Monica R Valentine - Fw: AAPC - Records Retention Draft Guidance

From: <jane.pritchett@gsa.gov>
To: <ValentineM@fasab.gov>
Date: 7/6/2009 4:54 PM
Subject: Fw: AAPC - Records Retention Draft Guidance
CC: <edward.gramp@gsa.gov>, <jane.pritchett@gsa.gov>, <jared.leicht@gsa.gov>, <george.ward@gsa.gov>, <lise.trumbull@gsa.gov>, <thomas.crabill@gsa.gov>, <cassandra.holman@gsa.gov>, <arland.luster@gsa.gov>, <theresaa.lewis@gsa.gov>, <richard.bedford@gsa.gov>, <felicia.fordjones@gsa.gov>, <kimberly.brislin@gsa.gov>
Attachments: AAPC record retention draft report - GPPE 061809 v10.doc; RR Questionnaire 0618 v8.doc

Hi Monica,

Here are some comments.

1. Do you currently follow NARA's GRS 3 record retention periods for your G-PP&E record retention needs? Yes. If not, what record retention requirements do you follow (e.g., a NARA-approved alternative schedule)?

2. Are you satisfied with your current G-PP&E record retention requirements and are those requirements consistently applied? Yes Please provide the rationale for your answer.

3. Would it be helpful to have standardized and consistently applied record retention requirements across the federal government? Consistency is always good, however, not sure how consistency between agencies will be helpful to GSA. Unless, an asset is being transferred to GSA and we need supporting documents. Do you agree or disagree that G-PP&E record retention requirements should be standardized and consistently applied across the federal government? Again, consistency is good, however, we are not in agreement with the proposed non-real property record retention changes in this document. Specifically, we propose non-real property assets record retention should be 6 years and 3 months after final payment. Please provide the rationale for your answer.

4. Do you agree or disagree with the proposed changes to NARA's GRS 3 record retention requirements? See comments below. Please provide the rationale for your answer.

5. If you have other comments related to this issue please provide us with your feedback. See below.

Page 4, Recommendations Section 10. This states that non-real property asset records should be retained until the later of 6 years 3 months after final payment or disposal of the asset. GSA comment: We believe this should read, 6 years 3 months after final payment. Non-real property assets do not have a useful life for depreciation purposes of more than 6

years 3 months. In fact, many non-real assets are difficult to track because they are group assets made up of many smaller pieces. One example is systems furniture. It will be an undue burden for any agency to track each piece/part of a systems furniture purchase to ensure records are kept until all pieces/parts are disposed of. We do not see the cost/benefit of keeping non-real property asset records longer than 6 years 3 months after final payment.

Page 4, Recommendations Section 10 line 26. inlcude should be include.

Page 4, Recommendations Section 11 - this section seems to be missing.

Page 5, Proposed NARA Changes Section 16 line 28, period after December 31 should be a comma.

Page 6 Proposed NARA Changes Section 18 line 19. sections should be section.

Page 6 Proposed NARA Changes Section 18 line 26, suggest removing "or when asset is removed from an agency's books for disposal."

Page 6 Proposed NARA Changes Section 18 line 27, suggest removing period after (b).

Page 8 Appendix A line 17, suggest changing exceeding to exceed.

Page 9 & 10 Paragraphs 26, 27, 28, 29, 30 and 31. Suggest removing these completely since these are agency specific and not general FAR, OMB, GAO, etc. guidance.

Page 15 lines 27 and 28. Again, suggest removing "or when asset is removed from an agency's books for disposal".

Page 16 lines 6 and 9. Both lines reference item 3d or note after 3a(2)(b). We did not see item 3d or the note referenced here.

Jane Pritchett, CPA
Financial Reporting Division (BCC)
OCFO, General Services Administration
jane.pritchett@gsa.gov
816-213-3173 (office)

----- Forwarded by Jane A. Pritchett/BCE/R06/GSA/GOV on 07/06/2009 03:35 PM -----

Edward R. Gramp/BCP/CO/GSA/GOV

06/18/2009 11:24 PM

To Jane A. Pritchett/BCE/R06/GSA/GOV@GSA

cc Jared R. Leicht/BCP/CO/GSA/GOV@GSA

Subject Fw: AAPC - Records Retention Draft Guidance

Ed Gramp
GSA, OCFO, Office of Financial Policy and Operations (BC)

Director, Financial Reporting Division (BCC)
(202) 501-0593
edward.gramp@gsa.gov

----- Forwarded by Edward R. Gramp/BCP/CO/GSA/GOV on 06/19/2009 12:22 AM -----

"Monica R Valentine" <ValentineM@fasab.gov>

06/18/2009 01:54 PM

To "Bill Mason" <bill.mason@dhs.gov>, "Bruce Redcay" <Bruce.Redcay@dhs.gov>, "Ming Clark" <I-Ming.Clark@do.treas.gov>, "James Lingebach" <james.lingebach@do.treas.gov>, "Scott Bell" <Scott.Bell@do.treas.gov>, "Gordon Alston" <gAlston@doc.gov>, "Yoko Albayrak" <albayrak.yoko@dol.gov>, "John Blair" <blair.john@dol.gov>, "Gary Wood" <Gary.Wood@ed.gov>, "Anita Jones" <Jones.Anita@epa.gov>, "Nolan Dennis" <nolan.dennis@epa.gov>, "Kaye McTighe" <Kaye.McTighe@fema.gov>, "Azward" <Azward@gpo.gov>, "Edward Gramp" <edward.gramp@gsa.gov>, "Karen Cavanaugh" <Karen.Cavanaugh@hhs.gov>, "Linda Furiga" <linda_furiga@hq.dla.mil>, "Joanne Choi" <joanne.choi@hq.doe.gov>, "Linda Rodgers" <Linda_P._Rodgers@hud.gov>, "Wendy Stover" <Wendy_C._Stover@hud.gov>, "Don Geiger" <Don_Geiger@ios.doi.gov>, "Jim Bradley" <Jim.Bradley@mail.va.gov>, "Leslie Hyland" <Leslie.Hyland-1@nasa.gov>, "Terrence Alfred" <terrance.alfred-1@nasa.gov>, "NRC2" <jsj@nrc.gov>, "NRC" <lxf2@nrc.gov>, "Preston Rich" <preston.rich@nsf.gov>, "E Brown" <EABrown@opm.gov>, "Mchartma" <mchartma@opm.gov>, "Michael Weber" <michael.weber@osd.mil>, "Wendy Calvin" <Wendy.Calvin@ost.dot.gov>, "L Bedker" <LBedker@psc.gov>, "Johm Kushman" <john.kushman@sba.gov>, "Donna Bateman" <donna.bateman@usda.gov>, "John Brewer" <John.Brewer@usda.gov>, "Lori Arnold" <Lori.Armold@usdoj.gov>, "Marcia Paull" <Marcia.K.Paull@usdoj.gov>

cc "John H. Lynskey" <jlynskey@nsf.gov>, "Donjette Gilmore" <Donjette.Gilmore@osd.mil>

Subject AAPC - Records Retention Draft Guidance

Federal Agency FM/Accounting Directors:

The Record Retention subgroup of the AAPC G-PP&E task force is seeking your feedback on proposed revisions to clarify and modify current record retention periods set out in the National Archives and Records Administration's General Records Schedule 3 to address agency*s permanent and transactional G-PP&E records for the purpose of standardizing the G-PP&E record retention guidance.

We have outlined five questions for your consideration as you review the proposed revisions. Please provide me with your written feedback by Monday, July 6, 2009. Also, if you have any questions or comments on the proposed revisions please contact me.

Thank you for your time and cooperation.

Monica V.

Monica R. Valentine, CPA, CGFM
Assistant Director
Federal Accounting Standards
Advisory Board (FASAB)
202-512-7362
202-512-7366 fax
ValentineM@fasab.gov

Monica R Valentine - AAPC Record Retention Draft Report

From: "Liang, Grace - OCFO" <liang.grace@dol.gov>
To: <ValentineM@fasab.gov>
Date: 7/10/2009 10:24 AM
Subject: AAPC Record Retention Draft Report
CC: "Albayrak, Yoko - OCFO" <albayrak.yoko@dol.gov>, "Reyes, Miguel - OCFO" <reyes.miguel@dol.gov>
Attachments: AAPC record retention draft report - GPPE 061809 v10.doc; RR Questionnaire 0618 v8.doc

Ms. Valentine:

We have reviewed the attached AAPC record retention draft report. Here are our responses to the RR Questionnaire.

1. The DOL records Management program is designed to monitor proper recordkeeping practices in the most cost-effective manner. DOL records must be kept in accordance with NARA's record retention regulations and guidance.

2. DOL do satisfied with its current record retention requirements and apply these requirements consistently.

3. DOL agreed that G-PP&E record retention requirements should be standardized and consistently applied across the federal government.

4. DOL agreed with the proposed changes to NARA's GRS 3 record retention requirements regarding to G-PP&E records.

5. No comments

Grace Liang
Accountant
Office of Chief Financial Officer
US Department of Labor
202-693-4338

Monica R Valentine - RE: AAPC - Records Retention Draft Guidance - Comment PeriodExtended

From: "Close, Kevin" <Kevin.Close@cfo.usda.gov>
To: "Monica R Valentine" <ValentineM@fasab.gov>
Date: 7/13/2009 8:54 AM
Subject: RE: AAPC - Records Retention Draft Guidance - Comment PeriodExtended
CC: "Hayes, Denise" <Denise.HAYES@usda.gov>, "Wensel, Pat" <Pat.Wensel@cfo.usda.gov>

USDA responses to the questions are underlined.

1. Do you currently follow NARA's GRS 3 record retention periods for your G-PP&E record retention needs? YES If not, what record retention requirements do you follow (e.g., a NARA-approved alternative schedule)?

2. Are you satisfied with your current G-PP&E record retention requirements and are those requirements consistently applied? YES, we have consistently applied the standard record retention periods for G-PP&E for both paper records and electronic records. Please provide the rationale for your answer.

3. Would it be helpful to have standardized and consistently applied record retention requirements across the federal government? YES Do you agree or disagree that G-PP&E record retention requirements should be standardized and consistently applied across the federal government? Please provide the rationale for your answer. Agree that consistent standards across the federal government make application of records retention the same, including being able to apply to any current or future property or financial systems.

4. Do you agree or disagree with the proposed changes to NARA's GRS 3 record retention requirements? Please provide the rationale for your answer. Agree that the changes are appropriate, the basic timeframes have not changed, just a better definition of what the records consist of that have now been defined and documented.

5. If you have other comments related to this issue please provide us with your feedback. Question - Under GRS 3 - Procurement, Supply and Grant Records, it notes "FAR simplified acquisition threshold and all constructions contracts exceeding $2,000." My understanding is that the FAR simplified acquisition threshold is $100,000 and micro-purchases threshold is $3,000. Just wondering why the distinction.

Thanks for the opportunity to respond.

-----Original Message-----
From: Monica R Valentine [mailto:ValentineM@fasab.gov]
Sent: Wednesday, July 01, 2009 1:11 PM
To: Close, Kevin; Bill Mason; Bruce Redcay; Ming Clark; James Lingebach; Scott Bell; Bruce Henshel; Diane Marston; Gordon Alston; jTaoCSC@doc.gov; Yoko Albayrak; John Blair; Gary Wood; Anita Jones; Nolan Dennis; Kaye McTighe; Azward; Edward Gramp; Karen Cavanaugh; Sandy Fry; Linda Furiga; Joanne Choi; Linda Rodgers; Wendy Stover; Don Geiger; Jim Bradley; Leslie Hyland; Terrence Alfred; Cynthia Rheaume; NRC2; NRC; Michele Kaplan; Preston Rich; E Brown; Mchartma; Patricia Cappello; Michael Weber; Wendy Calvin; L Bedker; Johm Kushman; Donna Bateman; Brewer, John; Lori Arnold; Marcia Paull

Subject: AAPC - Records Retention Draft Guidance - Comment Period Extended

Federal Agency FM/Accounting Directors:

The comment period for replying on the attached proposal has been extended one week to Monday, July 13, 2009.

Also, if you have any questions or comments on the proposed revisions please contact me.

Thank you again for your time and cooperation.

Monica V.
FASAB Staff
202.512.7362

>>> Monica R Valentine 6/18/2009 1:54 PM >>>
Federal Agency FM/Accounting Directors:

The Record Retention subgroup of the AAPC G-PP&E task force is seeking your feedback on proposed revisions to clarify and modify current record retention periods set out in the National Archives and Records Administration's General Records Schedule 3 to address agency*s permanent and transactional G-PP&E records for the purpose of standardizing the G-PP&E record retention guidance.

We have outlined five questions for your consideration as you review the proposed revisions. Please provide me with your written feedback by Monday, July 6, 2009. Also, if you have any questions or comments on the proposed revisions please contact me.

Thank you for your time and cooperation.

Monica V.

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OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

JUL 1 0 2009

Ms. Monica Valentine
FASAB Project Director
Federal Accounting Standards Advisory Board
441 G Street NW, Mailstop 6K17V
Washington, DC 20548

Dear Ms. Valentine,

The Department of Defense (DoD) response to the Federal Accounting Standards Advisory Board (FASAB) Accounting and Auditing Policy Committee questionnaire on the draft discussion paper, "Record Retention Timeframes for General Property, Plant, and Equipment (PP&E) Assets," dated June 18, 2009, is attached. The Department concurs with the recommendations presented in the draft discussion paper.

The Department appreciates the opportunity to comment on the draft paper. My staff point of contact on this matter is Mr. Mike Weber. He may be reached by e-mail at michael.weber@osd.mil or telephone at (703) 602-0391.

Sincerely,

Mark E. Easton
Deputy Chief Financial Officer

Enclosure:
As stated

FASAB AAPC DRAFT DISCUSSION PAPER – DATED JUNE 18, 2009

"Record Retention Timeframes for General Property, Plant, and Equipment (G-PP&E) Assets"

DEPARTMENT OF DEFENSE COMMENTS TO THE QUESTIONNAIRE

QUESTION 1: Do you currently follow U.S. National Archives and Records Administration's (NARA's) General Records Schedule (GRS) 3 record retention periods for your G-PP&E record retention needs? If not, what record retention requirements do you follow (e.g., a NARA-approved alternative schedule)?

DOD RESPONSE: Yes, the Department follows the NARA record retention periods.

QUESTION 2: Are you satisfied with your current G-PP&E record retention requirements and are those requirements consistently applied? Please provide the rationale for your answer.

DOD RESPONSE: No. The DoD Financial Management Regulation (FMR) Volume 1, Chapter 9, "Financial Records Retention" (Apr. 2009), specifies that the Department is to follow the policies formulated by the NARA records management program. While this provides adequate direction related to the length of time that documentation should be maintained, clarifications provided by NARA related to the types of documents (i.e., the recommendations in the draft discussion paper) will improve the guidance.

QUESTION 3: Would it be helpful to have standardized and consistently applied record retention requirements across the federal government? Do you agree or disagree that G-PP&E record retention requirements should be standardized and consistently applied across the federal government? Please provide the rationale for your answer.

DOD RESPONSE: Yes. The NARA guidance should be used as the basis for a consistent Federal Government standard. This has been implemented in the Department through DoDFMR Volume 1, Chapter 9.

QUESTION 4: Do you agree or disagree with the proposed changes to NARA's GRS 3 record retention requirements? Please provide the rationale for your answer.

DOD RESPONSE: Agree. The proposed updates clarify the specific types of documentation to be retained that will help support the Statement of Auditing Standards 31 management financial statement assertions.

QUESTION 5: If you have other comments related to this issue please provide us with your feedback.

DOD RESPONSE: Not applicable.

UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer
Assistant Secretary for Administration
Washington, D.C. 20230

JUL 13 2009

Monica R. Valentine
Assistant Director
Federal Accounting Standards Advisory Board
Washington, D.C.

Dear Ms. Valentine:

The Department of Commerce has reviewed the Memorandum: *Questionnaire Pertaining to the Record Retention Timeframes for General PP&E Assets*, dated June 18, 2009.

Please find attached answers to the five questions that were asked of memorandum respondents.

If you have any questions, please contact me at (202) 482-1207 or galston@doc.gov, or Bruce Henshel at (202) 482-0646 or bhenshel@doc.gov.

Sincerely,

Gordon T. Alston
Deputy Director for Financial Management

Department of Commerce Response
FASAB Memorandum – Questionnaire Pertaining to Record Retention Timeframes for General PP&E Assets

Prepared by: Department of Commerce, Office of Financial Management
Date Prepared: July 13, 2009

Questions and Answers

1. Do you currently follow NARA's GRS 3 record retention periods for your G-PP&E record retention needs? If not, what record retention requirements do you follow (e.g., a NARA-approved alternative schedule)?

   Department of Commerce Response:
   The Department of Commerce follows GRS 3 record retention periods for G-PP&E record retention needs. In addition, individual bureaus follow Departmental and bureau-level detailed policies that are consistent with GRS 3.

2. Are you satisfied with your current G-PP&E record retention requirements and are those requirements consistently applied? Please provide the rationale for your answer.

   Department of Commerce Response:
   The Department of Commerce is generally satisfied with G-PP&E record retention requirements. However, it would be helpful to have items covered under GRS 3 clearly identified, eliminating any confusion concerning exactly what is covered and for how long. In addition, one bureau described the following issue:

   > **There are many different real property rights and ownerships that are available, and there is no discussion of fractional or mixed ownership types. For example, an agency may dispose of a piece of land but reserve rights to the ground water and minerals. If there was contamination on the property, an agency may have to record a CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) 120h.(3), *Properties Transferred by Federal Agencies*, notice that some material remains, and that the government remains liable for any release or threatened release of the substance. The agency could also maintain a right of access to indefinitely sample. What records would be retained and which could be disposed of after 10 years? This is on example of why it is difficult to ensure that record retention requirements are applied consistently across agencies.**

3. Would it be helpful to have standardized and consistently applied record retention requirements across the federal government? Do you agree or disagree that G-PP&E record retention requirements should be standardized and consistently applied across the federal government? Please provide the rationale for your answer.

   Department of Commerce Response:
   The Department of Commerce agrees that it would be helpful to have standardized and consistently applied record retention requirements across the federal government, and that record retention requirements should be standardized and consistently applied across the federal government for the following reasons:

   - **This may help reduce legal issues concerning litigation involving multiple agencies, may help reduce record search time for FOIA, would make audit reporting easier knowing all records of this type are scheduled and retained the same, and would make overall accountability more uniform. This type of record scheduling would only work for those types of records that are the same throughout all agencies.**
   - **The instruments used (deed, easement, mineral right, eminent domain, withdrawal from public domain, etc), the types of ownership, and the authority to conduct acquisitions of ownership (or transactional authorities, i.e. leasing) are generally the same across government.**

4. Do you agree or disagree with the proposed changes to NARA's GRS 3 record retention requirements? Please provide the rationale for your answer.

   Department of Commerce Response:
   The Department of Commerce generally agrees with the proposed changes to GRS 3 record retention requirements. However, we recommend that the issues discussed below be considered before the draft record retention requirements are issued:

   - **We recommend that these changes be widely circulated to real property practitioners for review. "Permanent type" records need to be defined. Native real property) language phrasing can be better used. For example, a lease for real property is a contract.**
   - **On page 6, line 5, and page 7, line 5: The simplified acquisition threshold under the General Services Acquisition Regulation for a lease is less than $100,000 net rent (less operating cost). This is very different from Federal Acquisition Regulation contracting thresholds. We recommend better defining which threshold is being written about.**
   - **One Department of Commerce bureau has a $200,000 capitalization threshold. Setting the level for maintaining file documentation for construction contracts at $2,000 would be much too low for this bureau.**

5. If you have other comments related to this issue please provide us with your feedback.

Department of Commerce Response:

- **GSA has promulgated lease file content requirements. We recommend that these requirements be mentioned in GRS 3, as revised.**
- **It would be helpful if the new GRS includes a definitions section that covers types of ownership, and also includes a section that lists relevant documents that may be needed to meet the five management assertions in Statement of Auditing Standards 31.**

From: "Kaplan, Michele" <Michele.Kaplan@nrc.gov>
To: Monica R Valentine <ValentineM@fasab.gov>
CC: "Rheaume, Cynthia" <Cynthia.Rheaume@nrc.gov>
Date: 7/14/2009 6:54 PM
Subject: RE: AAPC - Records Retention Draft Guidance - Comment PeriodExtended

Good Afternoon,

On behalf of the U. S. Nuclear Regulatory Commission (NRC), we have the following comments to offer on your proposed guidance on General Property, Plant & Equipment (G-PP&E) records retention. We generally agree with your proposed changes to facilitate a standardized approach to records retention across Federal entities. The NRC is a relatively small Federal agency and the additional documentation retention requirements would not be overly burdensome for us. However, there are larger agencies with larger G-PP&E balances that would benefit from a phased in approach to the new requirements. For example, G-PP&E purchased before the implementation date of the revised requirements would be exempt from the new requirements. Only the G-PP&E purchased after the implementation date of the revised guidance would be subject to the new guidance. Thank you for the opportunity to comment on your proposed guidance. If you have any questions on this response, please let me know.

Michele D. Kaplan
Chief, Financial Statement and Reconciliation Team
Division of the Controller
Office of the Chief Financial Officer
U.S. Nuclear Regulatory Commission
Ph: 301-415-5256
Fax: 301-415-5545

-----Original Message-----
From: Monica R Valentine [mailto:ValentineM@fasab.gov]
Sent: Wednesday, July 01, 2009 1:11 PM
To: Kevin Close; Bill Mason; Bruce Redcay; Ming Clark; James Lingebach; Scott Bell; Bruce Henshel; Diane Marston; Gordon Alston; jTaoCSC@doc.gov; Yoko Albayrak; John Blair; Gary Wood; Anita Jones; Nolan Dennis; Kaye McTighe; Azward; Edward Gramp; Karen Cavanaugh; Sandy Fry; Linda Furiga; Joanne Choi; Linda Rodgers; Wendy Stover; Don Geiger; Jim Bradley; Leslie Hyland; Terrence Alfred; Rheaume, Cynthia; Janis, James; NRC; Kaplan, Michele; Preston Rich; E Brown; Mchartma; Patricia Cappello; Michael Weber; Wendy Calvin; L Bedker; Johm Kushman; Donna Bateman; John Brewer; Lori Arnold; Marcia Paull
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Monica V.
FASAB Staff
202.512.7362

>>> Monica R Valentine 6/18/2009 1:54 PM >>>
Federal Agency FM/Accounting Directors:

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Thank you for your time and cooperation.

Monica V.

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