedule Inventory with the full details of the circumstances for provision of the original.
 - i. There should be a regular check on the status of the original until it is returned and re-filed appropriately.
 - ii. Once the original record is returned, destroy the copy immediately.

3.6 Shipping Tangible Records to HQ

Transport and shipping of tangible records to HQ is managed and led at the HQ level in coordination with the field team (see list of [Process maps Annex J 1-14](#) for more detailed instructions). The HQ PALM/Material Aid team is responsible for recommending and selecting a service provider, coordinating

customs and importation, documentation, delivery, unloading and temporary storage at the Portland HQ warehouse.

The wrong choice of a service provider can lead to many problems at the receiving end. Therefore, in the majority of cases, shipments will be arranged with known and tested US-based service providers, and arrangements will be made and managed by the HQ PALM/Material Aid team, rather than field team members. If a US-based provider cannot be found to perform this service, the HQ lead person will work closely with the field team representative to locate a suitable shipping agent in the country of shipment origin.

- A. Designate a project lead in the field office shipping the records.
- B. Contact the PALM/Material Aid HQ representative to begin the shipping process.
- C. Review records to identify what needs to be shipped to HQ and update Retention Schedule Inventory accordingly.
- D. Estimate the number of storage boxes, pallets, labels, etc needed and procure them. Use standard document boxes (15"x12"x10").
- E. Label boxes clearly on each side and top using the box label template ([Annex G](#)), referenced by number, with numbers corresponding to the Retention Schedule Inventory and description of contents.
- F. Prepare packing list of all contents, weights and dimensions, etc.
- G. After boxes are filled, load boxes on pallets. Stack boxes four or five rows high on good-quality standard pallets (42"x48"), heat-treated if possible.
- H. Shrink-wrap boxes tightly to prevent load shifting in transit.
- I. Load pallet in container (20' or 40') with loading pattern suitable for forklift/pallet jack access and unloading.
- J. Establish and confirm with freight forwarder the critical documentation needed to be completed and send copies of documentation to HQ PALM/Material Aid for approval prior to shipping.
- K. Inform freight forwarder to move ahead with shipment.

3.7 Annual Review of Records

- A. Review Retention Schedule Inventory and identify any records whose lifecycle milestones have been reached.
- B. If lifecycle milestones have not been reached, records will remain as they are until next review or other cause for status change.
- C. If milestones have been reached:
 - i. Active to Inactive milestone: follow procedure outlined in [section 3.2Aa](#) in this policy.
 - ii. Active or Inactive to end of lifecycle: follow procedure outlined in [section 3.4](#) of this policy.

3.8 Exiting a Country

Review the Retention Schedule Inventory and identify those inactive records that have reached the end of their lifecycle. Follow procedure outlined in [section 3.4](#) of this policy.

For Active records and Inactive records not at the end of their lifecycle, prepare for shipping as per [section 3.6](#).

3.9 Program Closing

Review the Retention Schedule Inventory and identify those inactive records that have reached the end of their lifecycle. Follow procedure outlined in [section 3.4](#) of this policy.

For Active and Inactive records not at the end of their lifecycle, file, store and control records in the main country office as per sections [3.1.I.a](#) and [3.1.I.b](#).

4. Annexes

[Annex A – Glossary](#)

[Annex B - Filing Template](#)

[Annex C – Missing Record Form](#)

[Annex D – SOP Shipment of Program/Finance/Legal documents to U.S.HQ](#)

[Annex E - Retention Schedule & Inventory Template](#)

[Annex F - Missing Record Log](#)

[Annex G - Program Box Label](#)

[Annex H - Shared Drive Program Folders](#)

[Annex J-1 - Process Map: Overview](#)

[Annex J-2 - Process Map: \(Section 3.1\) Retention & Archiving Guidelines](#)

[Annex J-3 - Process Map: \(Section 3.1.1.a\) Tangible Records](#)

[Annex J-4 - Process Map: \(Section 3.1.1.b\) Electronic Records](#)

[Annex J-5 - Process Map: \(Section 3.2\) Status Change](#)

[Annex J-6 - Process Map: \(Section 3.3\) Retrieve Inactive Records](#)

[Annex J-7 - Process Map: \(Section 3.4\) Record Destruction](#)

[Annex J-8 - Process Map: \(Section 3.5\) Original Record Request](#)

[Annex J-9 - Process Map: \(Section 3.6\) Shipping Tangible Records to US HQ](#)

[Annex J-10 - Process Map: \(Section 3.7\) Annual Review](#)

[Annex J-11 - Process Map: \(Section 3.8\) Exiting a Country](#)

[Annex J-12 - Process Map: \(Section 3.9\) Program Closing](#)

[Annex J-13 - Process Map: Electronic Records File Hierarchy Example](#)

[Annex J-14 - Process Map: File, Store, Control](#)