

C4. CHAPTER 4

CLOSURE

C4.1. CHAPTER OVERVIEW

Once a case is SSC, and the requisite verification steps noted in chapter 3 are completed, the case may be submitted for closure. As prescribed Volume 15, Chapter 6 of reference (b), a closed FMS case may stay open from a DoD accounting perspective. Case closure is the final phase of the FMS life cycle and is extremely important to the USG and purchaser. The benefits of case reconciliation and closure are highlighted in chapter 1. Reconciliation for closure involves extensive communication between various logistics, financial, and contract organizations to ensure associated closure transactions are completed. It is imperative that case and/or line reconciliation (elaborated in chapters 2 and 3) is started when the LOA is implemented to make the closure process described in this chapter less cumbersome. By reconciling during case execution, case closure becomes an event instead of a process. When a case is reconciled according to procedures for the appropriate closure method, it is then submitted for closure. This chapter addresses reconciliation surrounding closure transactions, closure inhibitors, underpaid cases, CCSA, post closure transactions, verifications, contract closeout, reopening and/or reinstating activity, FMF commitments, billing, and lease closure.

C4.2. ORGANIZATIONAL ROLES AND RESPONSIBILITIES

The following serves as a general categorization of closure functions by organization:

C4.2.1. The IA shall:

C4.2.1.1. Perform all case closure functions prescribed in Volume 15 of reference (b) and in reference (c).

C4.2.1.2. Reconcile cases.

C4.2.1.3. Ensure data integrity.

C4.2.1.4. Perform annual case reviews and reconciliations IAW the requirements for closed cases shown in Figure C2.F4.

C4.2.1.5. Prepare cases for closure. For ACCP cases, to the maximum extent possible, this involves preparing the case for direct final ('C3') closure.

C4.2.1.6. Coordinate internal case closure actions with appropriate organizations.

C4.2.1.7. Issue the closure certificate and process requisite closure transactions.

C4.2.1.8. Analyze cases for transition from interim to final (and final to interim) closure status, including post-closure reconciliation efforts.

C4.2.1.9. Consult with DFAS, as appropriate, to ensure integrity between logistical and financial records.

C4.2.1.10. Meet with purchasers to resolve issues.

C4.2.1.11. Ensure closure status consistency between MILDEP systems and DIFS.

C4.2.1.12. Validate, liquidate, and adjust the ULO value as appropriate.

C4.2.1.13. Reopen FMS cases.

C4.2.2. The DSCA shall:

C4.2.2.1. Publish and update reconciliation and closure policies.

C4.2.2.2. Publish and update the master ACCP roster (see Table C3.T1. of this Manual or Table C4.T2. of reference (c)), keep a centralized repository of special ACCP treatment for specific countries, and notify the FMS community, as applicable.

C4.2.2.3. Publish and update the EACC schedule and force closure inventory.

C4.2.2.4. Direct force closures.

C4.2.2.5. Oversee the process of transitioning cases from interim to final closure.

C4.2.2.6. Approve annual refunds from purchaser CCSA.

C4.2.2.7. Serve as final arbiter for case closure issues raised by IAs and DFAS Denver.

C4.2.2.8. Approve requests to reopen cases previously closed.

C4.2.2.9. Approve requests to reactivate cases on the EACC list.

C4.2.2.10. Meet with purchasers to resolve issues.

C4.2.3. DFAS Denver shall:

C4.2.3.1. Work with MILDEPs and/or IAs on closing cases.

C4.2.3.2. Perform all accounting functions, as prescribed in Volume 15 of reference (b) and in reference (c).

C4.2.3.3. Meet with purchasers to resolve issues.

C4.2.3.4. Collect final payments due from and/or refund excess funds to purchasers.

C4.2.3.5. Maintain the CCSA.

C4.2.3.6. Effects annual ULO account refunds based on DSCA guidance.

C4.2.3.7. Ensure prompt and accurate transition of cases between implemented and various closure categories.

C4.2.3.8. Provide systemic feedback reporting to MILDEPs.

C4.2.3.9. Maintain case closure inventory in DIFS.

C4.2.3.10. Reconcile financial data and validate FMS case closure values.

C4.2.3.11. Close FMS cases.

C4.2.3.12. Force close cases at DSCA/OPS-ADMIN direction.

C4.2.3.13. Ensure closure status consistency between MILDEP systems and DIFS.

C4.2.3.14. Reopen FMS cases, as authorized.

C4.2.3.15. Show closure activity on DD Form 645A and on applicable holding account statements.

C4.2.4. The DCMA shall do contract administrative functions (including contract closeout) for FMS, as prescribed in references (d) and (e), when assigned as the ACO.

C4.2.5. The DCAA shall do contract audit functions for FMS, as prescribed in references (d) and (e), including final overhead rate audits necessary to “final” close FMS cases.

C4.2.6. Purchasers shall:

C4.2.6.1. Advise MILDEPs, IAs, and/or DSCA on which cases are desired for closure, and those cases to be kept open.

C4.2.6.2. Coordinate closure decisions between the MND and/or equal level and the Service and/or program office level.

C4.2.6.3. Secure final payment in a prompt fashion for cases that are under-collected and awaiting closure.

C4.3. CLOSURE CHECKLISTS

C4.3.1. Tables C4.T1. and C4.T2. are checklists for preparation for interim to final closure and for direct final closure. The final-interim-final closure process for the annual CCSA refunds is discussed in chapter 5.

Table C4.T1. Checklist for ACCP Interim to Final Closure (Closure Type ‘2’ to ‘3’)

| |
|--|
| 1. No inhibitors for the applicable closure type on this case exist. |
| 2. No PDs exist. No associated corrective obligations exist. |
| 3. Total performance equals total disbursements, or the difference equals the unused ULO. |
| 4. Liquidating deliveries equal progress payments, or the difference equals the unused ULO. |
| 5. OA is the same in all systems. |
| 6. OA is reconciled to obligations. |
| 7. Contract lines and other funding documents are verified as completed and/or closed out. |
| 8. No litigation actions are pending. |
| 9. IA accounting and paying systems are reconciled (or variances are appropriately documented), and non-FMS financial appropriations are reimbursed, as appropriate. |
| 10. All expenditures are processed and expenditures equal obligations as adjusted by the unused ULO. |
| 11. All closeout documents are stored in the FMS case file. |
| 12. Systems appropriately document contract completion status. |
| 13. Remarks and/or Comments |

Table C4.T2. Direct Final ACCP Closure (Closure Type '3')

| |
|---|
| 1. Case is SSC. |
| 2. No inhibitors for the applicable closure type exist. |
| 3. IA is the same in all systems. |
| 4. Case status is the same in all systems. |
| 5. LOA document designator (e.g., A01, M03) is the same in all systems. |
| 6. Total case and/or line values are the same in all systems. |
| 7. NCVs are the same in all systems. |
| 8. Total above- and below-the-line charges do not exceed TCV certified for closure. |
| 9. Total delivered accessorials are validated. |
| 10. Delivered articles and services costs are less than or equal to OA |
| 11. Delivered quantities for all LOA lines are reconciled among DIFS, DSCA 1200, and IA systems. "E-Bills" are converted to "A-Bills". |
| 12. If case includes MDE, LOA ordered quantities equal actual delivered quantities. |
| 13. NC recoupment charges, if applicable, are reported and processed. |
| 14. Actual CAS and LSC are validated as follows: Progress Payment CAS equals Delivered CAS which equals Disbursed CAS; Delivered LSC equals Disbursed LSC. |
| 15. No PDs exist. No associated corrective obligations exist. |
| 16. Total performance equals total disbursements. |
| 17. Progress payments are in balance in all systems and equal liquidating deliveries. |
| 18. OA is the same in all systems. |
| 19. OA is reconciled to obligations. |
| 20. Contract lines and other funding documents are verified as completed and/or closed out. |
| 21. Any and all SDRs accepted were closed. |
| 22. No litigation actions are pending. |
| 23. IA accounting and paying systems are reconciled (or variances are appropriately documented), and non-FMS financial appropriations are reimbursed, as appropriate. |
| 24. All expenditures are processed, all commitments and obligations are liquidated, and expenditures equal obligations. |
| 25. Delivered articles and services value less CAS and LSC equals obligations certified in IA accounting systems. |
| 26. Remarks and/or Comments |

C4.3.2. Force Closure Resolution. DSCA/OPS-ADMIN allows the IA 6 months to close cases listed on the EACC listing. Unless the IA gives a legitimate reason that prevents the case from closing, the case shall be force closed. DSCA/OPS-ADMIN directs force closure on an ACCP case that has been on the EACC list for 3 quarters, but stays open. DSCA/OPS-ADMIN shall direct DFAS Denver to force close the case via the 'C8' transaction into interim closure status ('C2') in DIFS. These cases stay open in the MILDEP system. Later transactions forwarded to DIFS shall reject. The IA must continue to work the case. When the case is ready for closure in the MILDEP system, DFAS Denver is contacted to reopen the case between purchaser billing cycles so that closure transactions may process from the MILDEP system to DIFS and closure values may update. A certificate may be forwarded with updated closure values. (See Table C4.T3. for further details.) Actions '5' through '7' regard the force closure transactions; actions '8' and '9' regard bringing the force closed case in balance with IA systems.

Table C4.T3. Force Closure Resolution

| |
|--|
| 1. Applies to ACCP only. |
| 2. Preferably, IAs complete reconciliation on their own. Force closure is used only as a last resort, to close the case. |
| 3. Force closures progress a case to interim ('C2') status only. They are flagged by DSCA 3 quarters after initial placement on Part 1 of the EACC list. |
| 4. Timeline: in the quarter for which force closure is scheduled, the IAs are allotted the first 2 months and DFAS Denver is allotted the final month to close the case in DIFS. |
| 5. DFAS Denver closes the case at a value computed by DSCA/OPS-ADMIN and validated by DFAS Denver. |
| 6. While DFAS Denver is processing its transactions to force close the case, the IA must not submit any transactions to DIFS. DFAS Denver notifies the IA through the 'C3I' when the case progressed to closure status in DIFS. |
| 7. If the IA proposes to process transactions that balance systemic values, the IA must first obtain approval from both DFAS Denver and DSCA/OPS-ADMIN. This involves coordinating the timing of reopening the case and processing all transactions within the same billing cycle. |
| 8. DFAS Denver reverses force closure transactions in DIFS. |
| 9. IAs process transactions and close the case in the "normal" manner. |

C4.4. CONTRACT CLOSEOUT

One of the criteria enabling an ACCP case to transition from interim to final closure and for a non-ACCP case to close is for associated contracts to be physically and financially complete. This section describes the steps applicable to deciding the disposition of contracts and for contract closeout. These functions are completed by the ACO.

C4.4.1. Time Standards. Reference (d) sets specific time periods for contract closeout which are based on both the type of contract and date of physical completion.

C4.4.1.1. A contract is considered to be physically complete when:

C4.4.1.1.1. The contractor has completed the required deliveries and the USG has inspected and accepted the supplies.

C4.4.1.1.2. The contractor has performed all services and the USG has accepted these services.

C4.4.1.1.3. All option provisions, if any, have expired.

C4.4.1.1.4. The USG has notified the contractor of complete contract termination.

C4.4.1.2. Facilities, contracts, rentals, and use and storage agreements are considered to be physically complete when:

C4.4.1.2.1. The USG has notified the contractor of complete contract termination.

C4.4.1.2.2. The contract period has expired.

C4.4.1.3. Files for contracts using SAPs shall be considered closed out when the contracting officer receives evidence of receipt of property and final payment, unless otherwise specified by agency regulations.

C4.4.1.4. Files for FFP contracts, other than those using SAPs, shall be closed out within 6 months after the date on which the contracting officer receives evidence of physical completion.

C4.4.1.5. Files for contracts requiring settlement of indirect cost rates shall be closed out within 36 months of the month in which the contracting officer receives evidence of physical completion. (Cost-Reimbursement Contracts including Time and Material and Labor Hour contracts.)

C4.4.2. Closeout of the Contract. If all contract terms and conditions are met, and all payments have been made to the correct ACRNs, the contract shall be closed out.

C4.4.2.1. At the outset of this process, the ACO must review the contract funds status and notify the contracting office of any excess funds the contract administration office might de-obligate. (See Part 4.804-5 of reference (d) for a list of the actions required.)

C4.4.2.2. Once all applicable actions are completed, the contracting officer administering the contract signs the Contract Closeout Checklist, if applicable.

C4.4.2.2.1. If the contract is in MOCAS, the contracting officer also signs the Notice of Last Action (NLA) and processes the Final Payment NLA in MOCAS. MOCAS sends a contract completion statement (PK9) electronically to the contracting office and a contract completion statement is placed in the appropriate contract management office file.

C4.4.2.2.2. If the contract is not in MOCAS, the ACO must ensure that a contract completion statement (DD Form 1594) has been completed. (See reference (n) (<http://www.dcms.mil/onebook/9.0/9.9/closeout.htm>) for details on preparing the form.) Since the contract was not in MOCAS, the original contract completion statement must be sent to the contracting office and a copy placed in the appropriate contract administration file.

C4.4.3. **Quick Closeout.** The quick closeout process offers an alternative to holding contracts open until indirect cost rates are settled. When it becomes clear that there is a delay in the settlement of final indirect rates, it is recommended that the ACO use quick closeout where applicable. The procedure is identified in Part 42.708 of reference (d). The ACO shall decide if contracts supporting an FMS case qualify for quick closeout. To help ease quick closeout, DCMA established a Contract Management Team (CMT) Locator hyperlink: <http://alerts.dcmdw.dcms.mil/srk/owa/alerts.cmtlocator>.

C4.4.3.1. Quick closeout procedures may be used if:

C4.4.3.1.1. The contract is physically complete.

C4.4.3.1.2. The amount of unsettled indirect costs to be allocated to the contract is relatively insignificant. Indirect cost amounts are insignificant when:

C4.4.3.1.2.1. The total unsettled indirect cost to be allocated to any one contract does not exceed \$1 million.

C4.4.3.1.2.2. Unless otherwise stated in agency procedures, the cumulative unsettled indirect cost to be allocated to one or more contracts in a single FY does not exceed 15 percent of the estimated total unsettled indirect costs allocable to cost-type contracts for that FY. The contracting officer may waive the 15 percent restriction based on risk assessment that considers contractor's accounting, estimating, and purchasing systems; other concerns of the cognizant contract auditors; and any other pertinent information.

C4.4.3.1.3. Agreement may be reached on a reasonable estimate of allocable dollars.

C4.4.3.2. Unlike early closeout procedures, the decisions of final indirect costs under quick closeout procedures are final for the contracts they cover and no adjustments are made to other contracts for over- or under-recoveries of costs allocated or allocable to the contracts covered by the advance agreement.

C4.4.3.3. Indirect cost rates used in the quick closeout of a contract are not considered a binding precedent when establishing the final indirect cost rates for other contracts.

C4.5. FINANCIAL CLOSEOUT

C4.5.1. Contract Information Sources. When reconciling the status of a contract that relates to an FMS case, the information available may vary depending on when the basic contract was awarded. Table C4.T4. serves as a general guide to describe the information that may be expected while the FMS case and contract relationship continues to improve:

Table C4.T4. FMS Case-Related Contract Information Sources

| Data Element | Data Source | | | | | | | |
|--|-------------------|--------------------|----------------------------------|--|------------|------|---------------|--------|
| | Accounting System | Entitlement System | Electronic Document Access (EDA) | Standardized Contract Reconciliation Tool (SCRT) | PCO or ACO | DCAA | Paying Office | Vendor |
| Section 1: For Basic Contracts Awarded Before 1997 | | | | | | | | |
| Part A: Closeout Status Uncertain | | | | | | | | |
| Contract number | X | | | | | | | |
| ACRN | X | | | | | | | |
| ULO value at ACRN and/or requisition level | X | | | | | | | |
| Part B: Contract Still Open | | | | | | | | |
| Contract number | X | X | X | | | | | |
| ACRN | X | X | X | | | | | |
| CLIN | X | X | X | | | | | |
| Anticipated contract closeout date | X | X | | | X | | | |
| Vendor | | X | X | | | | | |
| ACO | | X | | | | | | |
| ACO Comments | | X | | | | | | |
| Contract status | | X | | | | | | |
| Total contract value | | | X | | X | | | |
| Audit status | | | | | X | X | | |
| ULO value at ACRN and/or requisition level | X | X | | X | | | | |
| Section 2: For Basic Contracts Awarded After 1996 | | | | | | | | |
| Contract number | X | X | X | | | | | |
| ACRN | X | X | X | | | | | |
| CLIN | X | X | X | | | | | |
| Anticipated contract closeout date | X | X | | | X | | | |
| Vendor | | X | X | | | | | |
| ACO | | X | | | | | | |
| ACO Comments | | X | | | | | | |
| Contract status | | X | | | | | | |
| Total contract value | | | X | | X | | | |
| Audit status | | | | | X | X | | |
| ULO value at ACRN and/or requisition level | X | X | | X | | | | |
| Copies of contract documents | | | X | | X | | | |
| Complete ULO data | X | X | | X | | | | |
| Copies of invoices, paid vouchers, and/or DD250s | | | X | | X | | X | X |
| Contract type | | X | | | X | | | |

C4.5.2. Discontinued Research. An excerpt from Volume 3, Chapter 11 of reference (b) addresses research requirements and provisions where discontinued research may be authorized. Efforts must first be made to get a final document status report regardless of the document type or the year of issuance. It is recommended that final documents be requested within 6 months after receipt of the material or work completion date has expired. This effort eliminates the possibility of reopening cases at a later date after unidentified charges are later located. The procedures in paragraph C4.5.3. apply to closing out FMS contracts or other funding documents when documentation to support the final expended value is no longer available:

C4.5.3. These procedures apply to cases funded with FMS and other appropriated funds. Subpart 4.804 of reference (d) provides time standards and responsibilities for closing out contract files. Reference (n) outlines specific steps that must be taken before certifying the physical and financial completion of contracts by issuance of a DD Form 1594 or PK9. PCO, ACO, and paying office records for many older contracts are incomplete or non-existent and records of contract closeout action are unavailable. These procedures also apply to the removal of ULO balances in the official accounting system.

C4.5.3.1. Procedures and Requirements for Contracts Not Closed, but Physically Completed. If possible, for contracts requiring closeout in the payment and/or accounting system (e.g., Cost-Plus-Fixed-Fee and Fixed-Price-Incentive-Fee):

C4.5.3.1.1. Complete the Contract Status Questionnaire shown in Figure C4.F1. to record and verify the current status of the contract (i.e. if the contract is still open, when the closeout process shall begin) If research reveals that the contract is not finalized, the questionnaire shall stay with the investigating office. The questionnaire (Figure C4.F1.) is intended to help program offices develop uniform procedures on contract status.

Figure C4.F1. Contract Status Questionnaire

| CONTRACT STATUS QUESTIONNAIRE | | | |
|-------------------------------|---|-----------------------------------|-------|
| Contract: | _____ | Other references, if appropriate: | _____ |
| Contractor: | _____ | | |
| Organization Contacted: | _____ | ACO | PCO |
| (Check One) | _____ | _____ | _____ |
| Name: | _____ | Telephone: | _____ |
| Fax: | _____ | E-mail: | _____ |
| | | | |
| 1. _____ | Find from PCO and/or Technical Code if contract is Material and Service complete. If so, as of what date? If not, what is the ECD? | | |
| 2. _____ | Find from ACO if closeout efforts have begun. If not, when shall the contract become "over-aged?" (If already complete, get copy of DD Form 1594 and final modification. No further questions.) | | |
| 3. _____ | Find from ACO and/or PCO if DCAA has audited overhead rates, if required. | | |
| 4. _____ | Find from ACO and/or PCO if there is any ongoing and/or pending litigation related to this contract. | | |
| 5. _____ | Find from ACO if contractor final invoice has been received and processed. (For cases where the final invoice may be a credit, ensure payment has been made to the USG.) | | |
| 6. _____ | Find from ACO if contractor has signed form releasing USG from further liability. | | |
| 7. _____ | Find from ACO if Government Furnished Material (GFM) has been disposed of, if appropriate. | | |
| 8. _____ | Find from ACO and/or Technical Code if contract re-decision has been completed, if required. | | |
| 9. _____ | Find from ACO when issuance of the DD Form 1594 is anticipated. | | |
| Remarks: | | | |
| | | | |
| | | | |
| | | | |
| Completed by: _____ | | Date: _____ | |

C4.5.3.1.2. Get a DD Form 1594 or PK9 to confirm that the contract is closed out. Issuance of a DD Form 1594 or PK9 does not signify that the contract is closed out in MOCAS. Follow-up may be necessary to get the status of pending audit and estimated close out date when the contract is still open in MOCAS.

C4.5.3.1.3. Confirm that accounting system obligations match contractual funding documentation for each ACRN.

C4.5.3.1.4. Confirm that accounting system disbursements match paying office, or when paying office records are not available, match to Treasury DCAS disbursements for each ACRN.

C4.5.3.2. Procedures and Requirements for Closed Out Contracts.

C4.5.3.2.1. On contracts for which required documentation to fully confirm contract closeout is unavailable, use the approach in subparagraph C4.5.3.2.2. to certify that closeout has been completed.

C4.5.3.2.2. For contracts requiring closeout in the payment and/or accounting system, (e.g., Cost-Plus-Fixed-Fee and Fixed-Price-Incentive-Fee), do the following, if possible:

C4.5.3.2.2.1. Complete the Contract Status Questionnaire in Figure C4.F1. to record and/or verify the current status of the contract; i.e., if the contract is still open or when the closeout process shall begin. Table C4.T5. shows the steps used to verify contract closeout. If research reveals that the contract is not finalized, the questionnaire shall stay with the investigating office.

C4.5.3.2.2.2. Get a DD Form 1594 or PK9 to confirm that the contract is closed out. Issuance of a DD Form 1594 or PK9 does not signify that the contract is closed in MOCAS. Follow-up may be necessary to get the status of pending audit and estimated close out date when the contract is still open in MOCAS.

C4.5.3.2.2.3. Confirm that accounting system obligations match contractual funding documentation for each ACRN.

C4.5.3.2.2.4. Confirm that accounting system disbursements match paying office, or when paying office records are not available, match Treasury DCAS disbursements for each ACRN.

Table C4.T5. Steps Required To Verify Contract Closeout

| |
|---|
| <p>1. Identify contractor, ACO, and paying office, using sources including:</p> <ul style="list-style-type: none"> a. Contracts Directorate files for Headquarters contracts b. MOCAS research c. DCMA web site d. Acquisition Manager files e. Comptroller files f. Field activity files |
| <p>2. Decide closeout status. Sources for closeout information include MOCAS, ACOs and/or PCOs, Contractors, and Contracts Directorate files. If a contract has been closed out, get documentation. The following hierarchy of acceptable documentation includes:</p> <ul style="list-style-type: none"> a. DD Form 1594 (should include final modification, invoice, and/or ULO amount) b. Memorandum for the Record from ACO or PCO c. Copy of final modification(s) and/or final DD Form 250 |
| <p>3. If a contract has not been closed out, before issuing DD Form 1594 decide actions remaining, which may include:</p> <ul style="list-style-type: none"> a. Litigation is pending b. Material and/or service is complete. If not, ECD. c. Overhead rates have been audited by DCAA for cost plus contracts d. Contract re-determination, if required, has occurred e. Contractor and/or subcontractor final invoices have been received and paid f. Contractor has signed release form g. GFM disposition instructions have been issued |
| <p>4. Use and maintain copies of Contract Status Questionnaire.</p> |
| <p>5. Decide contract financial closeout status:</p> <ul style="list-style-type: none"> a. Compare contractual obligations (hardcopy Modifications) to the accounting system and prepare funding spreadsheet identifying obligation variances by ACRN. <ul style="list-style-type: none"> - For DFAS Columbus paid contracts, compare MOCAS records to the accounting system. - For non-MOCAS paid contracts, get manual record (e.g., DFAS Germany) or contractor record of obligations. b. Compare contract payment records to Accounting System expenditures. <ul style="list-style-type: none"> - MOCAS and/or paying office ledger sheets and/or vouchers - Accounting System and/or Treasury expenditures. For FMS appropriation, Treasury expenditures are required. For Domestic appropriations, Treasury expenditures are only required when paying office records are not available. c. Identify variances and prepare PD package with supporting documentation for contracts still open in MOCAS. |
| <p>6. Submit Contract Status Certification (see Figure C4.F2. below) to Comptroller and get concurrence.</p> |
| <p>7. Maintain copies of certifications in central file.</p> |

Figure C4.F2. Contract Status Certification

| CONTRACT STATUS CERTIFICATION | |
|--|---|
| Contract: _____ | Other references, if appropriate: _____ |
| Contractor: _____ | |
| ACO: _____ | PCO: _____ |
| <p>A. This Program Office has completed the required steps outlined on the back of this form (next page) and has decided the above contract has been closed out (obligations and expenditures have been reconciled) based on the following:</p> <p>_____ Copy of DD Form 1594/PK9 (Yes/No) or</p> <p>_____ Copy of final modification and/or DD Form 250 (Yes/No) or</p> <p>_____ ACO and/or PCO Memorandum for the Record on letterhead or e-mail indicating no records available (Yes/No)</p> <p>AND:</p> <p>_____ Accounting System obligations match hard copy contract funding by ACRN and obligation spreadsheet</p> <p>_____ Accounting System expenditures match Paying Office Records at contract and/or ACRN level based on:</p> <p style="padding-left: 40px;">_____ MOCAS – Closed History or Contingency Liability Report</p> <p style="padding-left: 40px;">_____ Paying Office ledgers, spreadsheets, disbursement vouchers, and/or final DD Form 250</p> <p style="padding-left: 40px;">_____ Contractor Billing Record and/or billing invoices (public vouchers and/or DD Form 250)</p> <p style="padding-left: 40px;">_____ Treasury records</p> | |
| <p>B. Copies of all documentation are attached.</p> <p>C. Request excess commitments and/or obligations be de-committed and/or de-obligated.</p> <p>D. If additional charges are later identified, those charges are posted to the affected line of accounting and the appropriate obligation is reinstated.</p> | |
| Submitted: | |
| _____ Program Office | _____ Date: |
| Approved: _____ Comptroller | _____ Date: |

C4.5.4. EXCOM. Paragraph C6.3.4. gives detailed information on how the EXCOM is used as a tool for promoting FMS case reconciliation and closure efficiency. When attempts to get final statements are unsuccessful, and discontinued research is found as the only remaining effective course of action, the IA shall submit to the EXCOM a statement showing the amount agreed to by the activity per phone conversation, or documentation regarding IA receipt of disbursement. (See Figure C6.F1.) If no work was conducted, the IA must provide to the EXCOM a statement confirming the non-performance of material or services so that committed or obligated balances may be recouped.

C4.6. CLOSURE TRANSACTIONS

The 'C1' transaction has two components: 'C1I' (interface from the MILDEP system to DIFS) and 'C1F' (feedback transaction from DIFS to the MILDEP system). When the proposed closure value is certified, the 'C1I' closure transaction is generated by the MILDEP system and sent to DIFS. (See Figure C4.F3.) The 'C1I' signifies IA completion of its actions necessary for DFAS Denver to close the case. This transaction is required for all closure submissions, except force closures.

C4.6.1. The 'C1I' transaction processes through the PTC subsystem, invoking numerous edits and validations. The primary data elements for the 'C1I' transaction are:

C4.6.1.1. Date submitted.

C4.6.1.2. Case designator (CC, IA, and/or Case).

C4.6.1.3. Certificate values including CAS and LSC.

C4.6.1.4. Articles and/or services disbursed (not including CAS or LSC).

C4.6.1.5. Closure type request code.

C4.6.1.5.1. Non-ACCP: 'C1'.

C4.6.1.5.2. ACCP Interim: 'C2'.

C4.6.1.5.3. ACCP Direct Final or ACCP Interim-to-Final: 'C3'.

C4.6.2. The 'C1F' transaction is fed from DIFS to the MILDEP system to acknowledge acceptance or rejection of the 'C1I'.

C4.6.2.1. If accepted by DIFS, the 'C1I' transaction is converted into a DIFS '2A' transaction resulting in a case closure certificate appearing on the Case Closure Certificate Inventory (CCCI) Inquiry screen (DIFS FII1 screen).

C4.6.2.2. If rejected by DIFS, the IA receives a Transaction Reply Code (TRC) with the reason for rejection. The IA begins whatever action is necessary to correct the condition before generating a new 'C1I' transaction.

C4.6.3. DIFS assigns closure status IHCs to all cases appearing on the CCCI. (See Appendix 5 (forthcoming) for a complete listing of those codes.)

C4.6.4. Each time a case closure certificate is added to the closure inventory for a ULO case, a new DIFS "ULO Required" value is computed as the difference between certified deliveries and the sum of certified disbursements and CAS and/or LSC disbursements in DIFS. This value is stored in the Case Control Summary Master File, and appears in all Case Control Summary output and on the CCCI Inquiry screen. It is expected to support all post-closure financial activity reported against the case.

C.4.6.5. Other Related Closure Transactions.

C4.6.5.1. Closure transaction 'C4I'. 'C1' transaction is rescinded (retracted from IA).

C4.6.5.2. Closure transaction 'C5I'. This transaction serves two purposes: first, to reopen non-ACCP cases in DIFS; and second, to revert cases from final to interim closure status (closure type '3' to '2'). The 'C5I' transaction is converted into a DIFS 'CF' transaction that changes the applicable case status in the Case Control Summary Master File of DIFS.

C4.6.5.3. Force Closure Transaction 'C8'. This DIFS transaction is used to force close cases in DIFS.

C4.6.6. Once a case is closed in DIFS, a 'C3I' transaction is sent to notify the IA that the case is closed in DIFS. Once all inhibitors are cleared in DIFS, a DIFS 'C8' transaction is submitted which closes the case in DIFS and sends a 'C3I' closure notification to the MILDEP system. The MILDEP system uses this transaction to update its closure status. Figure C4.F4., below, is a sample of the DIFS CCCI Inquiry:

Figure C4.F3. 'C1' and 'C3' Closure Transactions

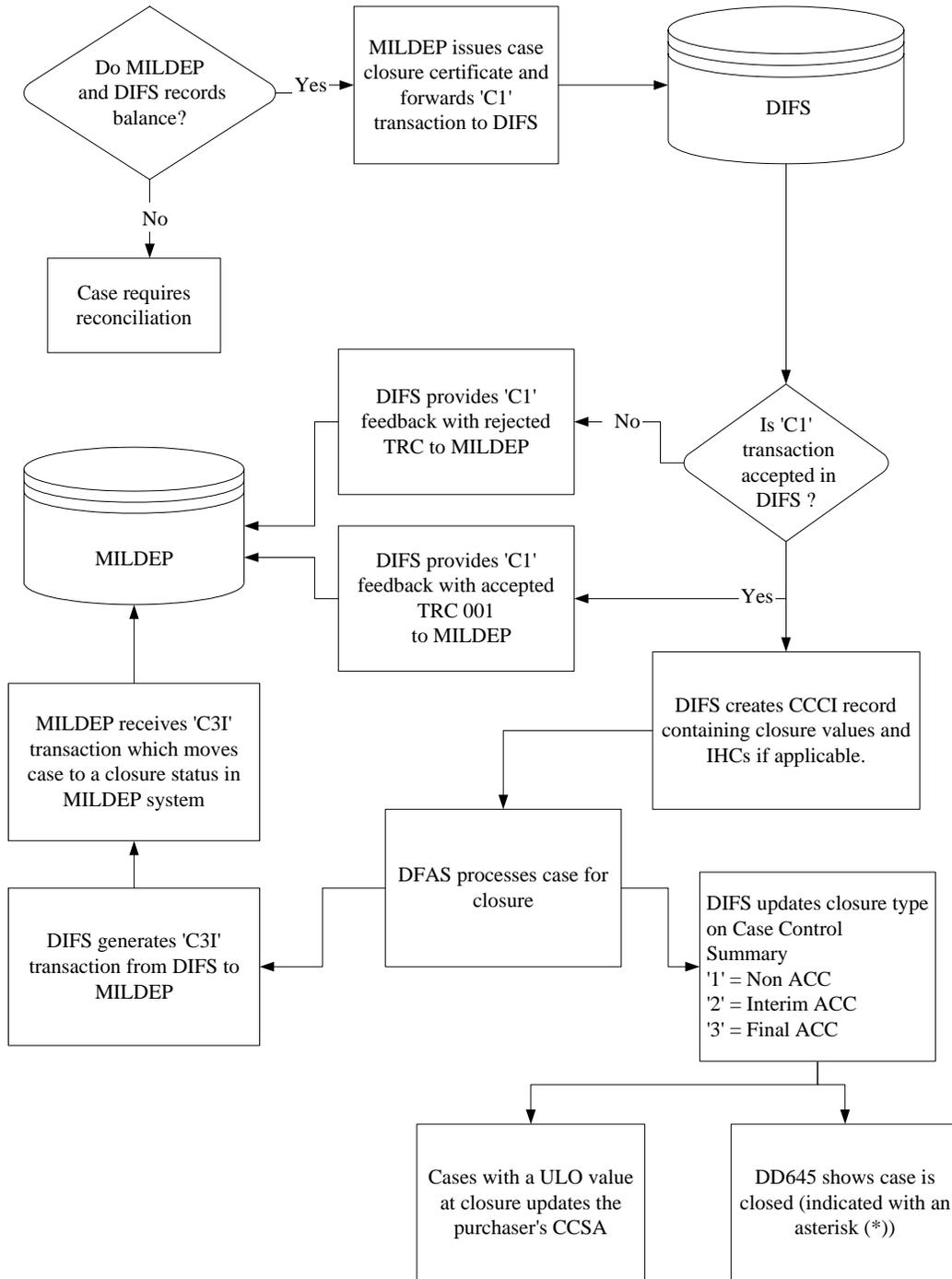
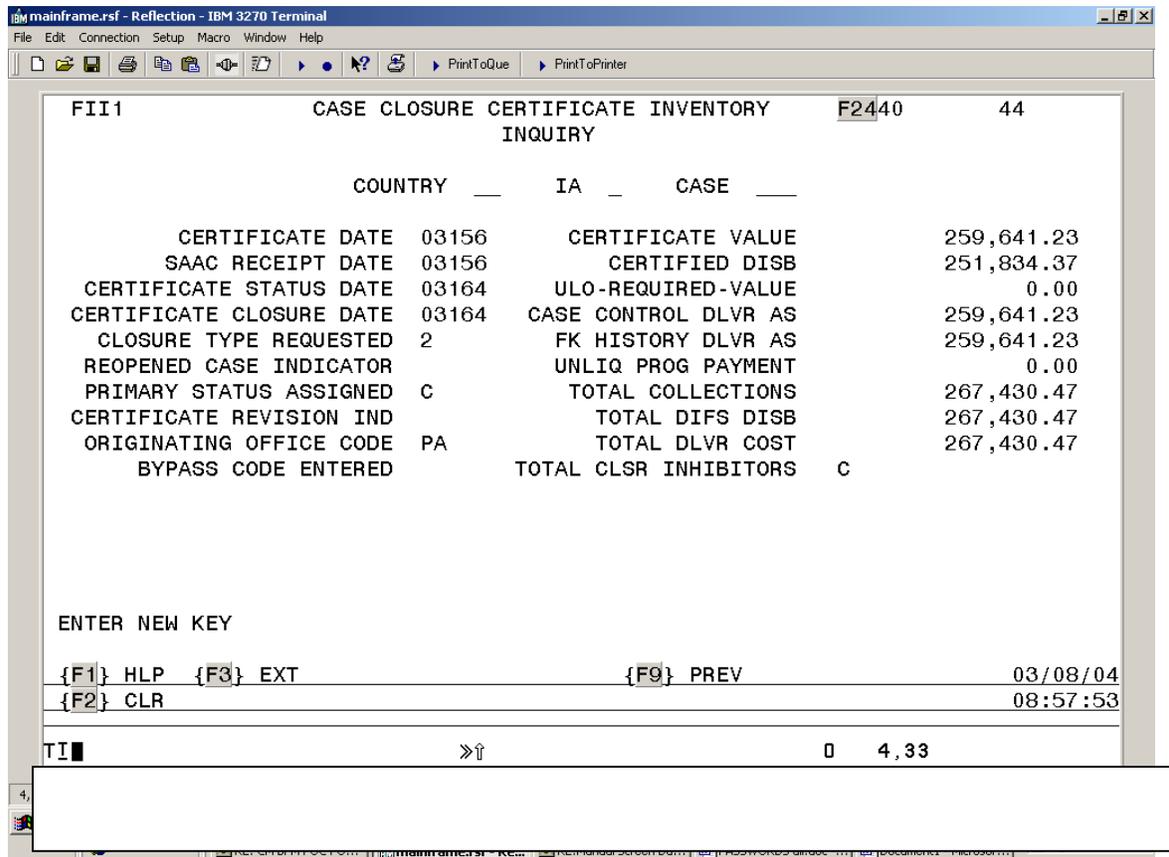


Figure C4.F4. DIFS CCCI Inquiry

C4.7. CLOSURE CERTIFICATE

Simultaneously when the 'C1I' closure transaction is sent (see Figure C4.F5.), the IA submits the closure certificate via e-mail in the format shown in Figure C4.F6., below. Certificates are preferred, but not required, for those cases designated by DSCA for force closure or for those cases being progressed from interim-to-final closure status relating to CCSA withdrawals (refunds). Certificates are mandatory for all other cases. For interim closures, the ULO supporting documentation attachment must be sent with the case closure certificate. DFAS Denver shall reject interim closure certificates that lack this information. A copy of the ULO supporting documentation must be sent to DSCA/OPS-ADMIN, as well.

Figure C4.F5. ACCP Case Closure Preparation Actions for Cases with ULOs

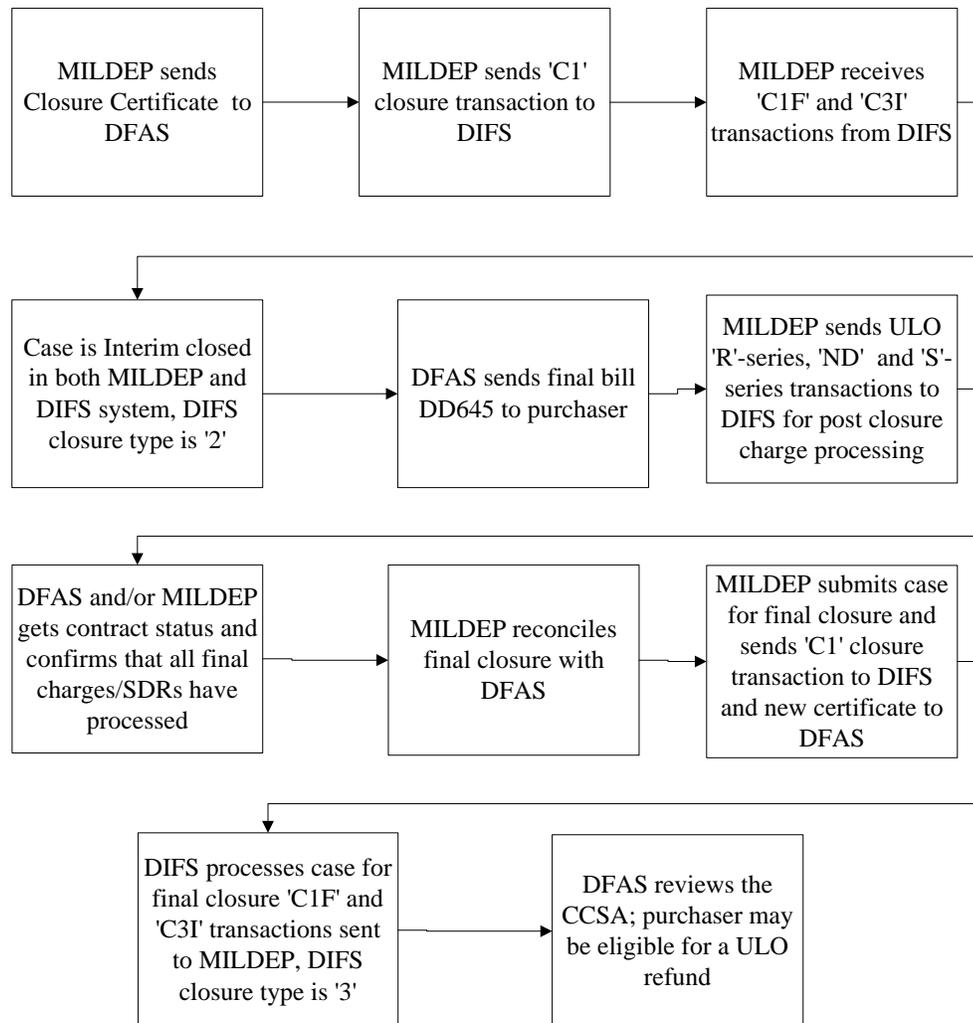


Figure C4.F6. FMS Case Closure Certificate

1. Date: _____ FINAL INTERIM
2. IA, Country, and Case: _____
3. NCV: _____
4. Case Closed at Zero Value per FMS Customer's Request: YES _____ NO _____

If YES, also reference the purchaser's request document and attach the DSCA approval letter. If NO, proceed immediately to item 5 below.

5. Final Delivered Articles and/or Services value: _____

A. ___ The NCV shown on line 3 agrees with IA records and OA released to this agency via DD Form 2060, "FMS Obligational Authority."

And

B. [Check one below that applies]

___ The contracts awarded in connection with the FMS case are logistically and financially complete and included in line 5 (case closed). Or

___ The contracts awarded in connection with the FMS case are not financially complete; however, responsible officials have advised that no additional costs beyond the recorded ULOs in line 7 below may be identified.

And

C. ___ All requisitions, reimbursable work orders, MIPRs, and invitational travel orders that were processed pursuant to this FMS case are accounted for and the costs thereof are included in line 5. Reimbursements from the DFAS-ADY/DE have been credited to the financing appropriation or Miscellaneous Receipt Account 3041, as applicable.

And

D. ___ All estimated deliveries were converted to actual deliveries.

And

Figure C4.F6. FMS Case Closure Certificate, continued

E. [Check one below that applies]

All MDE was reported via the 'C1' Constructive Delivery Reporting transaction

No MDE applies to this case.

And

F. All outstanding discrepancy reports against the case were processed.

And

G. Performance Reporting and Cash Disbursements were reconciled with IA accounting records and are equal in value.

And

H. All accessorial charges were validated.

6. Above-the-line disbursements excluding CAS and LSC: _____.

7. ULO balance: _____.

Of which CAS _____

8. Closure certificate POC: [Provide name, office symbol, DSN phone number, and e-mail address]

9. ULO supporting documentation attached: Yes _____ No _____

Note: Documentation is required for all interim closures.

Remarks and/or Comments as appropriate:

Figure C4.F6 (continued)
ULO SUPPORTING DOCUMENTATION

| LOA Line # | Funding Document | Requisition Number | Articles and/or Services Obligated Value | Articles and/or Services Expended Value | ULO Value (excluding CAS) | Reason for ULO |
|--|------------------|--------------------|--|---|---|---|
| | | | | | Note: sum of all entries in this column must equal ULO amount listed in item 7 of the certificate | Note: Identify ULO category as given in paragraph C3.13.1. of this Manual. Also include future physical completion date, when available. |
| EXAMPLE FOLLOWS (FOR ILLUSTRATION PURPOSES ONLY): | | | | | | |
| 007 | N00024-02-C-0001 | PBD044-2715-0001 | \$100,247.03 | \$95,868.92 | \$4,378.11 | Open contract; estimated physical completion date is June 2007 |

A copy of this page is appended to the interim case closure certificate sent via e-mail to DFAS Denver. A copy of this page is also sent via e-mail to DSCA/OPS-ADMIN.

C4.8. DFAS DENVER ZERO CLOSURE VALUE PROCEDURES

When a case is implemented, the Admin Fee System transfers 50 percent of the case administrative surcharge ordered value from the purchaser's FMS Trust Fund to the Admin Fee Cost Clearing Account. This transfer is shown on the DD Form 645A as a part of the Column 10, WIP. The presence of this progress payment on the Case Control Master File prevents the processing of a closure transaction ('C8') for the cases closed at zero delivered value. When a cancellation fee is assessed for cases to be closed at zero delivered value, the system allows the case to be closed only if the ordered administrative surcharge is reduced to equal the assessed administrative surcharge. Section C3.11. describes the process used to decide if the case should close at a zero dollar value.

C4.8.1. DFAS Denver must receive a copy of the DSCA/CFM approval to close the case at a zero dollar value. This approval may be attached to the IA case closure certificate sent electronically to DFAS Denver.

C4.8.2. For cases closed at zero delivered value without a cancellation fee, the DFAS Denver CPM processes a Change Case Detail ('CD') transaction to reduce the line level ordered administrative cost to zero. This causes the Admin Fee Subsystem to refund any money transferred before and clears any 'progress payment admin'. The CPM enters into DIFS the AMEND-TYPE 'C' and MOD-NBR '99' values to assist in satisfying the requirements of Case Amendment Control as part of the 'CD' transaction. The CPM processes a 'CS' transaction to reduce case summary totals by the amount of administrative surcharge costs reduced. The line level administrative surcharge percent established in Case Control is not changed or deleted. Once the 'CD' and 'CS' transactions are successfully processed, a 'C8' transaction is processed to close the case.

C4.8.3. If the case is later reopened, the 'CD' and 'CS' transactions must be reversed to show the values on the LOA in affect at the time of case closure.

C4.8.4. For cases closed at zero delivered value with a cancellation fee, the CPMs process an 'NF' flat charge transaction in the amount of the cancellation fee and close the case IAW normal case closure procedures.

C4.9. DIFS CLOSURE INHIBITORS

Closure inhibitors applicable once the 'C1' transaction is sent to DFAS Denver are shown in Table C4.T6., below.

Table C4.T6. DIFS Closure Inhibitors

| <u>IHC</u> | <u>Inhibitor Type</u> | <u>Inhibitor Guidelines</u> |
|------------|---|---|
| UP | Case is underpaid | Based on timing of DFAS Denver receiving final payment from purchaser that aligns collections with case closure value. Efforts to notify the purchaser of a collection deficiency shall be made as early as possible (e.g., during FMS reviews), to give sufficient time to get the additional monies. For cash cases, the USG is usually prohibited from unilaterally transferring funds from a holding account or another case to liquidate the payment shortfall. For FMF cases, DFAS Denver shall notify DSCA/CFM of the additional FMF committed amount required. DSCA/CFM either confirms that the committed amount increase was processed or advises DFAS Denver that insufficient FMF is available. When the committed amount is confirmed, DFAS Denver transfers the corresponding collection from the 5QQ (FMS Credit) or 2QQ (Military Assistance Program (MAP) Merger) holding account, and closes the case (if no other inhibitors apply). When advised of insufficient funds, DFAS Denver notifies the purchaser that cash must be paid to liquidate the shortfall. |
| CI | DIFS closure inhibitors (other than I or L) | Appendix 5 (forthcoming) gives an elaboration of the DIFS closure inhibitors. Most are temporary conditions that are resolved when final performance transactions are received from the IA. DFAS Denver works closely with the IA to resolve the inhibitors in a timely manner. Cases with no inhibitors (i.e., an 'I' CCCI status) are expected to close within 30 days of DFAS Denver receiving the 'C1' transaction and, if applicable, the electronic closure certificate. |

C4.10. UNDERCOLLECTED PAYMENTS FOR CASES PENDING CLOSURE

The DIFS CCCI shows an 'L' IHC when a case that is pending closure requires additional payment from the purchaser. In this situation, DFAS Denver immediately notifies the purchaser of the amount owed to close the case. Purchasers may choose to either wire transfer the amount due to DFAS Denver, authorize DFAS Denver to transfer funds from a holding account, or authorize a cross-leveling of funds transferring collections from one FMS case to the case requiring funds. DFAS Denver notifies the DSCA/CFM CFD if final payment is not received in a timely manner.

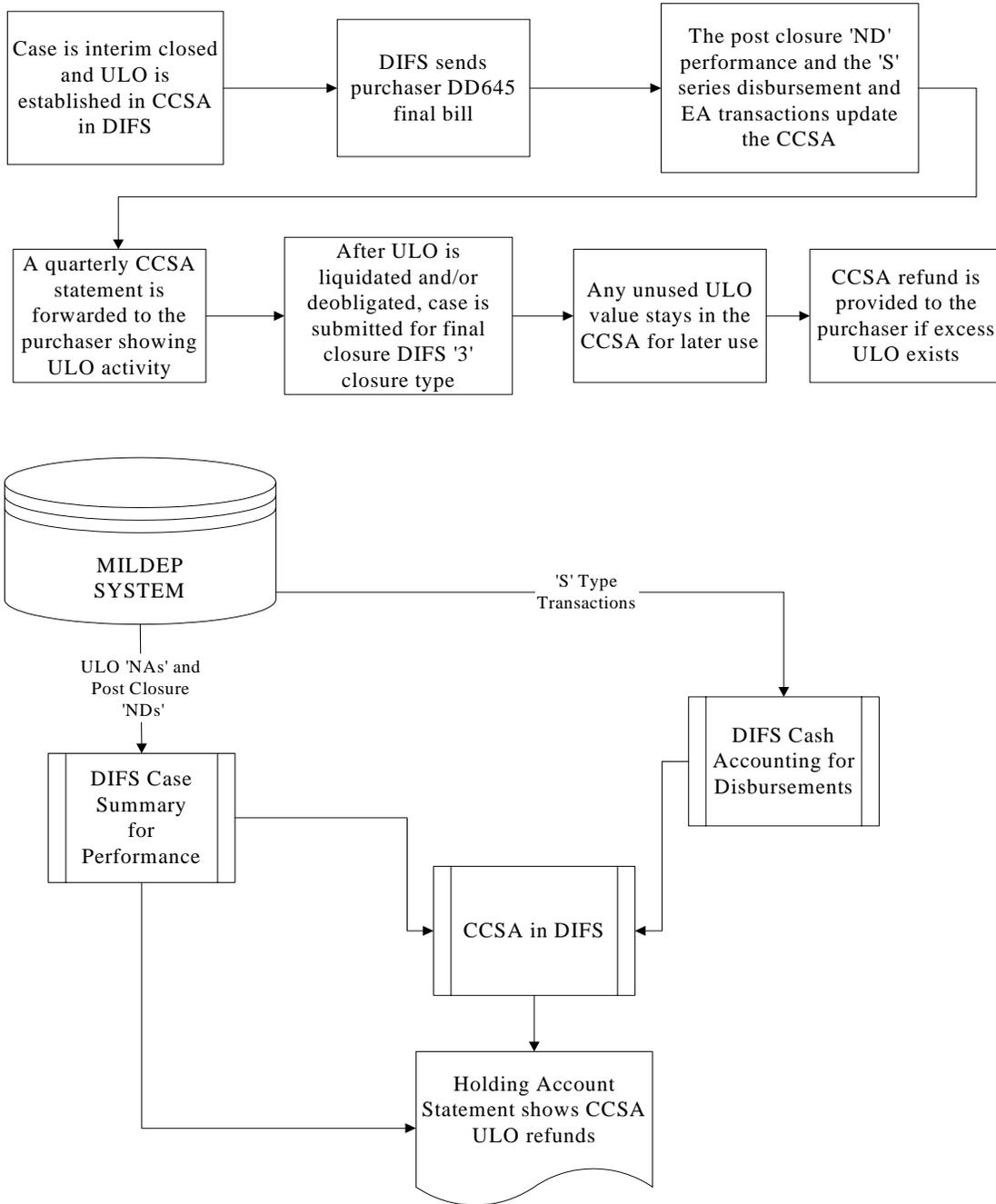
C4.11. DISPOSITION OF EXCESS FUNDS

When a case is being closed, any excess funds (as defined by collections less the closure value) are transferred by DFAS Denver to the appropriate holding account. The excess funds stay in the holding account unless or until the purchaser requests a transfer or refund, or has an automatic refund arrangement in place.

C4.12. CCSA (AKA ULO ACCOUNT)

C4.12.1. Background and Purpose. The CCSA was established in 1992 with the onset of ACCP. The account holds funds for all MILDEPs and/or IAs for all participating countries and is maintained by DFAS Denver in DIFS at country level and accounted for at case level. Before closure, the IA forwards the ULO value (including CAS) to DIFS (i.e., 'NA' performance transaction; see paragraph C3.12.4.). The ULO value appears in the DIFS Case Summary query in the "ULO-REQD" field at interim closure. The sum of "ULO-REQD" and "ULO-EQUITY" fields at case level equal the country level balances in the CCSA. Figure C4.F7., below, shows steps for updating the CCSA.

Figure C4.F7. CCSA



C4.12.2. DIFS ULO Summary Costs. At interim closure, the ULO value appears in the “ULO-REQD” field found in DIFS Case Control Summary query. The “ULO-REQD” field represents the sum of all ULO (“NA” transactions) received against the case and is added to the CCSA country level balances. The “ULO-DISB” is the liquidating costs received against the “ULO-REQD” amount. The “ULO-EQUITY” field is the ULO Available Balance remaining on the case. Therefore, “ULO-EQUITY” is the sum of “ULO-REQD” minus “ULO-DISB.” The sum of “ULO-EQUITY” amounts for all cases is the available balance in the CCSA at the country level. The DIFS Case Control Summary fields show ULO summary costs, as shown in Table C4.T7. and the DIFS Case Control Summary query, shown below in Figure C4.F8.

Table C4.T7. DIFS ULO Summary Costs

| DIFS ULO Summary Costs | DIFS Field Name | IA Equivalent |
|------------------------|-----------------------|--|
| ULO-REQD | ULO Required | ULO Estimate |
| ULO-EQUITY | ULO Available Balance | ULO Material Service Available Balance |
| ULO-EA-ISS | EA Issued | |
| ULO-DISB | ULO Disbursed | Liquidating Costs |

Figure C4.F8. DIFS Case Control Summary Query

| ORDERED COST | | DELIVERED COSTS | |
|-----------------------|---------------|--------------------------|---------------|
| TOTAL - 1513 - CST | 35,698,370.95 | DLVR - SEC21 - NON - LIQ | 2,070,339.20 |
| ORD - ART - SVC - CST | 34,658,612.63 | DLVR - SEC21 - LIQ | .00 |
| ORD - ADMIN - COST | 1,039,758.32 | DLVR - SEC22 - NON - LIQ | 11,602.12 |
| ORD - ACSRL - COST | .00 | DLVR - SEC22 - LIQ | 32,576,671.31 |
| TOTAL - ORD - COST | 35,698,370.95 | DLVR - ART - SVC - COST | 34,658,612.63 |
| ULO SUMMARY COST | | DLVR - ADMIN - COST | 1,039,758.32 |
| ULO - REQD | 140,629.11 | DLVR - ACSRL - COST | .00 |
| ULO - EQUITY | .00 | TOTAL - DLVR - COST | 35,698,370.95 |
| ULO - EA - ISS | 75,970.27 | DLVR - CAS - NON - LIQ | .00 |
| ULO - DISB | 75,970.27 | DLVR - CAS - LIQ | 478,230.66 |
| PROGRESS PAYMENTS | | LSC - STOCK - FUND | 12,288.78 |
| PRG - PMT - RPT | 32,436,200.06 | RPT - EXPN | 34,658,612.63 |
| PP - DISB - UNDLV | .00 | ADMIN - EARNED | 1,039,758.32 |
| PRG - PMT - HLDBK | .00 | COLLECTIONS | |
| PP - ADMIN - COST | .00 | TRUST - FUND - CLCT | 35,698,370.95 |
| TOT - UNLIQ - PP | .00 | INT - BR - ACCT - BAL | .00 |
| PRG - PMT - CAS | 479,355.68 | TOTAL - CLCT | 35,698,370.95 |

| | | | | |
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C4.12.3. ULO Reporting Process. Incoming EA requests and corresponding disbursements decrease (for debits) or increase (for credits) the CCSA balance. Any unused ULO funds stay in the CCSA for later use or refund. DFAS Denver checks the account to ensure there are sufficient funds to process additional disbursements. Once the ULO is fully liquidated and/or de-obligated, the case may be submitted for final closure. DSCA (FPS and CFM) and DFAS Denver review the CCSA balances to decide if the country is eligible for a refund. (See chapter 5 for the CCSA statement lexicon and sample.)

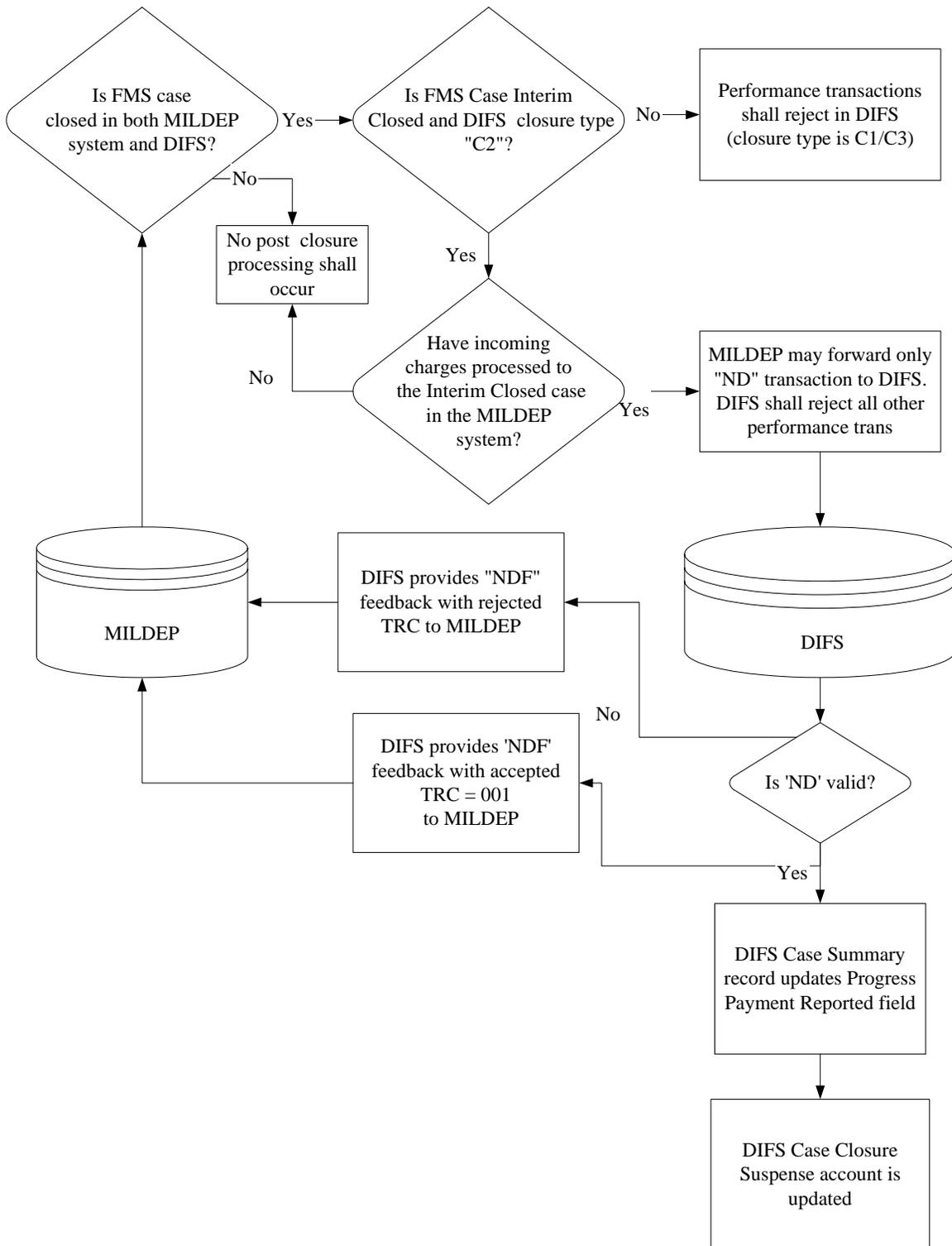
C4.13 POST-CLOSURE TRANSACTIONS

C4.13.1. During Interim Closure Status. Once the case has reached interim closure (closure type '2') status, only obligation ('R' series) WIP performance reporting 'ND' and disbursement and EA ('S' series) transactions relating to post-closure charges may process. (See Figure C4.F9.) All delivery performance ('NA') transactions shall reject during interim closure. ACCP allows charges that exceed the ULO to process programmatically (certain restrictions apply for individual ACCP participating countries). When charges exceed the ULO value assessed at interim closure by \$100,000 or more, DSCA/FPS may authorize the case to be reopened to process the additional disbursements. Based on the specific transaction, funds may be withdrawn from or deposited into the CCSA (see chapter 5). Table C4.T8., below, shows transactions to process charges received while a case is interim closed:

Table C4.T8. Post-Closure 'ND' Performance Transactions

| <u>CONTRACT RELATED</u> | <u>PERFORMANCE TRANSACTION</u> | <u>PRICE CODE</u> | <u>DSC</u> | <u>REIM- BURSE- MENT CODE</u> | <u>CAS</u> | <u>DIFS</u> |
|-----------------------------|------------------------------------|-----------------------|------------|---|------------|---------------------------------|
| Yes | 'ND' | N | DE | D | Yes | Progress Payment Reported |
| No | 'ND' | Blank | DF | S | No | Progress Payment Reported |

Figure C4.F9. 'ND' Post Closure WIP Performance Transaction Processing



C4.13.2. During Final Closure Status. For processing additional disbursement, OA, and EA transactions, ACCP cases in final closure status (closure type '3') before must revert to interim closure status (closure type '2'). When charges exceed the ULO value assessed at interim closure by \$100,000 or more, DSCA/FPS may authorize the case to be reopened to process the additional disbursements. Any non-ACCP transactions require the case to be reopened.

C4.13.3. Processing of Charges after a CCSA Refund on the Case. If charges found to be valid are presented after the CCSA refund was processed for a case, the order of priority shall be:

C4.13.3.1. DFAS Denver shall process the payment against the CCSA account for the country.

C4.13.3.2. DFAS Denver shall bill the purchaser if the CCSA account as a whole is in a deficit position exceeding \$100,000 for a period of 6 consecutive months.

C4.13.3.3. The corresponding FMS case shall be reopened based on DSCA/FPS approval of DFAS Denver, IA, and/or purchaser request to do so.

C4.13.3.4. Requests to move a case from final to interim closure status must be coordinated between DFAS Denver and the IA to ensure system integrity.

C4.13.4. Post Closure SDRs. (See Chapter 6 of reference (c) for detailed policy guidelines on SDRs.) All case closure types require that any SDRs be finalized before submitting a case for closure. However, while it is rare, SDRs may be received after a case is closed. Post-closure SDRs must be validated and approved by the normal SDR approval authority before any further action on the closed case occurs. (See Figure C4.F10.) An SDR received against a closed case is processed as follows:

C4.13.4.1. ACCP Cases. SDRs may be established, processed, and finalized while the case is in interim closure status (closure type '2'). A final closed case (closure type '3') must revert to interim closure status to process an SDR. DIFS accepts only 'ND' and 'S' series transactions during interim closure. After the SDR processes, the 'ND' performance transaction draws from or is applied to the CCSA (credits return funds to the CCSA; debits withdraw funds from the CCSA). If all other inhibitors are cleared, the case may be final closed once SDR actions are completed.

C4.13.4.2. Non-ACCP Cases. Cases must be reopened to process an SDR. Normal processing of the SDR occurs once the case is returned to an "implemented" status. An 'NZ' SDR transaction is forwarded to report the SDR to DFAS Denver and is recorded in DIFS. The case may be re-closed once SDR actions are completed.

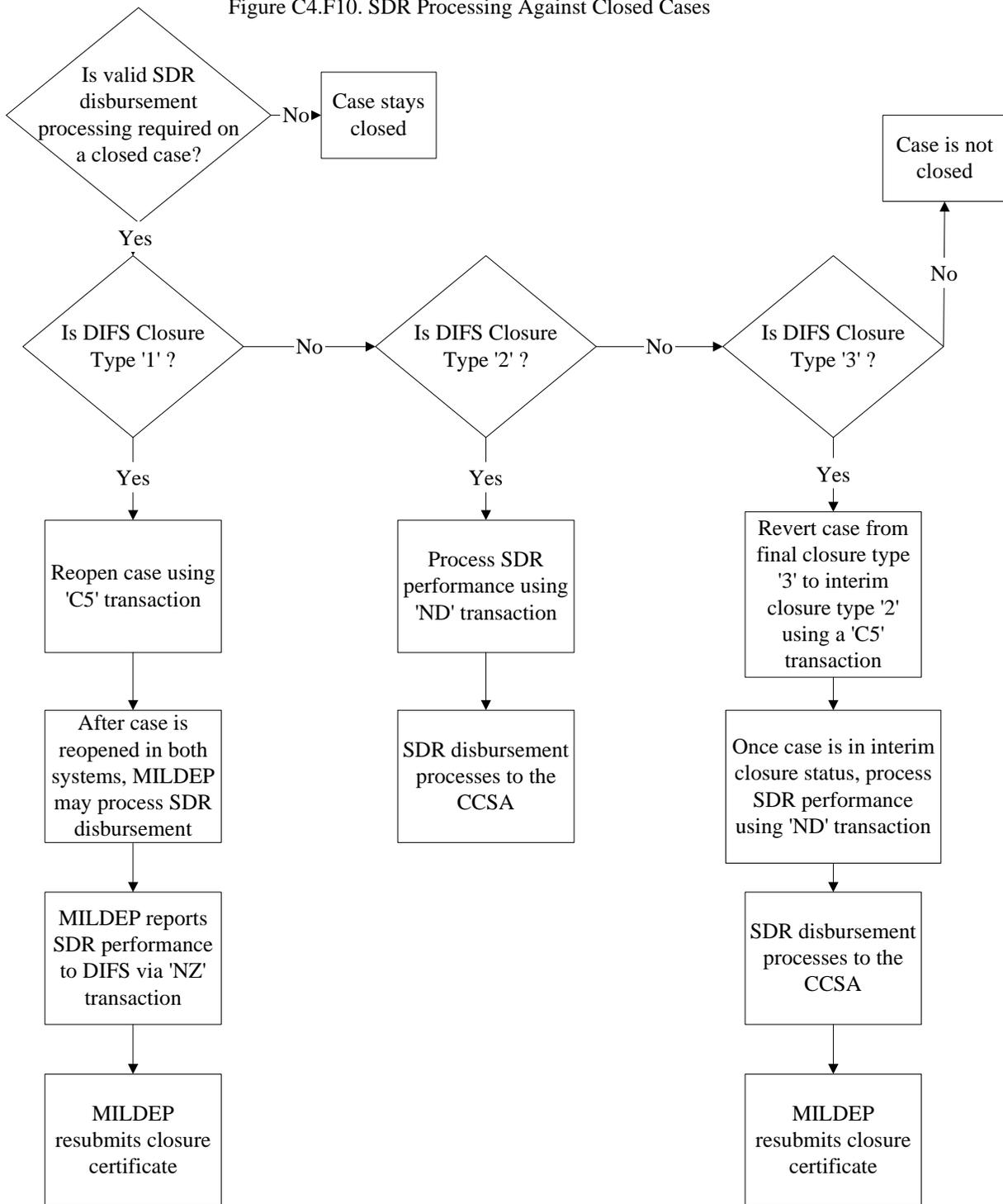
C4.13.4.3. Submittal of SDRs. The MILDEP POCs for receipt of SDRs are:

C4.13.4.3.1. Army Cases. U.S. Army Security Assistance Command, 54 M Avenue, Suite 1, New Cumberland, PA 17070-5096

C4.13.4.3.2. Navy Cases. Naval Inventory Control Point, Code P762/INS, 700
Robbins Avenue, Philadelphia, PA 19111-5098

C4.13.4.3.3. Air Force Cases. AFSAC/COSD, 5490 Pearson Road, Wright Patterson
Air Force Base, OH 45433-5332

Figure C4.F10. SDR Processing Against Closed Cases



C4.14 INTERIM TO FINAL CLOSURE PROCESS FOR ACCP CASES

When possible, ACCP cases shall close in a direct final manner. In those instances where a case must first close in an interim closure status, it is important that the process in this section is used to monitor the interim closure and to progress the case to a final closure status as early as possible. These procedures apply only to ACCP cases; non-ACCP cases are excluded. To optimize efficiency, the steps noted in paragraphs C4.14.2. through C4.14.11. shall be taken sequentially.

C4.14.1. Timing of Process. The IA, DSCA, and DFAS continually check cases' interim closure status for transition to final closure. Interim to final closures are conducted throughout the year, including (but not limited to) preparing for the annual CCSA refund. (See paragraph C5.5.1. for a discussion on the annual CCSA withdrawal process.) The process described in this section eases final closure and any additional refunds to purchasers, as appropriate.

C4.14.1.1. Annually, DSCA/FPS begins a review of all cases currently in interim status that meet the following criteria:

C4.14.1.1.1. Cases in 'C2' status that are reviewed for the FY fourth quarter EACC list. Final closure during the fourth quarter is linked with the annual CCSA refund.

C4.14.1.1.2. Cases with no activity in the last 2 years, and those with a ULO under \$50 or less than 1 percent of the case value.

C4.14.1.1.3. Cases with zero ULO values.

C4.14.1.2. Quarterly, DSCA/OPS-ADMIN sends 40 cases to each MILDEP for review.

C4.14.1.2.1. This list is concurrent with the quarterly EACC list.

C4.14.1.2.2. Each MILDEP selects 20 cases from that list to review, verify, and document the status of those cases.

C4.14.1.2.3. The MILDEP response to DSCA/OPS-ADMIN must supply all information noted in paragraph C4.14.10., below.

C4.14.1.2.4. Cases for which final closure is found to be appropriate are moved to 'C3' (final closure) status by the end of the following quarter, barring any issues or problems.

C4.14.2. Review DIFS Case Summary

C4.14.2.1. DIFS shall show the case as closure type '2', for interim closed.

C4.14.2.2. Items Related to Considering a Case for Final Closure:

C4.14.2.2.1. The ULO value and associated MILDEP systemic balances.

- C4.14.2.2.2. The contract status and contract type.
- C4.14.2.2.3. Receipt of all final disbursements.
- C4.14.2.2.4. Review of all remaining values, including OA.
- C4.14.2.2.5. Progress payments reported ('ND' transactions).
- C4.14.2.2.6. Post closure PDs.
- C4.14.2.2.7. Post closure SDRs.
- C4.14.2.2.8. CCSA refund that DFAS is preparing to give to the purchaser. It is critical to synchronize the refund with the timing of readying a case for final closure.
- C4.14.2.2.9. Validation of accessorial charges.

C4.14.3. Review ULO Data. The ULO amount may be adjusted since the case was interim closed. While the MILDEP system may identify the aggregate ULO adjusted value, the DIFS ULO REQD value does not change over time. ULOs never apply for LSC. The following items apply for reviewing the ULO:

C4.14.3.1. DIFS ULO REQD Field. ULO is posted to the CCSA. As noted in section C3.13., ULO is the difference between obligations and expenditures posted to it.

C4.14.3.2. DIFS ULO CAS is an estimated value. Actual ULO CAS cost shall be validated.

C4.14.3.3. DIFS ULO DISB shows ULO that has been liquidated since the case was interim closed. This includes liquidating CAS.

C4.14.3.4. MILDEP systemic ULO balances.

C4.14.3.5. Get the information on the CCSA (ULO) balance at the case level from DFAS. The MILDEPs shall be aware that the CCSA statement is sent to the purchaser each quarter.

C4.14.3.6. The ULO amount may be adjusted over time. No ULO ever applies to LSC.

C4.14.4. Verify Contract and/or Other Funding Document Status.

C4.14.4.1. Review ULO supporting documentation supplied with interim closure certificate. (See Figure C4.F6.)

C4.14.4.2. Review entitlement system (e.g., MOCAS).

C4.14.4.3. Contact the CM and/or Case Administering Office, ACO, or PCO to get a date for finalization of the contract and/or other funding document. (See Table C4.T4. for an inventory of possible sources.)

C4.14.4.4. Ensure obligations are posted IAW the contract and/or other funding document. If obligations were not posted and the additional obligations exceed \$100,000, the case must be reopened in DIFS. (See paragraph C4.14.7., below, for additional guidance on obligations.)

C4.14.4.5. Get the amount of final expenditure for each ACRN on the contract and/or other funding document. Get the date when final expenditures are expected or were incurred.

C4.14.5. Performance Reporting During Interim Closure.

C4.14.5.1. DIFS shall not accept 'NA' performance (delivery) transactions.

C4.14.5.2. 'ND' (WIP) transactions are accepted.

C4.14.5.3. Obligations ('R' series) and disbursements ('S' series) may continue to process.

C4.14.5.4. Transportation, LSC, and liquidating CAS ('NA') shall not update.

C4.14.5.5. Progress payment CAS ('ND') shall update.

C4.14.5.6. Before final closure:

C4.14.5.6.1. Clear all performance rejects.

C4.14.5.6.2. CCSA deductions (including credits and/or SDRs) occur via the 'ND' performance transaction.

C4.14.6. Validate Post-Interim Closure Expenditures.

C4.14.6.1. Expenditures may be less than, greater than, or equal to the ULO estimate computed at interim closure.

C4.14.6.2. If no ULO exists and expenditures are greater than or less than the remaining program value by \$100,000, request DSCA written permission to reopen the case and process an LOA Modification. Reopening procedures are discussed in section C4.15., below.

C4.14.7. Validate Obligations.

C4.14.7.1. Review DIFS (FIF2) obligations.

C4.14.7.2. Resolve all outstanding obligations.

C4.14.7.3. Reduce obligations (i.e., de-obligate) if necessary:

C4.14.7.3.1. If there is still additional disbursement processing or de-obligation exceeds \$100,000, request to reopen case to de-obligate and reduce deliveries.

C4.14.7.3.2. If there is no additional disbursement processing or de-obligation is less than \$100,000, de-obligation is deferred until the time of CCSA refund to purchaser.

C4.14.7.3.3. Ensure accounting system records show de-obligation before making the CCSA refund.

C4.14.8. Validate Performance Values.

C4.14.8.1. DIFS delivered articles and services value must equal MILDEP performance values. To compute this value, add articles and/or services expenditures to Estimated ULO CAS and LSC and/or Stock Fund expenditures, then subtract ULO CAS (actual costs) and any ULO adjustment amounts.

C4.14.8.2. For DIFS performance to match, liquidating deliveries must equal progress payments, or the difference must equal the unused ULO (ULO-REQD plus ULO-EQUITY). In the example in Figure C4.F11., below, item 1 equals item 2 plus item 3.

Figure C4.F11. DIFS Performance Reconciliation

| ORDERED COST | | DELIVERED COSTS | |
|-----------------------|--------------|--------------------------|--------------|
| TOTAL - 1513 - CST | 6,076,060.23 | DLVR - SEC21 - NON - LIQ | 289,005.54 |
| ORD - ART - SVC - CST | 5,899,087.60 | DLVR - SEC21 - LIQ | .00 |
| ORD - ADMIN - COST | 176,972.63 | DLVR - SEC22 - NON - LIQ | .00 |
| ORD - ACSRL - COST | .00 | DLVR - SEC22 - LIQ | 5,610,082.06 |
| TOTAL - ORD - COST | 6,076,060.23 | DLVR - ART - SVC - COST | 5,899,087.60 |
| ULO SUMMARY COST | | DLVR - ADMIN - COST | 176,972.63 |
| ULO - REQD | 8,682.78 | DLVR - ACSRL - COST | .00 |
| ULO - EQUITY | 8,197.91CR | TOTAL - DLVR - COST | 6,076,060.23 |
| ULO - EA - ISS | 3,515.22 | DLVR - CAS - NON - LIQ | .00 |
| ULO - DISB | 3,515.22 | DLVR - CAS - LIQ | 82,907.49 |
| PROGRESS PAYMENTS | | LSC - STOCK - FUND | .00 |
| PRG - PMT - RPT | 5,609,597.19 | RPT - EXPN | 5,899,087.60 |
| PP - DISB - UNDLV | .00 | ADMIN - EARNED | 176,972.63 |
| PRG - PMT - HLDBK | .00 | COLLECTIONS | |
| PP - ADMIN - COST | .00 | TRUST - FUND - CLCT | 6,076,060.23 |
| TOT - UNLIQ - PP | .00 | INT - BR - ACCT - BAL | .00 |
| PRG - PMT - CAS | 82,959.43 | TOTAL - CLCT | 6,076,060.23 |

Item 1 should equal Items 2 plus 3

C4.14.9. Validate DIFS Disbursement Values.

C4.14.9.1. DIFS cash accounting and articles and/or services disbursement values must equal MILDEP performance values.

C4.14.9.2. Compare DIFS cash accounting CAS, LSC, ULO, accessorial, and administrative disbursement transfers to case summary values. Total deliveries (DIFS FIC1) less total disbursements (DIFS FIS2) must equal ULO-REQD value.

C4.14.9.3. If a CCSA refund shall be given or was recently given to the purchaser, this may cause a disbursement difference between DIFS and the MILDEP system.

C4.14.10. Verify Remaining ULO Values.

C4.14.10.1. Validate remaining ULO values by researching and documenting the following: (This information mirrors the ULO supporting documentation section of the interim case closure certificate, as noted in Figure C4.F6.)

C4.14.10.1.1. LOA line number(s).

C4.14.10.1.2. Funding document(s).

- C4.14.10.1.3. Requisition number(s).
- C4.14.10.1.4. Articles and/or services obligated value.
- C4.14.10.1.5. Articles and/or services expended value.
- C4.14.10.1.6. ULO value (excluding CAS).
- C4.14.10.1.7. Reason for ULO (including future physical completion date, when available).
- C4.14.10.2. If no ULO remains, proceed to remaining steps in this section.
- C4.14.10.3. If valid ULO remains, the case must stay interim closed.
- C4.14.11. Submit Case for Final Closure.
 - C4.14.11.1. The IA forwards a case for closure when the case is both logistically and financially complete. The steps noted in paragraphs C4.14.2. through C4.14.10., above, must be completed.
 - C4.14.11.2. Excess OA is drawn down, as applicable.
 - C4.14.11.3. The IA sends 'C1' transaction to DIFS.
 - C4.14.11.4. The IA sends final case closure certificate to DFAS. (See Figure C4.F6., above, for the case closure certificate format.)
 - C4.14.11.5. The case closure certificate is approved by DFAS and final closed in DIFS. DIFS closure type moves to '3'.
 - C4.14.11.6. DIFS sends a 'C3' transaction to the MILDEP and/or IA system. This prompts the case to be closed in the MILDEP and/or IA system.
 - C4.14.11.7. After final closure, DIFS shall not accept any further transactions, other than the 'C5' (case reopen) transaction.
- C4.14.12. Validate CCSA Refund. DFAS and the MILDEP coordinate to confirm if a refund is appropriate. Two related issues are if the case may progress to final closure; and what amount, if any, is eligible for refund. (See paragraph C5.5.1. for a detailed discussion on this annual refund process.)

C4.15. REOPENING AND REINSTATING ACTIVITY ON FMS CASES

Closed FMS cases are reopened on an exception basis only. Reinstating activity applies to a case not yet closed, but which is in the closure process or, at a minimum, is not currently active from a logistical perspective. This section describes the reopening and reinstating processes. Cases may be reopened or reinstated for additional processing, e.g., disbursements or SDRs. Figures C4.F12. and C4.F13. show these concepts.

C4.15.1. Reopening FMS Cases. In general, reopening to resume logistical activity is discouraged. Usually, either establishing a new case or amending an existing case is preferred. The purchaser (an official with at least LOA signature authority) must confirm that reopening the FMS case is the ONLY workable course of action. If the purchaser confirms that reopening is the solution, the IA must send a written request (e-mail is fine) to DSCA/FPS for approval to reopen the case. If DSCA/FPS denies the request, the case shall stay closed. If DSCA/FPS approves the request, the IA coordinates with DFAS Denver to reopen the case and also advises the purchaser of reopening criteria (e.g., the timeframe in which activity must resume). Reopening allows a case be returned to an implemented status or reverted to interim status to process additional disbursements and/or SDRs.

C4.15.1.1. The 'C5' case reopen transaction is used by the IA to either reopen non-ACCP final closed (closure type C1) cases to implemented status or to reverse ACCP final closed (closure type C3) cases to an interim closed status (closure type C2). The 'C5' transaction may take up to 2 working days to process in DIFS. The 'C5' transaction includes the date on which the case was reopened.

C4.15.1.2. Reopening cases to an implemented status is done manually by DFAS Denver on DSCA/FPS approval of a IA request.

C4.15.1.3. A non-ACCP closed case must return to implemented status. At this point, a 'C4' transaction must be submitted to cancel the reopened closure certificate record.

C4.15.1.4. For additional processing for ACCP cases, a direct final or final after interim closed case returns to interim closure status. In this instance, DSCA and purchaser approval is not required. However, DSCA/FPS approval must be received before reopening an interim closed case back to implemented status. Again, if an Interim closure case is reopened, a 'C4' transaction must be submitted to cancel the reopened closure certificate record.

C4.15.1.5. Once all charge processing is complete, the case may be resubmitted for closure via a 'C1' transaction. A revised certificate is required.

Figure C4.F12. Reopening and Reinstating Activity on FMS Cases

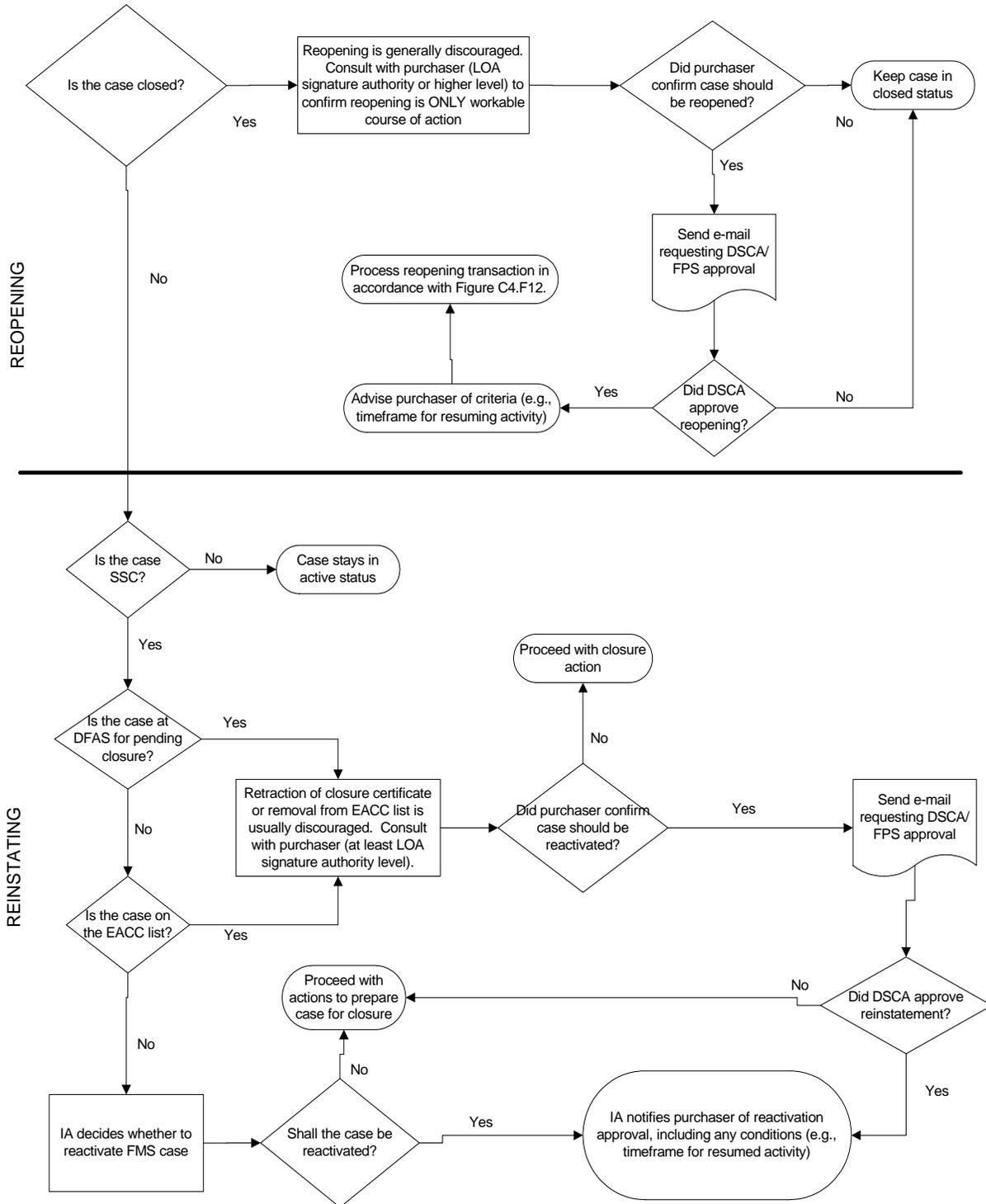
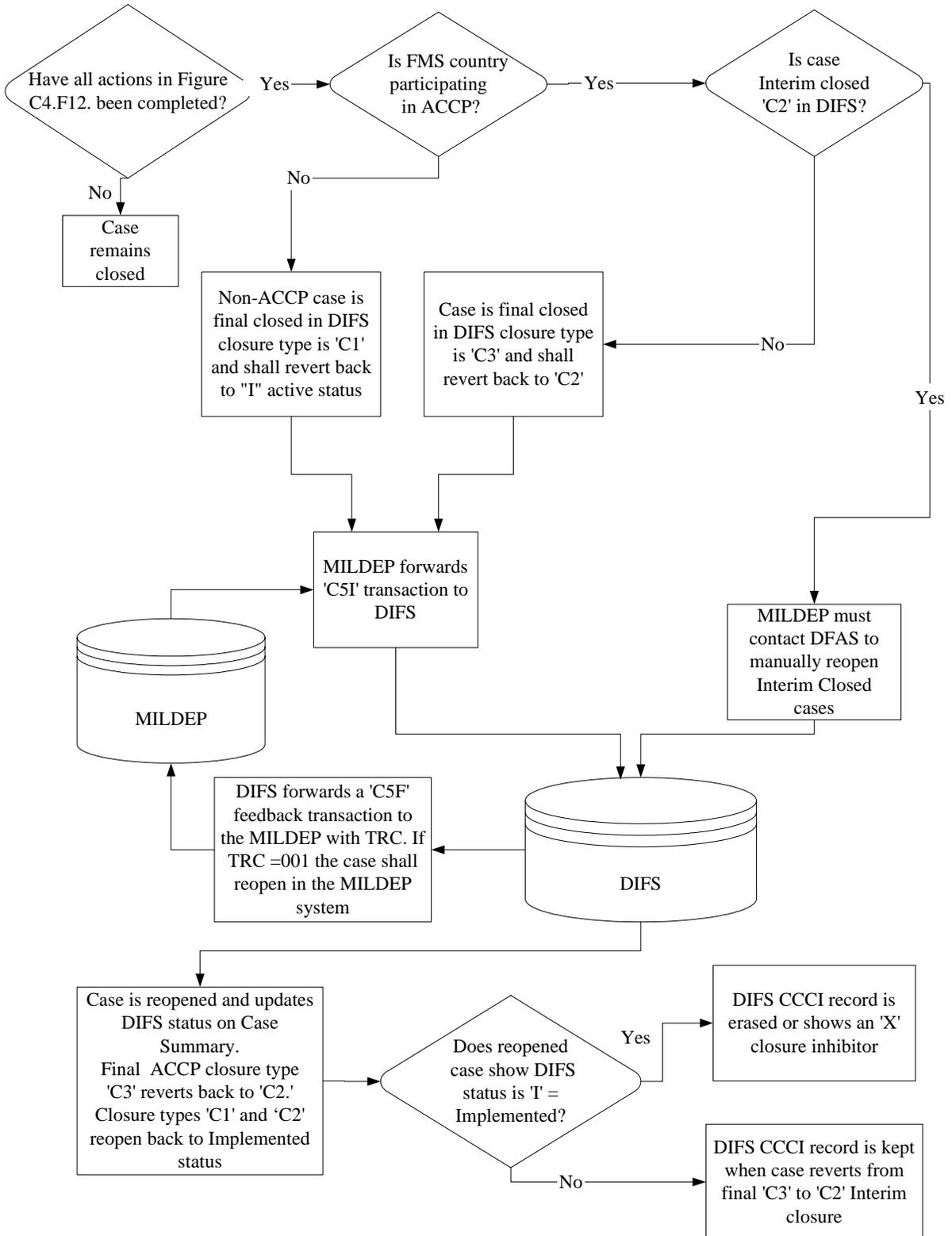


Figure C4.F13. Reopening a Closed Case/Reverting from Final to Interim Closure



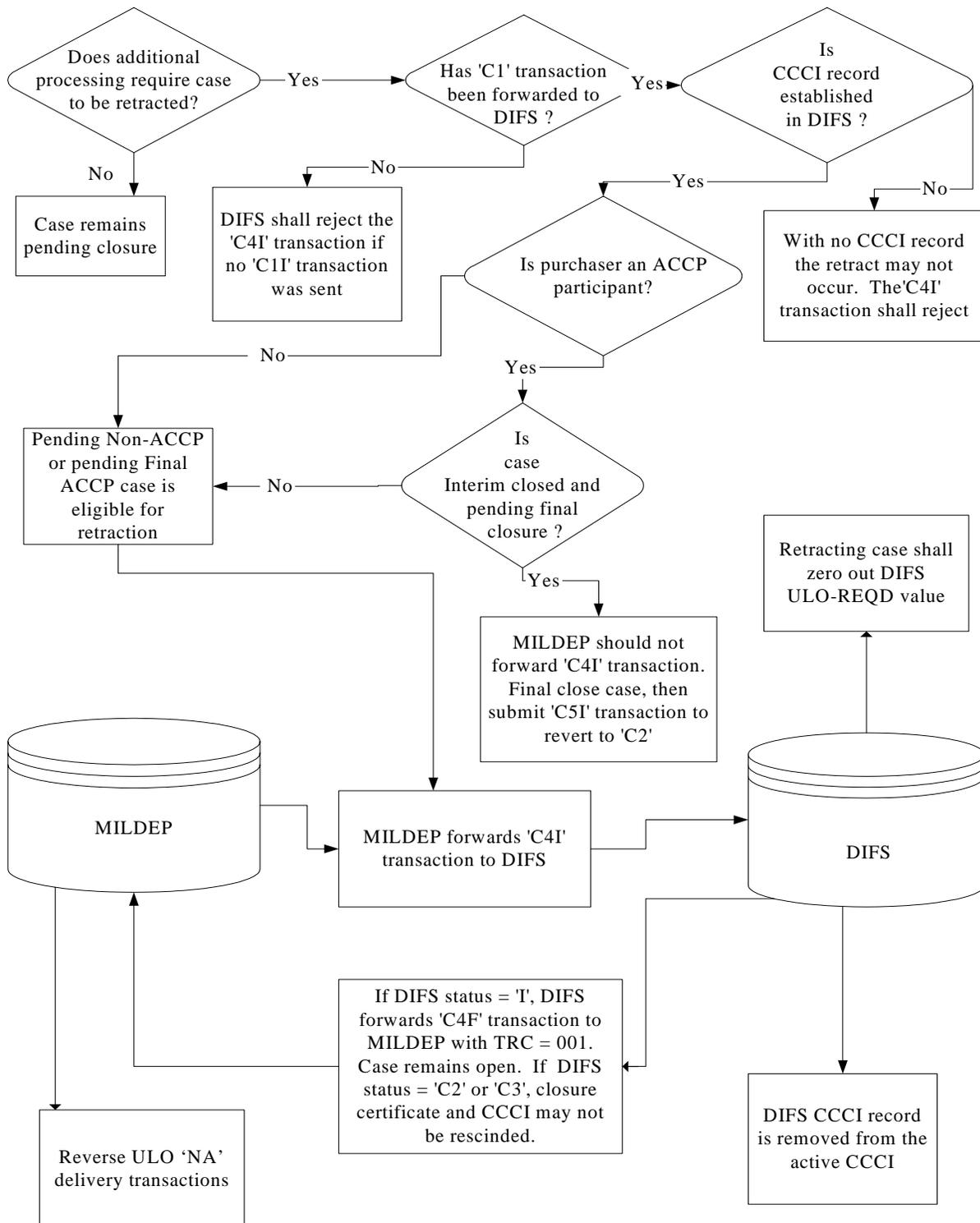
C4.15.2. Reinstating Activity. Reinstatement allows a case that is pending closure to return to its previous status. The process for reinstating activity on cases differs, depending on the status of the case when the reinstatement request is received from the FMS purchaser. (See Figure C4.F14.)

C4.15.2.1. If the case is at DFAS Denver for closure (i.e., it is recorded in the DIFS CCCI), or if the case is on the DSCA EACC list, reinstatement is usually discouraged. By this juncture, the case already has been in the closure process for quite some time (at least 2 years if on the EACC list); for this reason, other alternatives such as using another case must be considered. The purchaser (an official with at least LOA signature authority) must confirm that retraction of the closure certificate or removal of the case from the EACC list is desired. If the purchaser confirms that reinstatement is the solution, the IA must send a written request (e-mail is allowed) to DSCA/FPS for approval to cease closure actions and to allow for activity to resume. If DSCA/FPS denies the request, closure actions shall proceed. If DSCA/FPS approves the request, the IA retracts the closure certificate from DIFS or, if the case is not yet at DFAS Denver for closure, DSCA/OPS-ADMIN shall remove the case from EACC. The IA then advises the purchaser of reinstatement criteria (e.g., the timeframe in which activity must resume).

C4.15.2.2. The 'C4' closure certificate transaction is used by the IA to rescind and cancel an active case closure certificate before the case is actually closed by DFAS Denver. When the 'C4' transaction processes, the DIFS CCCI record is deactivated and removed from the active CCCI, and the computed ULO-REQD value is zeroed out in DIFS. At this point, the IA shall reverse any ULO 'NA' deliveries submitted before. Once a case is closed in DIFS, the certificate may not be rescinded and/or canceled; the case must be reopened. Further, if an interim closed case is certified for final closure, the final closure certificate may not be canceled. Instead, the case must be final closed, the IA may submit a 'C5I' transaction to revert the case status to interim closed. This action causes a cancellation of the final closure certificate.

C4.15.2.3. If the case is neither at DFAS Denver for closure nor on the EACC list, the IA decides whether to approve the purchaser's request. If the IA denies the request, actions continue to prepare the case for closure. If the IA approves the request, the purchaser is notified accordingly and given conditions, if appropriate (e.g., the timeframe for resumed activity).

Figure C4.F14. Canceling a 'C1' Closure Transaction



C4.16. FMF COMMITMENTS

When a case is received into the DIFS CCCI, DFAS Denver verifies the funding source(s) for the case. If FMF (FMS Credit (repayable or non-repayable) or MAP Merger) was reserved for the case, DFAS Denver must coordinate adjustments to the FMF commitments with DSCA/CFM. An FMF-financed case may not close until the commitment adjustment process is completed.

C4.16.1. The DFAS Denver CPM sends a facsimile (to DSCA/CFM Commitments, fax DSN 664-6538, Commercial 703-604-6538) or e-mail (to the DSCA/CFM Commitments Analyst) requesting that commitments be adjusted for an FMF-financed case awaiting closure. The request shall not be made until the CCCI status for that case is 'I', showing that no further reconciliation issues are anticipated. A CCCI status other than 'I' shows that additional reconciliation actions should occur, thereby making the commitment request premature.

C4.16.2. The DSCA/CFM Commitments Analyst confirms that the revised commitment value equals the anticipated closure value or, if it is a case partially financed with FMF, that the revised commitment value equals the final FMF collections, as recorded in DIFS. The analyst then adjusts the FMF commitments for that case. DSCA/CFM consults with DFAS Denver if any imbalances or other problems arise that prevent the adjustment transaction. For example, if the FMF commitments must increase to show the closure value, yet insufficient FMF funds remain, DSCA/CFM must coordinate actions with the purchaser. (At times, those actions may result in other cases being de-committed to avail sufficient funds for the case being closed. At other times, the purchaser may have to remit cash to cover the funding shortfall.)

C4.16.3. The DSCA/CFM Commitment Analyst sends a written notice (usually via e-mail) to DFAS Denver confirming the commitment actions taken. If the FMF commitment adjustment is made, DFAS Denver may proceed with closing the case.

C4.17. CLOSURE IMPACT ON FMS BILLING STATEMENTS

Closure of a case impacts the official billing statements sent by the USG to the purchaser. Discussion of its impact on the DD Form 645A (FMS Billing Statement) and Special Billing Arrangement (SBA) is below.

C4.17.1. Impact on the DD Form 645A. The DD Form 645A is sent quarterly to all purchasers. When a case has been closed during the quarterly period covered by an individual billing statement, an asterisk (*) appears to the left of the case designator. This shows that the case was closed during that quarter. If residual funds were realized during closure, or if funds were transferred to the case so that collections equaled the case value, those transactions appear on the appropriate holding account statement. (See the DD Form 645A sample in Figure 6-3 of reference (i).)

C4.17.2. Impact on the SBA. The SBA does not usually have any closure information. An exception is if a case is pending closure at DFAS Denver, but additional funds are needed from

the purchaser to align collections with the case closure value. In this instance, the SBA cites the cases and payment amounts needed for closure to occur. (This information shall be gathered by DFAS Denver and sent to DSCA (FPS and CFM) as the SBA is being prepared for issuance.) Usually, amounts needed to close cases are additive to the computations for working capital requirements for the period covered by the SBA.

C4.18. CLOSURE OF LEASES

The authority for leases is in Section 61 of the AECA (reference (h)). Section C11.10. of reference (c) has detailed lease program information. The administration of leases is delegated to the IA logistically responsible for the defense articles being leased. Each IA must ensure that leases under his or her cognizance are properly closed. A lease may not be closed until the equipment is returned, all related costs are recovered under FMS procedures (such as costs for restoration), and the lease rental payments are paid in full.

C4.18.1. If a lease expires and the leased material has not been returned, there is no mechanism in place by which the USG may recoup the rental payments not being collected. The lease must be extended before lease expiration if an item is to stay in a country after expiration of the lease. This allows the USG to charge rental payments to the leasing party and to ensure that the country stays bound to the legal terms of the lease.

C4.18.2. If a lease expires and the material is returned or disposed of, but the rental payments have not been paid in full, the lease may not be closed. The IA must ensure that the lease is financially closed. The IA shall work with DFAS Denver and DSCA/CFM to resolve outstanding payments.

C4.18.3. Section 61 of the AECA (reference (h)) states that leases "shall be for a fixed duration of not to exceed five years." If the lease is not closed within 5 years of the date the lease was implemented, the IA is in violation of this statute and must prepare a new lease to recoup the additional depreciation charges that accrue while the equipment stays in a country after the expiration date of the original lease.

C4.18.4. Section 62 of the AECA (reference (h)) states that Congress must be notified of "any agreement with a foreign country or international organization to lease any defense article ...for a period of one year or longer." If a lease with a duration of less than 1 year is not properly closed, and no action is taken to extend the lease (including proper coordination and congressional notification), the IA is in violation of this statute. When a lease with a duration of less than 1 year is not properly closed, the IA must prepare a lease Amendment to recoup the additional depreciation charges that accrue while the equipment stays in the country after the expiration date of the original lease and must request that DSCA/P3 notify congress of the lease Amendment.

C4.18.5. The IA is responsible for the following lease closure actions:

C4.18.5.1. Lease closure procedures shall begin at least 2 quarters before a lease expires or ends. Management Flags are generated by DSAMS to the Lease CM 180, 90, 60, and 30 days

before the lease expiration date; when the lease is expired; and 30, 60, 90, 120, and 180 days following lease expiration. The “post-expiration” flags are generated unless the lease has been closed.

C4.18.5.2. Arrangements for return (including restoration to original condition) or disposal of the leased material shall be completed before the expiration of the lease.

C4.18.5.3. When the items are returned to U.S. custody, the IA posts the item Actual Return Date for each Lease Line in DSAMS. Once all line items have been returned and inspected, the Lease Detail window Lease Tab (‘I’ version) shall be updated to show all items have been returned. Select "subject-open-lease-detail" (‘I’ version) and enter the Actual Return Date in the Shipment Tab. The Lease Detail Actual Return Date is the date that appears in the DSCA Quarterly Report. The IAs shall enter the Actual Return Dates to both the Lease Line window and the Lease Detail window when all lines have been returned.

C4.18.5.4. All rental payments and related costs must be collected before lease closure. DFAS shall be notified when the items are returned so that DFAS Denver may begin financial closure of the lease (see Figure C11.F17. of reference (c) and Figure C4.F15., below, for a sample notification letter). Once the letter has been sent to DFAS Denver, the IA updates DSAMS. In DSAMS, select "subject-open-lease-detail," enter the lease designator (‘I’ version), and go to the Lease Tab. Select "Tools-Update Implemented Lease." Click on the Text Type Add button and select the option of “DFNOT” from the drop down list. Enter a title "DFAS Notification" and enter a date in the comments field. ONLY a date shall be entered, e.g., December 1, 2003.

C4.18.5.5. Once the lease is closed in DIFS, the IA opens the Lease Detail window (‘I’ version), selects "Update Implemented Lease," and updates the Lease Condition Code in the Summary Tab. The normal condition code is ‘TR’ (Termination and material Returned). Other selection options are ‘TS’ (Termination and material scrapped), ‘TP’ (Termination and LOA in process for Purchase), and ‘TG’ (Termination and Grant in Process).

C4.18.5.6. The final step in lease processing is for the IA to close the lease. Select "subject-open-lease-milestone." Enter the Lease Designator and click OK. In the Lease Milestone List window, select "tools-MILDEP options-Close Lease." This posts the closure milestone to the lease and also updates the lease status (from Open to Closed).

Figure C4.F15. Lease Closure Request Format

Subject: Lease Closure. (Insert Lease Designator)

To: (Insert DoD Component Address)

References: Lease Case (Insert Designator)

1. Before certifying case closure, DFAS requests the following information:

Property returned to USG custody _____

Location Date

Or

Property transferred to foreign government _____

LOA Designator Date

Or Other Authority

Lease extended (renewed) _____

Date

If lease renewed, provide lease designator _____

2. Action, as required above, for lease closure has been completed:

Signed _____

Title _____

Agency _____

3. Please complete above data and return to DFAS-ADY/DE, Denver Center, Denver CO 80279 NLT _____. POC is: _____.

C4.19. SYSTEMS INTERFACES

Table C4.T9. lists the systems interfaces that occur before and during case closure.

Table C4.T9. Systems Interfaces for Closure

| <u>INTERFACE</u> | <u>TRANSACTION</u> | <u>SYSTEM</u> | |
|---|-------------------------------|--------------------------|-------------------|
| | | <u>FROM</u> | <u>TO</u> |
| Requisition case forecast data | 'BK' | IA | DIFS |
| Commitment, obligation, and expenditure data at case, line, and appropriation level | | MILDEP | DSAMS |
| LOA documents and values (case, line, and appropriation level) | | DSAMS | MILDEP |
| Notice of Funds Received | 'CGI' | DIFS | DSAMS |
| LOA values (case, line item, and payment schedule) | 'CC' 'CF' 'CG' 'CP' 'CQ' 'C3' | DSAMS | DIFS |
| OA | 'R' series | MILDEP | DIFS |
| Obligations (DC and reimbursable) | 'R' series | MILDEP | DIFS |
| EA request | 'SZI' | MILDEP Accounting System | DIFS |
| EA issuance | 'SZF' | DIFS | MILDEP Accounting |
| PTC | | DIFS | MILDEP |
| | | And | |
| | | MILDEP | DIFS |

| <u>INTERFACE</u> | <u>TRANSACTION</u> | <u>SYSTEM</u> | |
|---|--------------------|---------------|-----------|
| | | <u>FROM</u> | <u>TO</u> |
| Closure Certificate Transaction | ‘C1I’ | MILDEP | DIFS |
| Confirms receipt of ‘C1’ Closure Certificate Transaction | ‘C1F’ | DIFS | MILDEP |
| Cancellation of the DIFS CCCI record | ‘C4I’ | MILDEP | DIFS |
| Reopens a Closed Case or reverts ACCP-Final to ACCP-Interim Closure Status | ‘C5I’ | MILDEP | DIFS |
| Performance Reporting of WIP | ‘ND’ | MILDEP | DIFS |
| Performance Reporting of Final Delivery | ‘NA’ | MILDEP | DIFS |
| Performance Delivery reporting below-the-line | ‘NX’ | MILDEP | DIFS |
| Major End Item physical delivery reporting | ‘C1’ | MILDEP | DIFS |
| Total Disbursement value reported to Treasury (Appropriation 8242) | ‘SD’ | MILDEP | DIFS |
| Intraservice Disbursement | ‘SF’ | MILDEP | DIFS |
| Buyer Interfund Disbursement Detail | ‘SI’ | MILDEP | DIFS |
| Seller Interfund Disbursement Summary | ‘SJ’ | MILDEP | DIFS |
| Notification of Seller Interfund Disbursement; country level receipt of billing | ‘SJN’ | DIFS | MILDEP |
| TFO; Cross-Disbursement | ‘SX’ | MILDEP | DIFS |

| <u>INTERFACE</u> | <u>TRANSACTION</u> | <u>SYSTEM</u> | |
|---|---|-----------------------------------|-----------------------------------|
| | | <u>FROM</u> | <u>TO</u> |
| Notification of TFO | 'SXN' | DIFS | MILDEP |
| TBO; Interservice Cross-Disbursement | 'SY' | MILDEP | DIFS |
| FMS case collections | Case Control Summary File Interface | DIFS | MILDEP DSAMS |
| Assessment of surcharges (CAS, LSC, Administrative, and Accessorials) | Case Control Summary and Line Item File | DIFS | MILDEP |
| Delivery adjustments for completed SDRs | 'NZ' | MILDEP | DIFS |
| Disbursement pre-validation requests | '7' | MOCAS or other Entitlement System | MILDEP |
| Disbursement pre-validation responses | '8' | MILDEP | MOCAS or other Entitlement System |
| Contract payments | '9' | MOCAS or other Entitlement System | MILDEP |
| MILSTRIP | | DAAS | MILDEP |
| | | And | |
| | | MILDEP | DAAS |

C4.20. CLOSURE MANPOWER FUNDING

Table C4.T10. shows manpower funding guidelines on closure efforts.

Table C4.T10. Closure Manpower Funding

| <u>CLOSURE FUNCTION</u> | <u>FUNDING SOURCE</u> |
|--|---|
| Closure efforts for SSC cases, including non-ACCP, ACCP, EACC, and DSCA-directed force closures. | FMS Administrative surcharge. |
| Hastened case closure efforts requested by the purchaser beyond normal financial management standards. | A line on a new or existing case is preferred, although a line on a non-SSC case being reconciled may be used, as well. |

C4.21. CLOSURE POLICIES

Table C4.T11. shows hyperlinks to specific closure policy references.

Table C4.T11. Policy Hyperlinks

| <u>TOPIC</u> | <u>REFERENCE</u> | <u>SECTION</u> | <u>HYPERLINK</u> |
|--------------|--------------------------|-----------------|---|
| SAMM | Chapter 6 and Chapter 11 | C6.8 and C11.10 | http://www.dsca.mil/samm/ |
| FMR | Volume 15, Chapter 2 | 0210 | http://www.dod.mil/comptroller/fmr/15/15_02.pdf |

C4.22. GENERAL POC MATRIX

Table C4.T12. lists the primary POCs for active case reconciliation and closure issues.

Table C4.T12. General POC Matrix for Closure

| <u>ORGANIZATION</u> | <u>OFFICE</u> |
|---------------------|-----------------|
| DSCA (Policy) | DSCA/FPS |
| DSCA (Execution) | DSCA/OPS-ADMIN |
| Army | AMSAC-OL-PA-CS |
| Navy | NAVY IPO (02CF) |
| Air Force | SAF/FMBIS |
| DFAS Denver | DFAS-ADYK/DE |
| DCMA | DCMA-FB |