



How Long Do I Need To Keep My Records?

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As an insurance agent working with design firms every day, the new year often begins with phone calls from my engineer clients asking me about document retention. Many of these firms still maintain paper project files along with electronic copies, and some may have part of the project file stored electronically and part in paper form. Firms began to digitize drawings and files years ago, but they often have several years of old drawings and project files stored in their offices. Their question always is: “How long do I have to keep these records?”

Let’s back up for a minute and think about why we are keeping old project records and drawings in the first place. You may have found it handy to archive drawings and records for certain projects to assist clients with future remodeling of their facilities. Those records may now be from very old projects. The other major reason you keep records and drawings is to assist your organization in the event of a dispute on a past project. A complete set of project documents can support or explain your position during a dispute by verifying the scope of your work, your client’s expectations about a project, and the quality assurance/quality control measures that were in place. Documents that accurately reflect the status of a project, the commitments or obligations of the parties, mutual expectations, changes in schedule or cost, or any owner-directed changes become very important.

Keep in mind that, as these documents get added to the project records, they should be clearly written without editorial comment and should memorialize key events and milestones and particular circumstances that led to important decisions. Your documents should consist of facts, not opinions. They should not be ambiguous, or contain admissions of fault or liability or unprofessional personal attacks.

In our current digital world, emails that get added to the electronic record may be long threads of various “cc’s” and reply emails. To make issues clear, it is often better to start a new project email recapping subjects and directing those emails to specific key people working on an issue, rather than “reply to all.”

Tom Bongi, an attorney and the Managing Director of Professional Lines at Catlin Insurance Inc., in a webinar on October 31, 2012, stated each engineering firm should develop a document retention policy. He said this can be accomplished easily in several steps:

- 1) Survey the firm’s business practices,
- 2) Consult the firms insurance and accounting advisors,
- 3) Consult an attorney who can advise on issues for retention during disputes, and on laws of your jurisdiction concerning statutes of repose and statutes of limitations.

A document retention policy communicated to all staff helps to make sure the right kind of information gets preserved. This policy can lay out a systematic plan for reviewing, maintaining and destroying documents and data, including hard copy and electronic documents, databases and emails.

As you establish your policy for document retention, you should consult a local attorney or another knowledgeable expert in your locale to determine the specifics of the statutes of limitation or statutes of



repose in your state. These statutes protect you from a claim being made long after a project is completed. These statutes vary from state to state, with time frames running from 6 to 15 years, and their length of time can also change frequently.

When firms understand why they are keeping their paper or digital project records, it makes it easier to create a document retention policy. Such a policy helps engineers keep in mind what makes for good documents should they need to be relied on at some point in the future. The policy also sets the time frame for document retention, and determines when firms can dispose of records. Documents with the necessary factual elements can be invaluable when they are retrieved in the future to assist a client with a remodel or to help a design firm resolve disputes and litigation. ■

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