

## DAA-GRS-2013-0003

This file contains three documents. The “ERA Version” of the schedule is the official version as it appears in the Electronic Records Archives. Its presentation is heavily fielded to ERA architecture. You may find the “Review Version” (the format that will appear when the approved schedule is published online) easier to read. Both versions contain the same information. The Appraisal Memorandum provides additional background explanation and includes the appraiser’s justification for the retention decisions proposed in the schedule.

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National Archives and Records Administration  
Office of the Chief Records Officer  
GRS Team  
May 1, 2013

## Request for Records Disposition Authority

Records Schedule Number           DAA-GRS-2013-0003

Schedule Status                     Appraiser Working Version

Agency or Establishment           General Records Schedules (National Archives and Records Administration)

Record Group / Scheduling Group   General Records Schedules

Records Schedule applies to       Government-wide

Schedule Subject                    Financial Management Records

Internal agency concurrences will be provided   No

Background Information            This schedule covers records created by Federal agencies in carrying out the work of financial management: procuring goods and services, paying bills, collecting debts, accounting for all financial transactions, and monitoring agencies' net worth. It does not apply to copies of records forwarded to and received by the Department of Treasury or the Office of Management and Budget. These forwarded copies serve unique business purposes at those offices and are therefore scheduled independently as records of those offices.

Many records in this schedule are created in the course of Federal agencies procuring goods and services. These activities are governed by the Federal Acquisition Regulation (FAR), the principal set of rules in the Federal Acquisition Regulation System. This system governs the process by which the government purchases goods and services. The FAR governs three phases of this process: planning for acquisition, contract formation, and contract administration. The FAR and the GRS intersect in this important way: the FAR is the final authority on how government personnel carry out the acquisition process, and the GRS is the final authority governing how long records created in that process must be held before being destroyed. Some retention periods are published in the FAR, but these retention periods originate with the GRS. When the GRS alters a retention period, the FAR is altered to remain in agreement with the GRS.

### Item Count

Number of Total Disposition Items	Number of Permanent Disposition Items	Number of Temporary Disposition Items	Number of Withdrawn Disposition Items
5	0	5	0

GAO Approval

0001, 0002, 0003, 0004, 0005

## Outline of Records Schedule Items for DAA-GRS-2013-0003

Sequence Number	
1	Financial transaction records related to procuring goods and services, paying bills, collecting debts, and accounting.
1.1	Official record held in the office of record. Disposition Authority Number: DAA-GRS-2013-0003-0001
1.2	All other copies. Disposition Authority Number: DAA-GRS-2013-0003-0002
2	Contractors' payroll files. Disposition Authority Number: DAA-GRS-2013-0003-0003
3	Records supporting accounting for property, plant and equipment (PP&E) assets. Disposition Authority Number: DAA-GRS-2013-0003-0004
4	Stores, plant, and cost accounting records. Disposition Authority Number: DAA-GRS-2013-0003-0005

## Records Schedule Items

Sequence Number	
1	<p>Financial transaction records related to procuring goods and services, paying bills, collecting debts, and accounting.</p> <p>This includes agency administrative transaction records but excludes accounts pertaining to federally recognized tribes and bands of American Indians. Many records included in this bucket are “accountable officers’ records”: records concerned with the accounting for, availability, and status of public funds, retained by the agency for the purposes of GAO audit. Financial transaction records include those created in the course of procuring goods and services, paying bills, collecting debts, and accounting for all finance activity, per the following definitions. Procuring goods and services is the acquisition of physical goods, products, personal property, capital assets, infrastructure services such as utilities, and contracted personnel services to be used by the Federal Government. Paying bills means disbursements of federal funds for these same goods and services, and in fulfillment of obligations to grant awardees. Procurement and payment records include those such as:</p> <ul style="list-style-type: none"><li>• Contracts</li><li>• Requisitions</li><li>• Purchase orders</li><li>• Interagency agreements</li><li>• Military Interdepartmental Purchase Requests (MIPRs)</li><li>• Printer requisitions to the Government Printing Office</li><li>• Memoranda of agreement specifying a financial obligation</li><li>• Solicitations/requests for bids, quotations or proposals</li><li>• Proposals, quotations, bids (accepted, rejected, unopened)</li><li>• Contingent fee justifications</li><li>• Legal and financial instruments such as bond and surety records</li><li>• Data submitted to the Federal Procurement Data System (FPDS)</li><li>• FAIR Act (A-76) records linked directly to specific procurement actions</li><li>• Credit card/purchase card/charge card statements and supporting documentation</li><li>• Vendor tax exemption records</li><li>• Invoices</li><li>• Leases</li><li>• Repetitive financial transactions such as utility and communications invoices</li><li>• Correspondence and papers pertaining to award, administration, receipt, inspection of and payment for goods and services in this list</li><li>• Employee relocation files</li></ul> <p>Collecting debts includes the collection by Government of income from all sources (excluding taxation). Collections records document collection of monies from all sources excluding administrative claims (see items 4-6), taxation (not covered under the GRS), and Congressional appropriation, such as:</p> <ul style="list-style-type: none"><li>• Records documenting administration, receipt, and deposit of user fees for entry into and/or use of public facilities and recouping costs of providing government services, and receipt of donations including:<ul style="list-style-type: none"><li>o Cash register transaction records</li><li>o Credit card and charge cards receipts</li><li>o Records documenting deposits</li><li>o Records documenting allocation of fees to funds/accounts</li><li>o Deposit lists and logs</li></ul></li><li>• Fee and fine collection records</li><li>• Garnishments</li><li>• Sale of excess and surplus personal property</li><li>• Rental rates</li><li>• Leases</li><li>• Debt collection files and cash receipts</li><li>• Writeoffs</li><li>• Copies of checks</li><li>• Payment billing coupons</li><li>• Letters from lenders</li><li>• Payment records</li><li>• Money orders</li><li>• Journal vouchers</li><li>• Collection schedules</li></ul> <p>Accounting is the monitoring and recording of assets, liabilities, revenue from all sources, and expenses</p>

to all payees to support financial reporting, enable audit, and accumulate and analyze cost information to assist in establishing an agency's strategic goals and manage its activities. Accounting records include those such as: • Accountable officers' records concerned with the accounting for, availability, and status of public funds and maintained for Government Accountability Office (GAO) site audit, but excluding payroll records, and accounts pertaining to American Indians. Includes: o statements of transactions o statements of accountability o collection schedules and vouchers o disbursement schedules and vouchers • Vouchers • Certificates of closed accounts • Certificates of periodic settlements • General funds files • General accounting ledgers • Appropriation allotment files • Posting and control files • Bills of lading • Transportation and travel requests, authorizations, and vouchers • Commercial freight vouchers • Unused ticket redemption forms Note: Procurement and other financial files that stand out because of cash value, media attention, historical value, research value, or other extenuating circumstances may have permanent value. Agencies that believe they hold such files should submit a records schedule to NARA.

1.1

Official record held in the office of record.

Disposition Authority Number      DAA-GRS-2013-0003-0001

Final Disposition                      Temporary

Item Status                              Pending

Is this item media neutral?          Yes

Do any of the records covered by this item currently exist in electronic format(s) other than e-mail and word processing?      Yes

Do any of the records covered by this item exist as structured electronic data?                      Yes

GRS or Superseded Authority Citation      N1-GRS-95-4 item 3a1a  
    N1-GRS-95-4 item 3a1b  
    N1-GRS-95-4 item 3a2a  
    N1-GRS-95-4 item 3a2b  
    N1-GRS-87-8 item 4d  
    NC1-GRS-81-2 item 6a  
    NC1-GRS-81-2 item 6b1  
    NC1-GRS-81-2 item 6b2a  
    NC1-GRS-81-2 item 6b2b  
    NC1-GRS-81-2 item 6c1  
    NC1-GRS-81-2 item 6c2  
    NC1-64-77-5 item 7a  
    NC1-64-77-5 item 7b  
    NC1-64-77-5 item 8  
    NC1-64-77-5 item 11

NC1-64-77-5 item 13  
 N1-GRS-87-11, item 6a  
 N1-GRS-87-11, item 6b  
 N1-GRS-91-3 item 6/1a  
 GRS 6, 1952 item 3a  
 GRS 6, 1952 item 3b  
 NC174-105 item 5  
 NC-64-77-11 item 7  
 NC-64-77-11 item 8  
 NC1-GRS-83-5 item 1  
 NC1-GRS-83-5 item 2  
 NC-64-75-2, item 4a  
 NC-64-75-2, item 4b  
 N1-GRS-91-3 item 9/1a  
 N1-GRS-91-3 item 9/1b  
 N1-GRS-91-3 item 9/1c  
 N1-GRS-91-3 item 9/1d  
 N1-GRS-91-3 item 9/1e  
 N1-GRS-91-3 item 9/3a

Disposition Instruction

Retention Period

Destroy 6 year(s) after final payment or cancellation, whichever is appropriate for the type of record.

Additional Information

GAO Approval

Required and Not Received

All other copies.

Disposition Authority Number

DAA-GRS-2013-0003-0002

Copies used by component elements of a procurement office or other offices for administrative or reference purposes.

Final Disposition

Temporary

Item Status

Pending

Is this item media neutral?

Yes

Do any of the records covered by this item currently exist in electronic format(s) other than e-mail and word processing?

Yes

Do any of the records covered by this item exist as structured electronic data?

Yes

GRS or Superseded Authority Citation

NC1-64-77-5 item 4c  
 N1-GRS-86-3 item 1b

1.2

	<p style="text-align: right;">N1-GRS-91-3 item 9/3b</p> <p><b>Disposition Instruction</b></p> <p>Retention Period                      Destroy when no longer needed</p> <p><b>Additional Information</b></p> <p>GAO Approval                              Required and Not Received</p> <p><b>Contractors' payroll files.</b></p> <p>Disposition Authority Number      DAA-GRS-2013-0003-0003</p> <p>Agency copy of contractors' payrolls (construction contracts) submitted in accordance with Department of Labor regulations, with related certifications, anti-kickback affidavits, and other related papers.</p> <p>Final Disposition                          Temporary</p> <p>Item Status                                  Pending</p> <p>Is this item media neutral?            Yes</p> <p>Do any of the records covered by this item currently exist in electronic format(s) other than e-mail and word processing?      Yes</p> <p>Do any of the records covered by this item exist as structured electronic data?                              Yes</p> <p>GRS or Superseded Authority Citation      NC1-64-77-5 item 12</p> <p><b>Disposition Instruction</b></p> <p>Retention Period                          Destroy 3 year(s) after completion of contract or conclusion of contract being subject to an enforcement action, whichever is later.</p> <p><b>Additional Information</b></p> <p>GAO Approval                              Required and Not Received</p>
<p>2</p>	<p><b>Records supporting accounting for property, plant and equipment (PP&amp;E) assets.</b></p> <p>Disposition Authority Number      DAA-GRS-2013-0003-0004</p> <p>Records necessary for documenting the existence, acquisition, ownership, cost, valuation, depreciation, and classification of fixed assets, real property, capitalized personal property and equipment assets listed on agency annual financial statements (agency net worth), and non-capitalized but monitored PP&amp;E, such as: • Purchase orders and contracts • Invoices • Appraisals • Costing and pricing data • Transactional schedules • Titles • Transfer, acceptance and inspection records • Asset retirement, excess and disposal records • Plant account</p>
<p>3</p>	



cards and ledgers pertaining to structures • Correspondence Note: Records concerning a historically significant structure (for instance, the structure appears on the National Register of Historic Places), are not authorized for disposal. Agencies must submit a records schedule to NARA to cover these records or apply an existing schedule.

Final Disposition Temporary

Item Status Pending

Is this item media neutral? Yes

Do any of the records covered by this item currently exist in electronic format(s) other than e-mail and word processing? Yes

Do any of the records covered by this item exist as structured electronic data? Yes

#### Disposition Instruction

Retention Period Destroy 2 year(s) after asset is disposed of and/or removed from agency's financial statement or capitalized property inventory.

#### Additional Information

GAO Approval Required and Not Received

Stores, plant, and cost accounting records.

Disposition Authority Number DAA-GRS-2013-0003-0005

Records providing accountability for receipt and custody of materials and showing accumulated data on the costs of agency operation, the direct and indirect costs of production, administration, and performance of program functions of the agency; such as: • Invoices or equivalent papers used for stores accounting purposes • Stores accounting returns and reports • Working files used in accumulating stores accounting data • Plant account cards and ledgers, other than those pertaining to structures • Cost accounting reports and data • Depreciation lists/costs

Final Disposition Temporary

Item Status Pending

Is this item media neutral? Yes

Do any of the records covered by this item currently exist in electronic format(s) other than e-mail and word processing? Yes

Do any of the records covered by this item exist as structured electronic data? Yes

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GRS or Superseded Authority Citation	NC-64-75-2 item 3 NC-64-75-2 item 4 GRS 8, 1952 item 5 GRS 8, 1952 item 6 NC-64-75-2 item 7a NC-64-75-2 item 7b NC-64-75-2 item 8a
Disposition Instruction	
Retention Period	Destroy when 3 years old.
Additional Information	
GAO Approval	Required and Not Received

## Agency Certification

I hereby certify that I am authorized to act for this agency in matters pertaining to the disposition of its records and that the records proposed for disposal in this schedule are not now needed for the business of the agency or will not be needed after the retention periods specified.

## Signatory Information

Date	Action	By	Title	Organization
04/30/2013	Certify	Margaret Hawkins	Director of Records Management Services	National Records Management Program - Records Management Services

## Executive Summary

Summary

Permanent Item Numbers

Federal Register Notice

Publication Date

Copies Requested 0

Comments Received 0

NOTE: This schedule is intended to be used as an alternate review version of a Request for Records Disposition Authority submitted for approval in the Electronic Records Archive (ERA). This version contains the same information that is in ERA with one exception, it has provided hierarchical overview and item numbers. These numbers reflect the manual citation numbers that will appear in the manual version of the GRS published on NARA's website.

## **REQUEST FOR RECORDS DISPOSITION AUTHORITY**

**Records Schedule Number:** DAA-GRS-2013-0003

**Agency or Establishment:** General Records Schedules (National Archives & Records Adm.)

**Records Group:** General Records Schedules

**Records Schedule applies to:** Government-wide

**Schedule Subject:** Financial Management Records

**Background Information:** This schedule covers records created by Federal agencies in carrying out the work of financial management: procuring goods and services, paying bills, collecting debts, accounting for all financial transactions, and monitoring agencies' net worth. It does not apply to copies of records forwarded to and received by the Department of Treasury or the Office of Management and Budget. These forwarded copies serve unique business purposes at those offices and are therefore scheduled independently as records of those offices.

Many records in this schedule are created in the course of Federal agencies procuring goods and services. These activities are governed by the Federal Acquisition Regulation (FAR), the principal set of rules in the Federal Acquisition Regulation System. This system governs the process by which the government purchases goods and services. The FAR governs three phases of this process: planning for acquisition, contract formation, and contract administration. The FAR and the GRS intersect in this important way: the FAR is the final authority on how government personnel carry out the acquisition process, and the GRS is the final authority governing how long records created in that process must be held before being destroyed. Some retention periods are published in the FAR, but these retention periods originate with the GRS. When the GRS alters a retention period, the FAR is altered to remain in agreement with the GRS.

### **1. Financial transaction records related to procuring goods and services, paying bills, collecting debts, and accounting**

This includes agency administrative transaction records but excludes accounts pertaining to federally recognized tribes and bands of American Indians. Many records included in this bucket are "accountable officers' records": records concerned with the accounting for, availability, and status of public funds, retained by the agency for the purposes of GAO audit.

Financial transaction records include those created in the course of procuring goods and services, paying bills, collecting debts, and accounting for all finance activity, per the following definitions.

**Procuring goods and services** is the acquisition of physical goods, products, personal property, capital assets, infrastructure services such as utilities, and contracted personnel services to be used by the Federal Government. **Paying bills** means disbursements of federal funds for these same goods and services, and in fulfillment of obligations to grant awardees. Procurement and payment records include those such as:

- Contracts
- Requisitions
- Purchase orders
- Interagency agreements
- Military Interdepartmental Purchase Requests (MIPRs)
- Printer requisitions to the Government Printing Office
- Memoranda of agreement specifying a financial obligation
- Solicitations/requests for bids, quotations or proposals
- Proposals, quotations, bids (accepted, rejected, unopened)
- Contingent fee justifications
- Legal and financial instruments such as bond and surety records
- Data submitted to the Federal Procurement Data System (FPDS)
- FAIR Act (A-76) records linked directly to specific procurement actions
- Credit card/purchase card/charge card statements and supporting documentation
- Vendor tax exemption records
- Invoices
- Leases
- Repetitive financial transactions such as utility and communications invoices
- Correspondence and papers pertaining to award, administration, receipt, inspection of and payment for goods and services in this list
- Employee relocation files

**Collecting debts** includes the collection by Government of income from all sources (excluding taxation). Collections records document collection of monies from all sources excluding administrative claims (see items 4-6), taxation (not covered under the GRS), and Congressional appropriation, such as:

- Records documenting administration, receipt, and deposit of user fees for entry into and/or use of public facilities and recouping costs of providing government services, and receipt of donations including:
  - Cash register transaction records
  - Credit card and charge cards receipts
  - Records documenting deposits
  - Records documenting allocation of fees to funds/accounts
  - Deposit lists and logs
- Fee and fine collection records
- Garnishments
- Sale of excess and surplus personal property
- Rental rates
- Leases
- Debt collection files and cash receipts

- Writeoffs
- Copies of checks
- Payment billing coupons
- Letters from lenders
- Payment records
- Money orders
- Journal vouchers
- Collection schedules

**Accounting** is the monitoring and recording of assets, liabilities, revenue from all sources, and expenses to all payees to support financial reporting, enable audit, and accumulate and analyze cost information to assist in establishing an agency's strategic goals and manage its activities. Accounting records include those such as:

- Accountable officers' records concerned with the accounting for, availability, and status of public funds and maintained for Government Accountability Office (GAO) site audit, but excluding payroll records, and accounts pertaining to American Indians. Includes:
  - statements of transactions
  - statements of accountability
  - collection schedules and vouchers
  - disbursement schedules and vouchers
- Vouchers
- Certificates of closed accounts
- Certificates of periodic settlements
- General funds files
- General accounting ledgers
- Appropriation allotment files
- Posting and control files
- Bills of lading
- Transportation and travel requests, authorizations, and vouchers
- Commercial freight vouchers
- Unused ticket redemption forms

**Note:** Procurement and other financial files that stand out because of cash value, media attention, historical value, research value, or other extenuating circumstances may have permanent value. Agencies that believe they hold such files should submit a records schedule to NARA.

**a. Official record held in the office of record.**

**Disposition:** Temporary. Destroy 6 years after final payment or cancellation, whichever is appropriate for the type of record.

**Disposition Authority:** DAA-GRS-2013-0003-0001

**Media Neutral:** Yes

**GAO Approval:** Required and not received

**Supersedes:**

GRS 3 item 3a1a (N1-GRS-95-4 item 3a1a)  
 GRS 3 item 3a1b (N1-GRS-95-4 item 3a1b)  
 GRS 3 item 3a2a (N1-GRS-95-4 item 3a2a)  
 GRS 3 item 3a2b (N1-GRS-95-4 item 3a2b)  
 GRS 3 item 3d (N1-GRS-87-8 item 4d)  
 GRS 3 item 5a (NC1-GRS-81-2 item 6a)  
 GRS 3 item 5b1 (NC1-GRS-81-2 item 6b1)  
 GRS 3 item 5b2a (NC1-GRS-81-2 item 6b2a)  
 GRS 3 item 5b2b (NC1-GRS-81-2 item 6b2b)  
 GRS 3 item 5c1 (NC1-GRS-81-2 item 6c1)  
 GRS 3 item 5c2 (NC1-GRS-81-2 item 6c2)  
 GRS 3 item 6a (NC1-64-77-5 item 7a)  
 GRS 3 item 6b (NC1-64-77-5 item 7b)  
 GRS 3 item 7 (NC1-64-77-5 item 8)  
 GRS 3 item 10 (NC1-64-77-5 item 11)  
 GRS 3 item 12 (NC1-64-77-5 item 13)  
 GRS 4 item 3a (N1-GRS-87-11, item 6a)  
 GRS 4 item 3b (N1-GRS-87-11, item 6b)  
 GRS 6 item 1a (N1-GRS-91-3 item 6/1a)  
 GRS 6 item 3a (GRS 6, 1952 item 3a)  
 GRS 6 item 3b (GRS 6, 1952 item 3b)  
 GRS 6 item 4 (NC174-105 item 5)  
 GRS 6 item 7 (NC-64-77-11 item 7)  
 GRS 6 item 8 (NC-64-77-11 item 8)  
 GRS 7 item 2 (NC1-GRS-83-5 item 1)  
 GRS 7 item 3 (NC1-GRS-83-5 item 2)  
 GRS 7 item 4a (NC-64-75-2, item 4a)  
 GRS 7 item 4b (NC-64-75-2, item 4b)  
 GRS 9, item 1a (N1-GRS-91-3 item 9/1a)  
 GRS 9 item 1b (N1-GRS-91-3 item 9/1b)  
 GRS 9, item 1c (N1-GRS-91-3 item 9/1c)  
 GRS 9, item 1d (N1-GRS-91-3 item 9/1d)  
 GRS 9, item 1e (N1-GRS-91-3 item 9/1e)  
 GRS 9, item 3a (N1-GRS-91-3, item 9/3a)

**b. All other copies.**

Copies used by component elements of a procurement office or other offices for administrative or reference purposes.

**Disposition:** Temporary. Destroy when no longer needed.

**Disposition Authority:** DAA-GRS-2013-0003-0002

**Media Neutral:** Yes

**GAO Approval:** Required and not received

**Supersedes:**



GRS 3 item 3c (NC1-64-77-5 item 4c)  
 GRS 6 item 1b (N1-GRS-86-3 item 1b)  
 GRS 9, item 3b (N1-GRS-91-3 item 9/3b)

## 2. Contractors' payroll files.

Agency copy of contractors' payrolls (construction contracts) submitted in accordance with Department of Labor regulations, with related certifications, anti-kickback affidavits, and other related papers.

**Disposition:** Temporary. Destroy 3 years after completion of contract or conclusion of contract being subject to an enforcement action, whichever is later.

**Disposition Authority:** DAA-GRS-2013-0003-0003

**Media Neutral:** Yes

**GAO Approval:** Required and not received

**Supersedes:**

GRS 3 item 11 (NC1-64-77-5 item 12)

## 3. Records supporting accounting for property, plant and equipment (PP&E) assets.

Records necessary for documenting the existence, acquisition, ownership, cost, valuation, depreciation, and classification of fixed assets, real property, capitalized personal property and equipment assets listed on agency annual financial statements (agency net worth), and non-capitalized but monitored PP&E, such as:

- Purchase orders and contracts
- Invoices
- Appraisals
- Costing and pricing data
- Transactional schedules
- Titles
- Transfer, acceptance and inspection records
- Asset retirement, excess and disposal records
- Plant account cards and ledgers pertaining to structures
- Correspondence

**Exclusion:** Records concerning a historically significant structure (for instance, the structure appears on the National Register of Historic Places), are not authorized for disposal.

Agencies must submit a records schedule to NARA to cover these records or apply an existing schedule.

**Disposition:** Temporary. Destroy 2 years after asset is disposed of and/or removed from agency's financial statement or capitalized property inventory.

**Disposition Authority:** DAA-GRS-2013-0003-0004

**Media Neutral:** Yes

**GAO Approval:** Required and not received.

#### 4. Stores, plant, and cost accounting records.

Records providing accountability for receipt and custody of materials and showing accumulated data on the costs of agency operation, the direct and indirect costs of production, administration, and performance of program functions of the agency; such as:

- Invoices or equivalent papers used for stores accounting purposes
- Stores accounting returns and reports
- Working files used in accumulating stores accounting data
- Plant account cards and ledgers, other than those pertaining to structures
- Cost accounting reports and data
- Depreciation lists/costs

**Disposition:** Temporary. Destroy when 3 years old.

**Disposition Authority:** DAA-GRS-2013-0003-0005

**Media Neutral:** Yes

**GAO Approval:** Required and not received.

**Supersedes:**

- GRS 8 item 2 (NC-64-75-2 item 3)
- GRS 8 item 3 (NC-64-75-2 item 4)
- GRS 8 item 4 (GRS 8, 1952 item 5)
- GRS 8 item 5 (GRS 8, 1952 item 6)
- GRS 8 item 6a (NC-64-75-2 item 7a)
- GRS 8 item 6b (NC-64-75-2 item 7b)
- GRS 8 item 7a (NC-64-75-2 item 8a)



## NATIONAL ARCHIVES

**Date:** April 12, 2013  
**Appraiser:** Galen R. Wilson, ACNR  
**Agency:** General Records Schedules (GRS)  
**Subject:** DAA-GRS-2013-0003

AMR 4/22/13

### INTRODUCTION

#### Schedule Overview

Financial Management Records

#### Additional Background Information

This schedule provides disposal authorization for records related to procurement of goods and services, payment of debts and obligations (except payroll and entitlements), collection of money from all sources (except taxation), and accounting. It replaces portions of current GRS 3, 6, 7, 8, and 9. It is the only schedule in the new GRS structure for financial *management* records (GRS 1.1). A new GRS for financial *planning* records (GRS 10.3) is anticipated to be drafted in FY 2016.

The schedule was developed with assistance from volunteer representatives from the following agencies: Food and Drug Administration (FDA), Nuclear Regulatory Commission (NRC), National Aeronautics and Space Administration (NASA), National Labor Relations Board (NLRB), National Park Service (NPS), Federal Accounting Standards Advisory Board (FASAB), Federal Reserve Board (FRB), General Services Administration (GSA), National Archives and Records Administration (NARA), Department of the Treasury, Office of the Special Trustee (Department of the Interior), Western Area Power Administration, and National Security Agency (NSA).

A critique heard time and again from agencies (and affecting multiple items in this schedule) was that all Federal financial transactions must follow records retention periods provided in the Federal Acquisition Regulation (FAR). Close on the heels of that critique was invariably a flat statement that the FAR takes precedence over the GRS. This turned out to be an urban legend. We received confirmation from the GSA office in charge of the FAR that in fact *the FAR takes its cue from the GRS*, and that if the GRS is altered, the FAR will be amended accordingly.

The following GRS items that most logically would have mapped to this schedule are removed:

#### GRS 3 item 3b: Routine Procurement—Obligation copy

This copy of a multi-copy form was to keep an obligation on the radar screen until funds were in fact obligated. Hard copies no longer exist in the e-system work-process pipeline.

GRS 3 item 15a: Contract Appeals Case Files created prior to October 1979

No longer needed because all such records should have been destroyed as of 1986.

GRS 3 item 16: Contractor's Statement of Contingent or Other Fees

SF-119 is no longer in the GSA forms library. FAR was amended (see FAR case 93-009, published in the Federal Register November 13, 1995) to state that these statements are no longer required.

GRS 6 item 2: GAO Exceptions Files

Form no longer exists.

GRS 6, items 6a1, 6a2, and 6b: Federal Personnel Surety Bond Files

According to

GRS 6, item 9: Telegrams filed to support telegraph bills

These no longer exist.

GRS 8 item 7b1: Cost Report Data Files: Detail cards

GRS 8 item 7b2: Cost Report Data Files: Summary cards

GRS 8 item 7b3: Cost Report Data Files: Tabulations

These three items are unchanged since GRS 8 was first published in 1952. They refer to an ancient system of electronic tabulation via key-punch cards. The records are no longer created nor have they been for possibly three decades. No records are in FRCs.

### **Overall Recommendation**

I recommend approval of this schedule.

### **APPRAISAL**

#### **Item 0001: Financial transaction records related to procuring goods and services, paying bills, collecting debts, and accounting: Official record held in the office of record.**

The merger of 34 current GRS items into one bucketed item covering a wide range of financial transactions responds to the work-process shift brought about by the computer revolution: specifically how and where records are created and stored. Few of these records are now created or maintained in hard copy. Most are merged into large e-systems that, for instance, handle all types of payment and/or collections and/or accounting. Agency representatives requested merging current GRS items to the maximum possible degree so that entire contents of e-systems can be scheduled by a single uber-item.

This item's section on Collections includes these records that have never before appeared in the GRS: "records documenting receipt of user fees for entry into and/or use of public facilities and recouping costs of providing government services, and receipt of donations." Fees—often received in small individual amounts—can form significant agency income and require auditable accounting. NARA's library of approved schedules includes seven schedules that cover user fees. Five<sup>1</sup> retain records for 6-years-3-months or a flat 7 years.

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<sup>1</sup> N1-463-03-1 and N1-463-10-2 (Animal and Plant Health Inspection Service), N1-440-01-4 (Centers for Medicare & Medicaid Services), N1-237-09-23 (FAA), and N1-65-09-31 (FBI)

Another<sup>2</sup> keeps them for 3 years. One anomaly<sup>3</sup> concerns licensing fees collected from corporations and levied under specific acts of Congress. Its exceptionally long retention period of 75 years is because it contains program, as well as general accounting, information.

### **Proposed Disposition**

Temporary

### **Appropriateness of Proposed Disposition**

Appropriate

### **Appraisal Justification**

\*Previously approved as temporary:

GRS 6, 1952 items 3a, 3b (*GRS 6, items 3a, 3b*)

NC174-105 item 5 (*GRS 6, item 4*)

NC-64-75-2 item 4a, 4b (*GRS 7, items 4a, 4b*)

NC1-64-77-5 items 7a, 7b, 8, 11, 13 (*GRS 3, items 6a, 6b, 7, 10, 12*)

NC-64-77-11 items 7, 8 (*GRS 6, items 7, 8*)

NC1-GRS-81-2 items 6a, 6b1, 6b2a, 6b2b, 6c1, 6c2 (*GRS 3, items 5a, 5b1, 5b2a, 5b2b, 5c1, 5c2*)

NC1-GRS-83-5 items 1, 2 (*GRS 7, items 2, 3*)

N1-GRS-87-8 item 4d (*GRS 3, item 3d*)

N1-GRS-87-11 items 6a, 6b (*GRS 4, items 3a, 3b*)

N1-GRS-91-3 items 6/1a, 9/1a, 9/1b, 9/1c, 9/1d, 9/1e, 9/3a (*GRS 6, item 6/1a; GRS 9, items 9/1a, 9/1b, 9/1c, 9/1d, 9/1e, 9/3a*)

N1-GRS-95-4 items 3a1a, 3a1b, 3a2a, 3a2b (*GRS 3, items 3a1a, 3a1b, 3a2a, 3a2b*)

\*Has little or no research value. The new content in this item (user fee records) have consistently been scheduled as temporary (see footnotes 1, 2 and 3), are administrative in nature, and have little value for historical research.

### **Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability.

Considerable discussion considered the effects of merging records of procurements above and below the simplified acquisition threshold (6 years, 3 months and 3 years, respectively). Many agencies have already merged these, either formally in a records schedule submitted to—and approved by—NARA or informally by local custom. These agencies have invariably set the combined items' retention at 7 years<sup>4</sup> rather than 6 years and 3 months, arguing that a flat number of years is more efficient for e-system programming. This discussion led to an investigation of why the quirky 6-year-3-month retention exists.

From the advent of the GRS in 1952 until 1977, general financial management records were retained for 6 years. The change for some series to 6 years and 3 months was codified by NC1-064-77-5, apparently in response to 28 USC 2415. This section set the Government's right to litigate on behalf of a recognized American Indian band or tribe to "six years and ninety days" while for all other purposes the Government's right to litigate ceased after 6 years (28 USC 2401). DAA-GRS-2013-0003 returns all financial transactions to 6-year

<sup>2</sup> N1-370-90-3 (NOAA)

<sup>3</sup> N1-088-09-11 (FDA)

<sup>4</sup> See, for instance, N1-79-08-9, item 10c; N1-122-09-1, item 1.1a; N1-411-06-1, item 1.1.

retention, *except* for those transactions concerning recognized American Indian bands or tribes, which are excluded from the GRS. Serious issues surround accounts concerning American Indian band/tribal finances. Litigation has put these records into frozen status unlikely to be altered any time soon. They will likely be ultimately scheduled for long-term temporary or even permanent retention. Their appraisal must be made on a case-by-case basis which is outside the scope of the GRS.

Retention for 17 items is increased: their current retention ranges from 1 to 5—mostly for 3—years. Agencies represented in the Working Group process financial transactions almost entirely electronically. The hard-copy-storage-cost advantage of being able to dispose of some records in 3 years is no longer relevant to them, while the effort of separating complex databases into shorter- and longer-retention portions is so cumbersome that they simply can't be bothered with it. Instead, they just keep everything for the longer period. What is more, because they put a higher premium on convenience than on e-storage costs, they retain records 9 months longer than required—a flat 7 years—arguing that time spent calculating years/months is a poor investment.

The overwhelming *volume* of records covered by item 0001 are currently scheduled for 6-year-3-month retention. They will enjoy slightly shortened retention under the new item.<sup>5</sup> One agency in the Review Group holding a considerable volume of legacy hard copy records expressed concern about the longer storage, but stated her agency would be willing to request a GRS exception to be able to return certain series to a shorter retention period.

Item 1 incorporates current GRS 9 item 1b. A review of its tangled history is necessary to explain what has changed in DAA-GRS-2013-0003 and why. This item dates from 1991 and its appraisal memorandum explained it this way:

GAO's Comprehensive Records Schedules subschedule 132, Accountable Officers' Account Files (which generally parallels GRS 6/1a) concerns site audit records (132-04). It should be noted that subschedule 132-04 specifically excludes not only commercial freight but also commercial passenger transportation records from GRS 6/1a. To cover this exclusion, GAO established 7 subschedules with disposition authorities ranging from 3 years to 10 years. ... GRS 9 combines these 7 GAO subschedules into a single item with subdivisions. The criteria for applying a 3, 6, or 10 year retention disposition authority... [include when] certain, specified or unspecified conditions ("accounting obstacles") prevent inclusion of the transaction in a settled fiscal account (GRS 9/1b; 10 years).

GAO passed responsibility for travel and freight records audit to the Executive Branch in 1996. Its subschedule 132 no longer exists. GSA, when asked about the 10-year retention, responded that travel accounting is now governed by GSA's Federal Travel Regulation §301-52.4, which cites GRS 6 item 1a as the authority for retaining travel records for 6 years and 3

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<sup>5</sup> A March 2013 snapshot of ARCIS for records held in FRCs nationwide scheduled under GRS items mapped to new item 1 showed that retention will be reduced for 662,971 cubic feet and raised for 10,978 cubic feet.

months. As the new GRS 1.1 item 1 reduces the retention of GRS 6 item 1 to 6 years, thus also does GRS 9 item 1b become a 6-year retention.

**Media Neutrality**

Approved

**Item 0002: Financial transaction records related to procuring goods and services, paying bills, collecting debts, and accounting: All other copies.**

This item supersedes three current GRS items, but these are only a fraction of the records potentially covered by this new proposed item. The three superseded items cover specific records (obligation copies of requisitions and certain types of travel documents, and extra copies of accountable officers' records). The proposed item covers extra copies of all financial transaction records retained for any administrative purpose. As the record copy of all such documents is retained under item 1, these extra copies can be destroyed or deleted when that administrative purpose has been fulfilled.

**Proposed Disposition**

Temporary

**Appropriateness of Proposed Disposition**

Appropriate

**Appraisal Justification**

\*Previously approved as temporary:

NC1-64-77-5 item 4c (*GRS 3, item 3c*)

N1-GRS-86-3 item 1b (*GRS 6, item 1b*)

N1-GRS-91-3 items 9/3b (*GRS 9, items 3b*)

**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability.

There is no substantial change to the retention of these records.

**Media Neutrality**

Approved

**Item 0003: Contractors' payroll files.**

The Department of Labor regulation requiring these records to be produced and maintained remains in effect.

**Proposed Disposition**

Temporary

**Appropriateness of Proposed Disposition**

Appropriate

**Appraisal Justification**

\*Previously approved as temporary:

NC1-64-77-5 item 12 (*GRS 3, item 11*)

**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability.

This item remains unchanged from current GRS 3 item 11, except for minor wordsmithing adding clarity.

**Media Neutrality**

Approved

**Item 0004: Records supporting accounting for property, plant and equipment (PP&E) assets.**

A 2011 report of the Federal Accounting Standards Advisory Board (FASAB)'s Accounting and Audit Policy Committee requested that NARA incorporate items into the GRS to cover records documenting the net worth of Federal agencies through required annual financial statements, generally known as "property, plant and equipment (PP&E)" assets. In particular, the report was concerned that copies of procurement records be included to document the baseline valuation of structures and property on financial statements, as these items generally are in inventory long past the retention period of the procurement records. In short, these copies serve a different purpose than the original procurement records. This item was drafted in communication with the authors of that report and with reference to agency schedules for PP&E record approved by NARA.

**Proposed Disposition**

Temporary

**Appropriateness of Proposed Disposition**

Appropriate

**Appraisal Justification**

\*Has little or no research value.

These are background records serving to justify current net worth of an agency as claimed by its annual financial statement. They have no value beyond acceptance of statement audit.

**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability.

Retention of these records in previously approved agency schedules ranges from 6 years, 3 months to 10 years. However, since their purpose is to document the value of real and personal property that may remain in agency inventory for decades, it makes more sense to tie the retention to when property leaves that inventory. Both FASAB and GSA agreed that the proposed retention period (2 years after disposal of asset) is adequate for this purpose.

**Media Neutrality**

Approved

**Item 0005: Stores, plant, and cost accounting records.**

This item supersedes seven items parsing stores and plant accounting into small series by title of record, six with 3-year retention, and one with 2-year retention. There is certainly no need for these multiple series. Records currently stored in FRCs under all items number 1,205 c.f. System-wide storage volume per item ranges from 677 c.f. for the largest down to only 27 c.f. for the smallest. It is instructive to note that 98% of these (all but 29 c.f.) are now past their disposal date, but frozen. The single new item with 3-year retention streamlines these over-granulated—and frankly little used—series.

**Proposed Disposition**

Temporary

**Appropriateness of Proposed Disposition**

Appropriate

**Appraisal Justification**

\*Previously approved as temporary:

NC-64-75-2 items 3, 4, 7a, 7b, 8a (*GRS 8, items 2, 3, 6a, 6b, 7a*)  
GRS 8, 1952 items 5, 6 (*GRS 8, items 4, 5*)



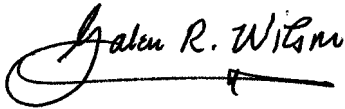
**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability.

The proposed item, while technically adding one year of retention to one former GRS item, affects no records in FRC storage. The 40 c.f. under this one item would already be disposable if not frozen.

**Media Neutrality**

Approved

A handwritten signature in black ink that reads "Galen R. Wilson". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

GALEN R. WILSON  
Senior Records Analyst