

## Policy & Procedure Guidance on Record Retention for Federal Grants

For Federal grant purposes, records created for the transaction of public business must be kept for a minimal time period, regardless of physical form. This affords review and examination by the federal agency as well as for audit purposes. The Uniform Guidance clarifies what is considered a document, the necessary retention timeline, and exceptions. The EAC Office of Grants Management (OGM) has created this guide to help clarify various requirements for ensuring appropriate record maintenance and retention.

### Documents

Documentation may be kept in many types of formats (see example list below). Having your documents in an accessible, easily readable document affords timely access and review by the EAC or other outside authorities ([§ 200.336](#)).

Wherever possible, documents should be transferred to and kept in an electronic format. Any digitized media or otherwise should maintain its original integrity. For documentation that cannot be stored electronically, ensure protection against fire or other damage.

#### Example Documents to Retain

- Financial Records
  - Federal financial reports & related supporting data
  - Federal progress reports & related supporting data
  - Internal financial reports
  - Payroll and timesheet reporting
  - Bank or financial statements
  - Subaward contracts
  - Match documentation
  - Procurement back up documentation (such as invoices and payments)
- Property Records
  - Inventory Reporting
  - Depreciation schedules
- Other
  - Subaward monitoring or reporting
  - Indirect Cost Proposals
  - Personnel records

### Record Retention Timeline

HAVA Federal awards must comply with the record retention requirements in the Uniform Guidance. The guidance defines specific types of federal awards that renew on various awarding cycles. Generally, HAVA grants are awarded and remain open until fully

expended. For HAVA grants, all related documentation for the grant must be retained for a 3-year period, starting from the date of submission of the final expenditure report. The same guidance should be applied to any subgrantees.

## Example

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A state has fully expended their 251 HAVA grant and requests to close the award. As part of the closeout process, a final Federal Financial and Progress Report are submitted to the EAC. The FFR is submitted to the EAC on October 31, 2030. Per the record retention guidance in 200.334, the grantee is expected to retain all related documentation for the closed 251 award for three years until October 31, 2033.

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## § 200.334 Retention requirements for records

*Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:*

## Exceptions

The following are exceptions to the standard record retention period (summarized from §200.334):

- If any litigation, claim, audit, or other action involving the records has started before the expiration of the 3-year period, the records must be retained until all issues involving the records have been resolved and final action taken.
- If notified in writing to extend the record retention period by the Federal awarding agency, cognizant agency for audit or indirect costs, or subrecipients.
- Equipment purchased with federal funds must have records maintained for 3 years after final disposition date.
- When records are transferred to or maintained by the awarding agency, the 3-year retention requirement is not applicable.
- Any records related to program income transactions that occur after the award ends.
- Indirect Cost Proposals:
  - If submitted for negotiation.*** If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through

entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission. ***If not submitted for negotiation.*** If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

## Example of Noncompliance

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### Improper Record Retention

The Office of Inspector General notifies a grantee that they will be part of an upcoming annual audit cycle. The OIG meets with the grantee and requests numerous financial documents to assist with their audit. The grantee is busy with programmatic deadlines and passes the responsibility of gathering and responding to the auditors to a new staff member. Later on, at the exit conference, the auditors have several findings and recommendations related to the improper maintenance of records as much of the documentation submitted during the audit review was inconsistent, difficult to read due to improper storage, and missing key information. Upon further internal review, inconsistent filing and record keeping only provided some of the data the auditors requested, and the grantee was unable to locate and provide the details necessary to relieve the findings.

- **The grantee must keep consistent records and reports per the retention period for all federal grants.**
  - **Internal procedures should identify best practices for organizing and storing records and data, to ensure they are maintained consistently.**
  - **The grantee should conduct regular review of their records to be certain they are stored as expected.**
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