



**Environmental Management Consolidated Business Center (EMCBC)**

**Subject: Closeout of Inactive Award Instruments**

Implementing Procedure      APPROVED: (Signature on File)  
EMCBC Director  
ISSUED BY: OFFICE OF CONTRACTS

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1.0 PURPOSE

The purpose of this procedure is to provide the process and interfaces for the closeout of inactive award instruments.

2.0 SCOPE

The scope of this procedure covers the closeout of all inactive award instruments falling under the administration of the EMCBC Office of Contracting (OOC).

3.0 APPLICABILITY

This procedure is applicable to all personnel whose duties include closeout of EMCBC inactive award instruments.

4.0 REQUIREMENTS AND REFERENCES

4.1 Requirements:

4.1.1 10 CFR 600.171, Closeout procedures (financial assistance)

4.1.2 FAR 4.804, Closeout of Contract Files

4.1.3 DEAR 904.804-1, Closeout by the office administering the contract

4.1.4 FAR Payment Clauses

4.1.5 FAR 42.708, Quick-closeout procedure

4.1.6 FAR 52.245-1, Government Property

4.2 References:

4.2.1 DOE Acquisition Guide, Chapter 42.4, Contract Close Out

## 5.0 DEFINITIONS

- 5.1 Inactive Award Instrument – An inactive award instrument is a contract or financial assistance instrument that has passed its completion or delivery date, but is not yet closed.

## 6.0 RESPONSIBILITIES

- 6.1 EMCBC Contracting Officers (CO), Contract Specialist (CS), and Purchasing Agent (PA) shall attempt to meet the time standards for closing out contract files in accordance with the applicable Federal Acquisition Regulations (FAR), DOE Acquisition Regulations (DEAR), and the guidance contained in the DOE Acquisition Guide, Chapter 42.4.
- 6.1.1 The CO/CS is responsible for adhering to FAR 4.804-5 procedures for closing out contract files.
- 6.1.2 The CO/CS is responsible for ensuring that a contract is not closed until litigation, litigation appeal, or, in the case of termination, all termination actions have been completed.
- 6.1.3 The administrative CO is responsible for preparing a statement that contractual actions have been satisfactorily accomplished which shall be made a part of the official contract file.
- 6.1.4 The CO, CS, and PA shall ensure the paying office closes the contract file upon issuance of final payment voucher as required by FAR 4.804-3.
- 6.2 The EMCBC Property Administrator and Information Resource Management Team shall provide the CO with electronic mail verification that all Government property accountable to the contract has been promptly transferred to other contracts or otherwise disposed of.
- 6.3 The EMCBC Records Management Team shall provide the CO with electronic mail verification that all Government-owned records generated during the contract performance have been dispositioned.
- 6.5 The EMCBC Security Specialist shall provide the CO with electronic mail verification that all security clearances and a Security Certification of Non-Possession have been received when clearances and/or classified or special nuclear material is applicable to the contract.

## 7.0 GENERAL INFORMATION

- 7.1 A contract is physically complete when the contractor has completed the required deliveries and/or performed the required services and the government has inspected and accepted supplies and/or services, or the government has given the contractor a

- notice of complete contract termination. (Check payment clause in contract to determine if a release is required.)
- 7.2 Facilities contracts and rental, use and storage agreements are physically complete when the government has given the contractor a notice of complete contract termination or the contract period has expired.
- 7.3 With quick-closeout procedure, the Contracting Officer negotiates settlement of indirect costs for a specific contract, in advance of final indirect cost rate determination if the following conditions are met:
- the contract is physically complete;
  - the unsettled indirect cost amount is relatively insignificant; and
  - an agreement can be made on a reasonable estimate of allocable dollars.

Determinations of final indirect costs under the quick closeout procedure shall be final under the Allowable Cost and Payment clause at FAR 52.216-7 or FAR 52.216-13.

## 8.0 PROCEDURE

- 8.1 The CO, CS, and/or PA shall initiate administrative closeout after evidence of physical completion has been received.
- 8.2 The Energy Finance & Accounting Service Center, Oak Ridge has payment responsibilities for the EMCBC and requires, prior to making payment, verification via electronic mail from the user/requisitioner that material/services were received.
- 8.3 The CO, CS, and/or PA shall request the Office of Financial Management to conduct an initial contract funds status review to identify excess funds to the OOC when appropriate.
- 8.4 The CO/CS shall interface with the EMCBC Property Administrator as required during contract closure to assure that all Government property accountable to the contract is promptly transferred to other contracts or otherwise disposed of.
- 8.5 The CO/CS shall interface with the EMCBC Records Management Team during contract closure to assure that all Government-owned records generated during the contract performance have been dispositioned in accordance with records management regulations and the terms and conditions of the contract.
- 8.6 The CO, CS, and/or PA shall complete items 1-3 on the attached Contract Closeout/Purchase Order Checklist.
- 8.7 If the instrument to be closed out is a contract, the CO, CS, and/or PA shall also complete 4-19 and all necessary Contract Reference Information.

- Contract administration office name and address (need be filled out only if different from contracting office)
- Voucher number and date if the final payment has been made
- Invoice number and date if the final approved invoice was forwarded to another office or activity/status is unknown

8.8 All closeouts shall be reviewed by a CO.

8.9 The CO shall complete and sign the Contract Administration Completion Statement (Attachment B).

#### 9.0 RECORDS MAINTENANCE

9.1 All records shall be maintained and stored in accordance with EMCBC IP-243-03, "Identifying, Filing and Maintaining Records".

#### 10.0 FORMS

10.1 IP-540-10-F1, Contract Closeout/ Purchase Order Checklist

10.2 IP-540-10-F2, Contract Administration Completion Statement

#### 11.0 ATTACHMENTS

11.1 Attachment A – IP-540-10-F1, Contract Closeout/ Purchase Order Checklist

11.2 Attachment B – IP-540-10-F2, Contract Administration Completion Statement

Attachment A

**Contract Closeout/ Purchase Order Checklist**

***1-4a must be completed to close out a contract or purchase order***

- 1. Receipt or evidence of property/service Yes No
- 2. Acceptance of receipt/service Yes No
- 3. Final Payment disbursed Yes No
- 4. Funds remaining on purchase order/contract Date \_\_\_\_/\_\_\_\_/\_\_\_\_ Yes No
- 4a. If yes, modification (SF 30) completed to deobligate remaining funds?  
 Yes, date \_\_\_\_/\_\_\_\_/\_\_\_\_ modification no. \_\_\_\_\_  
 No, (provide explanation.) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

***The following are applicable only to contracts:***

- 5. Disposition of classified material complete Yes No N/A  
 Security Certificate of Non-Possession (if classified or Special Nuclear Material involved)
- 6. Final patent report cleared\* Yes No N/A
- 7. Final royalty report is cleared\* Yes No N/A
- 8. No outstanding value engineering change proposal Yes No N/A
- 9. Security clearance received\* Yes No N/A
- 10. Property certificate received\* Yes No N/A
- 11. Records disposition verification received Yes No N/A
- 12. All interim/disallowed costs settled Yes No N/A
- 13. Price revision complete Yes No N/A
- 14. Subcontracts settled by prime contractor Yes No N/A
- 15. Prior year indirect cost rates settled Yes No N/A
- 16. Termination docket complete Yes No N/A
- 17. Contract audit complete Yes No N/A
- 18. Contractor's closing statement completed Yes No N/A
- 19. Contractor's final invoice submitted Yes No N/A

\*See guidance at Chapter 42.4 of the DOE Acquisition Guide

**Contract Closeout/ Purchase Order Checklist (continued)**

20. Contract funds review completed	Yes	No	N/A
21. Deobligation of any excess funds recommended	Yes	No	N/A
22. Contractor Release received? (if required by payment clause)	Yes	No	N/A
22. Closeout reporting to FPDS-NG or PADS completed*	Yes	No	N/A

**Contract Reference Information**

1. Contract Administration Office name and address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Contracting Office name and address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Contract number \_\_\_\_\_

4. Final modification number \_\_\_\_\_

5. Final call or order number \_\_\_\_\_

6. Contractor name and address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Excess funds \$ \_\_\_\_\_

8. Voucher number \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

9. Invoice number \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

10. Statement enclosure that all contract administration actions completed.

Yes \_\_\_\_\_ No \_\_\_\_\_

11. Documentation of final negotiation settlements if settlement proposal requires negotiation.

Yes \_\_\_\_\_ No \_\_\_\_\_

12. Contracting Officer (Print or type) \_\_\_\_\_

**Signature** \_\_\_\_\_

**Date** \_\_\_\_/\_\_\_\_/\_\_\_\_

\*See guidance at Chapter 42.4 of the DOE Acquisition Guide

Attachment B

**Contract Administration Completion Statement**

To the best of my knowledge all contract administration functions have been completed; thus, the contract may be closed.

The satisfactorily completed administrative functions are as follows:

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Name of CS/CO (print or type) \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**EMCBC RECORD OF REVISION****DOCUMENT**

If there are changes to the controlled document, the revision number increases by one. Indicate changes by one of the following:

- I Placing a vertical black line in the margin adjacent to sentence or paragraph that was revised.
- I Placing the words GENERAL REVISION at the beginning of the text.

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<b>Rev. No.</b>	<b>Description of Changes</b>	<b>Revision on Pages</b>	<b>Date</b>
1	Original Issue	All	11/13/07
	Reviewed/No Changes Identified		05/18/12