

How long and why?

- Award recipients must retain all financial records, supporting documents, statistical records, and other records pertinent to the award **for a period of three years** from the date of submission of the Federal Financial Report (SF-425).
- The three-year retention period starts from the date of notification by the awarding agency that the grant has been programmatically and fiscally closed **OR** the submission of the closure of the single audit report, which covers the entire award period, whichever event occurs later. State or local governments may impose record retention and maintenance requirements in addition to those prescribed.
- Records may be retained in an electronic format.
- Retention is required for purposes of federal examination and audit.

What is covered?

The retention requirement includes the following:

- Source documents, including copies of all awards, applications, and required recipient financial and narrative reports.
- Books of original entry; source documents supporting accounting transactions; the general ledger; subsidiary ledgers; personnel and payroll records; cancelled checks; and related documents and records.
- Time and effort reports (for consultants).

What are the exceptions to the three-year retention period?

The three-year retention period starts from the date of submission of the final expenditure report. The following are exceptions to the standard record retention period:

- If any litigation, claim, audit, or other action involving the records has started before the expiration of the three-year period, the records must be retained until all issues involving the records have been resolved and final action has been taken.
- When notified by the DOJ grant-making component; cognizant agency for audit; oversight agency for audit; cognizant agency for indirect costs; or pass-through entity to extend the retention period.
- Records for real property and equipment acquired with federal funds must be retained for three years after the final disposition.
- When records are transferred to or maintained by the DOJ grant-making component or pass-through entity, the three-year retention period requirement is not applicable to the non-federal entity.
- When required for program income earned after the period of performance, the retention period starts from the end of the non-federal entity's fiscal year in which the program income is earned.
- Indirect cost proposals, submitted for negotiation, must be retained for three years from the date of submission.
- Indirect cost proposals, not required to be submitted for negotiation, must be maintained for three years from the end of the fiscal year covered by the proposal.

How are records maintained and accessed?

Maintenance

- Separately identify and maintain records of different federal fiscal periods so that desired information may be readily located.
- Adequately protect records against fire or other damage.
- Keep a written index of storage location when records are stored away from recipient's principal office.

Access to Records

- The awarding agency, including the funding agency, federal agency, Office of the Inspector General, Comptroller General of the United States, or any of their authorized representatives, have the right of access to any pertinent books, documents, papers, or other records of recipients, which are pertinent to the award, in order to make audits, examinations, excerpts, and transcripts.
- The right of access must not be limited to the required retention period but shall last as long as the records are retained.

What should be included in a record retention policy?

- Retention requirements for records (2 CFR 200.333)
- Method to transfer certain records to the federal agency, if required (2 CFR 200.334)
- Methods for collection, transmission, and storage of information (2 CFR 200.336)
- Access to records for the federal agency, Office of the Inspector General, and Comptroller General of the United States (2 CFR 200.337)
- Restrictions on public access to records (2 CFR 200.337)

Sources

- [2 CFR 200.334—Retention requirements for records](#)
- Office of Justice Programs. Department of Justice. Retrieved June 10, 2022, from https://www.ojp.gov/sites/g/files/xyckuh241/files/archives/financial_guides/financialguide09/part3/part3chap12.htm
- United States Department of Justice. (2022). *DOJ Financial Guide* (pp 113–114). [ojp.gov/sites/g/files/xyckuh241/files/media/document/DOJ_FinancialGuide_1.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/DOJ_FinancialGuide_1.pdf)