



DCMA Go To GUIDE QUICK CLOSEOUT

This quick reference tool is designed to assist you with the Quick Closeout process. You can expect to find general steps along with pertinent information. Consider this a yellow brick road to success for the Quick Closeout process.

* 7 Steps to Quick Closeout

1. Identify Candidates

Possible candidates:

- Overage contracts
- Contracts with Funds At-Risk of canceling
- Low Dollar Value contracts
- Contracts reaching Statute of Limitations



2. Coordinate

- ACO
- PCO
- Contractor
- DCAA
- DACO



3. Obtain Information

Collect historical information on audited/settled rates, and proposed rates for years that will be apart of the agreement.



4. Analyze Information

Review contractor's rate history. Establish method for decrementing the proposed rates. Prepare a **PNOM**.



5. Negotiate Quick Closeout Rates

- ✓ Conduct negotiations with the Contractor
- ✓ Negotiations can be in person or via telephone
- ✓ QCO Rates are only used for the agreed upon contracts
- ✓ Prepare **PNM** upon conclusion of negotiations



6. Prepare Quick Closeout Agreement

- Reference FAR 42.708 and Contract Closeout Guidebook
- Attach list of contracts and establish suspense date for submission of final vouchers



7. Process Final Vouchers

ENSURE...

- ✓ All documents required for review of final voucher have been submitted
- ✓ Contractor submits signed Release of Claims/Assignments
- ✓ If DCAA cannot conduct audit, DCMA will review final voucher
- ✓ Complete Memo to File to document findings of review



* Reminders & Tidbits

QUICK CLOSE AUTHORITY

- FAR 42.708 – Quick Closeout Procedure
- DCMA Quick Closeout Class Deviation
- DCMA-MAN-2501-07 Contract Closeout
- DCMA-MAN 2201-03 Final Indirect Cost Rates



DECREMENT FACTOR METHOD

- $(PR - SR) / PR = DF$
- Add decrement factors for 3 prior years
- Divide by 3 (# of prior years)
- $(PR)(AF) = DF$
- $PR - DF = RO$



DECREMENT PERCENTAGE METHOD

- $(SR / PR) = DP$
- Add decrement factors for 3 prior years
- Divide by 3 (# of prior years)
- $(PR)(Average) = RO$



PERTINENT DOCUMENTS

1. Risk Assessment
2. Price Negotiation Objective Memorandum
3. Memo for File
4. Price Negotiation Memorandum
5. Quick Closeout Agreement



TERMINOLOGY

- **ACO** – Administrative Contracting Officer
- **AF** – Average Factor
- **DACO** – Divisional Administrative Contracting Officer
- **DCAA** – Defense Contract Audit Agency
- **DF** – Decrement Factor
- **DP** – Decrement Percentage
- **FV** – Final Voucher
- **PCO** – Procuring Contract Officer
- **PNM** – Price Negotiation Memorandum
- **PNOM** – Price Negotiation Objective Memorandum
- **PR** – Proposed Rate
- **SR** – Settled Rate
- **RO** – Rate Objective



TAKEAWAYS FOR SUCCESS

Quick Closeout is **ENDORSED** by Senior Leadership. You are **100%** supported and reinforced. You **HAVE** top cover!



Want to learn more or get more details? Check out DCMA's Resource Page!

DCMA-MAN-2501-07
Contract Closeout

DCMA-MAN 2201-03
Final Indirect Cost Rates

AMAZING THINGS CAN HAPPEN

Don't forget! **YOU** are the **CHANGE AGENTS** for DCMA. Improve each and every day. Constantly strive for **ONE TEAM, ONCE VOICE!**