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**CONTRACT CLOSEOUT: CROSS-ORGANIZATIONAL
PROCEDURES AND IMPLEMENTATION**

June 2019

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IMPLEMENTATION**

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Submitted in partial fulfillment of the
requirements for the degree of

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from the

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CONTRACT CLOSEOUT: CROSS-ORGANIZATIONAL PROCEDURES AND IMPLEMENTATION

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The purpose of this joint applied project was to investigate and provide a comprehensive overview of current cross-organizational contract closeout practices. The goal of this project was to identify, compare, and document methods utilized and determine whether or not Regional Contracting Office–Hawaii (RCO-HI) may leverage established best practices. To mitigate the current problem of excessive overaged Army contracts, the following questions were asked:

1. Are other local contracting offices leveraging best practices to meet Federal Acquisition Regulation (FAR) contract closeout timelines?
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This research project is an additional resource in the continued effort by RCO-HI to improve processes and reduce risks associated with overaged contracts.

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LIST OF ACRONYMS AND ABBREVIATIONS

ACBIS	Army contracting business intelligence system
ACC-RI	Army Contracting Command–Rock Island
AFICA	Air Force Installation Contracting Agency
C2MT	contract closeout management tool
C2TF	closeout contracting task force
CAPS	computerized accounts payable
CSB	contracting support brigade
CTOC	contracting tactical operations center
DASA(P)	Deputy Assistant Secretary of the Army – Procurement
DCMA	Defense Contract Administration Agency
DoD	Department of Defense
DPAP	Defense Procurement and Acquisition Policy
EDA	electronic document access
FAR	federal acquisition regulation
FY	fiscal year
GAO	Government Accountability Office
GSA	General Services Administration
IDIQ	indefinite delivery, indefinite quantity
IG	Inspector General
iRAPT	invoicing, receipt, acceptance and property transfer
LRC	logistics readiness center
MCC	MOCAS contract closeout
MICC	Mission and Installation Contracting Command
MOCAS	mechanization of contract administration services
PARC	principal assistant responsible for contracting
PD2	procurement desktop - defense
POC	point of contact
RCO-HI	Regional Contracting Office–Hawaii
RHCO-P(P)	Regional Health Contracting Office–Pacific (Provisional)
SCONS	specialized contracting squadron

SOP	standard operation procedure
TAMC	Tripler Army Medical Center
ULO	unliquidated obligation
WAWF	wide area workflow

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I. INTRODUCTION

This chapter presents the background, problem statement, purpose, research questions, scope, and methodology for *Contract Closeout: Cross-Organizational Procedures and Implementation*. Finally, the report organization is discussed.

A. BACKGROUND

In order to relate the capabilities and resources available for contract closeouts, it is important to understand Regional Contracting Office–Hawaii’s (RCO-HI) organization and mission. RCO-HI is an Army organization which falls under the 413th Contracting Support Brigade (CSB). The 413th CSB is the contracting element supporting U.S. Army Pacific forces and Pacific joint forces. RCO-HI delivers acquisition solutions to meet the Pacific Warfighter’s needs. Primarily, the RCO-HI provides installation-level support for a variety of supply, service, and minor construction requirements.

The organization is made up of five contracting teams: Service/Supply A, Service/Supply B, IT Service/Supply, Construction, and a dedicated Logistics Readiness Center (LRC) team for the organization’s only cost reimbursable type contract. Except for the logistics cost reimbursable type contract, all other contract actions are generally commercial, fixed price. The teams are composed of a combination of approximately 55 Army active duty and civilian personnel. The workforce is organized as “cradle-to-grave,” where the contract specialist retains the requirement through the entire contracting process from pre-award to closeout.

The 413th CSB obligated more than \$190 million and executed over 2,100 contract actions in Fiscal Year (FY) 15 (S. Kim, personal correspondence, 01 June 2016). Historically, RCO-HI initiates more contracts than it closes out in a given year. The data in Table 1 represents the trends in contract closeouts over 4 years. It is compiled from a series of situational reports provided annually to highlight progress towards closeout goals. Differences between the beginning and ending balance of subsequent FYs are a result of differences in reporting methods, such as the inclusion of contracts with estimated physical

completion dates within 0 to 60 days, among other things. Also, the end balance takes into consideration new awards and their potential closeout dates.

Table 1. RCO-HI Closeout Data, FY11–FY14

	Beginning Balance	Completed Closeouts	End Balance
FY11	2144	2553	1185
FY12	1252	947	1581
FY13	1940	1305	2046
FY14	2055	1271	1915

Adapted from personal correspondence (W. Bailey, 26 September 2011; 24 September 2012; 04 October 2013; 25 September 2014).

RCO-HI, like many government organizations, has struggled to maintain adequate contract closeouts rates. In the past, RCO-HI had contracted out this function commercially and through AbilityOne. While external resources provide some relief, they do not alleviate the compounding issue. As the most delinquent overaged contracts are closed, active contracts continue to cascade into the overaged category.

Although RCO-HI has made a continuous effort to thwart the ever-growing overaged balance, it was not until 2012 that the task became a high priority. In an email from J. Scanlan, Contracting Operations Chief at 413th CSB, he shared a policy alert from Deputy Assistant Secretary of the Army–Procurement (DASA(P)) in which it issued a directive establishing the Contract Closeout Task Force (C2TF) to oversee the closeout of the 475,178 overaged contracts (J. Scanlan, personal correspondence, 19 October 2012). The correspondence from J. Scanlan also tasked each Principal Assistant Responsible for Contracting (PARC) to create a Contract Closeout Plan establishing metrics and goals for closing overaged contracts in their portfolio. DASA(P) set the goal of a zero overaged balance by 30 September 2014 measured against the FY12 baseline (J. Scanlan, personal correspondence, 19 October 2012).

Subsequently, 30 September 2014 came and went. The Army, as well as 413th CSB, was unable to meet the goal of a zero overaged balance. Many challenges had been discovered and concerns were raised over the accuracy of the reporting methods. Large discrepancies were reported between data provided by headquarters and data reported at the front-line offices (United States Government Accountability Office [GAO], 2012). Other challenges included the Army Contracting Business Intelligence System (ACBIS) automated script process, manual legacy issues, funding for AbilityOne, claims preventing closeout, and insufficient workforce manning.

RCO-HI is managing overaged closeouts by utilizing many managerial and organizational tactics. Our office has a closeout point of contact (POC) who oversees, manages, and tracks overaged contracts. Management has also implemented closeout stand-down days where the entire office focuses solely on closeouts. As directed by DASA(P), RCO-HI has developed a closeout plan to guide expectations and efforts. Senior management has employed closeout by script to a limited extent. Closeouts have been included in individual performance objectives, thereby holding individuals accountable. Lastly, RCO-HI continues to outsource overaged contracts to AbilityOne.

B. PROBLEM STATEMENT

Overaged contracts pose many unnecessary risks to the organization. Those risks include loss of funds that are tied up on open obligations, exposure to potential claims and other liabilities, loss of accountability, increased indirect costs, and improper administration of government property.

There is a reasonable expectation that the current fiscal situation our nation is in will remain a trend for some time to come. As such, excess funds on open obligations is a financial resource that can be used to meet mission needs and should be made available through closeouts. If closeouts are not prompt and in line with Federal Acquisition Regulation (FAR) timeframes, then critical support of our soldiers and their mission is foregone.

Open obligations increase possible liabilities. Interest may accrue on pending invoices. Claims against the government may also arise on an open obligation. The longer

the obligation has remained open, the more difficult it may be to determine the government's position on a claim. For instance, delivery records may have been lost or destroyed. Receiving a release of claims from the contractor is important in order to protect the government's interest.

Even though de-obligating unliquidated obligations (ULO) is a primary objective of closeouts, there are other implications. ULOs may also be an indication of invoicing errors, undelivered items, or services not performed. Loss of accountability impacts the taxpayer as they are not receiving what they paid for. If final payments are being withheld, then it can significantly impact the contractor and their cash flow. This may result in a hardship that forces the contractor out of business or make the decision to no longer do business with the government, which, in turn, reduces the future pool of competitive offers.

Although secondary to the risks identified above, the following are still important to consider. In the long run, prolonging closeout also increases administrative costs to the government. Personnel changes, both in the government and industry, make the task of closeout much more difficult. Sometimes, the business no longer exists. Improper or delayed contract closeout may also fail to identify government furnished property or equipment still in the possession of the contractor.

C. PURPOSE

The purpose of this report is to discuss the problem of overaged contracts, explain what is currently being done, both at RCO-HI and other contracting activities, and to evaluate methods to improve the procedures for contract closeouts within FAR timelines.

The secondary objectives are to first identify RCO-HI's current procedures and performance, then determine methods to augment RCO-HI's current efforts. Understanding RCO-HI's current status provides an important baseline in order to make comparisons and come to a conclusion. Optimizing performance in relation to closeout activities is a priority. The intent is to identify best practices and whether those practices can be applied effectively at RCO-HI. By employing best practices, RCO-HI will be compliant with contract closeout policy directives.

D. RESEARCH QUESTIONS

This project addresses the following research questions:

1. Are other local contracting offices leveraging best practices to meet FAR contract closeout timelines?
2. If so, can RCO-HI benefit by incorporating those best practices into the current closeout process?
3. What improvements, if any, are necessary to improve RCO-HI's closeout process?

E. SCOPE

The scope of this project focuses on contract closeouts from the Federal contracting professional's perspective. To assess and compare contract closeout processes, the project queries local contracting centers on the island of Oahu, Hawaii. Local contracting centers include: General Services Administration's (GSA) Pacific Rim Region 9 in Honolulu, HI; 766th Specialized Contracting Squadron (SCONS) on Joint Base Pearl Harbor-Hickam Honolulu, HI; and the Regional Health Contracting Office–Pacific (Provisional) (RHCO-P(P)) at Tripler Army Medical Center (TAMC), Honolulu, Hawaii. Limited time and resources, both human and monetary, have precluded the assessment of a larger sample.

F. METHODOLOGY

Significant areas of research include history, process, structure, and current trends. A literary review provides insight to historical issues and existing procedures. The other portion of research for this project is accomplished through surveys with government personnel involved in the process of contract closeouts.

G. ORGANIZATION OF STUDY

This project is divided into five chapters.

Chapter I—Introduction. This chapter provides background, research questions, scope, methodology, and other introductory information.

Chapter II—Literature Review. This chapter provides a review of the available writings and tools related to contract closeouts. Documents the researcher reviewed include government reports and audits, GAO cases, regulations, and policies.

Chapter III—Methodology. This chapter discusses the research method used to gather data and the reasoning behind using that method.

Chapter IV—Findings. This chapter provides an analysis of the information gathered from the study.

Chapter V—Conclusions and Recommendations. This chapter provides the conclusions supported by the research data and the recommendations for RCO-HI to improve the current contract closeout process.

H. SUMMARY

This chapter provided an overview of the body of research contained in the pages to follow. It provides the problem statement, research questions, scope, and research methodology.

The next chapter will discuss document details the researcher reviewed to further knowledge in the area of contract closeout. The documents reviewed for this research include Federal audits and reports, applicable regulations, GAO cases, and government reports. Additionally, the researcher compiled some closeout tools and techniques available to the acquisition workforce that improve efficiencies.

II. LITERATURE REVIEW

This chapter provides a brief overview of contract closeout. In order to better understand the environment which bred DASA(P)'s policy directive; an overview of contract closeout is provided. A historical synopsis of significant reports and audits applicable to contract closeouts is reviewed, and various tools and techniques used by the acquisition workforce has been compiled. Lastly, a summary is provided.

A. OVERVIEW OF CONTRACT CLOSEOUT

Contract closeout is primarily covered in FAR Part 4 Administrative Matters. More specifically, the procedures can be found under FAR Subpart 4.804. The definition of closeout, as provided in *The Government Contracts Reference Book*, is:

The process of settling all outstanding contractual issues to ensure that each party has met all of its obligations, and documenting the contract file accordingly. The primary objectives of contract closeout are (1) to identify and resolve, before memories fade, any uncompleted obligations or pending liabilities on the part of either the government or the contractor; and (2) to ensure that contract-related decisions and actions have been properly documented. (Nash, O'Brien-Debakey, & Schooner, 2013, p. 101)

Closeout is complete only when administrative actions have been completed entirely, all disputes resolved, and final payment has been made. The process can vary depending on the complexity of the contract type. Issues often arise which prevent timely closeout. In order to navigate the process, coordination among the contracting office, requiring activity, finance office, and contractor is key. The Table 2 outlines the timelines provided in the FAR. These timelines should represent an organizations' minimum standard.

Table 2. FAR Closeout Timelines. Adapted from Garrett (2009).

Type of Contract Action	Usual Time Frame	FAR Reference
Simplified Acquisition	When the KO receives evidence of receipt of property and final payment (unless agency regulations provide otherwise)	4.804-1(a)(1)
Firm Fixed Price	6 months from date KO receives evidence of physical completion	4.804-1(a)(2)
Contracts that require indirect cost rate settlement	36 months from the month the KO receives evidence of physical completion	4.804-1(a)(3)
All others	20 months from the month the KO receives evidence of physical completion	4.804-1(a)(4)

B. AUDITS AND REPORTS

The following audits and reports provide a historical basis relevant to the problem of overaged contracts.

1. GAO Report B-245856

GAO Report B-245856 explained that any obligated, yet unpaid, balance from an expired appropriation account is combined with like accounts into merged accounts, also called “M” accounts (United States General Accounting Office, 1993). Similarly, the unobligated balances are consolidated into merged surplus authority accounts. These accounts were used to pay and adjust valid obligations incurred prior to expiration. They were not supposed to be used for new obligations. This method was practiced for about 35 years. Over the years, the balances grew substantially. The report also stated that the Department of Defense (DoD) maintained the majority of the accounts. Congress became suspicious of possible misuse because of the large available balances, DoD’s access to and

use of hundreds of millions of dollars in a “slush” fund to cover contract cost increases and possibly even new requirements, and lack of congressional oversight. As such, Congress enacted a new law, Public Law 101-510, which cancelled and phased-out the accounts in 1990. Furthermore, it also established a new rule that funds, obligated or not, will be cancelled five years after the budget authority expires (United States General Accounting Office, 1993).

Public Law 101-510 was a major game changer. At the time of enactment, both accounts combined reportedly totaled \$50 billion (United States General Accounting Office, 1993). Previously, DoD seemingly had an endless “slush” fund. After enactment, agencies were restricted to current year funds for new requirements. Of course, this seems completely normal to acquisition professionals now, but it was a substantial adjustment at the time. Particularly, this meant that programs must use current appropriations to make payments chargeable against cancelled appropriations (McDermott, 1994). Therefore, a large claim could potentially wipe out current year funds. Contract closeout now began to be prioritized as agencies sought to recapture funds prior to appropriation cancellation.

2. Inspector General (IG) Audit Report, D-2002-027

The audit, completed in 2001, selected 80 overaged contracts to review (Office of the Inspector General, 2001). Ultimately, the audit indicated that the process used for monitoring and closing overaged contracts needed vast improvement. Key issues identified in the audit included inadequate monitoring of contracts ready for closure, inattention to closure requirements, erroneous data about contracts available for closure, lack of adequate funding, personnel shortage, and untimely contractor input (Office of the Inspector General, 2001).

Inadequate monitoring and inattention to closure requirements likely stemmed from prioritization. Low prioritization likely ties in to personnel shortage and lack of adequate funding. Many contracting offices are faced with an undermanned and overworked workforce. This may be a result of the current fiscal situation, a burdensome hiring process, or frequent turnover. In any case, an organization with limited human resources will have

to make priorities. The question remains, “Are we capable of meeting DASA(P) closeout goals with the personnel on hand and to the level required?”

The researcher’s experience at RCO-HI confirms that data pulled from various systems often contradict reality. This issue expends valuable resources trying to manage data and validate it, leading to duplicative or erroneous efforts.

Although it seems counterintuitive on the contractor’s part, delayed or delinquent contractor input exasperates the closeout process. Whether it is a result of poor management or other mitigating circumstances, the contracting professional should be cognizant of the issue and reengage the contractor. The administration and closure of a contract is a joint effort. All parties involved should maintain direct and open communication.

3. GAO-11-891

According to GAO Case 11-891 (GAO, 2011), the Gansler Commission on Army Acquisition and Program Management in Expeditionary Operations uncovered significant deficiencies in contract closeouts for actions in Iraq. It was discovered that only 5% of contracts were being closed. In response, the Army created a Contract Closeout Task Force Office to rectify the problem. Unfortunately, the magnitude of the issue was underestimated and the responsibility was later re-designated to the Army Contracting Command–Rock Island (ACC-RI).

The report goes into further detail as to why this action is a high priority. If a contract is not properly closed within the timeframe established in the FAR, it is categorically labeled as overaged. This designation increases an organization’s exposure to a myriad of issues. A significant concern is when excess funds remain needlessly obligated, because these funds can be made available for new obligations, if still current, or to increase certain existing obligations when needed (GAO, 2011). Late payments and interest accrual is another risk factor. As time passes, closeouts become more difficult to recover improper payments or key documents and associated personnel may no longer be available.

4. GAO-13-131

More recently, GAO Case 13-131 (GAO, 2012) responded to a large volume of overaged DoD contracts. In short, the report recommended that the Army's contract closeout implementation plan include baseline data, performance measures, and consider quick closeout procedures when proper. Although the Army has taken steps to address the recommendation, more action is needed. A contract closeout task force was established by DASA(P) to address the baseline of 377,160 contracts to be closed. The Army had planned on completing all closeouts by September 2014. By July 2015, only 274,274 of the baseline contracts were reported to be closed out (GAO, 2012).

5. PARC Policy Alert #13-05

DASA(P) preempted the publication of GAO-13-131 and issued an alert to PARCs and policy chiefs that a directive would be established to achieve a 100% closure of overaged contracts with ULOs by the end of September 2014 (J. Scanlan, personal correspondence, 19 October 2012). As a result, PARC Policy Alert #13-05 was issued prioritizing contract closeout. The first tasker provided guidance in the development of a Contract Closeout Plan, which commands were required to submit by 30 November 2012 (J. Scanlan, personal correspondence, 19 October 2012). Although the deadline has elapsed, closeouts remain a priority as DASA(P) continues oversight of the Army's progress. Despite a continued effort, progress is limited by the constant influx of current contracts falling into the overaged category.

C. CLOSEOUT TOOLS AND TECHNIQUES

The FAR dedicates a very concise subpart to contract closeouts. In the absence of specific direction, agencies must develop guidelines and procedures to facilitate contract closeouts. Additionally, there are many tools that are available to the acquisition workforce. These tools may assist in tracking, management, and reducing administrative tasks. Other techniques may be employed to establish accountability, improve efficiency, and, ultimately, reduce administrative costs associated with closeouts. The tools and techniques provided in this section are not intended to be all-inclusive. Time limitations preclude a

more thorough investigation. However, the tools and techniques identified are noteworthy and are important considerations related to the closeout process.

1. Closeout Applications

In an increasingly automated and virtual world, closeout applications and administrative systems provide users with tools to manage an ever-growing workload. These examples provide available resources.

a. MOCAS (Mechanization of Contract Administrative Services) Contract Closeout Tool (MCC)

This tool is available for contracts administered in MOCAS. In a recent policy change issued by Defense Contract Administration Agency (DCMA), it is intended to streamline the process (Defense Contract Management Agency, 2016). Manually, the user has to navigate far more screens than utilizing MCC. However, MOCAS provides the user with a semi-automated process that reduces the administrative burden of unnecessary navigation and data entry into multiple screens. MCC also allows for automated closeout tracking and generation of contract closeout checklists (Defense Contract Management Agency, 2016). Automation may streamline processes but will not account for exceptional cases where issues have arisen in performance or delivery.

b. Contracting Tactical Operations Center (CTOC)

Mission and Installation Contracting Command (MICC) recently fielded an acquisition database application, CTOC, in 2013 (Elkins, 2014). Among other functions, the application provides contract management support. Contracting professionals are able to better track contracts ready for closeout while allowing management to monitor progress (Elkins, 2014).

c. Wide Area Workflow (WAWF) Automated Contract Closeout

In a memo, Defense Procurement and Acquisition Policy (DPAP) recently announced a new capability, Automated Contract Closeout, deployed in WAWF on 28 August 2015 (Office of the Under Secretary of Defense, 2015a). The memo asserted that Automated Contract Closeout pulls information from tools in the WAWF suite, such as

Invoicing, Receipt, Acceptance and Property Transfer (IRAPT), Electronic Document Access (EDA), and myInvoice, to automatically generate a contract completion notice once final payment has been made. DPAP is encouraging its use to diminish this administratively burdensome task so that more resources will be available to improve overall acquisition processes (Office of the Under Secretary of Defense, 2015a).

2. Closeout Guides

Closeout guides provide a roadmap to closeouts. Guides offer information on ways to improve the closeout process. FAR instruction is very general in regards to closeout requirements and lacks instruction on implementation. Guides may provide more specific instruction on things such as DD1594 preparation and verbiage, when to issue a release of claims, and how to verify final payment.

For instance, a closeout guidebook by the 50th Contracting Squadron at Schriever AFB is readily available online (U.S. Air Force, 2009). This guide provides a step-by-step approach to closeouts. It includes information on applicable clauses and closeout documentation requirements. It further provides useful tips on how to deal with problem closeouts (U.S. Air Force, 2009). Although guides from other agencies and organizations may provide useful information, it is necessary to ensure that any guidance given is not contrary to your organization's policy or procedures.

3. Organizational Structure

Organizational structure is essential for understanding how a command works and how it implements its vision. Some organizations have a "cradle-to-grave" structure where the same person manages the contract from pre-award, continues through post-award administration, and then closes it out. On the other hand, some organizations create separate pre-award and post-award divisions. While these examples represent the extremes in contracting office structure, some contracting offices employ a hybrid organizational structure.

There are challenges and benefits to both of these organization strategies. One challenge is workforce size. Some organizations do not have the manpower to effectively

separate and perform these functions. Another challenge to the pre-award and post-award divisions is rivalry between divisions. Historically, pre-award tends to be prioritized in order to get funds obligated. This may lead to the perception that the pre-award division is more prestigious. Also, post-award divisions may feel that contract quality is sub-par under the assumption that it will be fixed later. The benefit of separate pre-award and post-award divisions is specialization. Contract administration is less likely to suffer from the all-consuming desire to obligate funds.

The “cradle-to-grave” structure is challenged through prioritization and workload demands. Obligation of funds and meeting the requiring activities’ requirements in a timely manner tend to be the highest priority. Often, contract administration is prioritized when an issue has already arisen rather than active administration to mitigate potential issues. Although the “cradle-to-grave” structure may demote contract administration when balancing duties in an understaffed, overworked environment, the contract award will generally be of better quality since the contract specialist will retain administration. As a result, it reduces risk to the government and administrative issues.

4. Training

Continuous training has been a DoD priority. The Federal Acquisition Institute provides an optional two-day resident contract closeout course. Computer-based training options include HBS 442, a time management course which maximizes output based on priorities and available resources. More effective than the computer-based training is organizational training. This allows management to direct the workforce on specific local procedures when closing out contracts, address challenges, and reinforce expectations.

5. Contract Closeout Management Tool (C2MT)

This tool is a web-based application designed by DASA(P) to facilitate closeout of Army firm-fixed-price contracts that fall below the simplified acquisition threshold (Army Contracting Business Intelligence System, 2014). It was developed to support DASA(P)’s closeout objective. Users identify contracts in the system and run a script that automatically generates a DD1594. However, a contracting officer must still review, sign, and upload the DD1594 into the contract file (Army Contracting Business Intelligence System, 2014).

6. Contract Closeout Plan

A contract closeout plan is specific to a contracting activity. 413th CSB's plan provides closeout goals, priorities, and business rules. It also identifies any miscellaneous concerns, issues, and recommended policy changes that the agency feels are relevant. It is prepared by the Contract Closeout Action Officer and signed by the 413th CSB Commander. The plan is beneficial as it directs action and identifies risks. However, it is primarily a senior management tool. Although it is available on a shared drive, most of the workforce is unaware of it. As a result, the plan drives pressure on the workforce to closeout contracts without identifying why, which leads to little buy-in to a perceived increase in workload. Additionally, the current closeout plan has not been updated since 2013.

7. Quick Closeout

The quick closeout method is applicable to cost reimbursable type contracts. It offers an alternative to waiting for a contract's indirect rates to be settled (R. Knauer, 2007). It should be utilized when it becomes apparent that there will be a delay in the settlement of final indirect rates (R. Knauer, 2007). Although the use of quick closeout has been emphasized, it is still underutilized. This may be a result of a workforce that is used to and continues with established practices or a lack of knowledge on the procedure.

8. Metrics

Metrics are used to drive improvements and help focus people and resources on the desired outcome (Forrest, n.d.). Metrics indicate the priorities of an organization and provide a gauge on performance. Ultimately, metrics provide a catalyst for change, drive performance, assist decision-making, channel focus, and measure success or failure.

The MICC implemented metrics tied to contract closeouts in fiscal year 2014 (Elkins, 2016). As a result, the MICC has been successful in making great strides in both overaged and current contract closeouts. The metrics are shared throughout the organization to drive behavior. It is a visual indicator of progress which drives the workforce, as they can see the improvement that they are achieving. It was reported that overaged contracts have been reduced by 56% since fiscal year 2014 (Elkins, 2016).

9. Annual Performance Objectives

Similar to metrics, annual performance objectives provide the same benefits at an individual level. Incorporating closeout objectives into an individual's annual performance review builds accountability. These objectives send a clear message to the workforce what the organizations' priorities are. In turn, the workforce will have to manage their time and resources in order to meet the objective.

RCO-HI currently incorporates closeouts into annual performance objectives. The individual is rated on their contribution in reducing RCO-HI's current overaged contract balance. A list of overaged contracts is provided at the beginning of the rating period and then used to measure success. Additionally, the individual is responsible for closing out a minimum number of contracts, either overaged or current.

10. Outsourcing

When current manpower is incapable of performing necessary closeout functions, outsourcing is often considered. When considering outsourcing, an organization will have to assess their priorities, available funding, other alternatives, and any identified risks. Outsourcing of contract closeout functions is now provided through the AbilityOne Contract Management Support program (Office of the Under Secretary of Defense, 2015b). The contract was awarded in June 2010 and the requirement was concurrently added to their procurement list. As such, all DoD components are required to use the Army Indefinite Delivery, Indefinite Quantity (IDIQ) when outsourcing for non-inherently governmental contract closeout support (Office of the Under Secretary of Defense, 2015b). The advantage is that it relieves workload from the workforce to manage other requirements. The disadvantage is that it is an additional cost to the government and challenges still persist in managing the received product.

Industry has also been utilized in closing government contracts in the past. In some instances, the contractor sits among the acquisition workforce. This should be closely managed to avoid the perception of personal services or any other issues with inherently governmental functions. Additionally, non-disclosure agreements must be signed by the

contractors to mitigate the proprietary information access allowed by contractors accessing contract files.

11. Other Considerations

Although the FAR prescribes closeout timeframes, there are often challenges that occur which prevent timely closeouts. Protests and claims certainly preclude timely closeout. According to FAR 4.804-1(c)(1), contracts in litigation or under appeal shall not be closed (General Services Administration, 2017). However, these instances are not accurately reflected in overaged data. Reports pulled from systems such as Computerized Accounts Payable (CAPS) do not account for contracts with special circumstances.

Other special circumstances that potentially delay closeouts are when businesses dissolve prematurely, a novation is in process, or a change has occurred in key personnel. Any of these situations provide unique challenges to contracting professionals. However, direct and frequent communication with stakeholders may assist in alleviating these issues.

Advanced planning, or lack thereof, may also significantly impact timely closeout. The MOCAS Contract Closeout Guide suggests proactive closeout (U.S. Air Force, 2005). The guide advocates that a closeout strategy should be incorporated into the acquisition plan. In theory, this could reduce the closeout process. Strategies include rewarding or penalizing the contractor for certain things, such as timely final invoice submissions (U.S. Air Force, 2005). Frequent documentation will also ensure the protection and control of the contract file. With a risk of frequent personnel turnover, a proactively maintained contract file will undoubtedly assist in a quick closeout.

The culture or climate of an organization may have a huge impact on achieving change or a desired outcome. This can be especially true in a mature organization where the same emphasis and processes have been in place for a long time. Individuals often have a set attitude when it comes to closeouts and their own individual priority. Workforce buy-in is extremely important in this environment.

D. SUMMARY

This chapter provided an overview of contract closeouts and a review of government-generated reports and audits. Various tools and techniques were also compiled to illustrate how closeouts are managed.

The next chapter will provide research methodologies. The survey goals are addressed, as well as the design. A general description of the survey subjects is provided, along with any research limitations.

III. RESEARCH DATA

This chapter describes the goals and development of the survey questionnaire to gather data to answer the research questions. It also identifies the survey subjects. Lastly, the limitations of the survey are stated.

A. SURVEY GOALS

This research was designed to collect and analyze closeout methods and practices of other local contracting activities supporting installation level requirements. In order to gather this data, a questionnaire was distributed to specific contracting professionals identified by their organization to participate. Each participant was allotted two weeks to provide feedback. The results were used to analyze various approaches and identify best practices to supplement recommendations to improve contract closeout processes at RCO-HI.

B. SURVEY DESIGN

The survey was designed to be performed in person to elicit maximum participation and candor. However, due to schedules and workload, participants were given the opportunity to participate via telecommunication or email. The participants who chose to respond did so via email.

The survey itself was tailored to two different types of participants—managerial and general workforce. The managerial survey was composed of 19 questions, while the general workforce survey was composed of 21 questions. The majority of the questions were identical. The questions that varied were intended to distinguish the perspective of that group.

The questions themselves were a mix of closed and open-ended. In the instructions, participants were encouraged to expound on any answer if they felt inclined to do so. The questions covered areas such as accountability, structure, capability, and resources.

C. SURVEY SUBJECTS

Initially, the goal was to commit at least five organizations to participate. However, contracting offices moving into the third quarter of the fiscal year start to use their time conscientiously. As such, the researcher was fortunate to receive the initial support of three organizations. However, after multiple attempts to follow-up, the third participating organization did not respond to the questionnaire. A total of five individual responses were received. Three of those responses were provided by the general workforce. The two remaining responses were managerial. Due to the limited number of responses, this research is not statistically significant.

1. 766 SCONS, Air Force

The 766 SCONS is located at Joint Base Pearl Harbor-Hickam on the island of Oahu, HI (Wright-Patterson Air Force Base, 2016). The 766 SCONS is part of the Air Force Installation Contracting Agency (AFICA). The organization is the principal Air Force advisor for large dollar and complex acquisitions in the Pacific. According to a fact sheet posted on Wright-Patterson Air Force Base's website, "766 SCONS provides full spectrum acquisition capabilities and execute strategic business solutions through best value practices for global operations" (Wright-Patterson Air Force Base, 2016).

2. RHCO-P(P), Army

The RHCO-(P) is a specialized acquisition force headquartered at TAMC on the island of Oahu, Hawaii (U.S. Army Health Contracting Activity, 2017). The office procures medical related services and supplies for military treatment facilities throughout the Pacific area of responsibility (U.S. Army Health Contracting Activity, 2017).

3. Pacific Rim Region 9, GSA

Pacific Rim Region 9 falls under the Federal Acquisition Service at GSA (General Services Administration, 2016). The office supports other federal agencies with acquiring or providing acquisition assistance, property disposal, network services, travel resource, and vehicle buying to name a few (General Services Administration, 2016).

D. SURVEY LIMITATIONS

While soliciting organizations to participate in the study, it became quite apparent that this endeavor would prove political. As such, the researcher focused on organizations where she has professional acquaintances or where the RCO-HI has an established working relationship. As stated above, the initial pool of organizations was reduced due to third quarter commitments.

It is only natural to protect the image and association of one's own organization. The participant may also feel that any answer given with a seemingly negative connotation may result in professional repercussions. For instance, if the participant reports that the organization's structure is currently ineffective, then they may have concern with how their leadership may receive that information. To counter this thought as much as possible, the researcher clearly stated that any information received and used in the report is identifiable to the organization and not the individual.

E. SUMMARY

This chapter provided an overview of contract closeouts and a review of government-generated reports and audits. Various tools and techniques were also compiled to illustrate how closeouts are managed.

The next chapter provides the research findings. Responses to the questionnaire, as well as problems encountered, are discussed. General survey results are presented and interpreted. Lastly, the applicable data received is applied to the research questions.

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IV. DISCUSSION AND ANALYSIS

This chapter presents findings based on the questionnaire responses and literature review. The first part of this chapter identifies participation associated with conducting the survey. Next, the chapter discusses findings related to the research questions. Lastly, the chapter concludes with a summary of the survey data.

A. SURVEY RESPONSE

Due to time constraints, the researcher allowed a two-week response time. E-mails and phone calls were made to primary point-of-contacts at participating organizations before sending the questionnaires. By doing so, the point-of-contacts were able to vet the survey questionnaire and workforce participation with management.

The preferred method of delivery for the questionnaire was in person. The researcher offered to present the survey at the participating organizations' locations. The researcher felt that this mode of delivery would capture greater detailed data. However, due to workload constraints, the survey questionnaire was ultimately delivered via e-mail directly to each participant.

Overall, survey participation was less than anticipated. At the conclusion of the data collection process, responses had been received from two of the three organizations. The 766 SCONS provided seven voluntary participants. However, only four participants actually responded. RHCO-P(P) did not offer any participants from the general workforce. However, the Deputy Chief agreed to participate. As such, only one response was received from RHCO-P(P). This study, because of the low response rate, is not statistically relevant.

There were a few problems encountered during the collection of survey data. The point-of-contact from Pacific Rim Region 9 had confirmed two participants (one managerial and one from the general workforce) from the organization. Pacific Rim Region 9's managerial participant never responded to the initial e-mail or any follow-on attempts. The general workforce participant responded initially and stated that they would forward the questionnaire to their management for approval. Although the researcher's point-of-contact at Pacific Rim Region 9 had indicated that the identified participants were

anticipating contact, the respondent from the general workforce was not aware of the survey. Unfortunately, at the time of the survey questionnaire transmission through the two-week response time given, the Pacific Rim Region 9's point-of-contact was unavailable due to resident training and jury duty. Another issue was data quality. Although participants were encouraged to elaborate on their responses, most answers were very concise.

The information gathered from the questionnaires represent the current environment at the time of submittal. The given environment may change at any time, especially as overaged contracts remain a focus at DASA(P). As such, the responses provided by each organization were analyzed as submitted.

All unedited responses are provided in the appendices. Overall, the general workforce questionnaire contained 21 questions, while the management questionnaire contained only 19 questions. All questions were answered on the survey questionnaires received. As such, all questionnaires received were considered complete and none were eliminated from this study. There was no extension to the initial two-week response time and no further data is expected.

B. RESEARCH QUESTIONS

- (1) Are other local contracting offices leveraging best practices to meet FAR contract closeout timelines?

Despite a lack of detailed responses, the results provide some insight into the current environment of other local contracting activities. Both organizations reported recent training. The survey responses suggest that the general workforce is provided with the guidance and support necessary to perform proper contract closeouts.

The prevailing organizational structure among the participating offices is cradle-to-grave. Management felt that this structure is effective, although the workforce is not so certain. Post-award tasks, including closeouts, tend to be less prioritized. Due to the turnover of personnel who administer overaged contracts, the existing workforce is saddled with the additional workload.

Despite one organization's managerial response confirming the incorporation of closeouts into annual performance objectives, only one of three in the workforce confirmed a closeout performance objective. This discrepancy may be due to the individualization of objectives or that certain personal objectives may not be readily clear or apparent. The individual that reported the inclusion of closeouts in their personal objectives found the objective to be realistic. The other organization does not currently incorporate closeouts in annual performance reviews but claim that they are heading in that direction.

Management at one organization reported that individuals are held accountable for meeting closeout timelines, yet every response from the workforce contradicted individual accountability. The other organization candidly stated that individuals are not currently being held accountable, but they are working on getting there in the future.

One organization does not have a metric specific to closeouts. On the other hand, the other organization does. However, that organization does not have a closeout plan or standard operating procedure (SOP), as DASA(P) has directed. Two individuals from the general workforce confirmed a SOP, yet management and the other respondent denied the existence of a SOP. Training material may have been confused with a formal SOP.

One of the organizations continues to outsource closeouts with limited success. It appears that the other organization does not currently outsource closeouts, yet has in the past. When questioned about the effectiveness of outsourcing, the workforce provided an evenly mixed response. One participant reported no, while another reported yes. The third participant reported some effectiveness. They continued to say that over 100 contracts were kicked back to the office unworked. One organization's management denounced effectiveness, stating that the outsourcing organization was unable to close contracts in Procurement Desktop–Defense (PD2) and caused further backlog. The other organization did not confirm or deny effectiveness, but did state the process was still very slow.

One of the organizations had mixed feedback in regards to whether or not they are current with closeouts according to FAR timelines. Two respondents from the general workforce reported no overaged contracts, while management and the other respondent confirmed non-compliance with FAR timeframes. The researcher speculates that the

workforce may not be entirely exposed to overaged contract data. The other organization stated that it has not been compliant with FAR timeframes.

In order to mitigate non-compliance with FAR timeframes, one organization manages closeout performance at the team level and institutes “closeout Fridays”. A closeout Excel spreadsheet identifies the responsible team to the contract action. Team leaders also monitor team performance. The other organization is in the early stages of standing up a closeout cell dedicated to the effort of closeouts.

None of the organizations currently utilize a contract administration program or system. As such, no one could comment on actual efficiency. As far as potential, some were unsure, while others felt that it would be beneficial. As stated, it would likely be an improvement from manually maintaining a spreadsheet.

Again, the participants’ feedback was mixed when questioned about workforce capability when completing closeouts within FAR timelines and manning levels. Two from the general workforce felt that the current workforce is capable, but the third was unsure, although noting it as a higher priority. Management from one organization felt that the current workforce is capable, while management from the other felt that the current workforce is incapable. All workforce respondents reported proper manning, but one stated that the current year appears busier than previous years. Both responses from management confirm that the workforce is undermanned.

When questioned whether an emphasis was placed on pre-award, post-award, or equally distributed, most of the participants stated an emphasis on pre-award while a few claim an equal distribution. Two workforce respondents claim that emphasis is equally distributed. The other respondent claimed an emphasis on pre-award, although closeouts have become a higher priority lately. Both responses from management confirm that emphasis is placed on pre-award.

Recommendations

Overall, neither organization identified any best practices that RCO-HI may leverage. However, it is clear from the responses that overaged closeouts are a concern

among the organizations. Various tools and techniques have been used to varying levels of success.

Annual performance objectives specific to contract closeouts should be maintained at RCO-HI. Managerial respondents confirmed that closeouts are either incorporated in annual performance objectives or will be. The researcher takes that as an affirmation that the inclusion is viewed as beneficial in contract management. However, it is important to set those objectives in achievable terms.

- (2) If so, can RCO-HI benefit by incorporating those best practices into the current closeout process?

The responses received by the respondents did not identify any best practices. If anything, the responses confirmed the continuing state of overaged contracts among the acquisition workforce.

Recommendations

Despite a lack of best practices identified, the RCO-HI should continue to partner with similar organizations to leverage experience and potential best practices available. The responses received reflect that closeouts are a concern within the organizations and attempts are underway to mitigate the issue. As efforts mature, RCO-HI may benefit from the lessons learned from those organizations.

- (3) What improvements, if any, are necessary to improve RCO-HI's closeout process?

RCO-HI has provided closeout training within the last 24 months. However, since the 2014 fiscal year end push to achieve a zero overaged contract balance, no active training has taken place, although contract closeout still remains a priority.

RCO-HI's Contract Closeout Plan provides goals and business rules. However, it was a snapshot of a moment in time and has not since been updated. Although it was originally requested by DASA(P), it is a means to communicate the intent of the organization to the workforce. It is accessible on the share-drive, but the general workforce is largely unaware of it.

RCO-HI has gone through three restructures in the past 5 years. Changes occurred on a divisional, team, and functional basis. Compounded with being undermanned and overworked, the workforce has not responded well to change. Morale is low.

RCO-HI has had limited success with outsourcing through the AbilityOne program. The process is slow and their capabilities are limited, which often requires action on RCO-HI's end. As a result, effectiveness is questionable. Yet, it does relieve some of the workload even if it's limited.

A primary closeout POC is useful in managing individual and team compliance with FAR timeframes. It increases individual accountability and provides management with a channel of oversight. RCO-HI's current Excel spreadsheet is a work in progress. As of now, anyone may edit or modify the spreadsheet.

Incorporating closeout-related annual performance objectives promotes individual accountability, as well. It reinforces the organization's closeout specific metric. Generally, annual performance objectives are individualized and thus private. However, my team is currently required to perform 30 contract closeouts annually to meet the objective. A disconnect is apparent when compared to the fact that an individual can complete more than a hundred actions in a year. Overaged contracts are inevitable if individuals merely meet, rather than exceed, the objective.

One of the most significant research findings is the concept of proactive closeouts in the Air Force's MOCAS Contract Closeout Guide (U.S. Air Force, 2005). RCO-HI focuses on award without planning adequately through the life of the contract to include the ultimate end. Acquisition planning is not sufficient enough to anticipate issues upfront, such as invoicing. The greater majority of small business set-aside contracts do not distinguish a final invoice. This limits automatically generated alerts. Continuous communication with the requiring activity and contractor after award may deter or minimize issues.

Recommendations

Closeout training should be performed at the organizational level to achieve uniformity on an annual basis, at a minimum. The training should then be reinforced at the team level. It should provide background information on the impact of overaged closeouts to elicit workforce buy-in and change the perception of post-award functions.

Likewise, the contract closeout plan should be updated annually and include current status. The plan should then be disseminated directly to the workforce. Ideally, the plan should be provided in conjunction with the annual closeout training.

Due to frequent reorganization and low morale, it is recommended to maintain a cradle-to-grave structure. However, management could solicit volunteers or designate individuals to form a special closeout team or task force when workloads permit. The first quarter of the fiscal year would be ideal.

At this time, the researcher recommends sustaining closeout assistance from AbilityOne. As the workforce is built up to proper manning levels and overaged contracts reduce to a more manageable level, the utilization of AbilityOne may be decreased.

Current overage contract tracking provided on an Excel spreadsheet is useful in gauging status and enforcing accountability. However, the researcher recommends locking the spreadsheet to view-only for the general workforce. Unintentional user errors may create corrupt data. Teams may generate a spreadsheet from the master to track progress.

Although an annual performance objective of 30 closeouts appears insufficient, the incorporation of closeouts into annual performance reviews is fairly recent. The gradual incorporation of a higher standard is necessary to transition the workforce's perceived priorities. As such, the researcher recommends a steady, but reasonable, increase in the number of closeouts required under the objective.

The researcher recommends that a closeout strategy be considered in acquisition planning. Contract files should be actively maintained with payment or performance issues. When appropriate, penalties and rewards may be used to motivate prompt contractor input.

Post-award conferences should include invoicing instructions. Primarily, contractors should be aware of the importance of designating an invoice as final.

C. SUMMARY

This chapter responded to the findings of the surveys administered by the researcher, answered the research questions based on the data provided, and provided recommendations.

The next chapter will conclude the research. It will provide a summary of the research questions and discuss the limitations of the data. Finally, it will provide a conclusion and areas for further research.

V. CONCLUSIONS AND RECOMMENDATIONS

This final chapter will discuss recommendations to improve RCO-HI's current closeout process and reduce the backlog of overaged contracts. First, the researcher will discuss what actions RCO-HI is doing well and should be sustained. Then, the researcher will recommend further actions identified through this project that have the potential to augment current processes.

A. RESEARCH SUMMARY

This research attempted to provide an in-depth analysis of the overaged contract closeout process. Furthermore, this research sought to identify best practices to combat growing overaged contract balances within the RCO-HI. In order to conduct this analysis, I administered a survey questionnaire to 766 SCONS, RHCO-P(P), and Pacific Rim Region 9. Unfortunately, only two of the three organizations participated in the survey. Response from only two organizations limited the scope of the research. Within the participating organizations, only five individuals responded, which was not a significant sample. Therefore, the conclusions drawn from the sample may not be consistent with the larger population.

The researcher posed the following three questions summarized as follows.

- (1) Are there other contracting offices leveraging best practices to meet FAR contract closeout timelines?

Based on the information received in response to the questionnaires, local contracting offices are not currently leveraging best practices to meet FAR contract closeout timelines. However, best practices may exist, but were not identified. This may be a result of a short suspense or other workload commitments that prevented a detailed response.

- (2) If so, can RCO-HI benefit by incorporating those best practices into the current closeout process?

Unfortunately, best practices have not been identified through a direct survey of contracting professionals. However, other best practices were identified through literary

review. Specific best practices that can be implemented at RCO-HI is discussed in the following conclusion.

- (3) What improvements, if any, are necessary to improve RCO-HI's closeout process?

Areas for improvement include continuous training on the closeout process. Individual accountability is necessary and may be achieved through annual performance objectives and tracking through data reports and spreadsheets. Additionally, better communication across the board is necessary. This includes expectations from within the organization, identifying potential issues with the customer, and communicating with contractors.

B. CONCLUSION

Ultimately, the data from the questionnaire did not cover as wide a population of the contracting workforce as the researcher had hoped. However, the data suggests that overaged closeouts are an issue at other contracting organizations, as well. Each organization has employed varying combinations of tools and techniques to mitigate the problem.

This research project was limited because of the low response rate, time, and other factors. The data was relevant, but not sufficient to draw any significant deductions or recommendations. However, the data provided interesting insight into the practices of other contracting organizations.

This research has taken the researcher in many different directions. Although the researcher was not able to gather as much information on best practices from local agencies as she would have liked, it did provide me with an understanding of the environment as a whole. The audit performed in 2001 by the Inspector General is as applicable today as it was then. Change is coming, albeit slow. It is necessary to take these steps to minimize risk to the government, support the mission, and ensure proper stewardship of the taxpayers' money.

C. AREAS FOR FURTHER RESEARCH

The WAWF Automated Contract Closeout feature has the potential to significantly impact overaged contracts at RCO-HI. Further research is needed to understand usability. It is uncertain if the application interfaces with our contract writing system. Currently, the researcher is unable to add that user role to her profile in WAWF and gain access to the tool. It is a relatively new feature and information on it has not been disseminated to the workforce by management.

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APPENDIX A. WORKFORCE SURVEY 1

Contract Closeout: Cross-organizational Procedures and Implementation

Individual Survey

The intent of this research is to refine RCO-HI's current approach by identifying other best practices among other related Government organizations, such as yours. Most of the questions are yes/no and possibly not applicable. However, feel free to elaborate with further details if inclined. Please note that all correspondence is confidential and no individual will be referenced in my work. The report will purely be a compilation of data received. I want to express my sincere appreciation in your consideration to participate in this study.

Has your organization provided close-out specific training within the last 12 months? 24 months?

Yes, within the last 12 months.

Does your organization provide guidance/support on close-out procedures?

Very recently, there has been some support since the Squadron close out training.

Is your organization structured as cradle-to-grave, pre/post award divisions, or other?

Cradle-to-grave

Is the current structure effective?

It seems to be, but post award and closeouts tend to fall to a lower priority.

Are close-outs incorporated into annual performance objectives?

No.

If so, are those objectives realistic?

n/a

Are individuals held accountable for close-out performance?

Not that aware of.

Does your organization have a metric specific to close-out performance?

Not that aware of.

Does your organization have an established close-out plan and/or SOP?

Not that aware of, but we now have training slides to refer back to.

Does your organization currently outsource close-outs?

No.

Has your organization outsourced close-outs within the last 24 months?

Yes.

If yes to either currently or in the past, has outsourcing been effective in managing closeouts?

Somewhat, but over 100 files were kicked back for our office to close out. Those files were not started, just returned.

Is your organization current with close-outs according to FAR timeframes?

Yes, as far as aware of.

If not, how is your organization addressing the issue?

Has your organization identified any best practices in managing close-outs?

Not aware of anything in writing, but it is one of those items that people prefer to stay on top of if possible.

Does the organization utilize a contract administration program/system (i.e. MOCAS or CTOC)?

No.

If so, does it contribute to close-out efficiency and reduce administrative costs?

If not, would the organization benefit from a close-out administration program?

Probably, currently the files are tracked on spreadsheets.

Is the current workforce capable of completing close-outs within the FAR prescribed timeframe?

Not sure, but it is a higher priority now.

Is the current workforce undermanned?

We've been told that we are properly manned, but it has been a busy year compared to prior years.

Does management place an emphasis on preaward, postaward, or is it equally distributed?

Primarily preaward, but the closeouts have become a higher priority lately.

APPENDIX B. WORKFORCE SURVEY 2

Contract Closeout: Cross-organizational Procedures and Implementation

Individual Survey

The intent of this research is to refine RCO-HI's current approach by identifying other best practices among other related Government organizations, such as yours. Most of the questions are yes/no and possibly not applicable. However, feel free to elaborate with further details if inclined. Please note that all correspondence is confidential and no individual will be referenced in my work. The report will purely be a compilation of data received. I want to express my sincere appreciation in your consideration to participate in this study.

Has your organization provided close-out specific training within the last 12 months? 24 months?

Yes, within the last 12 months.

Does your organization provide guidance/support on close-out procedures?

Yes, through squadron training and other resources.

Is your organization structured as cradle-to-grave, pre/post award divisions, or other?

No, most requirements will not be solicited, awarded and closed out by the same individual.

Is the current structure effective?

Yes and no. We do run into issues with contract specialist turnover.

Are close-outs incorporated into annual performance objectives?

Yes

If so, are those objectives realistic?

Yes

Are individuals held accountable for close-out performance?

Historically no, which is why we are currently having to closeout contracts as old as 20 years.

Does your organization have a metric specific to close-out performance?

No

Does your organization have an established close-out plan and/or SOP?

Yes we have a SOP

Does your organization currently outsource close-outs?

No

Has your organization outsourced close-outs within the last 24 months?

Yes

If yes to either currently or in the past, has outsourcing been effective in managing closeouts?

Yes

Is your organization current with close-outs according to FAR timeframes?

Yes

If not, how is your organization addressing the issue?

N/A

Has your organization identified any best practices in managing close-outs?

No

Does the organization utilize a contract administration program/system (i.e. MOCAS or CTOC)?

No

If so, does it contribute to close-out efficiency and reduce administrative costs?

N/A

If not, would the organization benefit from a close-out administration program?

Yes

Is the current workforce capable of completing close-outs within the FAR prescribed timeframe?

Yes

Is the current workforce undermanned?

No

Does management place an emphasis on preaward, postaward, or is it equally distributed?

Equally distributed

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APPENDIX C. WORKFORCE SURVEY 3

Contract Closeout: Cross-organizational Procedures and Implementation

Individual Survey

The intent of this research is to refine RCO-HI's current approach by identifying other best practices among other related Government organizations, such as yours. Most of the questions are yes/no and possibly not applicable. However, feel free to elaborate with further details if inclined. Please note that all correspondence is confidential and no individual will be referenced in my work. The report will purely be a compilation of data received. I want to express my sincere appreciation in your consideration to participate in this study.

Has your organization provided close-out specific training within the last 12 months? 24 months?

Yes – within 12 months

Does your organization provide guidance/support on close-out procedures?

Yes

Is your organization structured as cradle-to-grave, pre/post award divisions, or other?

Cradle-to-grave

Is the current structure effective?

Not in my opinion. Most CA/Cos do not close their contracts timely and then PCS. We end up with mandatory “closeout Fridays” and have to deal with old contracts/payment/de-ob issues.

Are close-outs incorporated into annual performance objectives?

No

If so, are those objectives realistic?

N/A

Are individuals held accountable for close-out performance?

No

Does your organization have a metric specific to close-out performance?

Not that I know of

Does your organization have an established close-out plan and/or SOP?

Yes

Does your organization currently outsource close-outs?

No

Has your organization outsourced close-outs within the last 24 months?

No

If yes to either currently or in the past, has outsourcing been effective in managing closeouts?

No

Is your organization current with close-outs according to FAR timeframes?

No

If not, how is your organization addressing the issue?

Mandatory "close-out Friday"

Has your organization identified any best practices in managing close-outs?

No

Does the organization utilize a contract administration program/system (i.e. MOCAS or CTOC)?

No

If so, does it contribute to close-out efficiency and reduce administrative costs?

N/A

If not, would the organization benefit from a close-out administration program?

Not sure

Is the current workforce capable of completing close-outs within the FAR prescribed timeframe?

Yes

Is the current workforce undermanned?

Not in my opinion

Does management place an emphasis on preaward, postaward, or is it equally distributed?

Equal

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APPENDIX D. MANAGEMENT SURVEY 1

Contract Closeout: Cross-organizational Procedures and Implementation

Individual Survey

The intent of this research is to refine RCO-HI's current approach by identifying other best practices among other related Government organizations, such as yours. Most of the questions are yes/no and possibly not applicable. However, feel free to elaborate with further details if inclined. Please note that all correspondence is confidential and no individual will be referenced in my work. The report will purely be a compilation of data received. I want to express my sincere appreciation in your consideration to participate in this study.

Has your organization provided close-out specific training within the last 12 months? 24 months?

YES.

Is your organization structured as cradle-to-grave, pre/post award divisions, or other?

Cradle-to-grave

Is the current structure effective?

Yes

Are close-outs incorporated into annual performance objectives?

Yes

Are individuals held accountable for close-out performance?

Yes

Does your organization have a metric specific to close-out performance?

No

Does your organization have an established close-out plan and/or SOP?

No

Does your organization currently outsource close-outs?

Not currently

Has your organization outsourced close-outs within the last 24 months?

No, I believe they were sent long before I arrived in 2014.

If yes to either currently or in the past, has outsourcing been effective in managing closeouts?

No, the outsourcing organization was unable to close contracts in PD2 which proved ineffective for the organization and created a backlog.

Is your organization current with close-outs according to FAR timeframes?

No

If not, how is your organization addressing the issue?

Individual teams are responsible for accomplishing the goal of completing old closeouts while accomplishing new closeouts in accordance to FAR timeframes. Some teams are doing better than others.

Has your organization identified any best practices in managing close-outs?

Using an Excel spreadsheet has helped my team get closed to achieving our goals.

Does the organization utilize a contract administration program/system (i.e. MOCAS or CTOC)?

NO

If so, does it contribute to close-out efficiency and reduce administrative costs?

If not, would the organization benefit from a close-out administration program?

Is the current workforce capable of completing close-outs within the FAR prescribed timeframe?

Yes

Is the current workforce undermanned?

Yes

Does management place an emphasis on preaward, postaward, or is it equally distributed?

Pre-Award by far!!! I have fought to change that culture within my team.

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APPENDIX E. MANAGEMENT SURVEY 2

Contract Closeout: Cross-organizational Procedures and Implementation

Individual Survey

The intent of this research is to refine RCO-HI's current approach by identifying other best practices among other related Government organizations, such as yours. Most of the questions are yes/no and possibly not applicable. However, feel free to elaborate with further details if inclined. Please note that all correspondence is confidential and no individual will be referenced in my work. The report will purely be a compilation of data received. I want to express my sincere appreciation in your consideration to participate in this study.

Has your organization provided close-out specific training within the last 12 months? 24 months?

Yes, within 24 months

Is your organization structured as cradle-to-grave, pre/post award divisions, or other?

Cradle-to-grave

Is the current structure effective?

Yes

Are close-outs incorporated into annual performance objectives?

Not yet, but we're going there

Are individuals held accountable for close-out performance?

Not yet, but we're going there

Does your organization have a metric specific to close-out performance?

Yes

Does your organization have an established close-out plan and/or SOP?

No

Does your organization currently outsource close-outs?

Yes

Has your organization outsourced close-outs within the last 24 months?

Yes

If yes to either currently or in the past, has outsourcing been effective in managing closeouts?

The process is also very slow

Is your organization current with close-outs according to FAR timeframes?

No

If not, how is your organization addressing the issue?

Issue is addressed at top management level, but without additional resources, this is hard. In the last few months, funding was made available for stand up a closeout cell. This is in the early stages yet.

Has your organization identified any best practices in managing close-outs?

No

Does the organization utilize a contract administration program/system (i.e. MOCAS or CTOC)?

No

If so, does it contribute to close-out efficiency and reduce administrative costs?

N/A

If not, would the organization benefit from a close-out administration program?

Not sure

Is the current workforce capable of completing close-outs within the FAR prescribed timeframe?

No

Is the current workforce undermanned?

Yes

Does management place an emphasis on preaward, postaward, or is it equally distributed?

More on the pre award

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