

PHASE II: CONTRACT ADMINISTRATION

Activity 51: Closeout

Verify that the contract is physically completed.

Verify that documents and clearances required for contract closeout have been received.

Confirm that there are no unresolved issues that preclude contract closeout.

Determine if quick-closeout procedures are appropriate.

If no,

If yes,

Initiate final payment to or collection of overpayments from the contractor.

Use quick-closeout procedures.

Cost-Type or Time-and-Materials Contract

Fixed-Price Contract

Upon receipt of the contractor's indirect cost proposal, determine which procedure to use to establish final indirect cost rates.

Contracting Officer Determination Procedures

Auditor Determination Procedures

Request an audit of the contractor's final incurred cost proposal by the Defense Contract Audit Agency (DCAA).

Conduct negotiations.

Prepare a written indirect cost rate agreement.

Prepare a negotiation memorandum.

Distribute documents.

Notify the contractor of the individual costs which were considered unallowable and the respective amounts of the disallowance.

Request an audit of the contractor's final incurred cost proposal by the Defense Contract Audit Agency (DCAA).

Upon receipt of audit report, resolve any disagreements between contractor and auditor, if any.

Distribute documents.

Ensure that the contractor submits a completion invoice or voucher reflecting the settled amounts and rates 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.

Deobligate excess funds by executing a bilateral Standard Form (SF) 30.

Prepare a contract completion statement.

Ensure that contractor performance evaluations have been submitted into the Contractor Performance Assessor Reporting System (CPARS).

Dispose of contract file.

