CHAPTER 3. PREPARING SCHEDULES, DISPOSAL LISTS AND OFFERS

3-1. WHEN TO PREPARE SCHEDULES, DISPOSAL LISTS AND OFFERS:

   a. After preparing an inventory and appraising unscheduled records:

   | IF the unscheduled | AND IF they... | THEN prepare... | TO request NARA'S approval of... |
   |                   |               | Records disposi- | Periodic disposal of the records, or |
   |                   |               | tion schedule    | Selection of a series for             |
   |                   |               | (See par. 3-17    | permanent retention and               |
   |                   |               | if planning to    | immediate transfer to National       |
   |                   |               | contract this out.)| Archives.)                             |
   | Still being       |               | Disposal list     | Immediate or future disposal of the   |
   | created           |               |                  | records.                              |
   |                   |               | Offer             | Selection of the records for permanent |
   |                   |               |                  | retention and immediate transfer to   |
   |                   |               |                  | National Archives.                    |

   NOTE: The National Archives and Records Administration (NARA) must approve schedules and lists before they can be used as authority to destroy Government records.

   b. When unusually significant records are part of a series scheduled as disposable. Separate the unusually significant records and prepare an offer asking NARA to approve their selection for permanent retention and their immediate transfer to the National Archives.

   Example: Public housing project records are scheduled as disposable, but NARA selected records of the Pruitt-Iago public housing project in St. Louis for permanent retention. The Pruitt-Iago records had research value due to the severe social breakdown that occurred there.

3-2. GENERAL RECORDS SCHEDULES (GRS).

   a. What are the GRS? NARA issues the GRS to cover the disposition of records common to most Federal agencies, mainly records of administrative functions and certain nontextual records. These
records make up about 1/3 of all agency records. The GRS are in HUD Handbook 2228.2. All Federal agencies must use them. (Authority: 44 U.S.C. 1503 and 3303a)

b. How HUD Schedule 3 Relates to GRS. HUD Records Disposition Schedule 3; "Administrative Records," is used with the GRS. Schedule 3 (Appendix 3 of Handbook 2225.6) was developed to get NARA approval for HUD deviations from the GRS. HUD requests deviations to:

(1) Get NARA approval of longer or shorter retention periods to meet HUD's administrative, legal, or fiscal needs for certain records covered by the GRS.

(2) Cover administrative and nontextual records deleted from the GRS so NARA can appraise them on an agency-by-agency basis to determine if they have archival value.

(3) Cover administrative records unique to HUD, including electronic and other nontextual administrative records.

c. Other Administrative Items. Some of HUD's other records disposition schedules have one or two items covering administrative records. Those items should be deleted when the schedules are updated.

3-3. POLICY ON SCHEDULE COVERAGE. The Department's policy is to develop HUD records disposition schedules on a program or functional basis, instead of an organizational one. Any organizational schedules must be changed to program or functional schedules as soon as possible. The Departmental Records Management Officer (DRMO) directs this effort.

3-4. SCHEDULING AUTOMATIC DATA PROCESSING (ADP) RECORDS. The disposition of ADP records (also called electronic or automated records) must be covered by an approved HUD records disposition schedule or GRS, as follows:

a. For records of ADP systems created in central ADP centers, such as the Headquarters computer room: A separate schedule item must be developed to cover the records of each ADP system. ADP system files are covered in the related HUD program or functional schedule. See Handbook 2229.1, Records Disposition Scheduling for Automated Systems, for detailed instructions on establishing retention periods for mainframe computer system files. Attach a copy of the system description from the "HUD Inventory of Automated Systems" before forwarding the schedule for approval. This paragraph also applies to ADP systems developed or operated under contract.

12/89

b. For electronic records created on personal computers at individual workstations: GRS 23 covers many of these records. A separate
schedule item must be developed for program data bases or other electronic records not covered by GRS 23. The schedule item will be added to the related HUD program or functional schedule. Contact the DRMO for assistance.

3-5. STANDARD FORM 115. Use Standard Form 115, "Request for Records Disposition Authority," to prepare a records disposition schedule, disposal list or offer. Use a separate form for each type of request. The SF 115 is a 5-copy form (Exhibit 3-1). It has a continuation sheet, SF 115-A. Follow the instructions on the back of the SF 115 and these:

a. Blocks 6B, C and D. Leave Blocks 6B and C blank. The DRMO will sign and date the form here before sending it to NARA. In Block 6D, type "Departmental Records Management Officer."

b. Block 7. Number the items of a disposal list or offer. Leave blank for a records disposition schedule.

c. Block 8 (for a records disposition schedule). To prepare a schedule (Exhibit 3-1):

(1) Type the heading (i.e., schedule number and title). See Exhibit 3-1. For a new schedule, contact the DRMO for this data.

(2) Provide background information so NARA can judge the value of the records. Describe what records the schedule covers. If they relate to a program, describe the program briefly. The booklet "Programs of HUD" is a possible source for the program description.

(3) List the schedules being replaced and give the related NARA job numbers. This includes predecessor agency schedules, if any. Prepare a conversion table. For each item of the proposed schedule, the table must show the specific HUD/predecessor agency schedules and items it replaces, with their related NARA jobs and items. Contact the DRMO for help in preparing this table.

(4) Add these certifications when proposing to microfilm permanent records:

(a) That HUD will follow certain technical filming standards. This certification must read:

"This certifies that the records described on this form will be microfilmed in accordance with the standards set forth in 36 CFR Part 1230."

(b) That storage conditions for the silver original microforms meet the standards in 36 CFR 1230.20. Also
indicate when the first inspection of the microforms will be made, as required by 36 CFR 1230.22.

d. Block 8 (for a disposal list). To prepare a disposal list (Exhibit 3-2):

(1) Opposite the item number in Block 7, describe the records to be destroyed. Give enough detail so NARA can evaluate the request. Clearly identify records on non-paper media (e.g., photographs, sound recordings, maps).

(2) Tell when the records were made (i.e., starting and ending dates).

(3) Give the exact time of destruction requested. Examples: "Destroy immediately" or "Destroy at the end of Fiscal Year 19XX."

(4) Explain why you are asking for immediate disposal (e.g., transfer of function or end of program).

e. Block 8 (for an offer). To prepare an offer (Exhibit 3-3):

(1) Opposite the item number in Block 7, describe the records to be offered in enough detail so NARA can evaluate the request. The description must:

   (a) Clearly identify records on non-paper media (e.g., photographs, sound recordings, maps.)

   (b) Indicate which office created the records.

   (c) Give the arrangement, volume (in cubic feet), and starting and ending dates for each series.

(2) Note any restrictions on access and use of the records.

(3) Identify any indexes or finding aids to the records. State whether they are included in the offer.

(4) Give the exact time of transfer proposed. Examples: "Transfer to the National Archives immediately" or "Transfer to the National Archives at the end of Fiscal Year 19XX."

(5) Explain why you are making the offer (e.g., end of program).

(6) Attach a copy of the SF 135(s), "Records Transmittal and Receipt," for records stored in the Federal Records Center.


12/89

3-6. FORMAT OF SCHEDULE. When preparing a records disposition schedule, use the filled-in SF 115 as a cover sheet. Type the draft schedule
on regular Typing Guide Sheets so it can be printed as an issuance after NARA approves it. See Exhibit 3-1, pages 3-22 and 3-23, for the sample schedule format. These instructions also apply:

a. Page Heading. Type a heading with the schedule number and title at the top of each page. It should be the same heading as in Block 8 of the SF 115.

b. Schedule Coverage. On the first page of the schedule only, describe what program or functional records the schedule covers.

c. Description of Records. Under this heading, describe each series of records proposed for disposition. Cover nonrecord material also. Don't include administrative record or nonrecord material. They are already covered by HUD Records Disposition Schedule 3. Par. 3-7 tells how to word these descriptions. When needed, subdivide the schedule items as follows:

First subdivision: a, b, c....

Second subdivision: (1), (2), (3)....

Third subdivision: (a), (b), (c)....

Fourth subdivision: 1, 2, 3....

d. Disposition. Under this heading, propose disposition instructions for each record series or nonrecord material. Pars. 3-8 through 3-10 tell how to decide what the disposition instructions should be and how to word them properly.

e. Subheadings. For long schedules, group schedule items under functional subheadings. Don't use organizational ones.

f. Page Numbering. Type page numbers at the bottom of each page of the draft schedule: The SF 115 cover sheet and continuation sheets are numbered separately.

3-7. HOW TO DESCRIBE RECORDS AND NONRECORD MATERIAL. Use the data collected during the inventory to prepare the descriptions of record and nonrecord material. Draft one schedule item for each record series inventoried.

a. Textual records and nonrecord material. Textual means written or printed.

(1) Name the type of record (e.g., correspondence, forms, reports, case or project files). Describe correspondence further as subject files, incoming or outgoing or both, reading files or chronological files.

3-5  12/89

(2) Don't use form numbers alone in item descriptions. Describe forms by showing their function. Use phrases like "Forms relating to...." When helpful, add the phrase "such as,"
(3) Tell whether reports are statistical or narrative and how often they are prepared.

(4) Make the description reflect the subject or function documented.

(5) Use phrases like "related papers" or "similar forms" to keep the description short.

(6) Estimate the current volume and yearly growth in cubic feet for each record series proposed as "permanent." Describe how these records are arranged.

(7) Give any other facts to help NARA judge the value of the records. Examples: Relationships to other series, duplication of content, or special uses of the records.

b. Microforms. When proposing to microfilm permanent or unscheduled records, schedule both the microform and the paper records (hard copy). Describe the record series first. Then subdivide the item description into "(a) Hard copies" and "(b) Microform (describe the type)."

c. Photographic Records.

(1) Identify the production, project, collection, part of collection, or other unit by description, title or number.

(2) Name the physical form of the records (i.e., motion picture, film, aerial mapping films, still photographs or paper prints).

(3) Describe the kind of copy:

(a) For motion pictures, tell whether the film is nitrate or acetate: Give the millimeter size. State whether the copies are negatives, master positives or projection prints.

(b) For still photographs, state whether they are glass plates or film and whether both negative and positive prints are available.

12/89

3-6
(5) Describe the condition of the records or give any other facts to support the proposed disposal.

d. Sound Recordings.

(1) Decide how the schedule units will be made up, in terms of collection or production.

(2) Identify the unit by description, title or number.

(3) State the physical form, such as aluminum disks or other media.

(4) State if the copy is the master, matrix or service copy.

(5) Show the number of disks.

e. Maps, Charts, and Related Graphic Records.

(1) Identify separate map series and describe each as a single schedule item.

(2) Describe the subject matter.

(3) Include any related file headings, numbers or descriptive symbols.

(4) Provide titles or designations for the group of records.

(5) State where the collection came from if not produced by HUD.

(6) Describe what the collection was used for.

(7) Give the starting and ending dates of the records.

(8) Provide data about the physical aspects of the collection:

   (a) Whether manuscript, annotated or photo-processed.

   (b) Whether portfolios, atlases and the like.

   (c) Whether filed, rolled or in some other form.

   (9) Give volume data in inches or feet. Estimate the number of maps.

f. Plan Files.

(1) Identify separate series and describe each as a single schedule item.

(2) Describe the subject matter involved.
3-8. HOW TO DECIDE ON PROPOSED RETENTION PERIODS FOR TEMPORARY RECORDS. Since only about 5% of an agency's records are permanent, most scheduling involves deciding how long to keep temporary records. This is called the retention period. It should reflect sound administrative, legal and fiscal requirements for the records. Consider these factors when deciding the retention period for a temporary record series:

a. Reference Activity. Only active records should be kept in HUD office space. When records become inactive, they should be removed (i.e., retired to a Federal Records Center or destroyed). Records are inactive when referred to once a month per file drawer or less often. Figure 3-1 suggests retention periods for common record series, based on normal reference activity.

<table>
<thead>
<tr>
<th>Common Record Series</th>
<th>Suggested Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reports data</td>
<td></td>
</tr>
<tr>
<td>In summarizing office</td>
<td>4-5 years</td>
</tr>
<tr>
<td>In preparing office</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Records of routine transactions</td>
<td>1 year after end of transaction</td>
</tr>
<tr>
<td>Inspection and audit reports</td>
<td>5 years</td>
</tr>
<tr>
<td>Transaction files</td>
<td>Maximum of 6 years after close of file or end of transaction (unless special legal factors require longer period)</td>
</tr>
</tbody>
</table>

b. Legal Factors. Federal statutes of limitations require keeping some records as long as legal actions are possible (usually 6 years after the file is closed). A short period is sometimes added to avoid legal problems caused by destroying records on the exact day the statute runs out.
c. Special Factors for Name Files. Name files mean files on the rights and benefits of people and on transactions with them. The retention period for name files depends on:

(1) When the file closes.

(2) What rights a person has by law after the file closes.

(3) The time limit for using those rights.

(4) HUD's administrative needs for audit and related purposes.

d. Special Administrative Needs. Special administrative needs may come from a temporary program in progress or a special investigation underway. If a special need will continue for a year or more, the retention period should reflect it. Once the need is met, adjust the retention period.

12/89

3-9

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e. Duplication of:

(1) Records being scheduled. Since other HUD offices may have copies, the one with the most complete documentation is named the "record copy." For outgoing correspondence, this is the copy prepared on the yellow tissue Form HUD-713, "Official Record Copy." The record copy is given a longer retention period than the others.

(2) Data in the records. Access to the same data in another form or from another source may reduce the retention period.

f. Five-Year Maximum. For temporary records, NARA set a maximum retention period of 5 years after creation, close of transaction or case file, or other event. A record series can have a longer retention period if it:

(1) Is based on sound administrative, legal and fiscal needs.

(2) Can be justified to the DRMO, on request.

g. General Accounting Office (GAO) Audit Needs. The retention periods in GRS 6, item 1, ensure that accountable officers' accounts records are available for GAO audit. If there are other HUD records (including automated files) which GAO may need, those records must be given appropriate retention periods. See par. 3-9a(4).

h. Risk. There is always a risk that someone may ask for records after they've been destroyed. The only way to avoid this is to keep everything forever which is physically impossible. Deciding retention periods in a realistic informed way will cut down on any problems caused by destruction.

3-9. HOW TO WRITE DISPOSITION INSTRUCTIONS FOR TEMPORARY RECORDS.
a. Word retention periods this way:

(1) Say "destroy" instead of "dispose of."

(2) State retention periods as one of these:

(a) A fixed time after creation. Example: "Destroy when 2 years old."

(b) A fixed time after an event, such as publication, acceptance, or revision. Example: "Destroy 2 years after completion."

(c) A definite time. Example: "Destroy when publication is sent."

(3) If two different events can trigger destruction, list both events. If needed, add "whichever is later" or "whichever is earlier." Examples:

"Destroy when superseded by revised plan or when building is sold."

"Destroy when property is sold or vacated, whichever is later."

(4) Use the following wording for records whose disposal depends on the completion of GAO audit of related accountable officers' accounts, and which are not required by GRS or law to be kept longer:

"Destroy original documents when 3 years old or when audited by the General Accounting Office, whichever is earlier."

(5) Don't say "Disposal not authorized." Each record series must have a definite retention period.

b. Include file breaks (also called cutoffs) when needed. Breaking or cutting off a file means ending it after a set time or event and starting a new one. File breaks help control file growth and save storage space. Follow these guidelines to develop file breaks for each type of file:

(1) In general: Don't break a series which only grows a few cubic feet a year.

(2) Subject or chronological files: Break at end of fiscal or calendar year if series grows at least 10 cubic feet a year. Break series every 2 or 3 years if it grows more slowly. Lacking a natural cutoff, subject files would have to be disposed of paper-by-paper without file breaks. See Figure 3-2.
(3) Case or project files: Break at end of transaction or event, such as employee separation, final purchase order payment, lease termination, or project completion. Closed case files should be marked with the date of closing before being placed in a separate inactive file. The inactive files can then be retired or destroyed in convenient fiscal or calendar year blocks. See Figure 3-3. Case files covering many years can be broken by setting up a new folder each year and retiring earlier folders with little reference activity.

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Figure 3-3

SAMPLE DISPOSITION INSTRUCTION SEPARATING INACTIVE FILES FOR RETIREMENT

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Records</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Record copy of evaluation project file. Includes copies of reports, questionnaires, and other data; evaluation of guidelines and procedural documents: progress reports and other papers reflecting the status of the project; and a copy of the final evaluation report.</td>
<td>Place in inactive file when evaluation project is completed. Retire to Federal Records Center 3 years after evaluation project is completed or when volume warrants. Destroy 6 years after project completion.</td>
</tr>
</tbody>
</table>

(4) Technical reference materials: Review each year to see if they are still useful. Technical reference materials should be destroyed when superseded, obsolete, or no longer needed for reference. They have no set cutoff and can't be retired to a Federal Records Center.

c. Use retirement instructions, where possible. They move inactive records from HUD office space to Federal Records Centers. See Figure 3-3. Write the instructions so that:

(1) Only inactive records are retired. Inactive means the files are referred to not more than once a month per file drawer.

(2) Records are retired only when they are not authorized for
Immediate disposal and when transportation costs will not exceed the resulting savings. Generally, records should not be retired if they will be destroyed within one year of retirement, although this is not a hard and fast rule. Records eligible for immediate disposal but kept because of a HUD-Imposed or court-imposed freeze cannot be retired.

12/89

3-12

(3) The retired records have a volume of at least one cubic foot (one box). If unsure of the volume, word the retirement instructions to require that offices hold records until "volume warrants." This means until the volume reaches at least one cubic foot. See Figure 3-3.

(4) The retired records have a specific disposition date. Records with a contingent disposition can’t be retired unless an exception is requested from NARA. A contingent disposition means the disposition is based on an event to take place at some future unspecified time. Example:

"Retire to Federal Records Center one year after project completion. Destroy when all research needs are met."

d. Write disposition instructions for both microforms and hard copies when unscheduled temporary records are being microfilmed. See Figure 3-4.

(1) Give the microforms a retention period based on HUD’s administrative, legal and fiscal needs.

(2) Require that the hard copies be destroyed after the microforms are checked and verified. The Department of justice and HUD’s General Counsel agree that, when filming and storage are done following the law and regulations, microforms can be used as evidence just as the original records.

(3) justify any exception to this approach to the DRMO.

Figure 3-4

SAMPLE DISPOSITION INSTRUCTION FOR MICROFILMED TEMPORARY RECORDS

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Records</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.</td>
<td>Work measurement study reports.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Consists of reports of findings and recommendations based on work measurement studies.</td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>Hard copies.</td>
<td>Destroy after microfiche is checked and verified.</td>
</tr>
<tr>
<td>b.</td>
<td>Microfiche.</td>
<td>Destroy when 10 years old.</td>
</tr>
</tbody>
</table>
e. Leave three blank lines following each disposition when typing a proposed schedule. A citation is added there before the approved schedule is printed. The citation is of the NARA job or General Records Schedule providing the legal authority for that disposition.

3-10. HOW TO WRITE DISPOSITION INSTRUCTIONS FOR PERMANENT RECORDS. The National Archives keeps permanent records; i.e., those having archival value. Archival value means long-range research and scholarship value beyond HUD's needs. Records kept a long time for HUD needs are not "permanent." HUD can recommend that NARA select a record series for permanent retention by wording the proposed disposition as follows:

a. First, say "PERMANENT."

b. Use file breaks and retirement instructions when needed. See pars. 3-9b and c.

c. Tell when to transfer the records to the National Archives. A record series cannot be kept permanently in HUD. Figure 3-5 shows a sample schedule item covering permanent records. See also par. 7-5 when scheduling records stored on optical disk for permanent retention.

**Figure 3-5**

SAMPLE PERMANENT SCHEDULE ITEM

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Records</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Record copy of publications files. Also called &quot;HUD Printed</td>
<td>PERMANENT</td>
</tr>
<tr>
<td></td>
<td>Archives. Consists of printed copies of each HUD publication,</td>
<td>annually. Hold in HUD storage. Transfer to National Archives 3 years after file break.</td>
</tr>
<tr>
<td></td>
<td>poster, chart, directive, regulation, booklet, speech, press</td>
<td></td>
</tr>
<tr>
<td></td>
<td>release, and other material HUD prints. Kept by Headquarters.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Current volume 17 cu. ft. covering material from 1981 to</td>
<td></td>
</tr>
<tr>
<td></td>
<td>present. Accumulates 5 cu. ft. annually.)</td>
<td></td>
</tr>
</tbody>
</table>

d. Write disposition instructions for both the microforms and hard copies when permanent records are being microfilmed, as follows:

(1) Give the microforms a permanent retention period. Include eventual transfer to the National Archives.

(2) Require that hard copies be destroyed after the microfilm is checked and verified.
(3) Justify any exception to this approach to the DRMO.

e. Don't use "Indefinite," "Retain," or "Disposal not authorized" as disposition instructions. They are not the same as "permanent."

f. Leave three blank lines after the disposition when typing the schedule. See par. 3-9e.

3-11. ASSISTANCE FROM DRMO AND NARA. The DRMO:

a. Gives guidance on how to develop a records disposition schedule, disposal list or offer. Includes advice on proper retention periods.

b. Reviews draft schedules, lists and offers for:

   (1) Proper format.

   (2) Completeness. Makes sure that all records and nonrecord material relating to the program or function are covered, wherever they are.

   (3) Clarity.

   (4) Proper retention periods, i.e., not too long.

c. Marks out any unchanged items (i.e., items not changed from previous schedules) on the schedule copies sent to NARA for approval. When a schedule is approved, it automatically supersedes any earlier schedule items covering the same records, unless it states otherwise.

d. Gets HUD concurrences and GAO and NARA approvals on schedules, lists and offers.

e. Sets up pre-clearance meetings with NARA when asked. To save time, NARA will discuss problems before getting the schedule, list or offer formally.

3-12. HUD CONCURRENCES.

a. What Concurrences Are Required? Except as allowed in par. b, a proposed HUD records disposition schedule, disposal list or offer must have these concurrences:

   (1) Program Concurrence. The office(s) creating and/or keeping the records covered by the schedule, list or offer must concur. The DRMO decides what program concurrences are needed. Since most schedules cover a program/function, not an organization, concurring offices may include:

      12/89

   3-15

   (a) Headquarters offices other than the one which prepared
the schedule.

(b) Regional and Field Offices as well as Headquarters.

Legal Concurrence. The proper HUD legal office must concur in the schedule, list or offer to make sure legal needs were considered.

b. Exception. The DRMO can certify a disposal list or offer without concurrences when:

(1) The office which created the records no longer exists and a successor office can't be found, or

(2) The offices asked to concur will not act because the records are old and unfamiliar.

c. How to Get Concurrences. The DRMO and preparing office decide how best to get concurrences. Concurrences are made either:

(1) Directly on the SF 115, or

(2) Through the HUD issuances system.

d. Certification. The DRMO signs and dates the SF 115 (Blocks 6B and C) as agency representative. This certifies that HUD won't need the records when destroyed or transferred as proposed. The DRMO sends the schedule, list or offer to either GAO or NARA for approval.

3-13. GENERAL ACCOUNTING OFFICE (GAO) APPROVAL.

a. GAO approval is required for a schedule or list covering:

(1) Records of the following administrative functions where the proposed retention periods are less than those in the General Records Schedules:

Payroll and pay administration.

Procurement, supply and grants.

Property disposal.

Budget preparation, presentation and apportionment.

Accountable officers' accounts (HUD copies).

Expenditure accounting.

Stores, plant and cost accounting.

Travel and transportation.
Motor vehicle maintenance and operation.

(2) Program records which are to be kept for less than 3 years.

(3) Records relating to claims or demands by or against the Government when the proposed retention period is less than that required in the GRS.

b. Submit the proper written justification with the schedule or list:

(1) For exceptions to the GRS:

(a) Cite the GRS schedule and item that would normally apply.

(b) Provide copies of the current and proposed retention periods.

(c) Briefly explain how the records are used in conducting Government business.

(d) Give the reasons justifying the proposed change.

(e) Include the views expressed by various Government users on the proposed change.

(2) For program records to be kept less than 3 years:

(a) Fully justify the request.

(b) Include the views of other Government users.

(3) For claims records:

(a) Attach the views of HUD's Office of General Counsel and, when needed, the Department of Justice.

(b) If proposing to destroy claims records when collection has not been made and the statutes of limitations for suing or collecting by offset have not run, make it clear that HUD has followed the Federal Claims Collection Standards in deciding to end collection efforts.

12/89

3-17

c. NARA will not approve a schedule or list without prior GAO approval, when required. Normally, GAO approval is obtained before the schedule or list is sent to NARA. However, the schedule or list may be submitted to NARA and GAO at the same time to speed up review. In such cases, the DRMO will check Block 6A of the SF 115 and add the phrase "has been requested" to the Block. NARA must get a copy of GAO's written approval before they will publish notice of the schedule or list.

3-14. NARA APPROVAL. The DRMO sends every schedule, list or offer to NARA
for final approval.

a. Changes. If HUD agrees, NARA can make minor changes to a schedule, list or offer to make it clear and more accurate. If the document needs major changes, NARA will return it to HUD. Exception: If NARA rejects all or part of an offer, they will negotiate with HUD on an appropriate disposition and change the SF 115 before final approval.

b. Withdrawn Items. All or part of a schedule, list or offer can be withdrawn if conditions change. The preparing office asks the DRMO to arrange the withdrawal with NARA. NARA still reviews any items not withdrawn. The preparing office revises the withdrawn items and resubmits them separately.

c. Public Comment. By law, NARA must seek public comment before approving any agency disposal lists, new schedules, or schedule revisions which propose to decrease retention periods. NARA does this by publishing a monthly notice of such documents in the Federal Register. Those interested in reviewing any document can contact NARA for a copy.

d. Notice of Approval. The Archivist of the United States approves the schedule, list or offer in the upper right block of the SF 115. NARA returns a signed copy to the DRMO, with a copy of the appraisal report.

3-15. FINAL ACTION ON APPROVED SCHEDULE, LIST OR OFFER.

a. List or Offer. The DRMO makes sure that the records are destroyed or transferred to National Archives as required.

b. Schedule. A citation is added after each disposition. The citation is of the NARA Job or General Records Schedule providing the legal authority for that disposition. See Figure 3-6. The schedule is printed and distributed as an Appendix to HUD Handbook 2225.6. The DRMO sends 20 copies to NARA and 1 copy to GAO.

12/89

3-18

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Records</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>Correspondence chronological or reading files. Consist of extra (nonrecord) copies of</td>
<td>Destroy 3 years after file break or when no longer needed for reference,</td>
</tr>
<tr>
<td></td>
<td>outgoing correspondence made solely as a reference or reading file for the convenience</td>
<td>whichever is earlier (NARA Job NC1-207-80-5, item 2)</td>
</tr>
<tr>
<td></td>
<td>of office personnel.</td>
<td></td>
</tr>
</tbody>
</table>
3-16. SF 115 PREPARED BY CENTER. Federal Records Centers prepare SF 115's to cover unscheduled records stored there or to reduce retention periods for scheduled records. The SF 115 may be a disposal list, offer or schedule covering one or more record series. NARA clears them with HUD before approving them.

3-17. USE OF CONTRACTORS TO PREPARE RECORDS DISPOSITION SCHEDULES. At their expense, HUD offices can contract for the preparation of records disposition schedules to cover their records if they are unable to do the work themselves. The contract must require that:

a. The contractor comply with Chapter 3 of this Handbook in preparing the schedule. If the HUD office's records have not been inventoried, the contractor must also be required to comply with Chapter 2 when preparing the inventories.

b. The DRMO be given a copy of the draft schedule for review and comment, and the contractor be responsible for making any needed changes.

c. Program and legal concurrence, DRMO certification, and GAO approval (if needed) be obtained before the schedule is submitted to NARA.

d. The contractor make any changes required by NARA before approval.

e. The contract remain open and final payment be withheld until after NARA approves the schedule. A schedule produced by a contractor cannot be used until NARA approves it.

f. The contractor add the citation of the NARA job and item number at the end of each disposition after NARA approves the schedule.

3-19 12/89

Exhibit 3-1

RECORDS DISPOSITION SCHEDULE 2

LEGAL RECORDS

This Schedule provides disposition instructions for those records relating to the legal functions of the Department. Legal functions are the main responsibility of the Office of General Counsel, the HUD Board of Contract Appeals and the Office of the Administrative Law judge. The Office of General Counsel provides legal advice, opinions and services regarding all programs, policies and activities of the Department. The HUD Board of Contract Appeals issues final decisions for the Secretary in all contract disputes which are appealable to the Court of Claims up to 6 years after the date of issue. The Board also issues decisions in other administrative appeals that become final 30 days after issue. The Administrative Law judge issues decisions in administrative appeal areas where the right to a hearing is granted by statute or agreement.
This Schedule covers legal records kept in Field Offices as well as in Headquarters. Some HUD offices other than those listed above may also have records relating to a legal activity and those records are also covered by this Schedule. The Schedule also covers legal records created by HUD's predecessor agencies.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Records</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Employees' personal property claims case files. Consist of records concerning claims filed by HUD employees for loss or damage to personal property connected with Government service.</td>
<td>Destroy 3 years after case is closed.</td>
</tr>
<tr>
<td>2.</td>
<td>Official Litigation Case Files. Each file contains all documents and correspondence pertaining to any case in which a Department official or employee is a party, from filing of complaint until entry of final judgment. Includes cases in which the Department files as a friend of the court but is not actually a party.</td>
<td>Close file after entry of final judgment. Retire to Federal Records Center 1 year after entry of final judgment. Destroy 7 years after entry of final judgment.</td>
</tr>
<tr>
<td>a.</td>
<td>Official litigation case files specifically identified by a Headquarters Associate General Counsel or a Regional Counsel as having unusual significance for the Department. Such cases will be segregated by office personnel prior to retirement to the Federal Records Center.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>All other official litigation case files.</td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td>Unofficial reference copies of litigation documents.</td>
<td>Destroy when superseded or obsolete, or when no longer needed for administrative or reference use. Do not retire to Federal Records Center.</td>
</tr>
</tbody>
</table>

12/89

3-23