

SUBCONTRACTOR FINANCIAL RECORD KEEPING AGREEMENT

This Agreement is entered into on this _____ day of _____, 20____, by and between:

Contractor: _____

With a principal place of business at: _____

And

Subcontractor: _____

With a principal place of business at: _____

1. PURPOSE

The purpose of this Agreement is to establish the standards, requirements, and responsibilities of the Subcontractor regarding financial record keeping in connection with the services performed under the primary subcontract agreement dated _____.

2. MAINTENANCE OF RECORDS

The Subcontractor shall maintain accurate, complete, and separate financial records, accounts, and documentation pertaining to all transactions, costs, expenses, and receipts related to the performance of services under the primary contract. These records shall include, but are not limited to:

1. Itemized invoices, receipts, and vouchers for all materials and equipment purchased.
2. Payroll records, timesheets, and labor cost allocations for all personnel.
3. Sub-subcontractor agreements, invoices, and payment confirmations.
4. Tax documents, withholding records, and proof of compliance with local, state, and federal tax regulations.
5. Any other financial documentation directly relating to the scope of work.

3. ACCOUNTING STANDARDS

All financial records shall be kept in accordance with Generally Accepted Accounting Principles (GAAP) or another standard accounting methodology approved in writing by the Contractor. All records must be legible, organized, and easily auditable.

4. RETENTION PERIOD

The Subcontractor shall retain all financial records relevant to the performance of work for a minimum period of _____ years following the completion of the project, final payment under the primary contract, or termination of services, whichever occurs later.

5. AUDIT RIGHTS AND ACCESS

The Contractor, its designated representatives, or authorized regulatory agencies shall have the right, upon reasonable prior notice, to inspect, audit, and copy all financial records maintained by the Subcontractor related to the project. The Subcontractor agrees to cooperate fully during any such audit and provide suitable workspace for the auditors.

6. CONFIDENTIALITY

All financial information disclosed or obtained under this Agreement shall be treated as confidential. Neither party shall disclose financial details of the project to any third party without the prior written consent of the other party, except as required by law,

court order, or regulatory authorities.

7. COMPLIANCE WITH LAWS

The Subcontractor shall ensure that all financial record-keeping practices comply with all applicable local, state, and federal laws, including but not limited to labor standards, tax laws, and anti-bribery regulations.

8. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of _____, without giving effect to any choice of law principles.

9. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties regarding financial record keeping for the specified project and supersedes all prior discussions, negotiations, or drafts.

IN WITNESS WHEREOF, the parties hereto have executed this Subcontractor Financial Record Keeping Agreement as of the date first written above.

CONTRACTOR:

SUBCONTRACTOR:

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date