



United States
General Accounting Office
Washington, D.C. 20548

Office of the General Counsel

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Ms. Margaret A. Willis
FAR Secretariat
General Services Administration

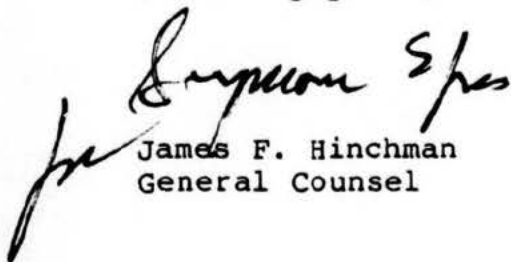
Dear Ms. Willis:

This responds to your request for our comments on a proposal to amend Federal Acquisition Regulation (FAR) § 4.703 with respect to contractor records retention. This is FAR Case No. 88-19.

The proposal would automatically extend the period of time contractors are required to retain certain accounting records generated under government contracts whenever those contractors fail to timely submit indirect cost rate proposals under FAR §§ 52.216-7 and 52.216-13. It would also expand the meaning of the term "records" for retention purposes under FAR Subpart 4.7 to include specified computer input data such as punched cards, disks and tapes.

We have no objection to the proposed amendment.

Sincerely yours,



James F. Hinchman
General Counsel