

## Expenditure Accounting Records

Expenditure accounting records are the ledgers and related documents maintained by all Federal agencies to show in summary fashion how their funds, appropriated and nonappropriated, are spent after allotment by the Office of Management and Budget (OMB), and the sources and nature of any receipts. The key records are the general ledger accounts, which constitute, as a unit, the heart of the agency accounting system. These ledgers summarize the financial status and financial transactions of the agency, showing the current status of funds available for expenditure, the amounts due and collected for the account of the Government, accumulated expenditures and liabilities, and the values of stock, equipment, and other property in agency custody. They are controls that serve not only as central fiscal records, but also as a primary source of data for top management concerned with agency solvency, expenditures, and program costs.

The general ledgers are subdivided into arbitrarily created account titles, which are based on programs, projects, costs, and funds. Supporting them are a group of subsidiary ledgers and documents further detailing the information in the general ledgers or serving as posting media to the ledgers themselves. To the extent that they reflect appropriation expenditures, the general ledgers are supported by allotment ledgers, which at all times show the current unobligated balance of funds allotted for specific agency purposes and thereby provide a safeguard against over-expenditure by operating officials. The allotment ledgers are general controls over expenditures, and they, in turn, summarize and are supported by more detailed controls that normally take the form of project or job orders that authorize exact and specific expenditures.

The sources of data that are posted to the ledger files are somewhat diverse, but they fall into two general groups:

- a. Copies of various obligation or expenditure documents, such as vouchers and schedules, that flow through the ledger unit for posting.
- b. Journal vouchers and similar internal control documents created to authorize and convey entries to the general ledger.

As the centralized fiscal record, the general ledgers ultimately summarize stores, plant, and cost accounting data, which are treated in a separate schedule, but these are only several aspects of the total ledger accounts. Consequently, the ledgers are the source of the data included in the basic apportionment reports to the OMB and the Department of Treasury, and overall reports of agency fiscal condition which may be required by the General Accounting Office (GAO) (Schedules 6 and 8). The adequacy for audit purposes of the general ledger accounts is normally considered by GAO auditors to be indicative of the agency's entire accounting system and the reliability of its financial data.

Any records created prior to January 1, 1921, must be offered to the National Archives and Records Administration (NARA) before applying these disposition instructions.

When a claim is filed by or against the Government, records relating to the claim should be retained without regard to the otherwise applicable records retention schedules that would have authorized destruction of the records prior to the time when the claim is finally resolved, unless the agency has received written approval from the GAO (44 U.S.C. Section 3309 and 62 Comp. Gen. 42 (1982)). A claim is finally resolved: (1) when it is disallowed and the time for appealing the denial or instituting suit on the claim has expired; or (2) when it is allowed and paid or the amount offered in compromise is accepted and paid; or (3) when the amount found due and owing proves uncollectible because time limits for collecting the indebtedness through legal proceedings or by way of setoff have expired.

Instructions given are for record copies. All other copies are treated as informational unless separately scheduled. Informational copies cannot be retained beyond the retention period for the recordkeeping copies.

## **1. Expenditures Accounting General Correspondence and Subject Files.**

Correspondence or subject files maintained by operating units responsible for expenditures accounting, pertaining to their internal operations and administration.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy when 2 years old.

**Disposition Authority:** [GRS 7, Item 1]

## **2. General Accounting Ledgers.**

General accounts ledgers, showing debit and credit entries, and reflecting expenditures in summary.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy 6 years and 3 months after the close of the fiscal year involved.

**Disposition Authority:** [GRS 7, Item 2]

## **3. Appropriation Allotment Files.**

Allotment records showing status of obligations and allotments under each authorized appropriation.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy 6 years and 3 months after the close of the fiscal year involved.

**Disposition Authority:** [GRS 7, Item 3]

#### 4. **Expenditure Accounting Posting and Control Files.**

Records used as posting and control media, subsidiary to the general and allotment ledgers, and not covered elsewhere in this schedule.

a. Original records.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy when 3 years old.

**Disposition Authority:** [GRS 7, Item 4a]

b. Copies.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy when 2 years old.

**Disposition Authority:** [GRS 7, Item 4b]

#### 5. **Electronic Mail and Word Processing System Copies.**

Electronic copies of records that are created on electronic mail and word processing systems and used solely to generate a recordkeeping copy of the records covered by the other items in this schedule. Also includes electronic copies of records created on electronic mail and word processing systems that are maintained for updating, revision, or dissemination.

a. Copies that have no further administrative value after the recordkeeping copy is made. Includes copies maintained by individuals in personal files, personal electronic mail directories, or other personal directories on hard disk or network drives, and copies on shared network drives that are used only to produce the recordkeeping copy.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy/delete within 180 days after the recordkeeping copy has been produced.

**Disposition Authority:** [GRS 7, Item 5a]

- b. Copies used for dissemination, revision, or updating that are maintained in addition to the recordkeeping copy.

**Disposition:** Temporary.

**Recordkeeping Copies:** Destroy/delete when dissemination, revision, or updating is completed.

**Disposition Authority:** [GRS 7, Item 5b]