

Space and Naval Warfare Systems Command



CONTRACT CLOSEOUT GUIDE FOR SPAWAR CONTRACTS DIRECTORATE

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CONTRACT CLOSEOUT GUIDE

PART I – Introduction

1. Purpose

The Purpose of this document is to provide policy and guidance for closing physically complete contracts for SPAWAR HQ Claimancy 2.0. This Contract Closeout Guide applies to all contract types and contract administration, either retained by SPAWAR (Category I) or delegated to DCMA (Category II.) *This Desk Guide does not supersede the Federal Acquisition Regulation (FAR); Defense Federal Acquisition Regulation Supplement/Procedures, Guidance, and Instructions (DFARS/PGI); Navy Marine Corps Acquisition Regulation Supplement (NMCARS), or any other statutory regulation. It is the responsibility of the acquisition professional to use this Desk Guide in conjunction with the appropriate regulation and procedures.*

2. Policy

The Requirements and procedures for contract closeout are established by the FAR, (Federal Acquisition Regulations) FAR 4.804-5, *Procedures for Closing out Contract Files* and DFAR 204.804, *Closeout of Contract Files*. It is SPAWAR Contracts Policy that the PCO is ultimately responsible for closing out contracts under their cognizance. The PCO may use the resources available in the Policy Branch (2.3.1) to assist in the closeout function. It is also SPAWAR policy to delegate administration to the maximum extent practicable to the Defense Contract Management Administration (DCMA). The information in this Guide is to inform and assist SPAWAR HQ employees and Code 2.0 *Personnel*.

PART II- General Closeout Information

1. When does contract closeout begin and who does it?

When *period of performance has ended and* the Government accepts all deliveries and services, the contract is considered “Physically Complete.” When the vendor has received all payments, they will provide a “Release of Claims,” and at that time the contract will be considered financially complete. The process can be simple or complex depending on the contract type. Contract closeout requires coordination between the contracting offices and DFAS finance offices, program offices, DCAA audit offices and the contractor. Few SPAWAR contracts are retained in-house; *however*, it is SPAWAR Policy, *to maximum extent possible*, delegate all contract administration to DCMA.

2. Types of Contracts

Contract Closeout Category I. The Procuring Office retains administration of the contract. The Code 2.0 *Personnel* reviews completion dates and for physical completeness to determine if contract closeout should begin. All applicable categories listed on the DD Form 1597 (Contract closeout form) are reviewed. This form lists specific actions, depending on the contract type (FFP, Cost, etc.) that must be completed when the contract is physically complete. The Code 2.0 *Personnel* works directly with the

cognizant Code 2.0 branch personnel or technical codes to obtain any required information. The Government Contracting Officer signs the final DD 1594 after review of supporting documents. The PCO shall also sign any modifications required to settle the contract financially.

Contract Closeout Category II. Administration is delegated to the cognizant DCMA for the specific contractor. When the contract is physically complete and acceptance has been obtained, the ACO initiates the closeout process by moving the contract to a CAR Section 2 in MOCAS (DCMA's Mechanization of Contract Administration Services). This action generates a MILSCAP Interim PK9 (F) indicator in MOCAS, *Ref.* DFARS 204.804-2 (1)(i), which requires the ACO to notify the PCO of contract completion. This information can also be retrieved through the DCMA website: <https://home.dcma.mil/mocas/drid53files.cfm>

The PK9 (F), Final, provides notice of contract closure and represents a start date for review of closeout documents. The Code 2.0 *Personnel* will review the contract files using the DD Form 1597 checklist requirements as a general guideline to ensure that all documents are in place and that the Funds Review clearly determines obligations equal disbursements. The Code 2.0 *Personnel* will also insure all contract close dates and information for DD254's are passed on to Security Office, the DD882 and questionnaire are processed and forwarded on to the Patent Council Office and the ACO is contacted if any closeout documentation is missing. If a DD1594 is not obtained by the delegated DCMA, a DD1594 will be generated by Code 2.0 Personnel and presented to the Closeout Contracting Officer's Representative for signature (PCO office) to officially close the file.

3. Quick Closeout Procedures

Whenever appropriate, Contracting Officers should use quick closeout procedures. Detailed guidance is set forth in FAR 42.708. Some quick closeout guidance is as follows:

(a) The contracting officer responsible for contract closeout shall negotiate the settlement of direct and indirect costs for a specific contract, task order, or delivery order to be closed, in advance of the determination of final direct costs and indirect rates set forth in 42.705, if?

(1) The contract, task order, or delivery order is physically complete;

(2) The amount of unsettled direct costs and indirect costs to be allocated to the contract, task order, or delivery order is relatively insignificant. Cost amounts will be considered relatively insignificant when the total unsettled direct costs and indirect costs to be allocated to any one contract, task order, or delivery order does not exceed the lesser of?

(i) \$1,000,000; or

(ii) 10 percent of the total contract, task order, or delivery order amount;

(3) The contracting officer performs a risk assessment and determines that the use of the quick-closeout procedure is appropriate. The risk assessment shall include?

(i) Consideration of the contractor's accounting, estimating, and purchasing systems;

(ii) *Other concerns of the cognizant contract auditors; and*

(iii) *Any other pertinent information, such as, documented history of Federal Government approved indirect cost rate agreements, changes to contractor's rate structure, volatility of rate fluctuations during affected periods, mergers or acquisitions, special contract provisions limiting contractor's recovery of otherwise allowable indirect costs under cost reimbursement or time-and-materials contracts; and*

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

(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 precedent when establishing the final indirect cost rates for other contracts.*

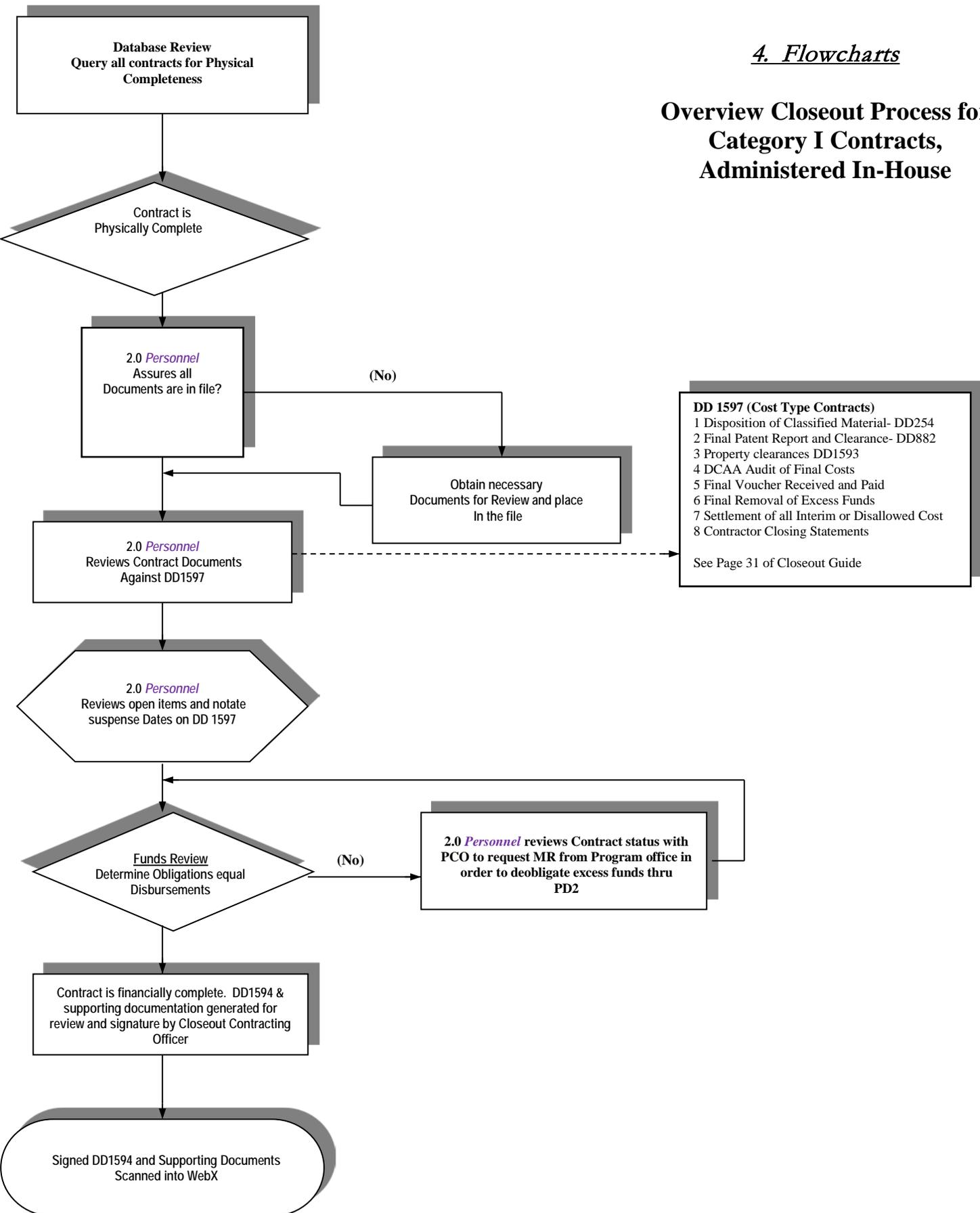
4. Timeframes

FAR 4.804-1 establishes specific time periods for closing contracts depending on the type of contract. Timely closeout deobligates and returns funds to the command for possible re-use on new work or replacement funds issues.

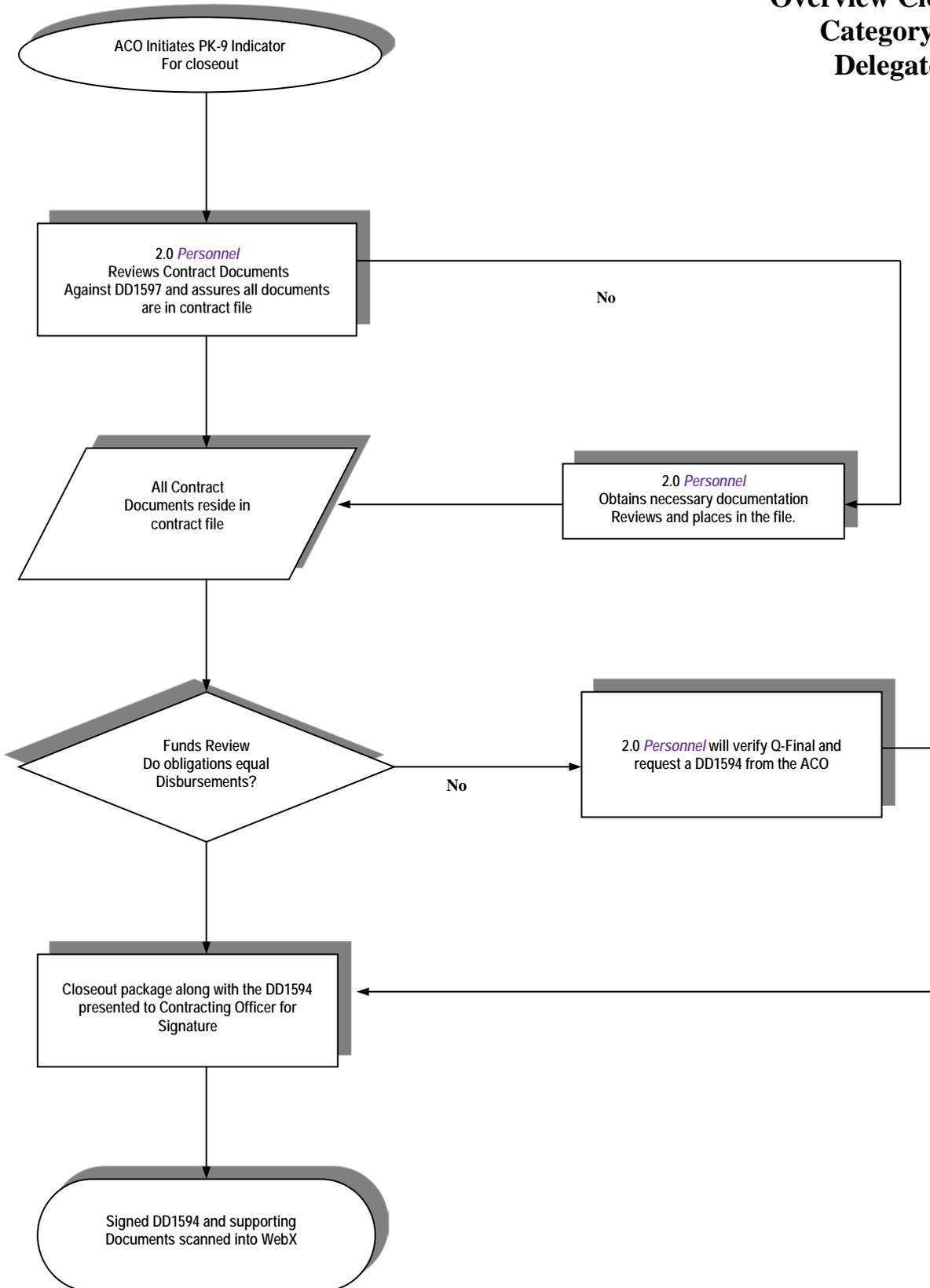
CONTRACT CLOSEOUT TIMEFRAMES	
Type of Contract	Timeframe
<i>Contracts under Simplified Acquisition Threshold (SAT)-\$150,000</i>	<i>When PCO receives evidence of receipt of all deliverables and services, and final payment made.</i>
<i>Fixed Price Contracts (other than SAT)</i>	<i>Date of evidence of physical completion plus 6 months.</i>
<i>Cost Contracts that require the Settlement of overhead rates</i>	<i>Date of evidence of physical completion plus 36 months.</i>
<i>All other contracts</i>	<i>Date of evidence of physical completion plus 20 months.</i>

4. Flowcharts

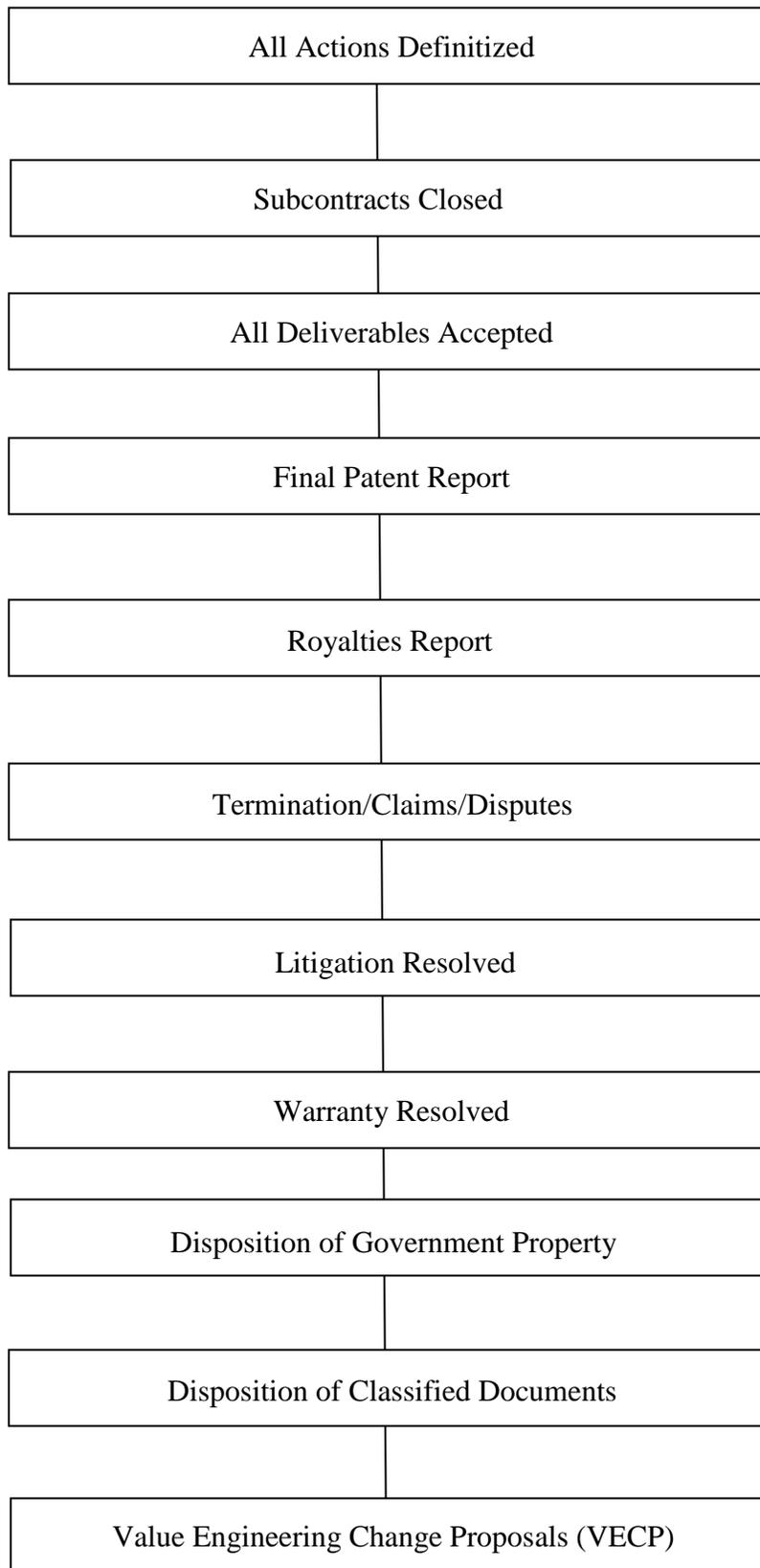
Overview Closeout Process for Category I Contracts, Administered In-House



Overview Closeout Process for Category II Contracts, Delegated to DCMA



PART III-Actions on DD Form 1597



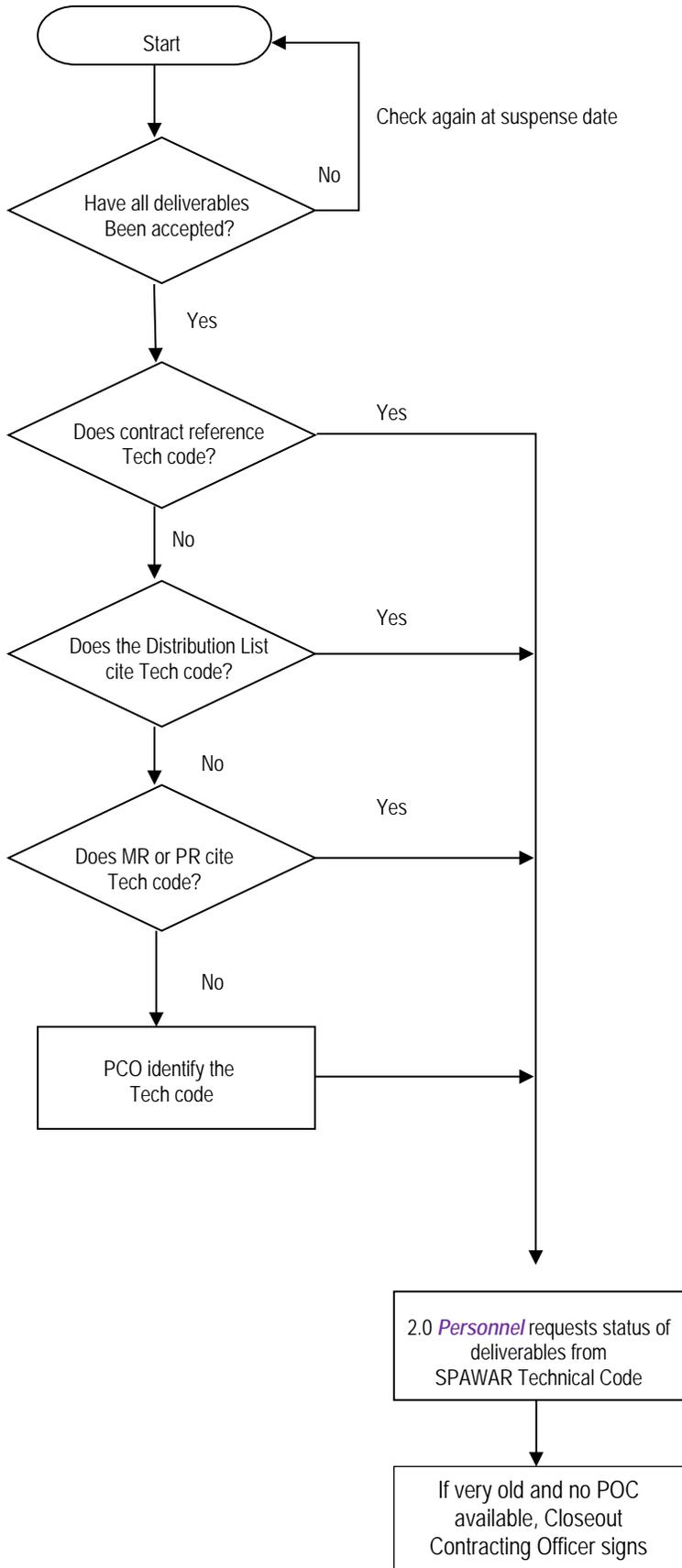
1. All Actions Definitized. Occasionally, urgent or unusual circumstances necessitate authorization for a contractor to start work on a contract action/change without a definitively negotiated price. The contract modification authorizing such effort must include a NOT-TO-EXCEED (NTE) or ceiling price and a definitization schedule. Prior to contract closeout, the file is reviewed for modifications definitizing any outstanding CLIN's. If not found, code 2.0 *Personnel* checks with the PCO/ACO to ensure that all actions under the contract have been definitized by modification.

2. Subcontracts Closed. The prime contractor must go through procedures with its subcontractors that are similar to those used by the government. The contract file is reviewed for contract release forms from all of the prime's subcontractors to ensure they have been paid before the prime contract can be closed.

3. All Deliverables Accepted.

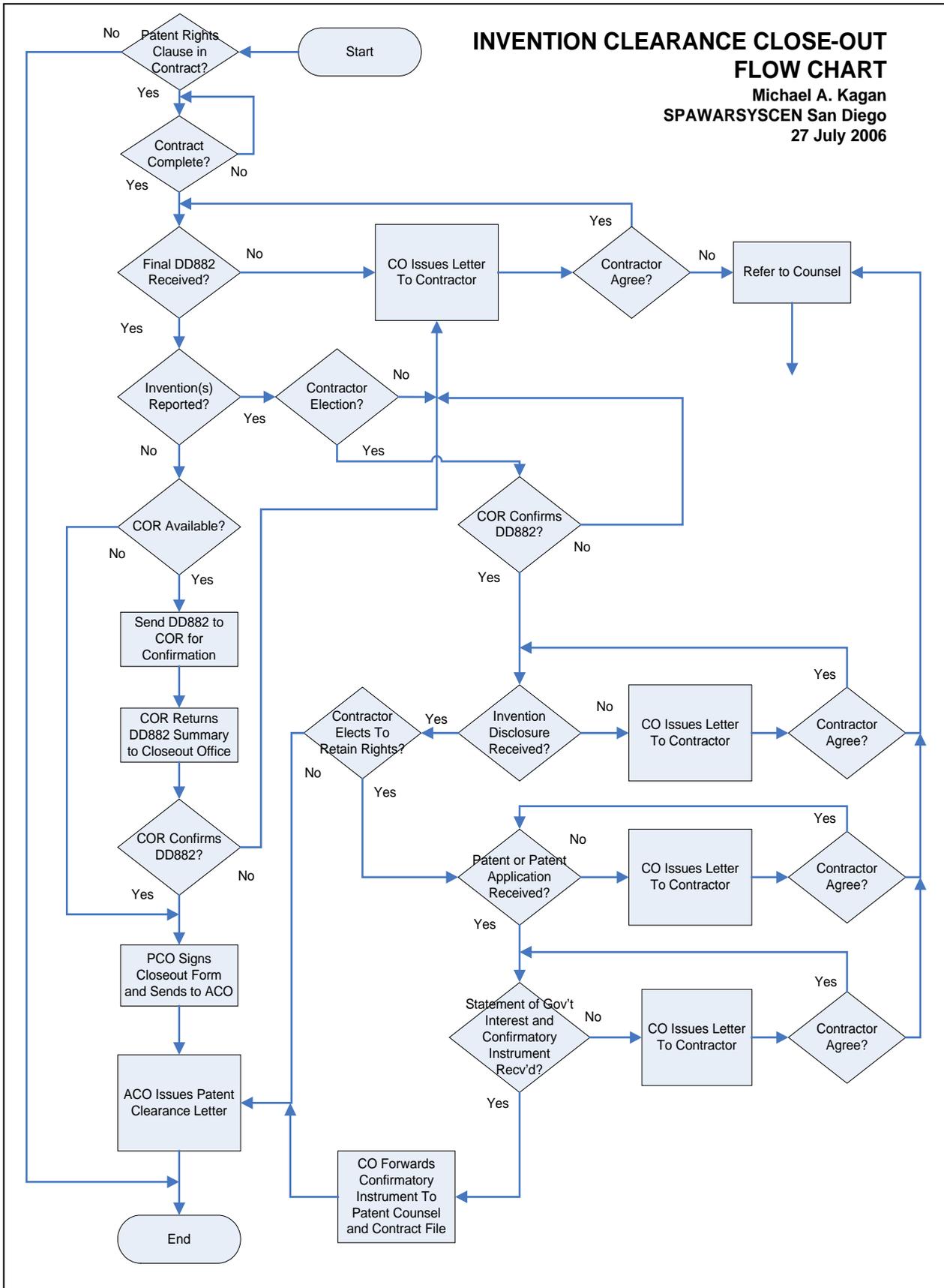
- (i) For Category I contracts, receipt of the final voucher, or "Z" DD 250, triggers contract closeout activity. The 2.0 *Personnel* reviews the file to ensure all deliverables and services have been delivered and accepted by the government prior to contract closure. If no acceptance documents appear in the file, the 2.0 *Personnel* identifies the Program Office's technical point of contact or the code 2.0 PCO and inquires if deliverables have been accepted.
- (ii) For Category II contracts, The ACO is responsible for updating MOCAS (DCMA's in-house database) to Car Section 2, which indicates that the contract is physically complete. This results in the generation of an electronic, "interim" notice (PK9) to the Procuring office. This information can also be viewed on the DCMA website.

Tech Code/Delivery Actions, Category I



INVENTION CLEARANCE CLOSE-OUT FLOW CHART

Michael A. Kagan
SPAWARSYSCEN San Diego
27 July 2006



Path A

INVENTION REPORT QUESTIONNAIRE
Please sign and return to this office within 14 calendar days

Date: _____

**U.S. GOVERNMENT
MEMORANDUM**

From: Contract Support Branch
To TPOC/COR: _____

Subj: **PATENT CLEARANCE**

Ref: (a) Contract Number:
Principal Investigator:

In accordance with reference (a) and your responsibility for monitoring the technical work performed under the subject contract, please respond to the following:

(a) Any novel technical developments? Yes____ No____

If "Yes," please identify and describe all such technical developments.

(b) Any subcontracts under referenced contracts? Yes____ No____

If "Yes," please identify all such subcontractors.

(c) Have all technical data (e.g., drawings, manuals and/or reports) and/or computer software required under the contract been inspected and delivered? Yes____ No____

(d) Does any technical data and/or computer software delivered under the contract have proprietary notices and/or use, copying or disclosure restrictions? Yes____ No____

(1) Does each proprietary notice conform to DFARS 252.227-7013 (technical data) or DFARS 252.227-7014 (computer software and/or computer software documentation)? Yes____ No____

(2) Does each proprietary notice conform to the COR's understanding of the appropriate level of the Government's rights in such technical data and/or computer software? Yes____ No____

(e) Do you consider referenced contract/delivery order completed? Yes____ No____

If "No," please explain. _____

Signature: _____ Date: _____

Printed Name: _____ Code: _____ Tel. No. _____



Due to the age of this contract, or due to the fact the COR or technical point of Contact has moved on, there is no one remaining who has any knowledge of this contract or any deliverables.

Signature: _____

Date: _____

4. Closeout Policy

Final Inventions Report. If a contract contains a patent-rights clause:

In accordance with contract provisions, a final Report of Inventions and Subcontracts, Form DD 882 must be submitted by the contractor within *3 months* of physical completion of the contract. It must list all invention claims under the contract or certify that there were “None.” It should also list all subcontracts, which include a patents rights clause or certify that no subcontracts were issued with this requirement. When a completed DD Form 882 is received, it is forwarded on to the Closeout Contracting Officer/2.0 *Personnel* to submit to the Contracting Officer’s Representative (COR) to review. Along with the DD Form 882, the Closeout Contracting Officer/2.0 *Personnel* will also include an Invention Questionnaire for the COR to complete to substantiate the Form DD 882 information submitted by the contractor. The COR has 14 calendar days to complete this requirement and return it to the Closeout Contracting Officer/2.0 *Personnel* for final processing to be sent to the ACO. If no inventions are disclosed by the contractor, and the COR agrees there are no inventions, the process is considered a “Negative Invention report.” This process is shown in the Invention Report Flow Chart, **Path A**.

If an invention is disclosed either by the contractor or is notated during the COR’s review, the Form DD 882 is processed as a “Positive Invention report.” That process is shown in the Invention Report Flow Chart, **Path B**. The original Form DD 882 is retained in the file unless required by Office of Patent Counsel for support however final processing of the Positive Patent is done by the Patent Council’s office and sent to the ACO. SPAWAR HQ’s and SSC-SD’s Office of Patent Counsel is located at SSC-SD, Point Loma. The Closeout Contracting Officer (CCO) will sign the Form DD 882 and forward it to the ACO for administrative closure on very old contracts where no available COR can be identified.

Note: At SPAWAR HQ, when the term “PCO” is used, the individual may instead be the “CCO,” Closeout Contracting Officer.

Process

Invention Report - Path A

1. PCO/ACO determines contract is physically complete.
2. Does contract include a patent rights clause?
3. ACO/PCO confirms receipt of Form DD 882 Invention Report from contractor.

NOTE: If the Contractor has not submitted a Form DD 882 within *3 months* of physical completion of the contract, ACO/PCO sends a letter/e-mail requesting the form.

4. Check if any inventions are reported.
5. Form DD 882 and Invention Report Questionnaire are forwarded to COR with a request for a 10-day turnaround time.

NOTE: If the COR is not known, contact the cognizant code. If a determination is made that no COR or PM in the PMO is available to review the Form DD 882 and complete the

Invention Report Questionnaire (due to age of contract), CCO will sign a Negative clearance and forward to ACO for administrative closure. Positive Invention Report is certified by CCO and sent to Patent Counsel's office for final processing.

6. COR confirms Form DD 882 Invention Report is negative and returns to CCO.

NOTE: If the COR disputes Form DD 882, a request for Contractor to resubmit Form DD882 and a copy of the COR's e-mail is sent to the ACO (if delegated). Proceed to **Path B** in diagram.

7. Negative Invention Report is certified by CCO. Letter/e-mail is sent with copy of Form DD 882 to DCMA for administrative closeout.

Invention Report - Path B

1. PCO/ACO determines contract is physically complete.
2. Does contract include a patent rights clause?
3. PCO/ACO determines if contractor provided yearly interim reports on inventions.
4. Contractor completes and forwards Invention Report Form DD 882, to ACO/PCO showing any inventions developed under contract.

Note: If the Contractor has not submitted a Form DD 882 within *3 months* after physical completion of the contract, ACO/PCO sends a letter/e-mail requesting the form.

5. The Form DD 882 and Invention Questionnaire are forwarded to the COR by the PCO with request for 14-day turnaround.
6. COR Confirms Form DD 882.

Note: If the COR disputes Form DD 882, a request is made for Contractor to re-submit Form DD 882 and provide an explanation or provide a revised Form DD 882.

7. Contractor re-submits Form DD 882 identifying all inventions and provides election as to whether contractor will elect to retain rights on invention.

5. Royalties Report. If a contract contains a refund-of-royalties clause (FAR 52.227-9) a final royalty report must be submitted by the contractor stating the royalties paid or required to be paid. The 2.0 *Personnel* verifies that this report is submitted and cleared before final contract payment unless this action was completed by the cognizant DCMA office.

6. Termination/Claims/Disputes. A contract may not be closed while still in the process of a termination action. (FAR 4.804-1(c)). All open actions and liabilities must be resolved prior to closeout. The government may at any time during contract performance fully or partially terminate contracts for default or for convenience.

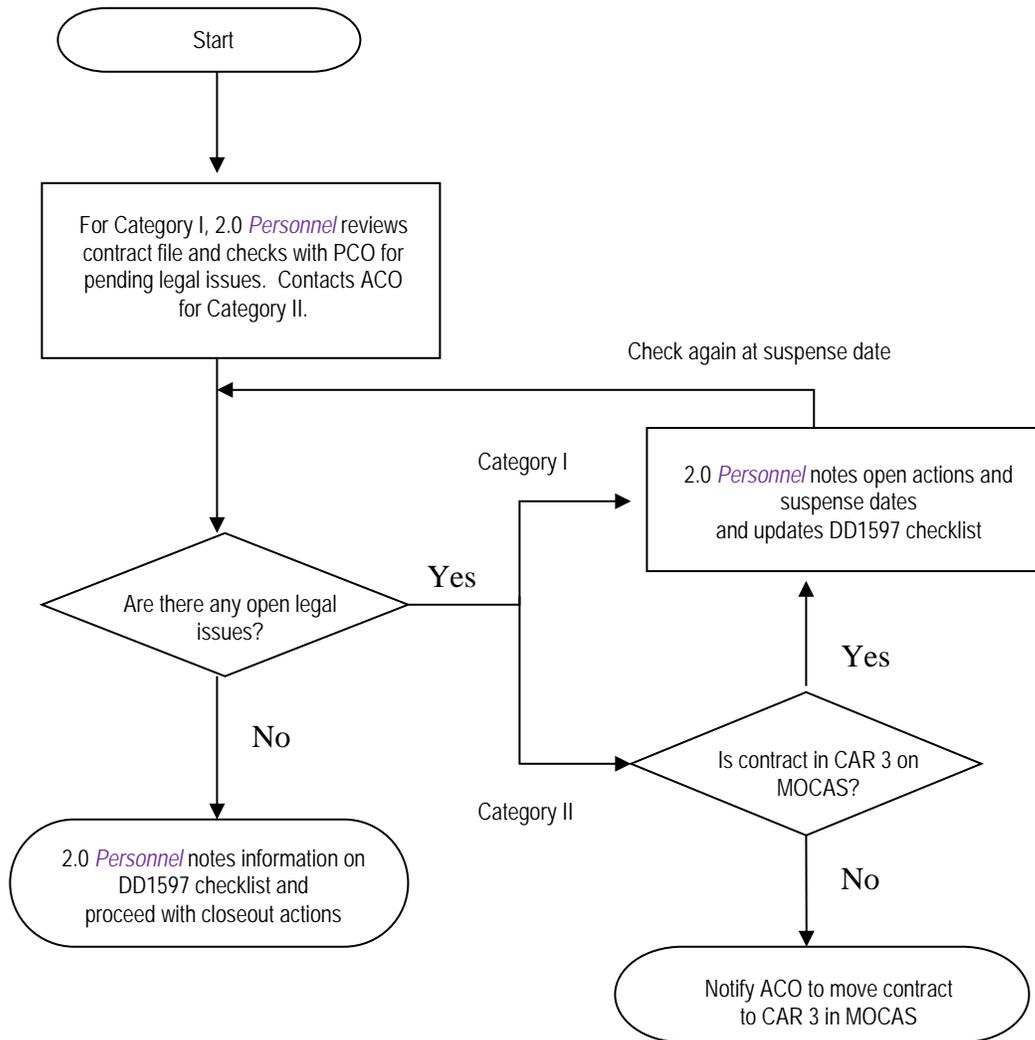
- (i) **Termination of Contract for Default.** The government may terminate a contract for default when the contractor has materially breached the contract, i.e., failed to deliver contract items

on schedule. Under termination for default, the contractor is liable for any subsequent acquisition costs of the terminated items.

- (ii) **Termination of Contract for Convenience.** The government may also terminate a contract for convenience. Termination for convenience can occur as the result of Congress withholding funding of the project, or the program office or user determining that the item is no longer required. Pursuant to the Termination for Convenience clause the government is liable for certain costs.

7. Litigation Resolved. A contract may not be closed if it is in the process of litigation. All litigation and resulting cost impact are resolved by the PCO/ACO before the contract may be closed out. A contract in litigation will appear in MOCAS Section with the Reason code. Once contracts have been entered into a Car Section 3, they should be reviewed periodically to see if the Reason for Dormancy Code accurately reflects the current status of the contract. The ACO should be contacted at least every three months for status.

Litigation Actions Category I & II



8. Warranty Resolved. Some warranty clauses extend beyond the physical completion of the contract. The PCO/ACO must resolve all open warranty issues on the contract prior to contract closeout. The 2.0 *Personnel* will review the file to ascertain if the warranty has expired.

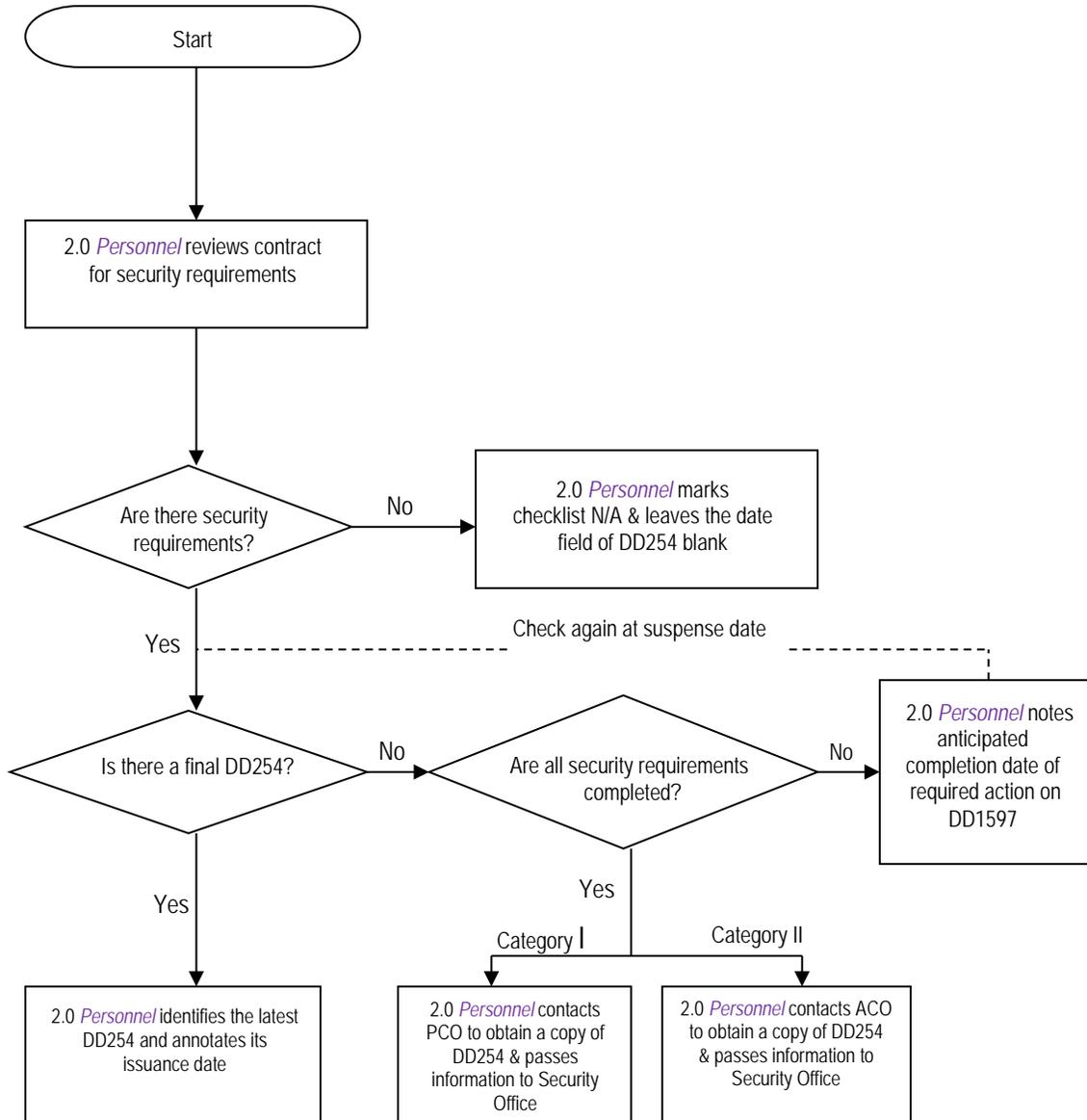
9. Disposition of Government Property. Government property provided to the contractor during contract performance and not consumed must be disposed of at the end of the contract. Any property acquired or manufactured by the contractor and paid for by the government that is in excess at completion may become government property. *FAR (Part 45.600)* provides for reporting, redistribution, and disposal of Government property excess to contracts and of property that forms the basis of a claim against the government. Proper disposition of such property, including contractor reporting of all government property, government review of the property reports, and specific instructions to the contractor as to whether the property is to be shipped, left in place, or scrapped are addressed in this subpart. On Category II contracts the 2.0 *Personnel* will ensure these documents are in the file prior to closeout.

- (i) When the property has been cleared, the property administrator inputs the disposition into DPADs and an R9 code “55” will appear in MOCAS. If the Code 55 is missing, a DD 1593 should be submitted to the Property Administrator for review and clearance.

10. Disposition of Classified. SPAWAR HQ Code 2.0 *Personnel (if support contractor)* should not be handling any classified documents. The Code 2.0 *Personnel (if support contractor)* should immediately notify the COR/PCO if a classified document comes to the Code 2.0 *Personnel (if support contractor)*.

- (i) The following is for informational purposes only. All classified documents involved in the contract must be handled in accordance with government security regulations and accounted for before the contract may be closed. A final DD Form 254, DoD Contract Security Classification Specification, is issued indicating disposition. This includes all subcontractors DD 254. Appendix B of the DD 254 instruction book states that the COR is responsible for the disposition of any classified material and for providing notification to the PCO. Therefore, the 2.0 *Personnel* only notifies the COR of the pending action. The COR/PCO completes the certification of actions required to proceed with closeout. The 2.0 *Personnel* records the latest DD Form 254 issuances date.

Security Actions Category I & II



11. Value Engineering Change Proposals (VECP) If the contract includes FAR 52.248-1, verify no outstanding VECPs requiring payment or disposition exist.

PART IV-Funds Review

Firm Fixed Price Contracts

Difficulties encountered in closing out *firm-fixed price* contracts are more than likely associated with documentation of deliverables or with unliquidated obligation balances. The following guidelines are suggested in determining what steps need to be taken to closeout these types of contracts.

1. Excess Funds, Remaining Funds and Final Invoice . Upon receipt evidence of physical completion (FAR 4.804-5), the 2.0 *Personnel* determines if obligations equal disbursements. For Category I contracts, a reconciliation of obligations at the ACRN level and a review of the posting of disbursements may be necessary before excess funds can be identified and deobligated. The ACO should be contacted for Category II contracts reconciliation.

When there are unliquidated funds, a review is done to ascertain whether the funds must be reconciled, deobligated via modification or a “Q” final in MOCAS.

When a ULO exists, the contract funds review will be done to obtain financial printouts from various financial systems and determine why there is a ULO. The following POC’s may need to be contacted:

- Acceptance POC- validate that all deliverables have been accepted.
- Contractor- verify final invoice (*with Contractor’s release of claims*) was submitted and no further billing issues will ensue.
- DFAS Office- ensures all payments have been made.

The 2.0 *Personnel* follows up, prior to closing the contract, by reviewing the various government financial databases such as STARS, MOCAS, *Defense Cash Accountability System (DCAS)*, *COBRA*, etc. to see the balances results and then notate the final voucher and date of payment in the CCD.

Various Contract Funds Review reconciliation tools:

MOCAS (Mechanization of Contract Administration Services)
USG (STARS) - CLR
SCRT’s (Standard Contracts Reconciliation Tool)
SWA (Secure Web Access)
EDA/EDM
COBRA (Defense Cash Accountability System (DCAS))

2. Final Acceptance. Final acceptance can be determined by contacting the Technical Code located on the 1449 under block 15 or in Section E of the basic contract. If there are provisions for a Z DD250 under the Basic contract, the acceptance can be obtained through the hard copy file.

The 2.0 *Personnel* will contact the Tech Code point of contact to ensure all deliverables have been received and there is no intent to use any excess funds on the contract for future use. Once the contractor has final billed, DFAS has paid the final voucher and acceptance has been obtained, the 2.0 PCO will proceed with the deobligation of any excess funds for a prompt closeout. A SPAWAR HQ process saves time by the avoidance of modification preparation thus simply deobligating remaining funds. This is

similar to the DCMA process when the ACO notates in MOCAS, for DFAS to deobligate ULO's and close contract out. At SPAWAR HQ a DD 1594 is issued for review and signed by the Closeout Contracting Officer. The DD 1594 is forwarded to Code 1.0 when necessary to deobligate funds in STARS.

3. Replacement Funds Required. If adequate funding was on the contract, but it has since expired, DFAS will reject the voucher for insufficient funds and code it "DFAS Merged Account (DMACT)" in the invoicing screen of MOCAS. DFAS will request replacement funding from the funding activity via their accounting office.

HQ POC handles Replacement Funds issues for HQ and sometimes for SSC-SD depending on the logistics of the PM office. The procedure is as follows:

- Contractor submits final invoice
- ACO submits final invoice to DFAS
- DFAS determines if the remaining funds are suitable for payment or cancelled
- DFAS rejects invoice and notifies ACO
- DFAS notifies their centralized unit of replacement issue
- DFAS notifies Agency for replacement funds

4. Request for Additional Funds

When there are cost overruns or additional funds needed to cover indirect rates, this is a PCO issue and funds need to be appropriated thru the PM office to cover such issues. DCMA will contact the Program Office or the PCO to request additional funds for overruns on indirect rates.

PART V-Problem Disbursement

1. Problem Disbursement Issues (Category 1). If there are disbursement issues, it is important to understand that the 2.0 *Personnel* acts as a liaison between the government and the contractor from an administrative standpoint only.

2. Prompt Pay Certificates (Category 1). Prompt Payment Certifications were implemented as part of the Prompt Payment Act (PPA) to promoting faster payment, particularly for small businesses. The certificate is a 1-page form (DFAS Charleston PPC2000-2) signed by the authorized agent within the command and sent to the appropriate DFAS payment office along with the final invoice. This process should expedite payment to a 14-day payment process provided the invoice and certificate are completed properly. Problems arise as a result of either the certificate or invoice submitted not being completed properly for payment. Information such as incorrect ACRN's, Lines of Accounting (LOA) improperly entered on the accounting field, missing information, or incorrect dollar amounts are common problems found on certificates that have been rejection. As a Navy requirement, all final invoices submitted to DFAS Charleston must be accompanied by a Prompt Payment Certificate and all final invoices must be labeled as such.

3. Problem Disbursement Packages (Reconciliation Package). Problem Disbursement Packages are prepared and submitted to Code 1.0 when there are funding reconciliation issues. After review, Code 1.0 forwards the package to DFAS for action. Example: An incorrect ACRN for payment

on the invoice or DFAS paying from older lines of accounting first, are the most common problems. All lines of accounting are reviewed and the errors documented with the following information:

- *DON Problem Disbursement Reconciliation Package Transmittal Sheet*
- *Back up Payment History (DCAS)*
- *Complete description of problem and statement of how to correct it.*

The 2.0 *Personnel* monitors progress of the corrections. The process can take as long as 3 months.

PART VI-PK Indicators

1. Category II - Contracts Overview Closeout Process.

Closeout administration for Category II (ACO-Administered) Contracts begins with the issuance of the automated PK9 Indicator, an advisory notice that a contract is physically complete. This information is input into MOCAS by the ACO and generates an electronic notice.

2. PK9 Indicators. A PK9 Indicator is electronically routed out of the MOCAS system to the buying agency, via DIELOG Access to notify them of the impending closure of a particular contract within the MOCAS system. Critical elements such as DCMA offices (by UIC), final voucher numbers, and date of final payment by the DFAS office will be addressed within the structure of the PK9 Indicator. The Indicator will also note if there is a pending ULO (Un-Liquidated Obligation). An Indicator will look much like the following when received:

```
RCCUDMCZ RUQAICH2050 1760958 MTMS-UUUU--RUQACZU.  
PK9N0003985C0005ARZ996S3915AN0003900000000C 97NOV2091JUL0204JUN248562000F8207 F  
RCCUDMCZ RUQAICH2050 1760958 0003-UUUU NNNN
```

PK9 INDICATORS

The PK9 Indicator appears as:

PK9F3460197D01720018AZS2401AFD203000026619B

02JUN0701NOV0102JUN07854100D06994 F

Individually, the data elements are represented as (per color match):

PK9	--	MILSCAP Document Identifier
S2401A	--	DoDAAC Administration: S2401A
FD2030	--	Issued By: FD2030
00026619	--	Unliquidated Dollars: 00026619 (\$266.19)
B	--	Contract Closeout Time Group: B (example)
02JUN07	--	Physical Completion Date: 2002JUN07
01NOV01	--	Final Payment Date: 2001NOV01
02JUN07	--	Closed Date: 2002JUN07
854100	--	DSSN: 854100 (8541, last two positions zero-filled)
D06994	--	Final Voucher Number: D06994 (1st position zero-filled)
Transaction Status Indicator:		
F	--	F - Final (J = Physical Completion; X = Interim/Delay)

3. CAR Section Indicators

The CAR's internal purpose at DCMA is to indicate the status of a contract for tracking purposes. At the time of the final electronic routing of the PK-9 Indicator, the contract will be in Car Section 5 and will be physically complete, rates will have been audited and payment issues will be settled.

CAR SECTION INDICATORS

1 – Active Contracts – contracts on which delivery/acceptance, performance of services, or work statement requirements have not been met; or, the option period or ordering period has not expired.

2 – Physically Completed prime contracts (and all task/delivery orders, if any) for which final payments and/or certifications of completion which have not yet been made. All TO/DO's must be closed prior to closing the prime contract.

3 – Litigation in Process – These are contracts where performance has ceased, but cannot be closed until after the completion of an investigation or litigation.

4 – Payment/CLR Adjustments pending. Contracts are entered into this section by DFAS and are retained there until reconciliation is completed by DFAS.

5 – Contracts that were closed during the reporting period.

8 – Computer assigned section number at end-of-month processing for all contracts that were assigned to CAR Section 5 during the month.

9 – Administrative Closeout – computer assigned section number for all contracts that are Section 8 at end-of-month processing. On a monthly basis the system reviews all Section 9 contracts to determine if the closed date is older than six months. If so, the contract and inventory level data will be deleted from the MOCAS database.

4. Delay Reason Indicators

When there is a reasonable expectation that the contract will close beyond the FAR/DFARS established timeframes, a PKX will be issued as a Notice of Delay in Closing. An exception to the rule takes place when FFP contracts without special provisions are involved: a PK9 *Indicator* is issued at time of Physical Completion (*ONLY*) with Car Section 2 with the following delay reason codes

DELAY REASON CODES	
Code	Reason
A	Contractor Final Invoice not submitted
B	Final acceptance not received (DD250)
C	Contractor patent/royalty report (DD882) not submitted
D	Patent / royalty clearance required
E	Contractor submitted final price redetermination proposal
F	Supplemental Agreement covering final price redetermination required
G	Settlement of subcontracts pending
H	Final audits in process
J	Disallowed cost pending
K	Final Audit of Government Property pending
L	Independent research and development rates pending
M	Negotiation of overhead rates pending
N	Awaiting additional funds
P	Reconciliation with paying office (DFAS) and Contractor being accomplished
Q	Armed Services Board of Contract Appeals (ASBCA) case
R	Public Law 85-504 case
S	Litigation / investigation pending
T	Termination in process
U	Warranty clause action pending
V	Disposition of Government Property pending
W	Contract modification code X pending
X	Contract release of claims / assignment of funds pending
Y	Awaiting notice of final payment
Z	Disposition of classified material pending
3	Pre-validation Action Pending
6	Fee withheld
7	Awaiting removal of excess funds

PART VII-Sample Forms

1. DD Form 250 Material Inspection and Receiving Report

2. DD Form 254 Contract Security Classification Specification

3. DD Form 882 Report of Inventions and Subcontract

4. DD Form 1594 Contract Completion Statement (Category I and II Contracts)

5. DD Form 1597 Contract Closeout Check List

DD Form 250 – Material Inspection and Receiving Report

MATERIAL INSPECTION AND RECEIVING REPORT						Form Approved OMB No. 0704-0248			
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.									
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE ABOVE ADDRESS. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.									
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		ORDER NO.		6. INVOICE NO./DATE		7. PAGE OF	8. ACCEPTANCE POINT		
2. SHIPMENT NO.	3. DATE SHIPPED	4. B/L TCN		5. DISCOUNT TERMS					
9. PRIME CONTRACTOR CODE			10. ADMINISTERED BY CODE						
11. SHIPPED FROM (If other than 9) CODE			FOB:		12. PAYMENT WILL BE MADE BY CODE				
13. SHIPPED TO CODE			14. MARKED FOR CODE						
15. ITEM NO.	16. STOCK/PART NO. <i>(Indicate number of shipping containers - type of container - container number.)</i>	DESCRIPTION	17. QUANTITY SHIP/REC'D*	18. UNIT	19. UNIT PRICE	20. AMOUNT			
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.				b. DESTINATION <input type="checkbox"/> COA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.				22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.	
DATE _____		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE _____		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____			
TYPED NAME:		TITLE:		MAILING ADDRESS:		DATE RECEIVED _____			
TYPED NAME:		TITLE:		MAILING ADDRESS:		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE			
MAILING ADDRESS:		COMMERCIAL TELEPHONE NUMBER:		MAILING ADDRESS:		TYPED NAME:			
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		MMAILING ADDRESS:		TITLE:			
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		MAILING ADDRESS:			
* If quantity received by the Government is the same as quantity shipped, indicate by (X) mark; if different, enter actual quantity received below quantity shipped and encircle.									
23. CONTRACTOR USE ONLY _____ _____ _____									

DD FORM 250, AUG 2000

PREVIOUS EDITION IS OBSOLETE.

DD Form 254 – Contract Security Classification Specification

DEPARTMENT OF DEFENSE CONTRACT SECURITY CLASSIFICATION SPECIFICATION <i>(The requirements of the DoD Industrial Security Manual apply to all security aspects of this effort.)</i>				1. CLEARANCE AND SAFEGUARDING	
				a. FACILITY CLEARANCE REQUIRED INTERIM TOP SECRET	
				b. LEVEL OF SAFEGUARDING REQUIRED NONE	
2. THIS SPECIFICATION IS FOR: <i>(X and complete as applicable)</i>			3. THIS SPECIFICATION IS: <i>(X and complete as applicable)</i>		
<input checked="" type="checkbox"/>	a. PRIME CONTRACT NUMBER		<input checked="" type="checkbox"/>	a. ORIGINAL <i>(Complete date in all cases)</i>	DATE (YYYYMMDD) 20021219
	b. SUBCONTRACT NUMBER			b. REVISED <i>(Supersedes all previous specs)</i>	REVISION NO. 2 DATE (YYYYMMDD) 20040608
	c. SOLICITATION OR OTHER NUMBER	DUE DATE (YYYYMMDD)		c. FINAL <i>(Complete item 5 in all cases)</i>	DATE (YYYYMMDD)
4. IS THIS A FOLLOW-ON CONTRACT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO. If Yes, complete the following: Classified material received or generated under _____ <i>(Preceding Contract Number)</i> is transferred to this follow-on contract.					
5. IS THIS A FINAL DD FORM 254? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO. If Yes, complete the following: In response to the contractor's request dated _____, retention of the classified material is authorized for the period of _____					
6. CONTRACTOR <i>(Exclude Commercial and Government Entity (CAGE) Code)</i>					
a. NAME, ADDRESS, AND ZIP CODE		b. CAGE CODE	c. COGNIZANT SECURITY OFFICE <i>(Name, Address, and Zip Code)</i>		
			DEFENSE SECURITY SERVICE (DSS) 16885 W. DERNARDO DRIVE, SUITE 150 SAN DIEGO, CA 92127-1619		
7. SUBCONTRACTOR					
a. NAME, ADDRESS, AND ZIP CODE		b. CAGE CODE	c. COGNIZANT SECURITY OFFICE <i>(Name, Address, and Zip Code)</i>		
8. ACTUAL PERFORMANCE					
a. LOCATION		b. CAGE CODE	c. COGNIZANT SECURITY OFFICE <i>(Name, Address, and Zip Code)</i>		
9. GENERAL IDENTIFICATION OF THIS PROCUREMENT					
10. CONTRACTOR WILL REQUIRE ACCESS TO:		YES	NO	11. IN PERFORMING THIS CONTRACT, THE CONTRACTOR WILL:	
a. COMMUNICATIONS SECURITY (COMSEC) INFORMATION			<input checked="" type="checkbox"/>	a. HAVE ACCESS TO CLASSIFIED INFORMATION ONLY AT ANOTHER CONTRACTOR'S FACILITY OR A GOVERNMENT ACTIVITY	
b. RESTRICTED DATA			<input checked="" type="checkbox"/>	b. RECEIVE CLASSIFIED DOCUMENTS ONLY	
c. CRITICAL NUCLEAR WEAPON DESIGN INFORMATION			<input checked="" type="checkbox"/>	c. RECEIVE AND GENERATE CLASSIFIED MATERIAL	
d. FORMERLY RESTRICTED DATA			<input checked="" type="checkbox"/>	d. FABRICATE, MODIFY, OR STORE CLASSIFIED HARDWARE	
e. INTELLIGENCE INFORMATION			<input checked="" type="checkbox"/>	e. PERFORM SERVICES ONLY	
(1) Sensitive Compartmented Information (SCI)			<input checked="" type="checkbox"/>	f. HAVE ACCESS TO U.S. CLASSIFIED INFORMATION OUTSIDE THE U.S., POSSESSOR'S AND TRUST TERRITORIES	
(2) Non-SCI			<input checked="" type="checkbox"/>	g. BE AUTHORIZED TO USE THE SERVICES OF THESE FEDERAL INFORMATION CENTER (FIC) OR OTHER SECONDARY DISTRIBUTION CENTER	
f. SPECIAL ACCESS INFORMATION			<input checked="" type="checkbox"/>	h. REQUIRE A COMSEC ACCOUNT	
g. NATO INFORMATION		<input checked="" type="checkbox"/>		i. HAVE TEMPEST REQUIREMENTS	
h. FOREIGN GOVERNMENT INFORMATION			<input checked="" type="checkbox"/>	j. HAVE OPERATIONS SECURITY (OPSEC) REQUIREMENTS	
i. LIMITED DISSEMINATION INFORMATION			<input checked="" type="checkbox"/>	k. BE AUTHORIZED TO USE THE DEFENSE COURIER SERVICE	
j. FOR OFFICIAL USE ONLY INFORMATION		<input checked="" type="checkbox"/>		l. OTHER <i>(Specify)</i>	
k. OTHER <i>(Specify)</i>					

DD FORM 254, DEC 1999

PREVIOUS EDITION IS OBSOLETE.

12. PUBLIC RELEASE. Any information (classified or unclassified) pertaining to this contract shall not be released for public dissemination except as provided by the Industrial Security Manual or unless it has been approved for public release by appropriate U.S. Government authority. Proposed public releases shall be submitted for approval prior to release Direct Through (Specify)

COMMANDER, SPACE AND NAVAL WARFARE SYSTEMS COMMAND (COMSPAWARSSYSCOM) (CODE 00L) 4301
PACIFIC COAST HIGHWAY, SAN DIEGO, CA 92110-3127

to the Directorate for Freedom of Information and Security Review, Office of the Assistant Secretary of Defense (Public Affairs)* for review.
*In the case of non-DoD User Agencies, requests for disclosure shall be submitted to that agency.

13. SECURITY GUIDANCE. The security classification guidance needed for this classified effort is identified below. If any difficulty is encountered in applying this guidance or if any other contributing factor indicates a need for changes in this guidance, the contractor is authorized and encouraged to provide recommended changes; to challenge the guidance or the classification assigned to any information or material furnished or generated under this contract; and to submit any questions for interpretation of this guidance to the official identified below. Pending final decision, the information involved shall be handled and protected at the highest level of classification assigned or recommended. (Fill in as appropriate for the classified effort. Attach, or forward under separate correspondence, any documents/guides/extracts referenced herein. Add additional pages as needed to provide complete guidance.)

CLASSIFICATION GUIDES: (GUIDE(S) TO BE PROVIDED BY PMW 153)
OPNAVINST 5513.10B, ADVANCED TECHNOLOGY AND MISCELLANEOUS PROGRAMS.

ACCESS REQUIREMENTS:

11.A ALL CLASSIFIED WORK AND/OR STORAGE DURING THE PERFORMANCE OF THIS CONTRACT IS RESTRICTED TO COMSPAWARSSYSCOM, SAN DIEGO, CA. COMSPAWARSSYSCOM WILL PROVIDE SECURITY CLASSIFICATION GUIDANCE FOR PERFORMANCE OF THIS CONTRACT.

11.E CONTRACT IS FOR RESEARCH AND DEVELOPMENT SERVICES. CLEARED PERSONNEL ARE REQUIRED TO PERFORM SERVICES FOR THOSE SITES WHERE CLASSIFIED ACCESS CANNOT BE PRECLUDED BY ESCORTING AND SANITIZATION BY SITE PERSONNEL.

11.G THE CONTRACTOR IS AUTHORIZED THE USE OF DTIC REGARDING SPECIFIC CONTRACT RELATED INFORMATION AND WILL PREPARE AND PROCESS DD FORM 1540 IN ACCORDANCE WITH THE NISPOM, CHAPTER 11, SECTION 2. THE COR WILL CERTIFY NEED-TO-KNOW TO DTIC.

VISIT REQUESTS TO OTHER THAN COMSPAWARSSYSCOM SHALL HAVE THE "NEED-TO-KNOW" CERTIFIED BY PMW 153.

CONTRACTING OFFICER'S REPRESENTATIVE (COR): [REDACTED]

ALL CLASSIFIED INFORMATION MUST BE MARKED IN ACCORDANCE WITH EXECUTIVE ORDER 12958-CLASSIFIED NATIONAL SECURITY INFORMATION, OF 17 APRIL 1995. YOUR DEFENSE SECURITY SERVICE (DSS) INDUSTRIAL SECURITY REPRESENTATIVE (ISREP) SHOULD BE CONTACTED FOR ASSISTANCE.

14. ADDITIONAL SECURITY REQUIREMENTS. Requirements, in addition to ISM requirements, are established for this contract. Yes No
(If Yes, identify the pertinent contractual clauses in the contract document itself, or provide an appropriate statement which identifies the additional requirements. Provide a copy of the requirements to the cognizant security office. Use Item 13 if additional space is needed.)

15. INSPECTIONS. Elements of this contract are outside the inspection responsibility of the cognizant security office. Yes No
(If Yes, explain and identify specific areas or elements carried out and the activity responsible for inspections. Use Item 13 if additional space is needed.)

16. CERTIFICATION AND SIGNATURE. Security requirements stated herein are complete and adequate for safeguarding the classified information to be released or generated under this classified effort. All questions shall be referred to the official named below.

a. TYPED NAME OF CERTIFYING OFFICIAL [REDACTED]	b. TITLE SECURITY'S CONTRACTING OFFICER'S REPRESENTATIVE (COR)	c. TELEPHONE (include Area Code) [REDACTED]
d. ADDRESS (include Zip Code) SPAWAR SYSTEMS CENTER (SSC-SD) 53560 HULL STREET CODE 20351 SAN DIEGO, CA 92152-5001	17. REQUIRED DISTRIBUTION <input checked="" type="checkbox"/> a. CONTRACTOR <input type="checkbox"/> b. SUBCONTRACTOR <input checked="" type="checkbox"/> c. COGNIZANT SECURITY OFFICE FOR PRIME AND SUBCONTRACTOR <input type="checkbox"/> d. U.S. ACTIVITY RESPONSIBLE FOR OVERSEAS SECURITY ADMINISTRATION <input checked="" type="checkbox"/> e. ADMINISTRATIVE CONTRACTING OFFICER <input checked="" type="checkbox"/> f. OTHERS AS NECESSARY	
e. SIGNATURE		

DD Form 1594 – Category I Contract

CONTRACT COMPLETION STATEMENT		
1. FROM: (Contract Administration Office) SPAWAR COMMANDER SPACE AND NAVAL WARFARE SYSTEMS COMMAND 4301 PACIFIC HIGHWAY SAN DIEGO CA 92110-3127		2a. PII NUMBER 2b. LAST MODIFICATION NUMBER 2c. CALL/ORDER NUMBER [REDACTED]
3. TO: (Name and Address of Purchasing Office and Office Symbol of the PCO, if known) SPACE AND NAVAL WARFARE SYSTEMS COMMAND 4301 PACIFIC HIGHWAY SAN DIEGO CA 92110-3127		4. CONTRACT IDENTITY CODE AND ADDRESS [REDACTED]
		5. EXCESS FUNDS: <input type="radio"/> Yes <input checked="" type="radio"/> NO \$
6a. IF FINAL PAYMENT HAS BEEN MADE, COMPLETE ITEM 6b. AND 6c.	6b. VOUCHER NUMBER 4DCHFWC	6c. DATE 5/4/2004
7a. IF FINAL APPROVED INVOICE FORWARDED TO D.O. OF ANOTHER ACTIVITY AND STATUS OF PAYMENT IS UNKNOWN, COMPLETE ITEMS 7b. AND 7c.	7b. INVOICE NUMBER 001	7c. DATE 4/4/2004
8. REMARKS [REDACTED]		
9a. ALL ADMINISTRATION OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. THIS INCLUDES FINAL SETTLEMENT IN THE CASE OF A PRICE REVISION CONTRACT.		
9b. TYPED NAME OF RESPONSIBLE OFFICIAL	9c. SIGNATURE	9d. DATE 5/27/2004
FOR PURCHASING OFFICE USE ONLY		
10a. ALL PURCHASING OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. CONTRACT FILE OF THIS OFFICE IS HEREBY CLOSED AS OF: <input checked="" type="checkbox"/> DATE SHOWN IN ITEM 9d. ABOVE. <input type="checkbox"/> DATE SHOWN IN ITEM 10a. BELOW. (Check this box only if final completion of any significant purchasing office action extends more than three months beyond close-out date shown in item 9d. above. In such cases, submit a copy of completed form upon final accomplishment of all purchasing office actions to the contract administration office. Upon receipt, the contract administration office shall extend its contract file close-out date accordingly.)		
10b. REMARKS All contractual items are complete. Contract obligations equal disbursements.		
10c. TYPED NAME OF RESPONSIBLE OFFICIAL [REDACTED] CONTRACTING OFFICER	10d. SIGNATURE	10e. DATE 5/27/2004

DD FORM 1594, FEB 70 (EG)

REPLACES EDITION OF JUN 68 WHICH IS OBSOLETE

DD Form 1594 – Category II Contract

CONTRACT COMPLETION STATEMENT		
1. FROM: (Contract Administration Office) DCMA BOSTON - GFOC-Z3 Barnes Building 495 Summer Street Boston, MA 02210	2a. PII NUMBER 2b. LAST MODIFICATION NUMBER <i>P00003 / A00001</i>	
3. TO: (Name and Address of Purchasing Office and Office Symbol of the PCO, if known) <div style="border: 1px solid black; padding: 5px; width: fit-content;"> SPAWAR Headquarters Contract Closeout Team/BMG ATTN: [REDACTED] 4301 Pacific Hwy San Diego, CA 92110-3127 </div>		4. CONTRACTOR IDENTITY CODE AND ADDRESS <div style="background-color: black; width: 100px; height: 30px; margin: 5px 0;"></div>
5. EXCESS FUNDS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO \$ _____		
6a. IF FINAL PAYMENT HAS BEEN MADE, COMPLETE ITEMS 6b., AND 6c.	6b. VOUCHER NUMBER BVN0009	6c. DATE 8/21/02
7a. IF FINAL APPROVED INVOICE FORWARDED TO D.O. OF ANOTHER ACTIVITY AND STATUS OF PAYMENT IS UNKNOWN, COMPLETE ITEMS 7b. AND 7c.	7b. INVOICE NUMBER	7c. DATE FORWARDED
B. REMARKS <div style="height: 100px;"></div>		
9a. ALL ADMINISTRATION OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. THIS INCLUDES FINAL SETTLEMENT IN THE CASE OF A PRICE REVISION CONTRACT		
9b. TYPED NAME OF RESPONSIBLE OFFICIAL [REDACTED], ACO	9c. SIGNATURE 	9d. DATE June 17, 2004
FOR PURCHASING OFFICE USE ONLY		
10a. ALL PURCHASING OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. CONTRACT FILE OF THIS OFFICE IS HEREBY CLOSED AS OF: <input type="checkbox"/> DATE SHOWN IN ITEM 9d. ABOVE. <input type="checkbox"/> DATE SHOWN IN ITEM 10a. BELOW. <i>(Check this box only if final completion of any significant purchasing office action extends more than three months beyond close-out date shown in Item 9d. above. In such cases, submit a copy of the completed form upon final accomplishment of all purchasing office actions to the contract administration office. (Upon receipt, the contract administration office shall extend the contract file close-out date accordingly.)</i>		
10b. REMARKS <div style="height: 100px;"></div>		
10c. TYPED NAME OF RESPONSIBLE OFFICIAL	10d. SIGNATURE	10e. DATE

DD FORM 1594, FEB 70 (EG)

Replaces edition of 1 JUN 68 which is obsolete.

Designed using PerForm Pro, DASC-VC, AUG 94

DD Form 1597 – Contract Closeout Check-List

CONTRACT CLOSEOUT CHECK-LIST <i>(Use a separate page to attach any comments.)</i>				1. CONTRACT NUMBER	
3. NAME OF CONTRACTOR				2. CONTRACT MODIFICATION NUMBERS <i>(If applicable)</i>	
4. DATE OF PHYSICAL COMPLETION (YYYYMMDD)	6. MILESTONES/CALENDAR MONTHS AFTER PHYSICAL COMPLETION <i>(FAR 4.804-1)</i>			7. FORECAST COMPLETION DATE (YYYYMMDD)	8. DATE ACTION COMPLETED (YYYYMMDD) <i>(NA if not applicable)</i>
5. ACTION ITEMS	Category 2	Category 3	Category 4		
a. DISPOSITION OF CLASSIFIED MATERIAL COMPLETED					
b. FINAL PATENT REPORT SUBMITTED <i>(Inventions Disclosures)</i> DD 882					
c. FINAL ROYALTY REPORT SUBMITTED					
d. FINAL PATENT REPORT CLEARED <i>(Inventions Disclosures)</i>					
e. FINAL ROYALTY REPORT CLEARED					
f. ISSUANCE OF REPORT OF CONTRACT COMPLETION					
g. NO OUTSTANDING VALUE ENGINEERING CHANGE PROPOSAL <i>(VECP)</i>					
h. PLANT CLEARANCE REPORT RECEIVED DD 1593					
i. PROPERTY CLEARANCE RECEIVED DD 1593					
j. SETTLEMENT OF ALL INTERIM OR DISALLOWED COSTS <i>(DCAA Form 1)</i>					
k. PRICE REVISION COMPLETED					
l. SETTLEMENT OF SUBCONTRACTS BY THE PRIME CONTRACTOR					
m. PRIOR YEAR OVERHEAD RATES COMPLETED					
n. CONTRACTOR'S CLOSING STATEMENT RECEIVED					
o. FINAL SUBCONTRACTING PLAN REPORT SUBMITTED					
p. TERMINATION DOCKET COMPLETED DD 1593					
q. CONTRACT AUDIT COMPLETED					
r. CONTRACTOR'S CLOSING STATEMENT COMPLETED					
s. FINAL VOUCHER SUBMITTED SF 1034					
t. FINAL PAID VOUCHER RECEIVED SF 1034					
u. FINAL REMOVAL OF EXCESS FUNDS RECOMMENDED					
v. ISSUANCE OF CONTRACT COMPLETION STATEMENT <i>(Or MILSCAP Format Identifier PK9)</i>	6	36	20		
w. OTHER REQUIREMENTS COMPLETED <i>(Specify)</i>					
9. RESPONSIBLE OFFICIAL					
a. TYPED NAME <i>(Last, First, Middle Initial)</i>			b. TITLE		
c. SIGNATURE <i>(Sign only upon completion of all actions)</i>				d. DATE SIGNED (YYYYMMDD)	

DD FORM 1597, APR 2000

PREVIOUS EDITION MAY BE USED.

PART VIII- Government Contract Files

Documentation in the contract files shall be sufficient to constitute a complete history for the purpose of: (1) providing a complete background as a basis for informed decisions at each step in the acquisition process; (2) supporting actions taken; (3) providing information for reviews and investigations; and (4) furnishing essential facts in the event of litigation or congressional inquiries.

FAR 4.802(f) authorizes the Contracting Office to maintain files in any medium (paper, electronic, microfilm) or any combination of media as long as the requirements are met. It is recommended that the hard copy files be destroyed as soon as practicable after they have been scanned as an electronic file. An exception to this action would be classified, proprietary, or litigation files that may have to be maintained and safeguarded in an alternate fashion.

In accordance with DFARS 204.802 specifically states that official contract files shall consist of only original, authenticated (certified as true copy by signature of authorized personnel or official seal) or conformed (complete and accurate, including the date signed, names, and titles of parties who signed them) copies of contractual instruments as well as signed or official record copies of correspondence, memoranda, and other documents.

In accordance with DFARS 204.805(3) the Contracting Office shall hold completed contract files in the office responsible for post award contract administration for a period of 12 Months after contract closeout. After the initial 12-month period, send the record to the local records holding or staging area until they are eligible for destruction. **Destroy working files as soon as practicable once they are no longer needed.**

GENERAL CONTRACT FILE RETENTION PERIOD	
Document / File	Retention Period
Contract Disputes Act actions	1 year after final payment
Contracts <u>equal or lower than</u> SAT (\leq \$150,000.00) other than Construction	3 years after final payment
Contracts <u>greater than</u> SAT ($>$ \$150,000.00) other than Construction	6 years and 3 months after final payment
Contracts <u>equal or lower than</u> (\leq) \$2,000.00 for Construction	3 years after final payment
Contracts <u>greater than</u> ($>$) \$2,000.00 for Construction	6 years and 3 months after final payment
Cancelled Solicitations	5 years after cancellation

PART IX-Links to References

1. Closeout

- (1) [FAR 4.804, Closeout of Contract Files](#)
- (2) [FAR 42.708, Quick Closeout Procedures](#)
- (3) [DCMA Class Deviation \(Quick Closeout Rates\)](#)
- (4) [DFARS 204.804, Closeout of Contract Files](#)
- (5) [DCMAD 1 \(One Book\), Contract Closeout, Chapter 9.9](#)
- (6) [DLAM 8000.3, MOCAS Manual, Part 2, Chapter 4, Prime Contract Closeout Procedures](#)
- (7) [DCMA Contract Closeout Center Web Page](#)

2. Payment

- (1) [FAR 52.211-16, Variation in Quantity](#)
- (2) [FAR 52.216-2, Economic Price Adjustment](#)
- (3) [FAR 52.216-7, Allowable Cost and Payment](#)
- (4) [FAR 52.216-8, Fixed Fee](#)
- (5) [FAR 42.705, Final Indirect Cost Rates](#)
- (6) [FAR 52.216-16, Incentive Price Revision](#)
- (7) [FAR 52.232-7, Payments under Time and Material/Labor Hour Contracts](#)
- (8) [DCMA Information Memorandum No. 03-017, Subject: ACO Approval of Final/Completion Vouchers and Required Documentation \(INFORMATION\), Date: October 9, 2002](#)
- (9) [DCMA Information Memorandum No. 03-121, Subject: Fee Withholds on Cost-\(11\) Reimbursement Type Contracts \(INFORMATION\), Date: January 14, 2002](#)

3. Other

- (1) [FAR 31.201-2, Determining Allowability](#)
- (2) [DCMA Information Memoranda](#)
- (3) [DCMA Information Memorandum No. 02-118, Subject: Improper or Unnecessary Adjustments Affecting Cancelled Appropriations, Date: November 30, 2001](#)
- (4) [DCMA Tasking Memorandum No. 03-014, Subject: MOCAS Overage Codes "1" and "N" \(TASKING\), Date: October 8, 2002](#)
- (5) [DCMA Information Memorandum No. 03-261, Subject: DCMA/DFAS Partnership Agreement for Operations \(INFORMATION\), Date: June 3, 2003](#)

PART X-Acronym List

ACO	Administrative Contracting Officer
ACRN	Accounting Classification Reference Number
BOA	Basic Ordering Agreement
CA	Contract Administrator
CACO	Corporate Administrative Contracting Officer
CACS	Contract Audit Closing Statement
CAR	Contract Administration Report
CAS	Contract Administration Services
CLIN	Contract Line Item Number
CMO	Contract Management Office
COA	Certificate of Acceptance
COMPASS	Contract Management Paperless Support System
COTR	Contracting Office Technical Representative
DACO	Divisional Administrative Contracting Officer
DCAA	Defense Contract Audit Agency
DCAAM	Defense Contract Audit Agency Manual
DCMA	Defense Contract Management Agency
DCMD	Defense Contract Management District
DFARS	Defense Federal Acquisition Regulation Supplement
DFAS	Defense Finance and Accounting Service
DLA	Defense Logistics Agency
DLAD	Defense Logistics Agency Directive
DLAM	Defense Logistics Agency Manual

DLAR	Defense Logistics Agency Regulation
DMACT	DFAS Merged Account
DMC	Defense Mega center
DODAAD	Department of Defense Activity Address Directory
DPAS	Defense Priorities and Allocation System
DIS	Defense Industrial Security
FAR	Federal Acquisition Regulation
FAD	Final Acceptance Date
FDD	Final Delivery Date
FMS	Foreign Military Sales
FNLA	Final Notice of Last Action
FOB	Free On Board
FOIA	Freedom of Information Act
FST	Field Support Team
FY	Fiscal Year
GFE	Government Furnished Equipment
GFM	Government Furnished Material
GFP	Government Furnished Property
IDIQ	Indefinite Delivery Indefinite Quantity
IS	Industrial Specialist
LISSR	Line Item Schedule Summary Record
MOCAS	Mechanization of Contract Administration Services
MOD	Modification
NLA	Notice of Last Action

NSN	National Stock Number
O&M	Operation and Maintenance
ODO	Other Disbursing Office
OT	Other Transactions
PA	Property Administrator
PCO	Procuring Contracting Officer
PCSN	Production Schedule Completion Notice
PIIN	Procurement Instrument Identification Number
PLCO	Plant Clearance Officer
POP	Period of Performance
PO	Purchase Order
QA	Quality Assurance
QAR	Quality Assurance Representative
R&D	Research and Development
SBA	Small Business Administration
SBS	Small Business Specialist
SCN	Ship and Military Construction
SDW	Shared Data Warehouse
SPIIN	Supplemental Procurement Instrument Identification Number
ST	Special Tooling
STE	Special Test Equipment
TAG	Technical Assessment Group
TCO	Terminating Contracting Officer
T&M	Time and Material

ULO Unliquidated Obligation

VIQ Variation in Quantity

WIP Work in Process