

Contract Closeout— Finish the Paperwork

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Presented by:

Cass Carroll — Brace Management Group
Maurice Caskey — Consultant

What is the Closeout Process?

- A process to finish or resolve all contractual requirements for a physically complete contract
- The objective is to establish the final price and make the final payment

“Closeout is completed when all administrative actions have been completed, all disputes settled, and final payment has been made.”
[DCMA Contract Closeout Guidebook]

Outline

- Regulatory requirements
- Closeout process overview
- Government actions
- Contractor actions
- Expiring and cancelling funds
- Helpful hints
- Your questions

REGULATORY REQUIREMENTS



What the FAR and DFARS for DoD
contracts require

FAR 4.804-1 — Closeout by the Office Administering the Contract

(a) Except as provided in paragraph (c) below, time standards for closing out contract files are as follows:

(1) Files for contracts using **simplified acquisition procedures** should be **considered closed** when the contracting officer receives evidence of receipt of property and **final payment**, unless otherwise specified by agency regulations.

FAR 4.804-1(a) continued

- (2) Files for **firm-fixed-price contracts**, other than those using simplified acquisition procedures, **should be closed within 6 months** after the date on which the contracting officer receives evidence of physical completion.
- (3) Files for **contracts requiring settlement of indirect cost rates should be closed within 36 months** of the month in which the contracting officer receives evidence of physical completion.
- (4) Files for **all other contracts should be closed within 20 months** of the month in which the contracting officer receives evidence of physical completion.
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FAR 4.804-1(b)

(b) When closing out the contract files at 4.804-1(a)(2), (3), and (4), the contracting officer shall use the closeout procedures at 4.804-5. However, these closeout actions may be modified to reflect the extent of administration that has been performed. **Quick closeout procedures** (see 42.708) **should be used, when appropriate**, to reduce administrative costs and to enable deobligation of excess funds.

FAR 4.804-1(c)

(c) A contract **file shall not be closed** if —

(1) The contract is in litigation or under appeal;
or

(2) In the case of a termination, all termination actions have not been completed.

FAR 4.804-5 — Procedures for Closing Out Contract Files

(a) The contract administration office is responsible for initiating (automated or manual) administrative closeout of the contract after receiving evidence of its physical completion. At the outset of this process, the contract administration office must review the contract funds status and notify the contracting office of any excess funds the contract administration office might deobligate. When complete, the administrative closeout procedures must....

FAR 42.708, Quick-closeout procedure

- (a) The contracting officer responsible for contract closeout shall negotiate the settlement of indirect costs for a specific contract, in advance of the determination of final indirect cost rates, if —
- (1) The contract is physically complete;
 - (2) The amount of unsettled indirect cost to be allocated to the contract is relatively insignificant. Indirect cost amounts will be considered insignificant when —
 - (i) The total unsettled indirect cost to be allocated to any one contract does not exceed \$1,000,000; and

FAR 42.708(a) continued

(ii) Unless otherwise provided in agency procedures, the cumulative unsettled indirect costs to be allocated to one or more contracts in a single fiscal year do not exceed 15 percent of the estimated, total unsettled indirect costs allocable to cost-type contracts for that fiscal year. The contracting officer may waive the 15 percent restriction based upon a risk assessment that considers the contractor's accounting, estimating, and purchasing systems; other concerns of the cognizant contract auditors; and any other pertinent information; and

(3) Agreement can be reached on a reasonable estimate of allocable dollars.

FAR 42.708(b) & (c)

- (b) Determinations of final indirect costs under the quick-closeout procedure provided for by the Allowable Cost and Payment clause at 52.216-7 shall be final for the contract it covers and no adjustment shall be made to other contracts for over- or under-recoveries of costs allocated or allocable to the contract covered by the agreement.
- (c) Indirect cost rates used in the quick closeout of a contract shall not be considered a binding precedent when establishing the final indirect cost rates for other contracts.

A “Physically Complete” Contract

- All deliveries complete
 - All goods delivered and accepted
 - All services performed and accepted
 - DD250(s), if required, executed for goods and data
- All direct labor and material costs have been incurred
- All excess material disposed of

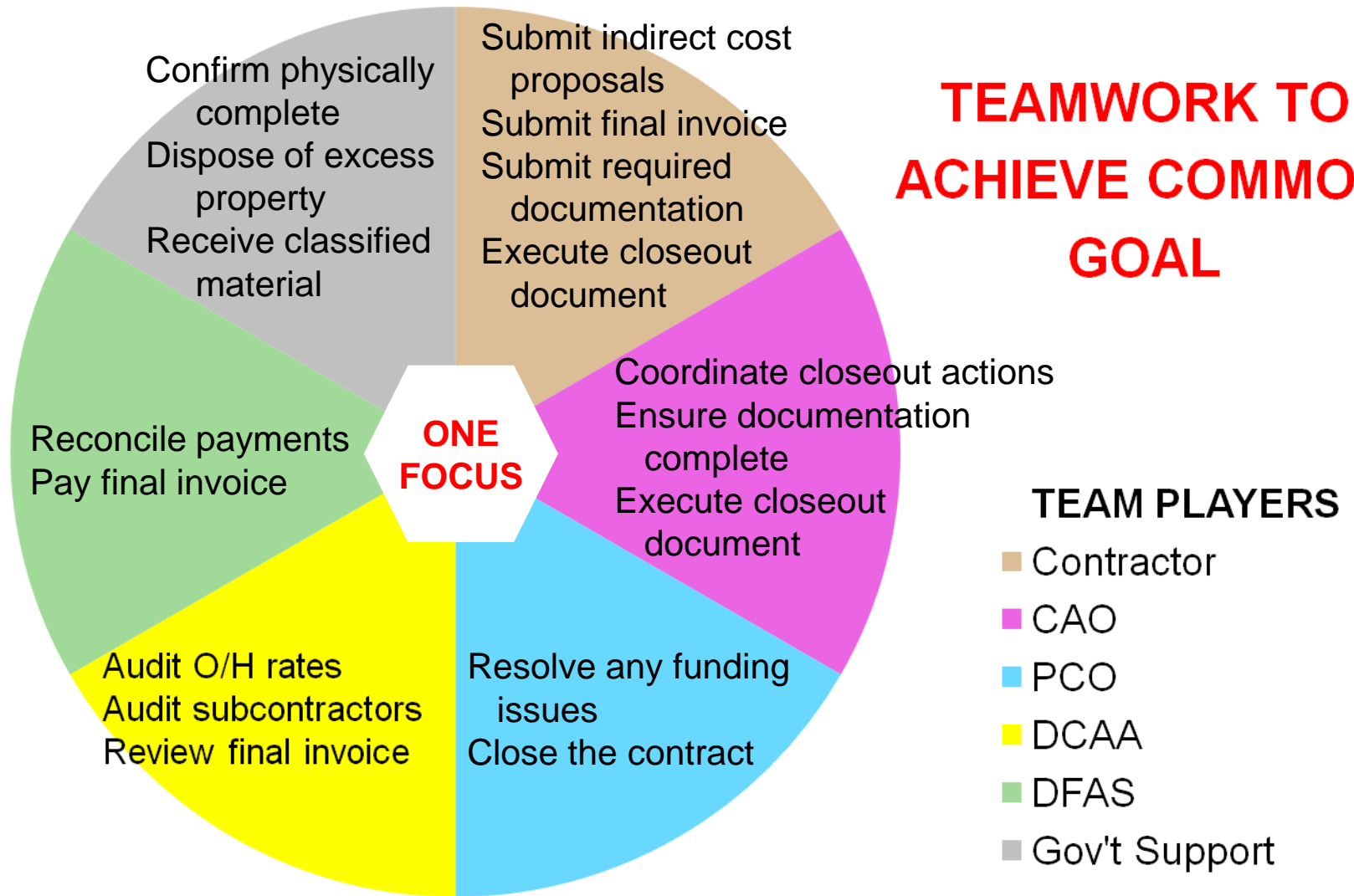
THE CLOSEOUT PROCESS



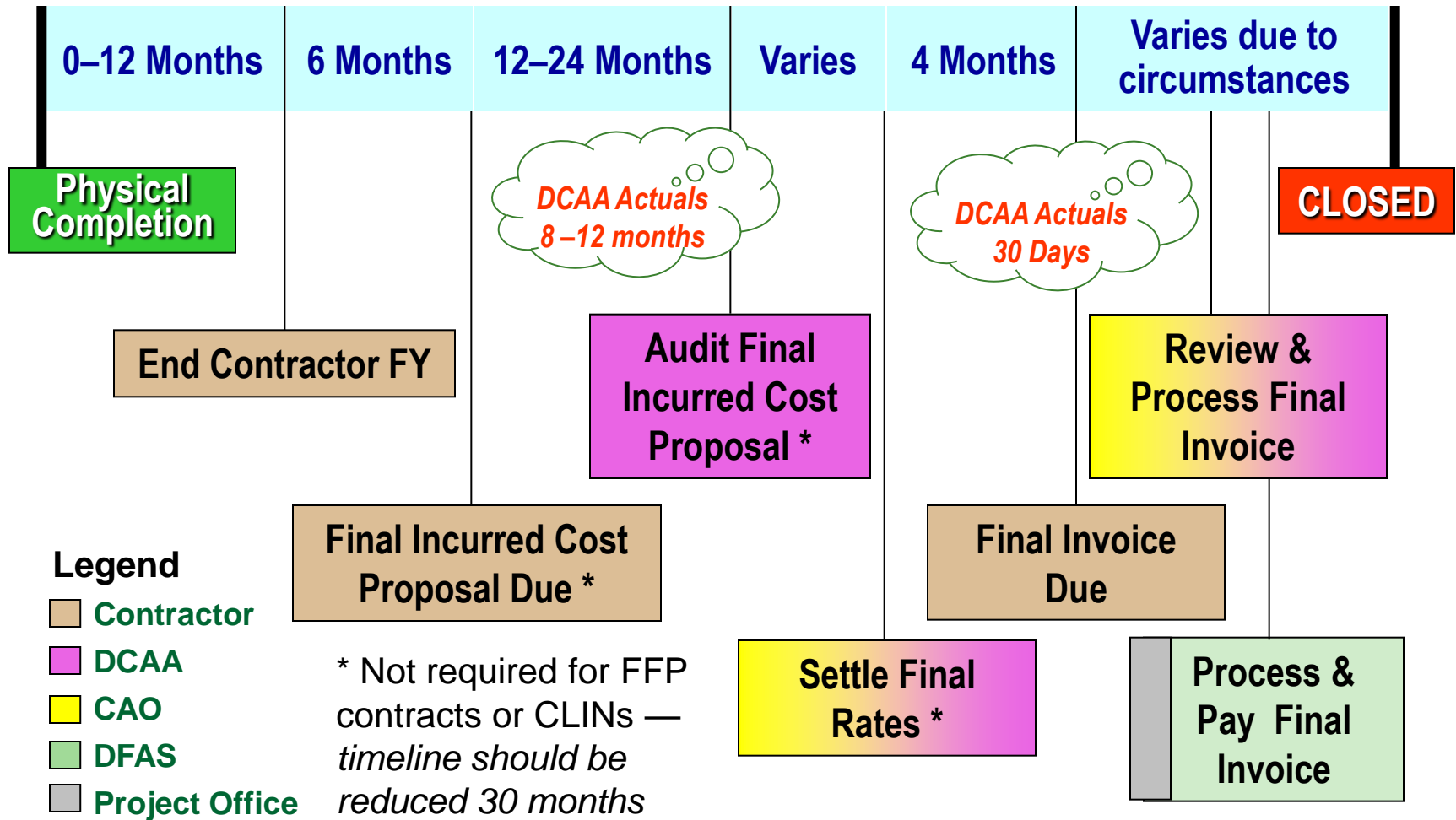
It isn't just "6 easy steps"

What myriad people are required to do

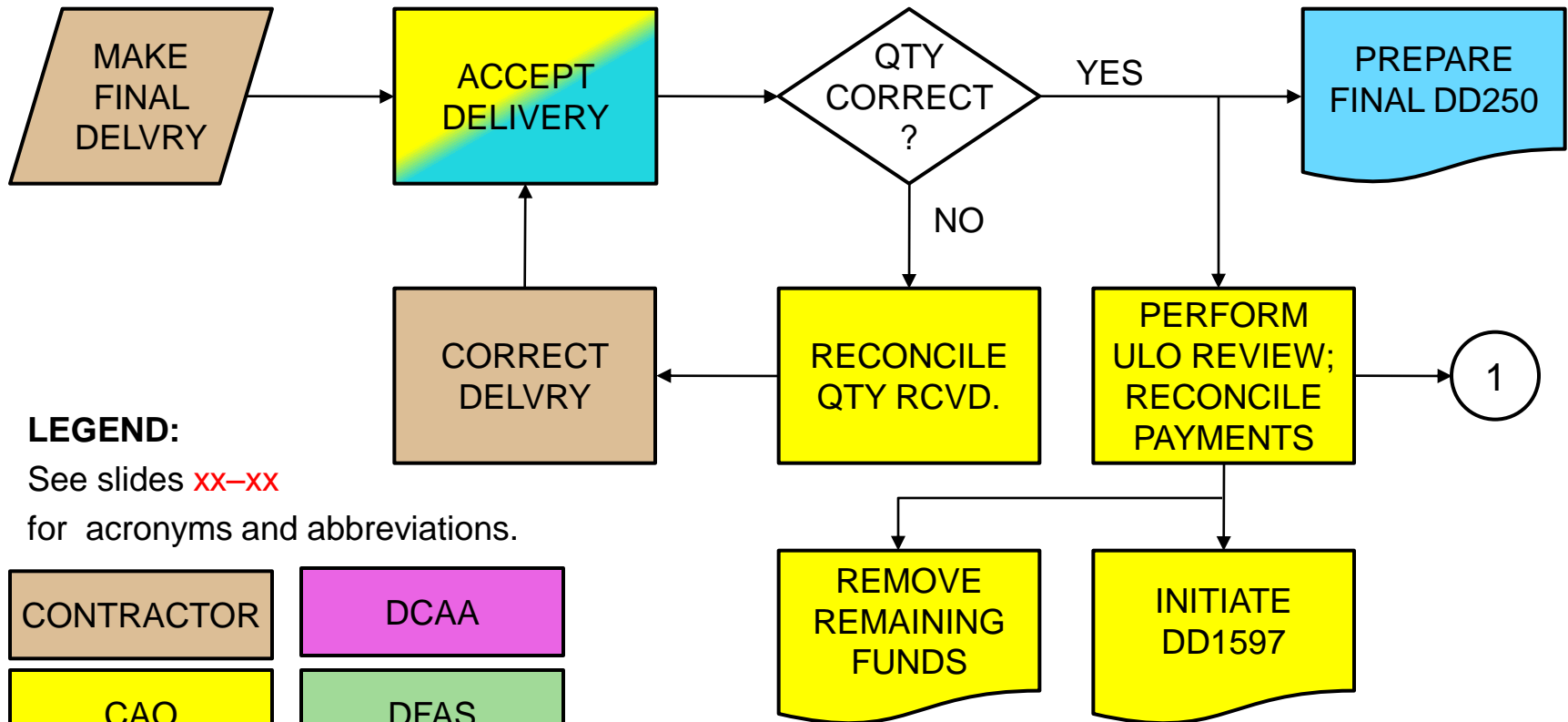
Closeout Process “Players”



Closeout Timeline



Contract Closeout Process — Starts at Final Delivery



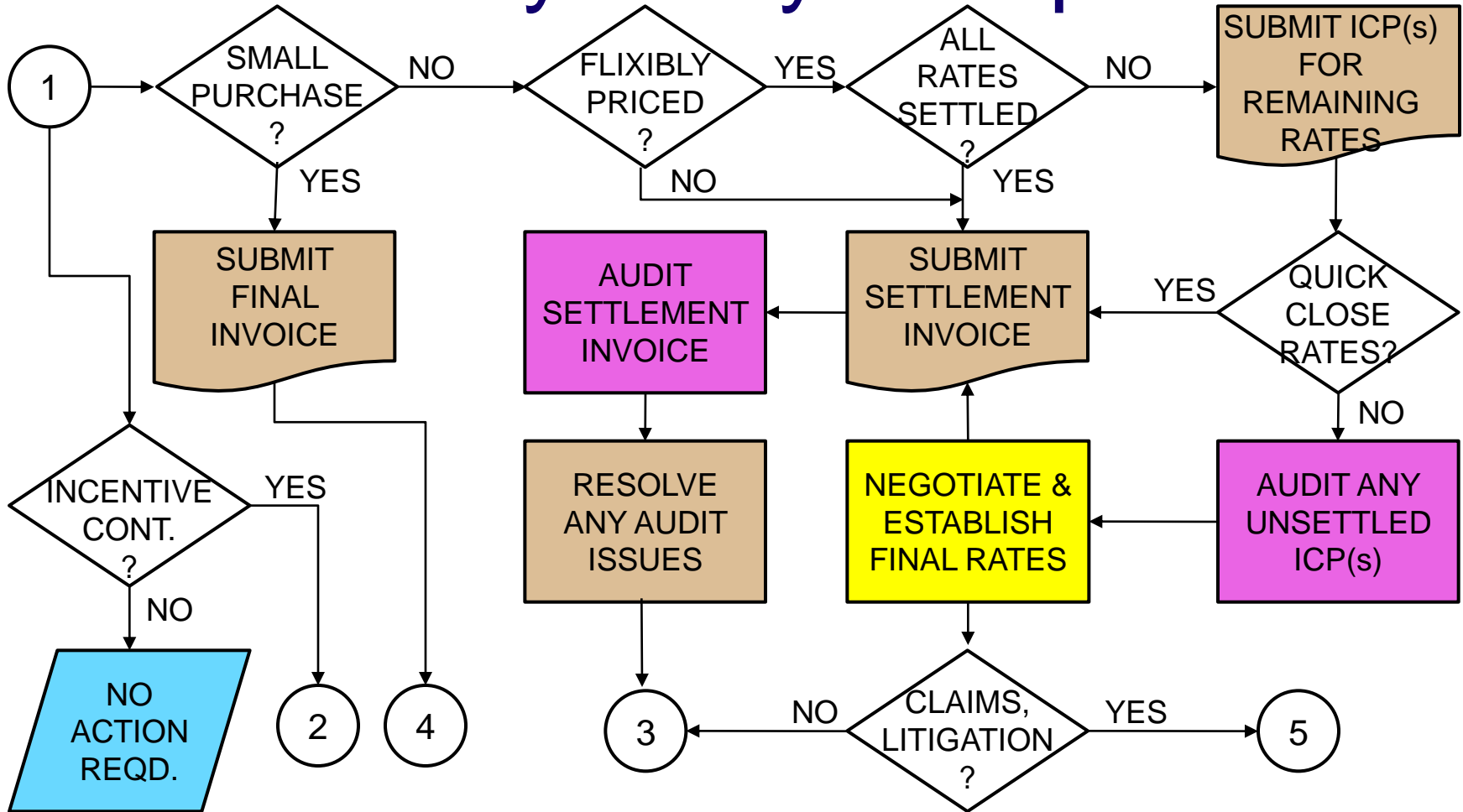
LEGEND:

See slides **xx-xx**

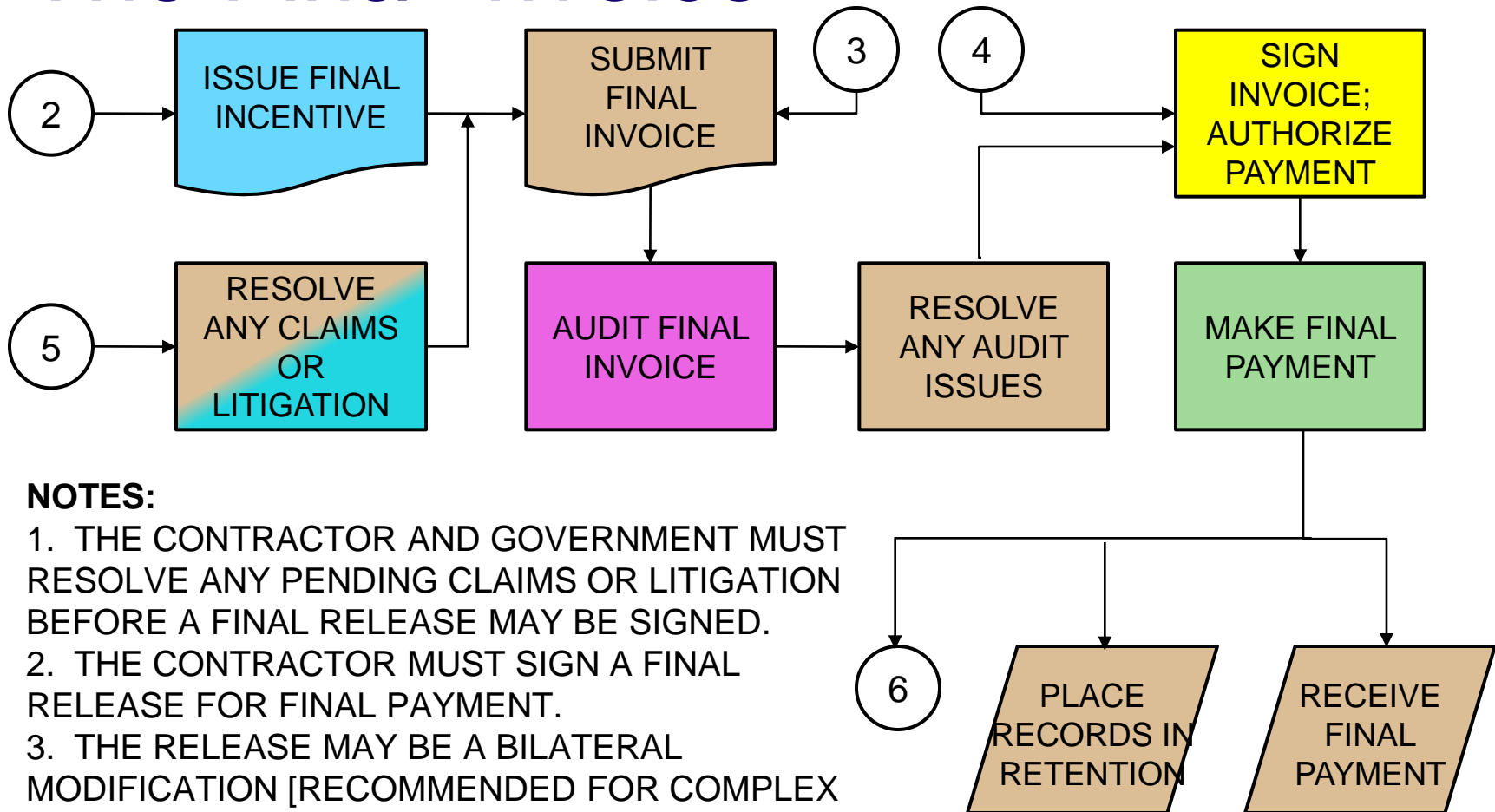
for acronyms and abbreviations.

CONTRACTOR	DCAA
CAO	DFAS
PCO	DECISION POINT

Contract Closeout Process — Contract Physically Complete



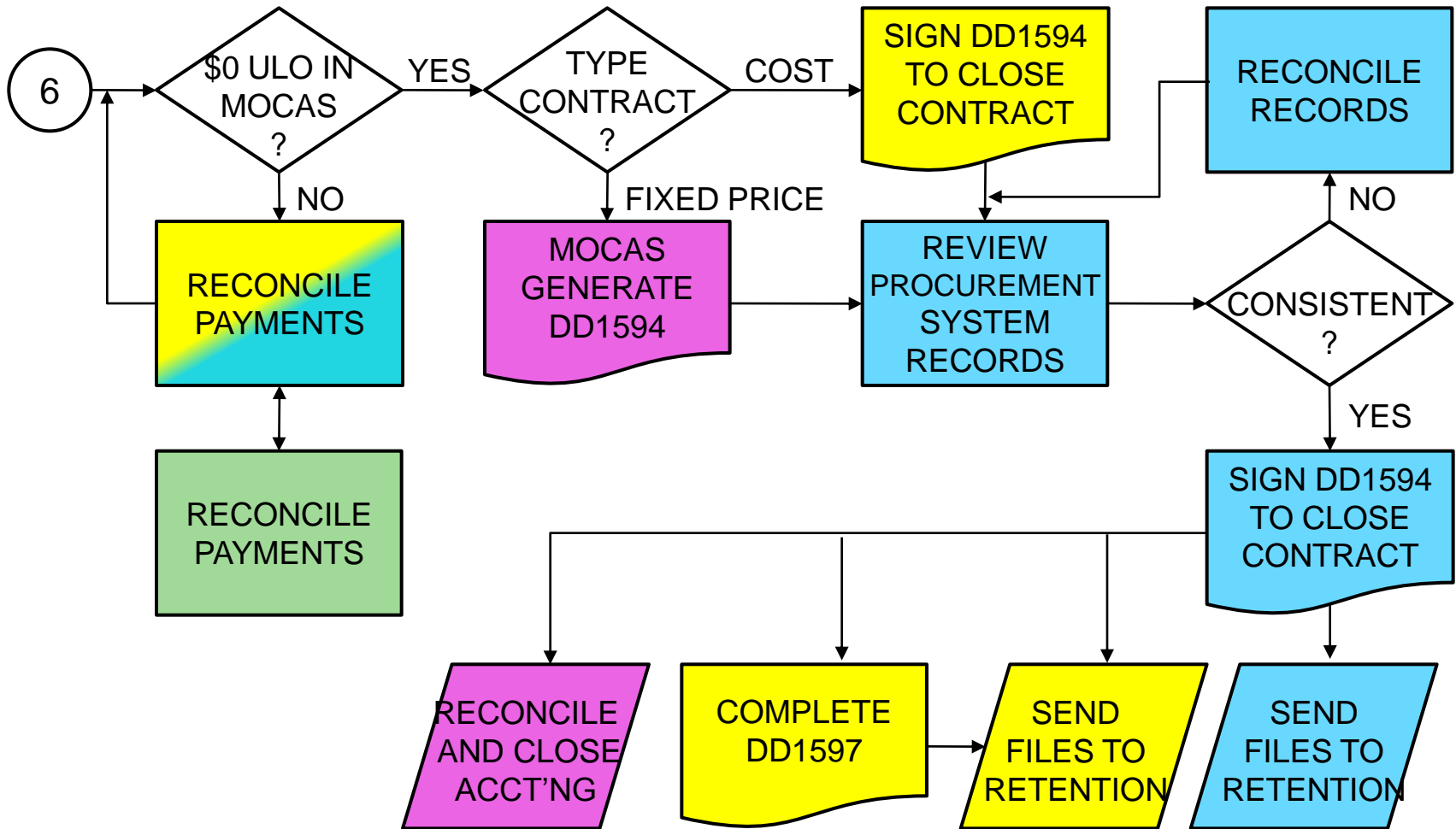
Contract Closeout Process — The Final Invoice



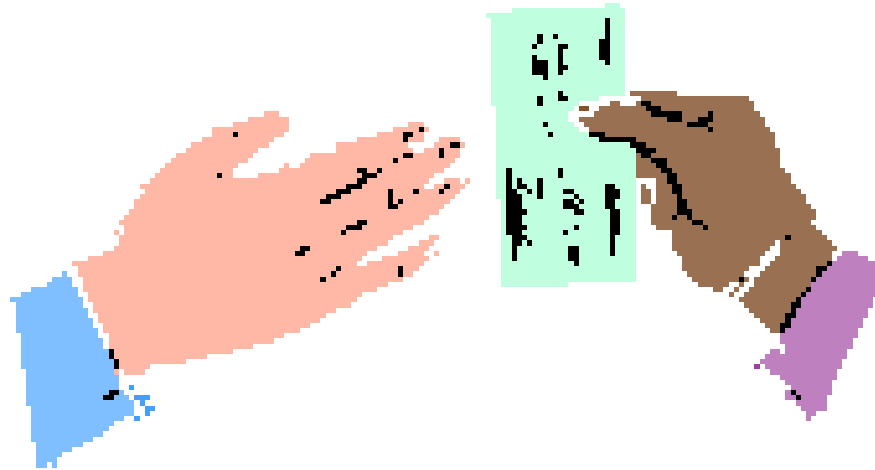
NOTES:

1. THE CONTRACTOR AND GOVERNMENT MUST RESOLVE ANY PENDING CLAIMS OR LITIGATION BEFORE A FINAL RELEASE MAY BE SIGNED.
2. THE CONTRACTOR MUST SIGN A FINAL RELEASE FOR FINAL PAYMENT.
3. THE RELEASE MAY BE A BILATERAL MODIFICATION [RECOMMENDED FOR COMPLEX PROCUREMENTS] OR A SEPARATE DOCUMENT.

Contract Closeout Process — The Government Wrap-up



GOVERNMENT ACTIONS



The Government Team and its tasks for
successful, timely close-out

Selecting Closeout Method

- FAR requirements for indirect rates at closeout:
 - Quick closeout — negotiated rates in advance of final rates [see FAR 42.708]
 - Early closeout — final or negotiated rates [see FAR 52.232-7]
 - Standard closeout — final audited rates [see FAR 42.705-1 & 42.705-2]

- Candidates for method based on:
 - Type of contract
 - Total value and POP

Quick Closeout Candidates

- Final POP generally is less than full FY
- Direct and indirect costs incurred in the last FY relatively small, particularly if the contract is physically completed early in the year [see DCAAM 6-1010]
 - It is generally mutually advantageous to the government and contractor to close such contract as soon as possible
 - Do not wait for year-end and final rates determination

Early Closeout Candidates

- Task orders on T&M contracts
- Delivery orders under IDIQ contracts
- Labor-hour tasks under IDIQ contracts
- Short-duration CPFF contracts
(particularly small businesses)

Standard Closeout Candidates

- Any contract that does not qualify for quick or early closeout
- Unsettled direct costs to be allocated to the contract >\$1,000,000

Quick-Closeout Process

- ACO contacts contractor **or**
Contractor initiates process with letter
- Contractor:
 - ❑ Prepares proposed indirect rates for 3 years preceding — must support unsettled rates during POP!
 - ❑ Provides settled and/or DCMA audited rates and incurred direct costs for FYs during POP
 - ❑ Identifies contract status

Establish Rates for Quick-Close

- Indirect rates must be deemed to be fair and reasonable to both parties
- Estimated rates for final FY are based on contractor's actual data adjusted for historical disallowances found in prior FYs
- DCAA contacts ACO after completing audit
- Final rates are negotiated for unsettled years

Completing Quick-Close Process

- ACP prepares advance agreement
 - Forwards agreement to contractor
 - Contractor prepares final voucher (or invoice)
- ACO verifies all required closeout documentation received
- ACO and contractor execute advance agreement
- Contractor submits final voucher within 30 days after execution of the advance agreement

Quick-Close Rates

- Indirect cost rates are final for that given contract
- No adjustments made to other contracts for over- or under-recovery
- Indirect cost rates not considered a binding precedent on other contracts

Early Closeout Considerations

- IDIQ contracts with FAR 52.232-7
 - Government may retain 5% of payments up to \$50K [see FAR 52.232-7(a)(7)]
 - Release of withholdings is linked to the contractor release [see FAR 52.232-7(g)]
- T&M contracts with FAR 52.216-29 or 52.216-30
- CPFF contracts with FAR 52.216-8

Benefits of Early Closeout

- Allows for timely closeout
- Prevents systematic cancellation of funds
- Allows the ACO to deobligate excess funds on physical completion of TOs and DOs
- Reduces administrative closeout requirements

Closeout is Complete

When:

- All administrative actions have been completed
- All services have been received
- All disputes have been settled
- Final payments have been made

Closeout Coordination

ACO leads process coordinating with:

- DCMA
- DFAS
- DCAA (or other audit agency)
- The buying activity
- COTR & QAR, if assigned
- The contractor
- If necessary: OGC, DCIS, IG & DoJ

Closing out Contract Files (FAR 4.804-5)

- CAO initiates administrative closeout
- Review contract funds status
 - Notify the contracting office of any excess funds that might be de-obligated
 - Review all ACRNs used for contract

Closeout Initiated

- Prime contractor settles all subcontracts
- Prior year indirect cost rates settled
- All interim or disallowed costs settled
- No open DCAA Forms 1
- Contract audit completed for flexibly priced contracts
- Termination docket completed

Closeout Actions

- Prepare contract completion statement
- Contractor submit and government pay final invoice
- Complete contract funds review
- De-obligate excess funds
- Complete price revision (if required)
- Complete contractor release

Closeout Reports

- Settle any outstanding VECs
- Complete disposition of classified material (if classified contract)
- Clear final patent report (DD882)
- Clear final royalty report (if required)
- Received property clearance report

San Diego Area CAOs

- PCO
- DCMA
- SUPSHIP & SWRMC
- NATEC
- SPAWAR & SSCPAC
- ONR-administered contracts, grants & cooperative agreements

PCO-administered Contracts

- Determine POP has ended
- Notify contractor to submit final invoice
- Ensure all requirements on DD1597 are complete

PCO Closeout Steps

- Conduct financial reconciliation
- Check lines of accounting on contract
- Ensure final invoice within POP
- Forward final invoice to DCAA requesting audit (except FFP CLINs)
- Receive audit report; compare:
 - DCAA audit and final invoice
 - Contract Ts&Cs and final invoice

More PCO Closeout Steps

- Certify final invoice
- Issue contract modification to de-obligate excess funds
- Submit final invoice to DFAS
- Track final invoice for payment

When to Use Audit Waiver

- Previous audits have been favorable
- Contractor has adequate accounting system
- Contractor has adequate cost controls in place
- In the best interest of the government

FAR 42.701 — [Indirect cost rates] Definition

“Billing rate,” as used in this subpart, means an indirect cost rate--

(1) Established temporarily for interim reimbursement of incurred indirect costs; and

(2) Adjusted as necessary pending establishment of final indirect cost rates.

FAR 42.702 — Purpose

- (a) Establishing final indirect cost rates under this subpart provides --
 - (1) Uniformity of approach with a contractor when more than one contract or agency is involved;
 - (2) Economy of administration; and
 - (3) Timely settlement under cost-reimbursement contracts.
- (b) Establishing billing rates provides a method for interim reimbursement of indirect costs at estimated rates subject to adjustment during contract performance and at the time the final indirect cost rates are established.

FAR 42.705 — Final Indirect Cost Rates

- (a) Final indirect cost rates shall be established on the basis of--
 - (1) Contracting officer determination procedure (see 42.705-1), or
 - (2) Auditor determination procedure (see 42.705-2).
- (b) Within 120 days (or longer period, if approved in writing by the contracting officer), after settlement of the final annual indirect cost rates for all years of a physically complete contract, the contractor must submit a completion invoice or voucher reflecting the settled amounts and rates. To determine whether a period longer than 120 days is appropriate, the contracting officer should consider whether there are extenuating circumstances, such as the following:

FAR 42.705(b) continued

- (1) Pending closeout of subcontracts awaiting Government audit.
- (2) Pending contractor, subcontractor, or Government claims.
- (3) Delays in the disposition of Government property.
- (4) Delays in contract reconciliation.
- (5) Any other pertinent factors.

FAR 42.705(c)

(c)

(1) If the contractor fails to submit a completion invoice or voucher within the time specified in paragraph (b) of this section, the contracting officer may--

(i) Determine the amounts due to the contractor under the contract; and

(ii) Record this determination in a unilateral modification to the contract.

(2) This contracting officer determination must be issued as a final decision in accordance with 33.211.

Reasons to Quickly Approve Rates

- Required by the FAR
- Reduces possibility of cost overrun
- Avoids possibility of submitting final invoice with cancelling funds
- DCAA can complete audits quicker

DCMA-administered Contracts

- Notify DCMA POP has ended
- If funds are canceling, notify DCMA to encourage contractor to submit final or interim invoice
- Provide technical assistance & patent clearance
- Check DCMA DRID 53 contract closeout report

DCMA Closeout Steps

- Steps described for PCO
- De-obligate excess funds (if necessary)
- Prepare DD1594
- Prepare contract files for shipment to National Archives and Records Administration

Additional Requirements for Closing Grants & Cooperative Agreements

DoD 3210.6-R, *Department of
Defense Grant and Agreement
Regulations*, of April 13, 1998,
through Change 5 of August 27, 2007

ONR-administered Grants & Cooperative Agreements

- Notify ONR POP has ended
- If funds are canceling, notify ONR to encourage contractor to submit final or interim invoice
- Provide technical assistance & patent clearance

ONR Closeout Steps

- Notify ONR of closure
- De-obligate excess funds (if necessary)
- Prepare DD1594
- Prepare contract files for shipment to National Archives and Records Administration

Contract Completion Statement

- DD1594 optional by command
- CAO name & address, if different from contracting office
- Contracting office name & address
- Contract number
- Last modification number(s)
- Contractor name & address

Completion Statement continued

- Dollar amount of excess funds, if any
- Invoice number and date if final payment made; invoice status if payment not known
- Statement all required contract administration actions have been fully and successfully accomplished
- Contracting officer name, signature & date

Contractor Closeout Delays

- DCAA Form 1 not resolved
- Final acceptance not received
- Subcontracts not settled
- Disposition of government property
- Contractor hasn't submitted:
 - Patent or royalty report
 - Proposal for final price re-determination
 - Contract release
 - Notice of disposal of classified material

Government Closeout Delays

- Paying office and contractor not reconciled
- Additional funds requested but not yet received
- Fee withheld
- Final voucher not received
- Final payment not made
- Awaiting removal of excess funds

Joint Closeout Delays

- Supplemental agreement for price re-determination not executed
- Disallowed costs pending
- Overhead rate negotiations pending
- Pre-validation action pending
- Contract modification pending
- Guaranty or warranty action pending

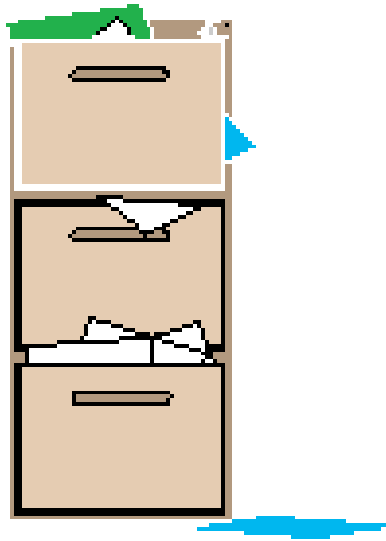
Uncommon Close-out Delays

- Appeal pending before a board of contract appeals (*e.g.*, ASBCA)
- Litigation or investigation pending
- Contract termination in process
- Extraordinary contractual relief pending under P.L. 85-804 and Executive Order 10789, as amended

Why Does Government Take So Long?

- Complete the audits to determine indirect rates for each year during POP
- Find the records
- Reconcile obligated funds by ACRN
- Determine award and/or incentive fees
- Verify all contract requirements met satisfactorily
- Closeout is very low priority in day-to-day operations
- Other good [and not-so-good] excuses

CONTRACTOR ACTIONS



The Contractor Team and its tasks for
successful, timely close-out

Contractor's Role

- The goal: close the contract at a profit
- Helpful actions for profit & cash flow:
 - Plan ahead
 - Track the money (costs & payments)
 - Comply with the contract Ts&Cs:
 - Invoked regulations (*e.g.*, FAR & DFARS)
 - Special provisions, statement of work, etc.
 - Submit timely invoices; support audits

Get Ready to Close Out

- Prepare & submit ICP for final year in POP [see FAR 52.216-7]
- Physically complete contract performance
- Reconcile direct costs incurred & paid
- Dispose of excess direct material
- Close subcontracts, POs & MPAs
- Prepare completion [final] voucher

Contractor Closeout Documents

- Certificate of No Liens
- Disposition of Classified Material, if DD254 attached to contract
- Property certification, disposition of government property (DD1593)
- Final invoice (SF1034 & 1035)
- DD250(s), if required for delivery(ies)
- Final patent report, if IP rights involved (DD882)
- Assignee's Release, if applicable
- Assignment of Refunds, Rebates, Credits, and other Amounts
- Contractor's release

The Contractor's Team

- Contract administrator
- Program [or project] office
- Materials
 - Purchasing
 - Warehouse
- Finance
- Engineering
- Legal counsel

Contract Admin. Responsibilities

- Develop a close-out plan that:
 - Includes all reports required by contract
 - Has a POA&M for completing tasks
- “Sound the alarm” if any POA&M tasks are missed throughout the POP
- Take charge of closeout activities when ready for closeout
- Submit required closeout documents
- Ensure government activities on track

Program Office Responsibilities

- Verify the contract is physically complete
 - Ensure all guaranty work complete
 - Ensure all line departments' work complete and all labor & material costs are recorded

- Track CPARs:
 - Ensure entire POP covered by CPARs
 - Final CPAR entered into system

Materials Responsibilities

- Ensure subcontract Ts&Cs include all requirements for closeout
- Administer subcontracts, POs & MPAs
 - Ensure closeout-related tasks are complete
 - Execute closeout process when each order is physically complete
- Manage inventory throughout POP

Purchasing Management

- Closeout process starts at award of subcontract, PO or MPA
 - Requirements identified
 - Financial performance tracked
- Contractor must ensure physically complete including guaranty work
- All options have expired
- No pending subcontractor claims

Subcontract Closeout

- Mirrors prime contract closeout
 - Government property (GFM, supplier-acquired property)
 - Subcontractor IP rights (including DD882)
 - Disposition of classified material, based on DD254
 - Final voucher requirements
 - Release of claims

- Flexibly priced subcontracts must be closed before closing the prime contract
 - ICP for final rates and audits
 - Final voucher

Warehouse Management

- Control warehouse activities, material issue for all direct material
- Control GFM
 - Security & appropriate use
 - Disposition after POP ends
- Dispose of surplus direct material
 - FFP contract at contractor's discretion
 - Flexibly priced contract per government property manager's direction

Finance Responsibilities

- Throughout the POP:
 - Prepare & submit partial, progress or advance invoices pursuant to contract terms
 - Maintain current ICPs & billing weights
 - Support DCAA audits
- Prepare completion & final invoices
- Retain records pursuant to FAR and corporate requirements

Engineering Responsibilities

- Maintain records of government approval of design data throughout entire POP
- Determine records needed for retention:
 - Technical support for ECPs & VECPs
 - Future product liability issues

Legal Counsel Responsibilities

- Prepare subcontract Ts&Cs
 - Meet company requirements
 - Include all required flow-down provisions
- Verify all certifications are made by authorized individuals
- Review patent and royalty reports
- Review contractor's release and close-out modification if other than "standard" language

Contractor Records Retention

- Cost or pricing data records must be available throughout life of contract [see FAR 52.215-2]
- Records must be retained until 3 years after final payment [FAR 52.215-2(f)]
- Retention is mandatory flow-down to subcontractors [FAR 52.215-2(g)]

Why Does Contractor Take So Long?

- Establish final indirect rates including home office allocation
- Find the records
- Dispose of government property and plant clearance
- Reconcile payment problems & payment records
- Close out subcontracts
- Obtain back-up for required certifications
- Closeout is very low priority in day-to-day operations
- Other good [and not-so-good] excuses

EXPIRING AND CANCELING FUNDS



Funding Terms

- **Current** — When funds can be obligated (e.g., to buy new widgets)
- **Expired** — Funds can no longer be obligated for new requirements, but are still available to pay the bills
- **Canceled** — Funds are no longer available for anything, including paying the bills

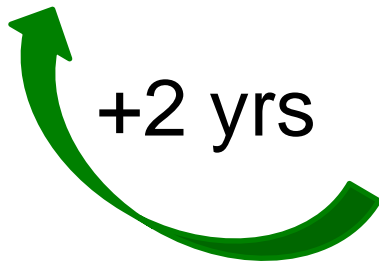
Reading a Fund Cite

First 7 positions:

Funds
expire in
2010

17 8 1319
Navy | RDT&E

Funds
cancel in
2014



+2 yrs

Last digit of year
appropriated (e.g., 2008)

+7 yrs



17 = Navy

57 = Air Force

21 = Army

97 = DoD (e.g., DLA)

Appropriations Example — Navy

- Code: 17-1319
- Appropriation: RDT&E
- Obligation years: 2 Years
- Cancel years: 7 Years

Navy Appropriations — “17”

CODE	APPROPRIATION	OBLIGATION YEARS	CANCEL YEARS
17-1109	Marine Corps	3	8
17-1506	Navy Procurement — Aircraft	3	8
17-1507	Navy Procurement — Weapons	3	8
17-1611	Construction & Repair Shipbuilding	3	8
17-1810	Navy Procurement — Other	3	8
17-1319	RDT&E	2	7

Army Appropriations — “21”

CODE	APPROPRIATION	OBLIGATION YEARS	CANCEL YEARS
21-2031– 2035	Procurement	3	8
21-2040	RDT&E	2	7
21-2010	Army Military Personnel	1	6
21-2020	O&M	1	6
21-2065	National Guard	1	6
21-2080	Army Reserves	1	6
21-4991	Stock Fund	Indefinite	No years
21-4992	Industrial Fund	Indefinite	No years

Air Force Appropriations — “57”

CODE	APPROPRIATION	OBLIGATION YEARS	CANCEL YEARS
57-3010	Aircraft	3	8
57-3020	Missiles	3	8
57-3080	Other	3	8
57-3600	RDT&E	2	7
57-3400	O&M General	1	6
57-3500	O&M	1	6
57-3700	O&M	1	6
57-3740	O&M	1	6
57-3840	O&M	1	6
57-3850	O&M	1	6
57-7045	O&M	1	6

DoD Appropriations — “97”

CODE	APPROPRIATION	OBLIGATION YEARS	CANCEL YEARS
97-0300	Procurement	3	8
97-0400	RDT&E	2	7
97-0100	O&M	1	6

HELPFUL HINTS



Ideas you can use to help in your close-out efforts

Contractor Helpful Hints

- Plan for closeout upon contract award
- Maintain a compliant accounting system
- Maintain current rates
- Read the contract—and comply
- Resolve DCAA audit issues as they arise
- Use checklists—track closeout activities
- Use early or quick closeouts, if possible

More Contractor Helpful Hints

- Maintain good relationship with subcontractors; plan close-out from start
- Timely settle all subcontracts
 - Request DCAA support audits
 - Make final payments
- Track interim payments received
 - Submit timely progress or interim invoices
 - Verify payments received
 - Question short payments – contact ACO
 - Notify ACO of over-payments
- Submit final invoice as soon as rates final

Government Helpful Hints

- Reconcile funding by CLIN & ACRN
 - Review annually & for individual CLINs
 - Compare invoices, payments & terms
 - Resolve over- or under-funding issues
- Track invoices to the limitation of cost & funds clause
- Use database to anticipate fund expiration
- Review contracts for quick closeout or early closeout

Your Questions



This presentation will be available on the NCMA San Diego Chapter web site in the near future!

The Presenters

- Cass Carroll, Technical Lead, Brace Management Group
 - E-mail: mmatthew14@cox.net
 - Phone: (619) 947-1362
- Maurice R. Caskey, CFCEM, CCCM Private Consultant
 - E-mail: scracer@flash.net
 - Phone: (858)735-9349

Abbreviations and Acronyms

ACO — Administrative contracting officer

ACRN — Accounting classification reference number

ASBCA — Armed Services Board of Contract Appeals

CAO — Contract administration office

CLIN — Contract line item number

COFD — Contracting officer's final decision

COTR — Contracting officer's technical representative

CPAF — Cost plus award fee [contract type]

CPAR — Contractor Performance Assessment Report

CPFF — Cost plus fixed fee [contract type]

Abbreviations and Acronyms (cont.)

DCAA — Defense Contract Audit Agency

DCAAM — DCAA Manual [Contract Audit Manual]

DCIS — Defense Criminal Investigative Service

DCMA — Defense Contract Management Agency

DFARS — Defense FAR Supplement

DFAS — Defense Finance and Accounting Service

DO — Delivery order (under IDIQ contract)

DoD — Department of Defense

DoJ — Department of Justice

ECP — Engineering change proposal

FAR — Federal Acquisition Regulation

Abbreviations and Acronyms (cont.)

FFP — Firm-fixed price [contract type]

FPIF — Fixed-price incentive fee [contract type]

FPRA — Forward pricing rate agreement

FY — Fiscal year

GFM — Government-furnished material

ICP — Incurred cost proposal

IDIQ — Indefinite delivery, indefinite quantity

IG — Inspector General

IP — Intellectual property

LOE — Level-of-effort

MPA — Master purchase agreement

MOCAS —Mechanization of Contract Admin. Services

Abbreviations and Acronyms (cont.)

NATEC — Naval Aviation Technical Engineering Data
Command

OGD — Office of general counsel [for agency]

O/H — Overhead

ONR — Office of Naval Research

PCO — Procuring contracting officer

P.L. — Public Law

PO — Purchase order

POA&M — Plan of action and milestones

POP — Period of performance

QAR — Quality assurance representative

Abbreviations and Acronyms (cont.)

SPAWAR — Space and Naval Warfare Systems Command

SSCPAC — SPAWAR Systems Center Pacific

SUPSHIP — Supervisor of Shipbuilding, Conversion and Repair, USN [local office is Bath Det. San Diego]

SWRMC — Southwest Regional Maintenance Center

T&M — Time and materials

TO — Task order (under T&M contract)

Ts&Cs — Terms and conditions of contract

ULO — Unliquidated obligation

VECP — Value engineering change proposal

w/ — with

BACKGROUND MATERIAL



Reading you can use to better understand
the close-out process

FAR Clauses

FAR 4.804, Closeout of Contract Files

FAR 4.804-1, Closeout by the Office Administering
the Contract

FAR 4.804-5, Procedures for Closing Out Contract
Files

FAR 15.406-2, Certificate of current cost or pricing
data

FAR 16.306, Cost-Plus-Fixed-Fee Contracts

FAR 32.006, Reduction or Suspension of Contract
Payments Upon Finding of Fraud

FAR Part 42 Clauses

FAR 42.302, Contract Administration Functions

FAR Sub-part 42.7, Indirect Cost Rates

FAR 42.701, Definition

FAR 42.702, Purpose

FAR 42.705, Final Indirect Cost Rates

FAR 42.705-1, Contracting Officer Determination
Procedure

FAR 42.705-2, Auditor Determination Procedure

FAR 42.708, Quick-Closeout Procedure

FAR Part 52 Clauses

FAR 52.215-2, Audit and Records—Negotiation

FAR 52.216-7, Allowable Cost and Payment

FAR 52.216-8, Fixed Fee

FAR 52.216-29, Time-and-Materials/Labor-Hour
Proposal Requirements—Non-Commercial Item
Acquisition With Adequate Price Competition

FAR 52.216-30, Time-and-Materials/Labor-Hour
Proposal Requirements—Non-Commercial Item
Acquisition Without Adequate Price Competition

FAR 52.232-7, Payment Under Time-and-
Materials and Labor-Hour Contracts

DCAA Documents

DCAA Contract Audit Manual:

CAM 6-1009, Processing of Completion Vouchers

CAM 6-1010, Quick-Closeout Procedures

CAM 10-900, Audit Reports on Contract Audit Closing Statements, Other Contract Closings, and Price Redeterminations

DCAA Memo 09-PAS-015(R), Audit Guidance on Evaluation of Final Vouchers

DCAA Audit Program 15400, version 3.1, Oct. 2009, Evaluation of Final Vouchers

DCAA Form 1 (MAR 1999) — Notice of Contract Costs Suspended and/or Disapproved

DCMA Documents

DCMA Contract Closeout Guidebook

http://guidebook.dcma.mil/17/guidebook_process.htm

DCMA Public Vouchers Guidebook, ¶5. Review and Approval of Completion/Final Voucher

http://guidebook.dcma.mil/8/guidebook_process.htm

DoD Documents

DoD Directive 3210.6-R, *Department of Defense Grant and Agreement Regulations*, of April 13, 1998, through Change 5 of August 27, 2007

<http://www.dtic.mil/whs/directives/corres/html/321006r.htm>

Deputy Secretary of Defense, Defense Reform Initiative Directive (DRID) # 53 - Reconciliation of Contracts in the Mechanization of Contract Administration Services (MOCAS) System, March 23, 2000

<https://acquisition.navy.mil/content/view/full/2462>

DFARS 204.804, Closeout of Contract Files

DoD Forms (DFARS Part 53)

DD250 (AUG 2000) — Material Inspection and Receiving Report

DD254 (DEC 1999) — Contract Security Classification Specification

DD882 (JUL 2005) — Report of Inventions and Subcontracts

DD1593 (APR 1969) — Contract Administration Completion Form

DD1594 (FEB 1970) — Contract Completion Statement

DD1597 (APR 2000) — Contract Closeout Checklist

Standard Forms (FAR Part 53)

SF1034 (OCT 1967) — Public Voucher for
Purchases and Services Other Than Personal

SF1035 (SEP 1973) — Public Voucher for
Purchases and Services Other Than Personal
Continuation Sheet