

## Tuition Ordering and Payment Process Handbook – Appendix A-15

**SUBJECT:** Contract Close-Out procedures for NROTC Unit Ordering Officers.

**PURPOSE:** To inform NROTC Unit Ordering Officers of the requirements and process for closing out task order contract files placed against Educational Service Agreements (ESA).

**OVERVIEW:** FAR 4.804-1 requires fixed-price contracts awarded using the simplified acquisition procedures, which includes placing task orders against an ESA, shall be closed when the NROTC Unit Ordering Officer receives evidence of physical completion and final payment has been made.

FAR 4.804-4 identifies a contract to be physically complete when;

- (1) The contractor has performed all services and the Government has accepted these services; and
- (2) The period of performance has expired

FAR 4.804-5 identifies the administrative actions required to be completed by the NROTC unit Contracting Officer to closeout a contract file. As authorized by DFARS PGI 204.8, the NSTC Form 1597 ESA Task Order Completion Statement and Close-Out Checklist has been developed to tailor the closeout action requirements as it applies to the tuition task orders and provide a standardized process and manner to document the required closeout actions.

NROTC Unit Ordering Officers shall use the NSTC Form 1597 to document the closeout actions following the procedures contained within this appendix.

### **ACTION REQUIRED:**

1. Adhere to the guidance contained on the following pages.

### **CONTENTS:**

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**ESA TASK ORDER COMPLETION STATEMENT AND CLOSE-OUT CHECKLIST**

1. CONTRACT ORDERING OFFICE:	2a. ESA NUMBER
	2b. LAST MODIFICATION NUMBER
	2c. TASK ORDER NUMBER
3. EDUCATION INSTITUTE	4. EDUCATION INSTITUTE'S ADDRESS

**CLOSE-OUT CHECKLIST**

5. ACTION ITEMS	DATE COMPLETE	REMARKS
5.a. Reconcile the Order		
5.b.1. Final WAWF invoice (Obtain statement from the University)		
5.b.2. College/university submitted final release of claims form?, <i>if not - obtain</i>		
5.b.3. College/university submitted an accurate final list of qualifying midshipmen, <i>if not - reject Final Invoice</i>		
5.b.4. Are all line item's invoiced properly charged?, <i>if not - reject Final Invoice</i>		
5.b.5. Are all line item's invoiced amount equal to the amounts and listed in the task order?, <i>If not, generate a mod to balance the line items</i>		
5.c.1. Task Order and all cost Mods total obligation amount reflected in FASTDATA?		
5.c.2. All invoices paid in FASTDATA?		
5.c.3. Are obligated and expended amounts the same in FASTDATA with a remaining balance of \$0.00? - <i>If not, generate a mod to deobligate funds</i>		
5.d. Is contract file complete and accurate?		
5.e. Task Order and all Modifications individually loaded into EDA?		
5.f. Task Order and all Reportable Modifications loaded into FPDS?		

6. REMARKS

7.a. I CERTIFY THAT ALL CLOSE-OUT ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. CONTRACT FILE OF THIS OFFICE IS HEREBY CLOSED AS OF THE DATE SHOWN IN BLOCK 7.d. BELOW.

7.b. NAME OF ORDERING OFFICER	7.c. SIGNATURE	7.d. DATE
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8.a. I CERTIFY THAT ALL FINANCE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED AND IS HEREBY CLOSED IN THIS OFFICE AS OF THE DATE SHOWN IN BLOCK 8.d. BELOW.

8.b. NAME OF FINANCE REPRESENTATIVE	8.c. SIGNATURE	8.d. DATE
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## Contract Close-Out Procedures

The NROTC Unit Ordering Officer shall use the NSTC Form 1597 ESA Task Order Completion Statement and Closeout Check List to document for the record and as a guide to ensure all closeout actions have been satisfactorily accomplished.

The primary goals you are accomplishing during the close-out phase are:

- Ensure the government has received all services being paid for
- Ensuring the government pays the college/university only for the services it provided
- “Balance the books”

*Note: Reasons to issue mods should be consolidated as much as possible to reduce the administrative burden and number of mods having to be issued.*

Block 1. Enter exactly from Block 6 of the Task Order DD Form 1155.

Block 2.a. Enter exactly from Block 1 of the Task Order DD Form 1155.

Block 2.b. Enter after completing step 5. Enter the last modification number to include any mods needed to close out the individual items listed in step 5.

Block 2.c. Enter exactly from Block 2 of the Task Order DD Form 1155.

Block 3. Enter the name of the college/university from Block 9 of the Task Order DD Form 1155.

Block 4. Enter the address of the college/university from Block 9 of the Task Order DD Form 1155.

Block 5.a. Reconcile the task order quantities. Reconciling is the act of “balancing the check book”.

- Add the quantities of each line item from the original task order plus any additions/subtractions made by modification to come up with the total quantities of the line item (i.e. In-state Tuition, Out-of-state, cross-towns, tutoring etc.).
- Add the quantities of actual usage.
- Compute the difference from the quantities ordered and actually used. *Note: The actually used quantities should ALWAYS be equal or less than the ordered quantity.*
  - Example: Ordered 100 hours of tutoring on original order, you issued a mod to add 20 hours for a total of 120 hours. The midshipmen used 105 hours; you have 15 hours left on the order.

*Note: Having to add quantities or money during the reconciliation phase is a result of failing to properly administer the task order.*

*For Blocks 5.b.1. through 5.b.5, process the invoice as outlined in Appendix A-14.*

Block 5.b.1. Verify “Final Invoice?”. Obtain statement from university or other proof that the university has billed for all services authorized under the task order.

Block 5.b.2. Verify the university has provided a completed “Release of Claims” form. The final payment amount listed on the “Release of Claims” form is to match the exact total amount of the final invoice.

Block 5.b.3. Verify the final list of qualifying midshipmen accurately represents the number of midshipmen enrolled on scholarship during that term. The list shall list each student and charges separately and will include:

- Agreement and Order Number
- Dates of the Term
- Name of each student
- A list showing each course for each student if the school charges by credit hour
- Resident/Non-Resident status
- Breakdown of charges for each student to include tuition, fees and tutoring
- Total for each student
- Grand Total for all students

Block 5.b.4. Verify all items are properly charged. This includes verifying that services are billed correctly against the line item, are authorized to be charged against the order and the tuition/fees as published in their catalog pricing. The college/university cannot charge the government “special fees” associated with being enrolled under the ESA.

The invoice may not include charges for prohibited items such as:

- Meals
- Lodging
- Special Courses
- Permit/Parking, delinquency Charges
- Equipment Deposits
- School Supplies, text books,
- Courses retaken due to failure or attempt to get a better grade
- Services such as gym memberships and computer time

Block 5.b.5. In this step you shall complete the second portion of the reconciliation process.

- Add all previously processed and final WAWF invoiced quantities and paid amounts for each line item number
- Verify actual used line item number quantities (from block 5.a) equal the quantities and amounts invoiced line number match. If not, determine why and correct the issue.

Block 5.c.1. Verify that the Task Order and any Modifications total obligation are properly reflected in FASTDATA. If not, work with NSTC N8 to investigate and correct.

Block 5.c.2. Verify FASTDATA properly reflects all previously submitted invoices have been paid. If not, work with NSTC N8 to investigate and correct.

Block 5.c.3. Verify reconciled amounts to FASTDATA obligated amounts are the same. Any differences should equal the difference between ordered amounts and actual amounts. Generate a mod to reduce the effected line item(s) and deobligate excess funds.

*Note: If you have to submit a mod to “balance the books”, you will need to wait until the mod is processed in FASTDATA and re-reconcile the order again. DO NOT proceed until the order amount, actual amount, invoice amount, invoice payment amounts and FASTDATA amounts properly reflect each other and no funds are left on the order.*

Block 5.d. Verify that all required documents are properly filed in the contract folder.

Block 5.e. Verify that the Task Order and ALL Mods have been loaded into EDA with ONLY the documents included in Table 1 of the Handbook.

Block 5.f. Verify that the Task Order and ALL REPORTABLE Mods have been loaded into FPDS-NG.

Block 7.a. through 7.d. Once all of the contract close-out actions are complete, the NROTC Unit Ordering Officer shall certify to the fact.

Attach the following documents to the close-out form

- Release of Claims
- Reconciliation worksheet
- FASTDATA Transaction History Report

Block 8.a. through 8.d. Once all of the finance actions are complete, the NSTC N8 Representative will certify to the fact.

File the close-out package in the contract file and mark the outside of the file indicating that it is closed.

Record the close-out action in the ESA contract folder’s Order/Fiscal/Closeout Log Tracker

For the purpose of this example, the original task order consists of the below line items. Mod P00001 was issued due to a midshipman eligibility benefits being reinstated prior to the POP end date and Mod P0002 was issued to correct an administrative error. Note: For unit of issue LOT, the quantity remains 1 but the Unit Price and Amount will increase or decrease.

Step 1. Add Line Items from Order and Mods (Enter results in NSTC Form 1597 Block 5.a.)					
Order	Mods	Line Item Number		Unit Price	Amount
		AA1	Scholarships in		
N631017F0002		1	130	\$1,657,749.00	\$1,657,749.00
	P00001	1	1	\$9,659.00	\$9,659.00
	P00002	0		\$0.00	\$0.00
<b>Contract Total Value</b>		1 LOT	131		\$1,667,408.00

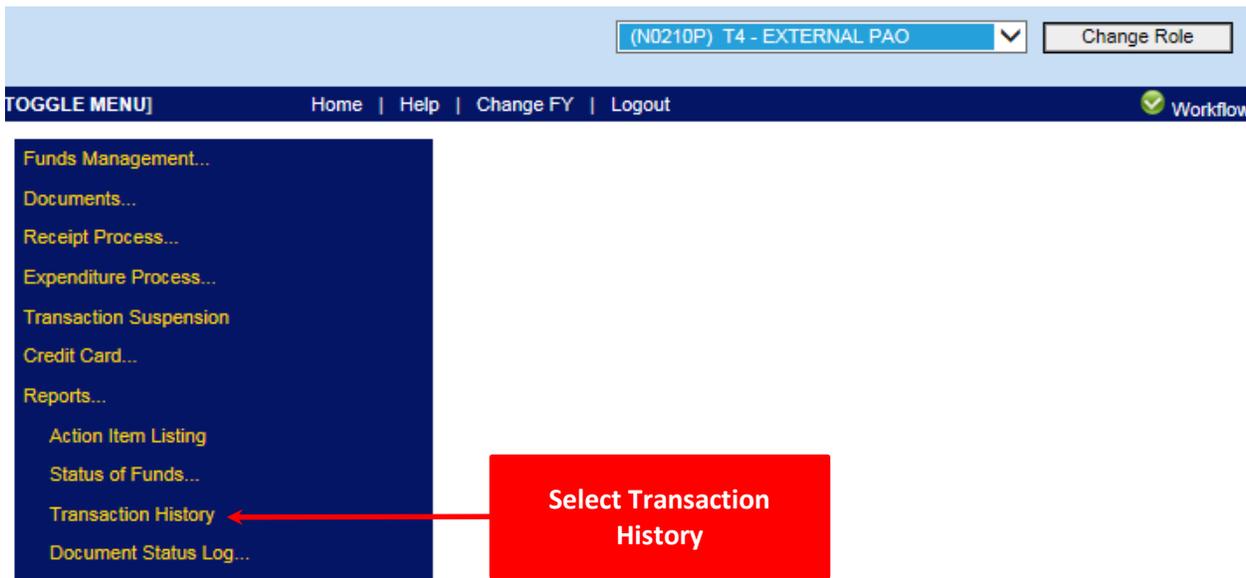
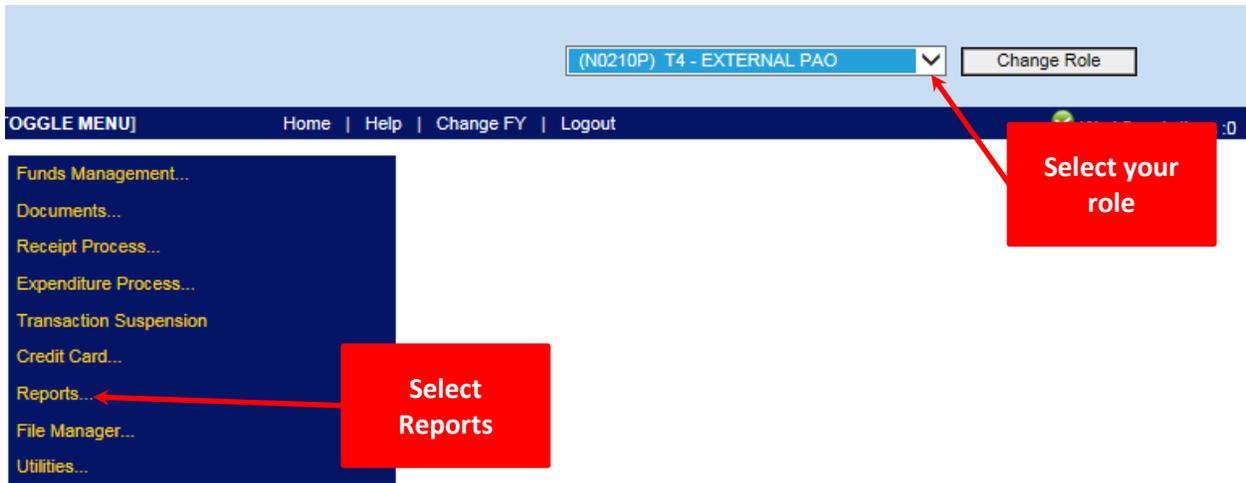
Step 2. Calculate Actuals (Enter results in NSTC Form 1597 Block 5.a.)					
Government Records	Line Item Number		Unit Price	Amount	
	AA1	Scholarships			
Ordered (From Step 1)	1	131	\$1,667,408.00	\$1,667,408.00	
Actually Used	1	131	\$1,667,408.00	\$1,667,408.00	
Difference	0	0	0	0	
<b>Used Contract Value \$1,667,408.00</b>					

Step 3. Add All Invoices (NSTC Form Block 5.b.5.)					
Invoices	Line Item Number		Unit Price	Amount	
	AA1	Scholarships			
165NP781	1	130	\$828,874.50	\$828,874.50	
165NP782	1	130	\$828,874.50	\$828,874.50	
165NP783	1	1	\$9,659.00	\$9,659.00	
<b>Totals</b>	1 LOT			\$1,667,408.00	
<b>Total Invoiced \$1,667,408.00</b>					

Compare Ordered to Actuals to Invoiced Amounts - If items don't match you must investigate the reason why and correct							
<b>Used Contract</b>		\$1,667,408.00					
<b>Total Invoiced</b>		\$1,667,408.00					
<b>Must equal Zer</b>		\$0.00					
	QTY	Scholarships Ordered	Scholarships used	Difference (Must Equal Zero)	Actual Amount	Invoiced Amount	Difference (Must Equal Zero)
AA1	1	131	131	0	\$1,667,408.00	\$1,667,408.00	0
<b>Must Match</b>					\$1,667,408.00	\$1,667,408.00	0
<b>Contract Total</b>		\$1,667,408.00					
<b>Total Invoiced</b>		\$1,667,408.00					
<b>Must Equal Actual</b>		\$0.00		This should match exactly to how much you need to deobligate			

# ACQUIRING THE FASTDATA TRANSACTION HISTORY REPORT

From FASTDATA homepage;



Transaction History

FA: N0210P  
 Site: T4  
 FY: 2018  
 RC: All RCs  
 T1 18/18  
 OPTAR: All OPTARs  
 AP  
 CT  
 DT  
 ACRN: All ACRNs  
 AA

DCN: Enter DCN Filter criteria  
 DCN Filter: N0021018MDT4004  All Docs  My Docs

EE: All Expense Elements  
 T - Supplies  
 W - Capitalized  
 OOC: All Object Classes  
 260 - SUPPLIES & MATERIALS  
 310 - EQUIPMENT  
 Document Type: All Doc Types  
 CIVILIAN LABOR  
 CREDIT CARD  
 DD1348 - MILSTRIP Requisition  
 DD1348-6 - MILSTRIP Requisition Long Form  
 From Date:    
 To Date:

**Step 1. Enter Funding Document Number**

**Step 2. Select Filter**

Transaction History

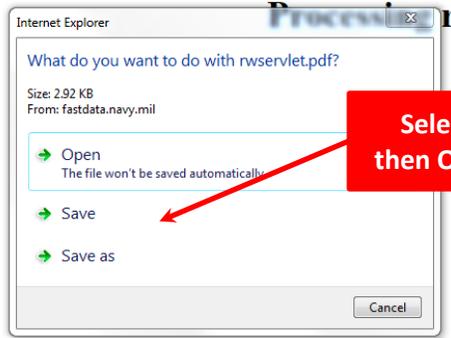
FA: N0210P  
 Site: T4  
 FY: 2018  
 RC: All RCs  
 T1 18/18  
 OPTAR: All OPTARs  
 AP  
 CT  
 DT  
 ACRN: All ACRNs  
 AA

DCN: All Document Numbers  
 N0021018MDT4004  
 DCN Filter: N0021018MDT4004  All Docs  My Docs

EE: All Expense Elements  
 T - Supplies  
 W - Capitalized  
 OOC: All Object Classes  
 260 - SUPPLIES & MATERIALS  
 310 - EQUIPMENT  
 Document Type: All Doc Types  
 CIVILIAN LABOR  
 CREDIT CARD  
 DD1348 - MILSTRIP Requisition  
 DD1348-6 - MILSTRIP Requisition Long Fo  
 From Date:    
 To Date:

**Step 1. Funding Document**

**Step 2. Select Run Report**



**Select Save As  
then Open the File**

# Example Transaction History Report

Filter: FA N0210P, FY 2018, Site: (T4); DCN: (N0021018MDT4004)  
 Sort: FA asc, Site asc, FY asc, DCN asc, Doc Type asc, ACRN asc, Trans # asc

**FA: N0210P**      **Site: T4**

**FY: 2018**

**DCN: N0021018MDT4004**

RC: T1	OPTAR: AP	DO/Call	Exp Ele	Obj Class	SOCC	Traveler	Return Date	Doc Type	Last Amend	Ctry Cd	Document Status	Cost
AA	AA	AA	T	260	2521	002108APP21		MISCELLANEOUS	00		Complete	\$550.00

Exp Type	Trans Date	Trans Qty	Trans Amount	Amend	Partial Code	NTE	Transaction Description
Y CM	01/24/2018 14:07:14	0	\$1000.00	00	I		Created By Database User ID=BUPERSINTHASOROTV; Approved By Database User ID=BUPERSANDERSONJ;
Y AO	01/28/2018 09:17:09	0	\$1000.00	00	I		Contract Number N0021018F0403: Contract ACRN AA: Created By Database User
Y RP	03/08/2018 20:44:56	0	\$250.00	00	F		Class changed from: 2604 to: 2521 Created By Database User ID=BUPERSINTHASOROTV;
Y EV	03/15/2018 10:24:16	1	\$250.00	00	p		Expenditure Batch: SABR803083; record=45; record=NOT EXPORTABLE; New EE: T; New OMB Object Class: 260; Old EE: Q; Old OMB Object Class: 252;
Y RP	04/15/2018 11:53:28	0	\$300.00	00	F		Class changed from: 2604 to: 2521 Created By Database User ID=BUPERSINTHASOROTV
Y EV	04/30/2018 13:18:56	1	\$300.00	00	P		Expenditure Batch: SABR803083; record=45; record=NOT EXPORTABLE; New EE: T; New OMB Object Class: 260; Old EE: Q; Old OMB Object Class: 252;

FASTDATA Transaction Code in reports	Type Transaction	Process
CM	Commitment	DD 1149
AO	Obligation (not DD448/NC2276A docs)	DD1155
RP	Accounts Payable, Public	Invoice
EV	Expenditure from the FA or manual entry	Payment
RT	An "R" type transaction for STARS-FL (indicating a JON, EE, OMB OBJ CLASS, Traveler's Name, Estimated Return Date or Country Code change)	Change
UT	A "U" type transaction for STARS-FL (indicating a Contract Number, Contract ACRN or Call change)	Change

Add up all of the "RP"'s to determine the amount of the invoices Inspected/Accepted and approved for payment. Verify this amount to the amount in your files to determine if all of the invoices you inspected/accepted have been approved by the LPO for payment. If not, work with the LPO to determine why an invoice(s) have not been processed yet.

Add up all of the "EV"'s to determine the amount the vendor has been paid. This will equal the amount listed under "Cost".

If "EV" = "RP", then all approved invoices have been paid.

Final Invoice should equal "AO" - Total "RP"'s + any invoices not approved by the LPO, if not then you will have to do a mod to deobligate any excess funds

## Common Discrepancies

- Not administering the contract properly and having to obligate additional funds during the closeout process. *This is an Unauthorized Obligation – funds must ALWAYS be on an order first.*
- Utilizing the colleges/university claimed numbers as actuals. Per FAR Part 42 and 46, the government is required to independently verify the services being billed for were actually provided. This requires the NROTC Unit Ordering Officer to have the services tracked separately from what the college/university provides.
- Not reconciling ordered to actuals to invoiced to disbursed amounts. Disbursed amounts must equal amount of actual services provided and the amount remaining on the order must be zero.
- Not closing the contract out completely. The contract must be closed out locally and in the finance systems.
- Not attaching the required documents to the closeout form. This action is required by both FAR Part 4 and FIAR requirements.
- Not obtaining a Release of Claims. This form is not only required to close out the contract, but protects the government from future claims by having the college/university verify the final invoiced amount and waive any future monetary claims. Currently there is an ongoing case and multiple GAO rulings on this subject in which the contracting officer failed to obtain this form resulting in the government paying again for services already paid for.