

**Subject:** The Retention Period for All Contract Files Has Changed to 6 Years After the Date of Final Payment -- Effective September 12, 2014

Note: Use of the term “Contract” and “Contract Files” in this notice is meant to include: Contract, Purchase Order, Blanket Purchase Agreement (BPA) Order and BPA Call, Task Order, Delivery Order and also includes awards below the **Micro-Purchase** Threshold and transactions issued using the **Governmentwide Commercial Purchase Card**.

### SUMMARY OF CHANGES

The [National Archives and Records Administration \(NARA\)](#) has changed the retention periods for **all** contract files.

Previously, the Federal Acquisition Regulation (FAR) [Section 4.805](#) listed the retention period for archiving of contract files at or below the Simplified Acquisition Threshold (SAT) (currently \$150,000) at three years after the date of final payment; for contract files above the SAT the retention period for archiving was six years and three months after the date of final payment.

Because of the change issued by NARA, the retention period for all contract files is now six years after date of final payment. Any contract files that are under investigation, have cases pending, or are in litigation (including protests) cannot be disposed of until after final clearance or settlement.

Contract files that are at or below the SAT, with a final payment date on or before September 11, 2011, should be disposed of.

Contract files that are **either** at or below the SAT, or above the SAT (including purchase card and micro-purchases), **with** a final payment date on or after September 12, 2011, must be retained for six years after the date of final payment.

<b>Contracts (and related records or documents, including successful proposals)</b>	<b>Old Retention Period</b>	<b>New Retention Period</b>
At or below the SAT	3 years	6 Years
Above the SAT	6 years and 3 months	6 Years

### ADDITIONAL INFORMATION ON THE CHANGE IN RETENTION PERIOD

On September 12, 2014, the [NARA](#) published the final rule for the [Notice of new General Records Schedules \(GRS\) Transmittal 23](#) in the Federal Register. The [General Records Schedule \(GRS\) 1.1](#) updates the retention period for financial transaction records related to procuring goods and services. The new retention period for contract files is now six years, regardless of the acquisition value, after final payment has been made.

The FAR is expected to update the retention schedule stated in FAR 4.805 to conform with the new retention periods in NARA GRS 1.1. ([FAR Open Case 2015-009](#)).

Although the FAR has not yet been updated, the Chief Records Officer for the United States Government issued a [memo](#) on August 3, 2015, recognizing the conflict between the GRS and the FAR, stating (in part) that *“We anticipate that the new FAR text will cite the new GRS as the authority for the retention and disposition of procurement records. In the meantime, agencies should not destroy records below the SAT at 3 years of age as the authorization for that retention period was superseded by GRS 1.1.”*

If you have any questions, please contact us at [SimplifiedAcquisitionHelp@nih.gov](mailto:SimplifiedAcquisitionHelp@nih.gov)

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