

SPD - Activity/Project/Program Closeout - PROC4000

Scope

This process covers closeout of activities, phases, programs, including, but not limited to, physical and fiscal completion, asset transfer, contractor evaluations, O&M manuals, and as-built drawings. This includes partial transfers and incremental project acceptance.

This will help facilitate the on-going closeout of financial accounts & documents during the life of the project.

Policy

AR 25-400-2, The Modern Army Recordkeeping System (MARKS)

[\[http://www.usapa.army.mil/pdffiles/r25-400-2.pdf\]](http://www.usapa.army.mil/pdffiles/r25-400-2.pdf)

DFAS-IN 37-1, Finance and Accounting Policy Implementation, Chapter 27

[\[https://dfas4dod.dfas.mil/centers/dfasin/library/ar37-1/index.htm\]](https://dfas4dod.dfas.mil/centers/dfasin/library/ar37-1/index.htm)

DoD 7000.14-R, Department of Defense Financial Management Regulation, Volume 3

[\[http://www.dtic.mil/comptroller/fmr/\]](http://www.dtic.mil/comptroller/fmr/)

ER 5-1-11, U. S. Army Corps of Engineers Business Process

[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf)

ER 37-2-10, Accounting and Reporting – Civil Works Activities

[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf)

ER 37-345-10, Accounting and Reporting – Military Activities

[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf)

ER 415-1-16, Fiscal Management [\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er415-1-16/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er415-1-16/entire.pdf)

ER 1165-2-131, Local Cooperation Agreements for New Start Construction Projects

[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf)

FAR 4.804, Federal Acquisition Regulation, Closeout of Contract Files

[\[http://www.arnet.gov/far/\]](http://www.arnet.gov/far/)

Responsibility

The Project Manager (PM) is responsible for

- Facilitating project closeout. [Response: rejected – grammatically correct](#) however, the required actions will require participation of a number of Project Delivery Team (PDT)

Members (transfer of property to customer, transfer of property to Place In Service, and closeout of project financial cost accounts)

- Expensing terminated projects per closeout procedures
- Ensuring that necessary documentation has been received, so that project capitalization costs (~~accounted for in the Construction-in-Progress (CIP) account~~) [Response: accepted](#) are properly transferred out of the [Construction-in-Progress \(CIP\)](#) [Response: accepted](#) account, and real property accountability is maintained through the responsibility of the Real Property Accountability Officer

The Project Delivery Team (PDT) is responsible for

- Assisting the PM in project closeout, which includes the transfer of property to customer, transfer of property to Place In Service, and closeout of project financial cost accounts
- Assisting the PM in ensuring that necessary documentation has been received, so that project capitalization costs (~~accounted for in the Construction-in-Progress (CIP) account~~) [Response: accepted](#) are properly transferred out of the CIP account, and real property accountability is maintained through the responsibility of the Real Property Accountability Officer

[The Resource Management Office is responsible for](#)

- [o Ensuring the Joint Review of Unliquidated Obligations and Commitments are conducted.](#)
- [o Monitoring the Construction in Progress \(CIP\) account](#)
- [o Financially closing out projects.](#)
- [o Response: rejected – covered in first bullet of PDT responsibilities](#)

Distribution

Project Delivery Team (PDT) *

Project Manager (PM) *

Resource Management Office

Ownership

The BP/P2 Configuration Manager is responsible for ensuring that this document is necessary, that it reflects actual practice, and that it supports corporate policy.

System References

[Acronyms and Glossary – REF8000/REF8000](#)

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CEFMS Users Manuals Online[<http://rmf31.usace.army.mil/cefmsdoc/>]

Earned Value Management – REF8018[REF8018]

Lessons Learned – PROC3020[PROC3020]

PMP/PgMP Content – REF8005[REF8005]

Project Execution and Control – PROC3000[PROC3000]

Safety and Occupational Health Plan – REF8016[REF8016]

Activity Preface

This process is performed whenever projects and/or phases of projects, including specific activities, are completed or terminated. Projects can also include oversight of contracts, such as Service and IDIQ. The initiation of this process will derive from *Project Execution and Control – PROC3000[PROC3000]*. ~~It is important to remember that e~~ [Response: accepted](#) Closeout of projects and/or phases of projects may serve at least four critical purposes: (1) transferring of cost to the appropriate accounts, (2) reprogramming excess funds, (3) recording of post-completion events and decisions made, and (4) providing an administrative record to serve as a basis for judicial review and community relations. It is also important to reference *Lessons Learned – PROC3020[PROC3020]* during this process.

District SOP's for transferring costs from ~~Construction In Progress~~ [Response: accepted](#) (CIP) accounts should address the majority of steps shown below. Best business practice is for District SOP's to include fiscal ~~and physical~~ [Response: rejected – physical closeout is a milestone, but not an SOP closeout, as well as physical closeout](#) [Response: accepted](#) for asset management and real property accountability. District CIP SOP's should ensure that District's General Ledger Accounts properly reflect projects as complete or under construction. ~~Note that T~~ [the joint](#) [Joint Response: accepted](#) Review of Commitments and Obligations requirement is a quality assurance process to steps 1-5. Reference *DoD 7000.14-R, Department of Defense Financial Management Regulation, Volume 3*, [<http://www.dtic.mil/comptroller/fmr/>] and *DFAS-IN 37-1, Finance and Accounting Policy Implementation, Chapter 27* [<https://dfas4dod.dfas.mil/centers/dfasin/library/ar37-1/index.htm>]. If the project is complete, ~~you will continue on to execute~~ the Operation & Maintenance (O&M) phase ~~or project dedication and Customer acceptance~~. [Response: Edit Team will review and revise to remove ambiguity](#). Otherwise, you will return to *Project Execution and Control – PROC3000[PROC3000]*.

Project Manager (PM)

1. Ensure PDT reviews ~~the~~ [Response: rejected \(unnecessary\)](#) unliquidated obligations and commitments in CEFMS for completed activities.

Project Delivery Team (PDT) ~~Financial POC/Responsible Employee~~ [Response: Rejected - Both are part of the PDT](#)

2. Clear outstanding obligations and commitments.
3. Close work items/reallocate funds, if appropriate.

If activity has an asset work item, goto task #4. Otherwise, goto task #5.

4. Process cost transfer or Place in Service, in accordance with applicable regulations, policies, and District SOP's. [Response: accepted](#)

~~5. —Continue.~~ [Response: accepted.](#)

Project Manager (PM)

5. Determine whether activities represent completion of product or project phase. Response: see reworded master document. Accepted and moved to PDT as Step #5.

If completed activity(ies) represents completion of a product or project phase, goto task #6. Otherwise, End of Activity; goto Project Execution and Control – PROC3000[PROC3000].

6. Turn over to the customer the completed product, including as-built drawings and O&M manuals.
7. Ensure PDT completes all closeout documents (e.g., contractor and A-E evaluations, ~~A-E evaluations~~, Response: accepted and transfer documents), and that such documents are completed they are done Response: see reworded master document in accordance with applicable regulations.

Project Delivery Team (PDT)

8. Complete all closeout documents and request feedback from customer.

A standard questionnaire available USACE-wide, or developed by local SOP, will provide measurable feedback from our customers.

Stop and complete Lessons Learned – PROC3020[PROC3020].

If all activity work items are closed, all funds reallocated to project work item, and all claims settled, goto task #9. Otherwise, End of Activity; goto Project Execution and Control – PROC3000[PROC3000].

Project Manager (PM)

9. Determine if project is cost-shared.

If cost-shared, goto task #10. Otherwise, goto task #12.

10. Examine total expenditures for each type of funds to determine if correct cost-sharing exists.

Each project ~~which that~~ Response: accepted is cost-shared has a certain percentage that is paid by the customer in cash and/or other contributions, such as in-kind services or ~~Lands~~ Easements Right of Ways Relocation Disposal areas (LERRD) Response: accepted with modification “Rights of Way” credits. CEFMS has the capability to determine the balancing of these percentages at the completion of a project.

Refer to Section 26, Cost Sharing, of the CEFMS Users Manual [http://rmf31.usace.army.mil/cefms/doc/user_manuals/sec26-cost-share.pdf]

Also refer to *ER 1165-2-131, Local Cooperation Agreements for New Start Construction Projects* [<http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf>].

Project Delivery Team (PDT)

11. Process cost transfer as necessary, in accordance with cost-sharing requirements and applicable regulations, policies, and local SOPs.

Project Manager (PM)

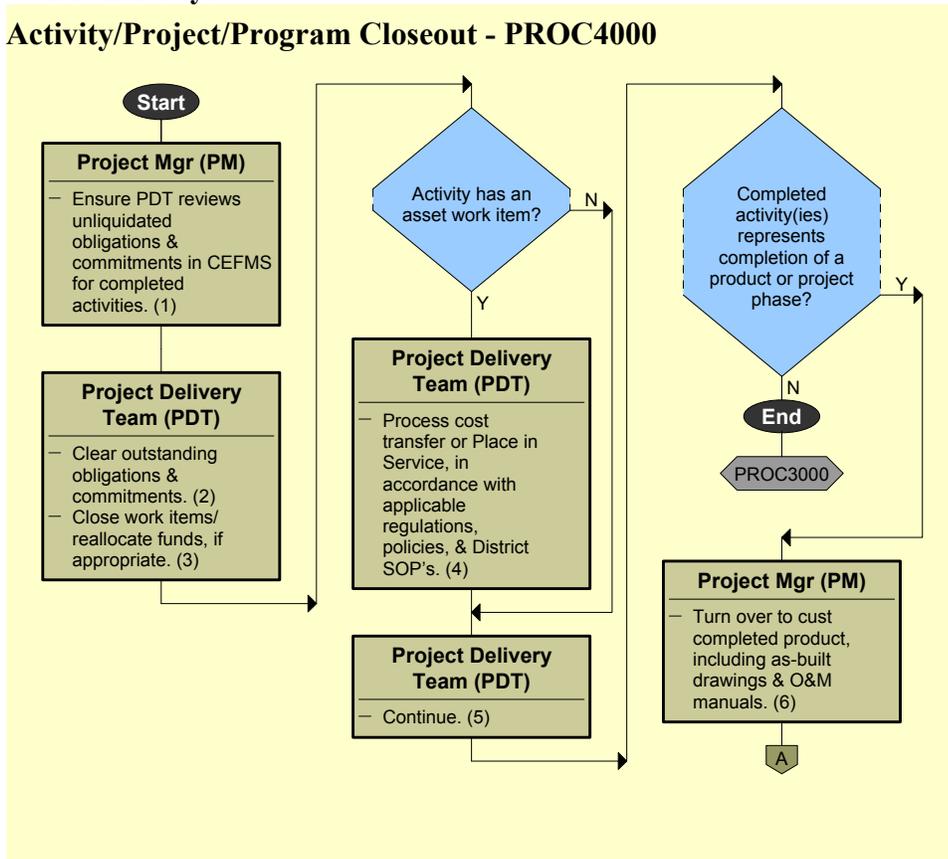
12. Prepare and send customer memorandum closing project with appropriate documents attached.
13. Organize records and store/archive ~~properly~~ **in accordance with MARKS or local policy.**
Response: see reworted master document

~~Ensure files are maintained in accordance with MARKS.~~ Response: see reworted master document—These records include such things as project files, technical documents, reports, plans and specifications, financial documents, etc. Refer to *AR 25-400-2, The Modern Army Recordkeeping System (MARKS)* [<http://www.usapa.army.mil/pdffiles/r25-400-2.pdf>].

14. **Archive P2 project** Response: rejected – covered in step #13.

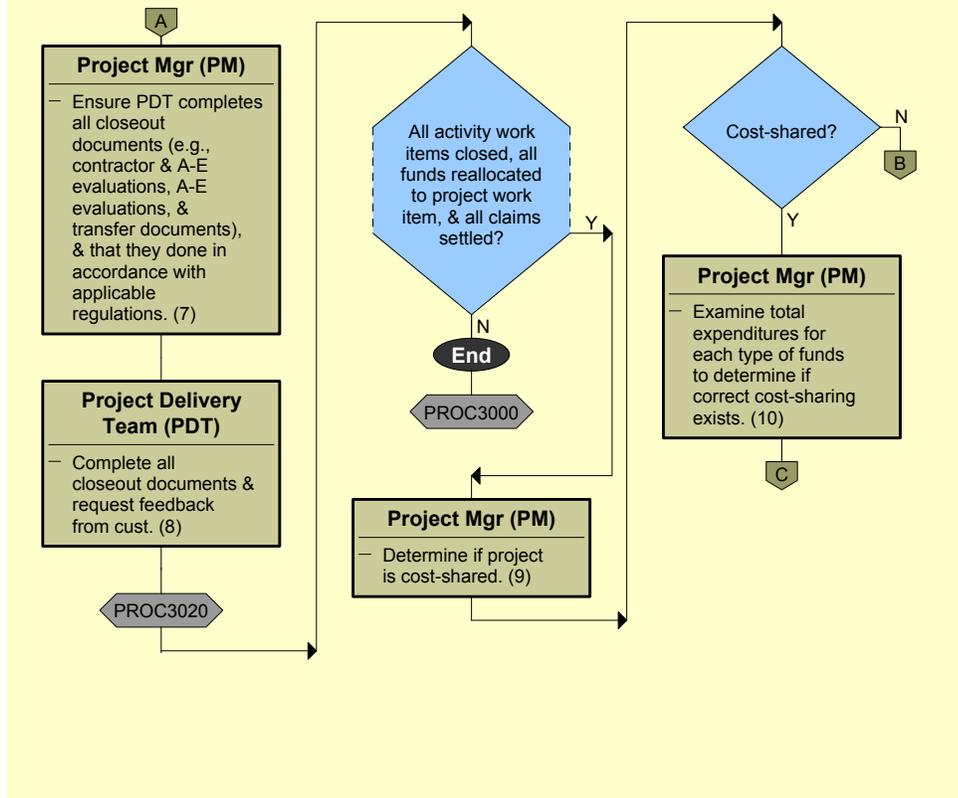
End of activity.

Activity/Project/Program Closeout - PROC4000



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