

PART EIGHT: REPORTING AND RECORD KEEPING

8.01 RECORDS AND RETENTION

SCAs and their subcontractors must maintain books, records, documents, and, utilize generally accepted accounting principles, procedures, and practices sufficient to reflect properly all costs incurred and anticipated for performance of the Agreement.

SCAs and their subcontractors must maintain a separate set of D&A records as follows: client service billings, accounting ledgers, journals, invoices, canceled checks, bank receipts, and other documents which evidence revenue and income and substantiate expenses. These records must properly reflect all of the following cost features: direct and indirect costs of labor, materials, equipment, and supplies; cost determinations for fees charged for services provided; and other costs and expenses for which funds have been provided.

SCAs and subcontractors must keep their records for four years after termination of the Agreement. Keep in mind the term of an Agreement may extend more than one year. Records and original supporting documents must be retained until disposition of any litigation, claims, or exceptions or four years from the termination of the Agreement, whichever occurs later.

Additionally, other regulations may supercede the aforementioned retention requirements, such as HIPAA. At a minimum, HIPAA requires all client-identifying information to be retained for a period of six years after final service payment. SCAs and subcontractors should consult HIPAA regulations for complete compliance requirements.