

Activity/Project Closeout

Scope

This process covers closeout of activities and projects, including physical and fiscal completion, asset transfer, contractor evaluations, O&M manuals, and as-built drawings. This includes partial transfers and incremental project acceptance. Should describe the proper documentation requirements for assets and their retention period(s). Additionally, it should include a statement like: “As a matter of policy, 1354s will be completed by USACE elements and provided to the customer for proper transfer of the asset(s) and appropriate cost information”. Refer to the new 1354 policy for specifics. Response: This is a requirement contained in local SOP’s.

Comment: There is NO discussion throughout the various business process templates of HOW the PM and his/her team go about capturing and storing key project documentation, e.g., O&M manuals, as-built drawings, etc. as the project moves through its life cycle. What are the electronic record-keeping business rules???? They need to be established and addressed in each of the appropriate Project Delivery Processes. It is envisioned that somewhere under the PMBP/P2 portal, there will be electronic document repositories? Is it every PM and team for themselves? This has major implications for the project customer, as well as for the Corps –particularly during litigation processes. Response: MARKS regulation (AR 25-400-2) has been added to cover proper document management. CECEI is responsible for guidance on records management in USACE.

Need to incorporate customer evaluations in the closeout process. Many, if not all USACE activities have some sort of customer feedback mechanism in place, whether project-specific or general in nature. Customer feedback should be built in as a formal portion of the PMBP, but the specific methodology should be at the discretion of the USACE activity, in accordance with their existing/developing programs. Response: See step 7.5 in master document.

This will help facilitate the on-going closeout of financial accounts & documents during the life of the project. It appears this process focuses only on the financial closeout of a project. Aren’t there quality items and other non-financial contractual items to closeout as well? It seems that the processes are not capturing anything outside of funds. Response: Covered by required local SOP’s.

Policy

ER 5-1-11[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf)

ER 37-2-10[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf)

ER 37-345-10[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf)

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

ER 1165-2-131[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf)

I thought that the HQPM staff developed and issued a project closeout manual/handbook/policy. Some policy documents cited are not that helpful, as ER 37-345-10 has a whopping total of 325 pages and an issuance date of 1969. Also, the 1993 version of ER 415-1-16 has been supplemented by a working draft version. See Phil Blount for details. Also, real estate regs and Army/Air Force regs cover much of this area for MILCON and RPMA construction. Response: CFO required the creation of local SOP's in every District/Lab/Center for proper closeout.

Responsibility

The PM is responsible for project closeout; however, the required actions will require participation of a number of Project Delivery Team Members. This includes the requirement to transfer property to customer and closeout project financial cost accounts after project documents or the design and construction contracts are closed out, so excess funds can be returned to HQUSACE/Customers. The PM ensures that necessary documentation has been received so that project capitalization costs (accounted for in the Construction-in-Progress (CIP) account) are accurate and properly transferred out of the CIP account in a timely manner. Response: Accepted. Reworded. See master document.

Distribution

Project Delivery Team (PDT)*
Project Manager (PM)*
Resource Management Office

Ownership

The BP/P2 Program Office 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[REF1001]

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

Civil Works Program and Budget Process[PROC1022]

Lessons Learned[PROC1021]

PMP/PgMP Content[REF1018]

Project Execution and Control[PROC1017]

Check with Haskell Barker, RMS PM, to obtain appropriate construction contract mgmt system references. Response: Accepted. RMS weblink added.

Activity Preface

This process is performed whenever projects and/or phases of projects, including specific activities, are complete. Projects can also include oversight of contracts, such as Service and IDIQ. This is a confused statement. Clarify. This whole paragraph is in dire need of

clear, complete, and correct text. In my opinion, this text misses nearly the entire significance and much of the content of project/contract/financial closeout and transfer activities. [Response: Reworded. See master document.](#)

The initiation of this process will derive from *Project Execution and Control*[PROC1017]. District SOP's for transferring costs from Construction-In-Progress (CIP) accounts should address the majority of steps shown below. Best business practice is for District SOP's to include fiscal closeout, as well as physical closeout for asset management. District CIP SOP's should ensure that District's General Ledger Accounts properly reflect only capital costs for projects [Response: Rejected. Prefer original wording.](#) under construction. Note that the joint Review of Commitments and Obligations requirement is a quality assurance process to steps 1-5. Reference ASA (FM&C) memorandum, dtd 26 Jan 99, subject: Quarterly Reviews of Commitments & Obligations. The 2 sentences that discuss review of commitments and obligations and reference the ASA(FM&C) memo are unnecessary and should be deleted. If they are left in, the sentences should be restated so they have meaning in the context of the process and not just statements of fact or reference documents. [Response: Accepted. Sentence deleted in master document.](#) It is important to remember that closeout of projects and/or phases of projects serve two important purposes: (1) the transfer of cost to the appropriate accounts (Place in Service, Local Interest, or Unfeasible), and (2) excess funds can be reprogrammed. It is also important to reference *Lessons Learned*[PROC1021] during this process.

If the project is complete, you will continue on to the Operation & Maintenance (O&M) phase. Otherwise, you will return to *Project Execution and Control*[PROC1017]. Do we not have most of the civil projects continuing as projects even though we (the Corps) operate and maintain them in the "O&M" phase? Why would the project be "closed out" simply to transition to the O&M phase? [Response: It is a requirement to close out a project after the construction phase.](#)

Project Manager (PM)

1. Ensure PDT reviews unliquidated obligations and undelivered orders in CEFMS for completed activities.
2. Ensure PDT completes all closeout documents (e.g., contractor evaluations, A-E evaluations, as-built drawings, and O&M manuals), and that they are done in accordance with applicable regulations.

Project Delivery Team (PDT)

3. Complete all closeout documents. Closeout documents going to the customer need to transfer safety and health risk information (i.e., O&M manual, as-builts, etc.) [Response: See Safety Plan reference and existing policy. Existing technical policy is not intended to be reiterated in the Business Process Manual.](#) I think there should be a lot more information than just complete all closeout documents. Need to be specific or reference web-sites that provide specific information. [Response: Per local SOP.](#)

4. Clear outstanding obligations and commitments in PR&C's & workitems.
5. Close work items/reallocate funds, if appropriate.

Stop and complete Lessons Learned[PROC1021]. Don't believe that completing Lessons learned is an absolute...should have a step to review if LL is done. Response: Reworded. See master document. Logic reviewed and determined to be correct. Must always check for and incorporate lessons learned.

If activity has an asset work item, go to task #6. Otherwise, go to task #7.

6. Process cost transfer in accordance with applicable regulations and policies and District SOP's.
7. Proceed with closeout of activity.

If all activity work items are closed, all funds reallocated to project work item, and all claims settled, go to task #8. Otherwise, End of Activity; go to Project Execution and Control[PROC1017].

8. Determine if project is cost-shared.

If cost-shared, go to task #9. Otherwise, go to task #11.

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

Each project which is cost-shared has a certain percentage that is paid by the customer in dollars or other contributions. 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]

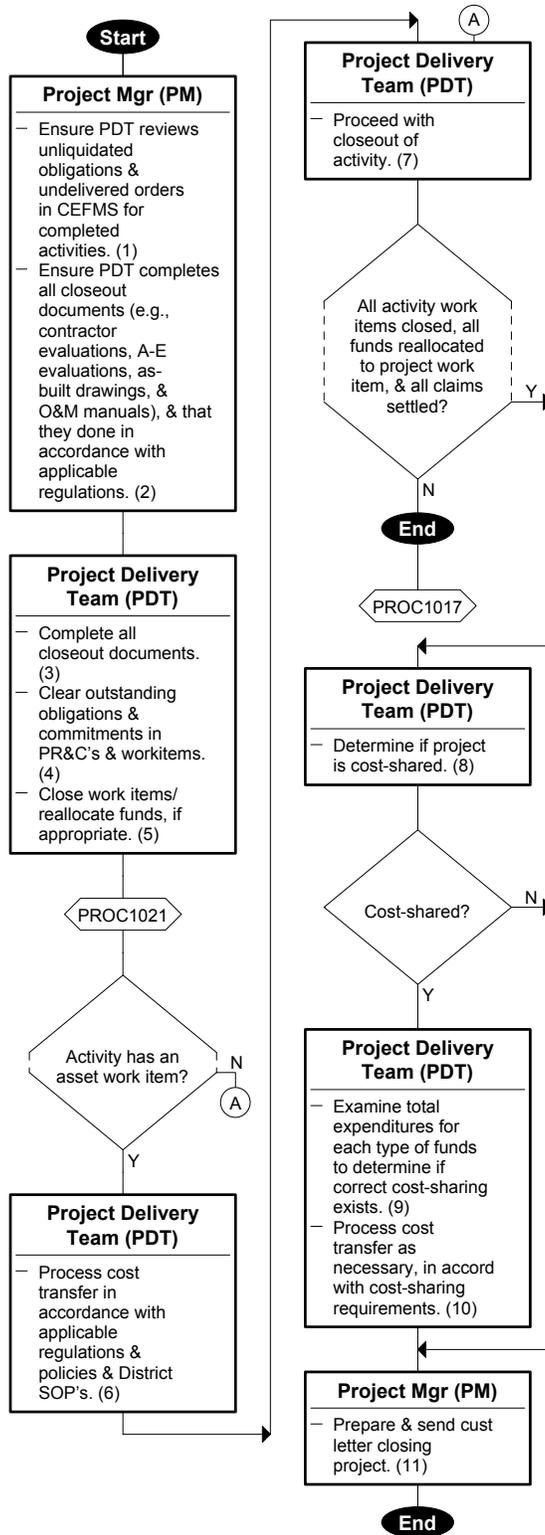
Also refer to ER 1165-2-131 [<http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf>]

10. Process cost transfer as necessary, in accord with cost-sharing requirements. Refer to Civil Works Program and Budget Process[PROC1022].

Project Manager (PM)

11. Prepare and send customer letter closing project.

End of activity.



Activity/Project Closeout Flowchart