

Agricultural Research Service, USDA

§ 550.56

§ 550.55 Retention and access requirements for records.

(a) This section sets forth requirements for record retention and access to records for awards to Cooperators. REE agencies shall not impose any other record retention or access requirements upon Cooperators, excepting as set out in §550.42(d).

(b) Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of 3 years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by the REE Agency. The only exceptions are the following:

(1) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken;

(2) Records for real property and equipment acquired with Federal funds shall be retained for 3 years after final disposition;

(3) When records are transferred to or maintained by the REE Agency, the 3-year retention requirement is not applicable to the Cooperator;

(4) Indirect cost rate proposals, cost allocations plans, etc., as specified in paragraph (f) of this section.

(c) Copies of original records may be substituted for the original records if authorized by the REE Agency.

(d) The REE Agency shall request transfer of certain records to its custody from Cooperators when it determines that the records possess long-term retention value. However, in order to avoid duplicate record keeping, a REE Agency may make arrangements for Cooperators to retain any records that are continuously needed for joint use.

(e) The REE Agency, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of Cooperators that are pertinent to the awards, in order to

make audits, examinations, excerpts, transcripts and copies of such documents. This right also includes timely and reasonable access to a Cooperator's personnel for the purpose of interview and discussion related to such documents. The rights of access in this paragraph are not limited to the required retention period, but shall last as long as records are retained.

(f) No Cooperator shall disclose its records that are pertinent to an award until the Cooperator provides notice of the intended disclosure with copies of the relevant records to the REE Agency.

(g) *Indirect cost rate proposals, cost allocations plans, etc.* Paragraphs (g)(1) and (g)(2) of this section apply to the following types of documents, and their supporting records: Indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage charge back rates or composite fringe benefit rates).

(1) *If submitted for negotiation.* If the Cooperator submits to the REE Agency or the subrecipient submits to the Cooperator the proposal, plan, or other computation to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts on the date of such submission.

(2) *If not submitted for negotiation.* If the Cooperator is not required to submit to the REE Agency or the subrecipient is not required to submit to the Cooperator the proposal, plan, or other computation for negotiation purposes, then the 3-year retention period for the proposal, plan, or other computation and its supporting records starts at the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

SUSPENSION, TERMINATION, AND ENFORCEMENT

§ 550.56 Purpose of suspension, termination, and enforcement.

Sections §§550.57 and 550.58 of this part set forth uniform suspension, termination, and enforcement procedures.