

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* ensure that-

(1) Disposition of classified material is completed;

(2) *Final patent report is cleared*. If a final patent report is required, the *contracting officer* may proceed with contract closeout in accordance with the following procedures, or as otherwise prescribed by agency procedures:

(i) Final patent reports *should* be cleared within 60 days of receipt.

(ii) If the final patent report is not received, the *contracting officer* shall notify the contractor of the contractor's obligations and the Government's rights under the applicable patent rights clause, in accordance with [27.303](#). If the contractor fails to respond to this notification, the *contracting officer* may proceed with contract closeout upon consultation with the agency legal counsel responsible for patent matters regarding the contractor's failure to respond.

(3) Final royalty report is cleared;

(4) There is no outstanding *value engineering change proposal*;

(5) Plant clearance report is received;

(6) Property clearance is received;

(7) All interim or disallowed costs are settled;

(8) Price revision is completed;

(9) Subcontracts are settled by the prime contractor;

(10) Prior year *indirect cost rates* are settled;

(11) Termination docket is completed;

(12) Contract audit is completed;

(13) Contractor's closing statement is completed;

(14) Contractor's final *invoice* has been submitted; and

(15) Contract funds review is completed and excess funds deobligated.

(b) When the actions in paragraph (a) of this section have been verified, the *contracting officer* administering the contract *must* ensure that a contract completion statement, containing the

following information, is prepared:

- (1) *Contract administration office* name and address (if different from the *contracting office*).
 - (2) *Contracting office* name and address.
 - (3) Contract number.
 - (4) Last modification number.
 - (5) Last call or order number.
 - (6) Contractor name and address.
 - (7) Dollar amount of excess funds, if any.
 - (8) Voucher number and date, if final payment has been made.
 - (9) *Invoice* number and date, if the final approved *invoice* has been forwarded to a disbursing office of another agency or activity and the status of the payment is unknown.
 - (10) A statement that all required contract administration actions have been fully and satisfactorily accomplished.
 - (11) Name and *signature* of the *contracting officer*.
 - (12) Date.
- (c) When the statement is completed, the *contracting officer* must ensure that-
- (1) The signed original is placed in the *contracting office* contract file (or forwarded to the *contracting office* for placement in the files if the *contract administration office* is different from the *contracting office*); and
 - (2) A signed copy is placed in the appropriate contract administration file if administration is performed by a *contract administration office*.

Parent topic: 4.804 Closeout of contract files.