



DEFENSE LOGISTICS MANAGEMENT SYSTEM

VOLUME 7

CONTRACT

ADMINISTRATION

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DEPUTY ASSISTANT SECRETARY OF DEFENSE
(SUPPLY CHAIN INTEGRATION)

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C1. CHAPTER 1

INTRODUCTION

C1.1. GENERAL

C1.1.1. Purpose. This volume provides DoD standard procedures and electronic data interchange (EDI) conventions for the interchange of post award contract data using American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 transactions.

C1.1.2. Defense Logistics Management Standard (DLMS) Volume Access. Use of this volume requires simultaneous access to the DLMS Manual Volume 1 administrative items such as the list of acronyms and abbreviations, terms and definitions, and references; instructions for acquiring access to the DLMS standards data base; DLMS to Defense Logistics Standard System (DLSS) **cross-references and DoD/ASC X12 Conversion Guides**; specific guidance that applies to all implementation conventions; and both functional and technical information that is relatively stable and applies to the DLMS as a whole.

C1.2. POLICY. The Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS) provide the DoD policies governing procedures in this volume.

C1.3. APPLICABILITY. This manual applies to the Office of the Secretary of Defense, the Military Departments, the Joint Staff, the Combatant Commands, and the Defense Agencies, hereafter referred to collectively as the DoD Components. The manual applies, by agreement, to external organizations conducting logistics business operations with the Department of Defense including (a) non-Government organizations, both commercial and nonprofit; (b) Federal agencies of the U.S. Government other than DoD; (c) foreign national governments; and (d) international government organizations.

C1.4. SUPPLY PROCESS REVIEW COMMITTEE. The Supply Process Review Committee (PRC) is the forum through which the DoD Components and other participating organizations may participate in the development, expansion, improvement, maintenance, and administration of contract administration requirements for the DLMS. The chair, Supply PRC, in coordination with the Supply PRC representatives, Wide Area Workflow Program Management Office, and Director of Defense Procurement and Acquisition Policy (DPAP) is responsible for the content of this volume of the DLMS. Refer to Volume 1, Chapter 1, for a discussion of DLMS PRC functions and responsibilities.

C1.5. NONCOMPLIANCE. If reasonable attempts to obtain 1) compliance with prescribed procedures or 2) resolution of DLMS contract administration-related problems are unsatisfactory, the activity having the problem may request assistance

from their DLMS Supply PRC representative. The request will include information and copies of all correspondence pertinent to the problem; including the transaction set number, the transaction number, and the date of the transaction involved. The representative will take the necessary actions to resolve the issue or problem. The actions may include requesting assistance from the Supply PRC chair.

C1.6. PROCUREMENT INSTRUMENT IDENTIFICATION

C1.6.1. Background. The Federal Acquisition Regulation (FAR) was modified by FAR Case 2012-023 to implement a uniform Procurement Instrument Identification (PIID) numbering system to standardize identification of procurement transactions across the Federal Government. This change requires use of an Activity Address Code (AAC) as the unique identifier for contracting and related offices. For DoD activities, the FAR reference to AAC is the DoD Activity Address Code (DoDAAC). The DoD Activity Address Directory (DoDAAD) is the repository for all DoDAACs; it is also the repository of all AACs for the Federal Government. DFARS Case 2015-D011 modified the Defense Federal Acquisition Regulation Supplement (DFARS) to incorporate the changes necessary to comply with the requirements of FAR Case 2012-023, as well as preserve and update necessary Department-specific policy and instructions in the review process.¹

C1.6.2. DoD and Federal Government PIID formats.

C1.6.2.1 The DoD PIID format will consist of a combination of thirteen alphanumeric characters, (13/13):²

- Positions 1 - 6 identify the department/agency and office issuing the instrument. Use the DoDAAC assigned to the issuing office for positions 1 through 6.
- Positions 7 - 8 are the last two digits of the fiscal year in which the procurement instrument is issued or awarded. This is the date the action is signed.
- Position 9 indicates the type of instrument issued.
- For DoD: Positions 10 - 13 are a four-character alphanumeric serial number. All "0s" is prohibited.
- The PIID may not contain special characters or spaces.

C1.6.2.2. The federal non-DoD PIID format will consist of a combination of thirteen to seventeen alphanumeric characters, (13/17):³

- Positions 1 - 6 identify the department/agency and office issuing the instrument. Use the DoDAAC assigned to the issuing office for positions 1 through 6.

¹ DFARS Subpart 204.16, and Procedures, Guidance and Information (PGI)

² Federal Acquisition Regulation Subpart 4.16 – Unique Procurement Instrument Identifiers

³ Ibid

- Positions 7 - 8 are the last two digits of the fiscal year in which the procurement instrument is issued or awarded. This is the date the action is signed.
- Position 9 indicates the type of instrument issued.
- For federal non-DoD: Positions 10 - 17 are a four- to eight-character alphanumeric serial number. All "0s" is prohibited.
- The PIID may not contain special characters or spaces.

C1.6.3. Supplementary Numbers - Procurement Instrument Identification Number and Supplementary PIID. Prior to FAR Case 2012-023 and the DFARS changes, the Supplementary Procurement Instrument Identification (SPIIN) was used to identify calls or orders under contracts, amendments to solicitations, and modifications to contracts and agreements. Under the recent FAR changes noted, calls or orders are no longer identified under the "SPIIN" data element; instead they will be identified by a separate and unique PIID. The Supplementary PIID (6 positions) is only used for modifications to contracts and agreements and follows the six-character format DoD currently uses for modifications against contracts (e.g., P00001, A00001).

C1.6.4. Implementation Timeline. The uniform PIID timeline will be a staggered implementation and both the legacy PIIN and SPIIN, and the new PIID and Supplementary PIID will be used for some period of time until existing contracts using the legacy PIIN/SPIIN numbering are closed.

C2. CHAPTER 2

SHIPMENT NOTIFICATION

C2.1. GENERAL. This chapter prescribes standard procedures to report the shipment of supplies by vendors to the Department of Defense. These reports are either generated online in Wide Area Workflow (WAWF) or transmitted to WAWF using the 856, Advance Shipment Notice (ASN). The ASN provides an electronic receiving report to designated recipients to enable electronic processing of the receipt and acceptance of supplies. The ASN replaces the functionality of the DD Form 250, Material Inspection and Receiving Report.

C2.2. PROCEDURES.

C2.2.1. The Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 232.70, Electronic Submission and Processing Payment Requests and Receiving Reports, prescribes policies and procedures for submitting and processing receiving reports in electronic form.

C2.2.2. DFARS Appendix F, Part 3, Preparation of the Wide Area Workflow Receiving Report, prescribes instructions for the preparation of the receiving report.

C2.2.3. The WAWF Electronic Data Interchange Implementation Guides on the WAWF Website define the structure and associated business rules for generating and transmitting the 856 ASN.

C3. CHAPTER 3

DESTINATION ACCEPTANCE REPORTING

C3.1. GENERAL. This chapter provides standard procedures for the receiving activity to report acceptance of materiel at destination. Activities performing acceptance at destination shall prepare and transmit an Acceptance Report (AR) either online in Wide Area Workflow (WAWF) or by transmitting the DLMS 861, Acceptance Report to WAWF. The Defense Finance and Accounting Service (DFAS) matches the Acceptance Report to the contracts stored in the Electronic Document Access (EDA) system and to the vendor's invoice to effect payment to the vendor.

C3.2. PROCEDURES.

C3.2.1. The Defense Federal Acquisition Regulation Supplement (DFARS) Appendix F, Part 3, Preparation of the Wide Area Workflow Receiving Report, prescribes instructions to prepare the receiving report to record acceptance.

C3.2.2. The WAWF Electronic Data Interchange Implementation Guides on the WAWF Website define the structure and associated business rules for generating and transmitting the DLMS 861A, Acceptance Report to WAWF.

C4. CHAPTER 4

CONTRACT COMPLETION STATUS REPORTING

C4.1 GENERAL

C4.1.1. Purpose. This chapter prescribes standard procedures for reporting:

C4.1.1.1. The status of unclosed contracts subsequent to physical completion,

C4.1.1.2. Major events leading to the closing of the contract files by the Contract Administration Office (CAO), the office administering the contract for closeout including where administration is retained by the Purchasing Office (PO),

C4.1.1.3. The extension of the contract closeout period by the CAO,

C4.1.1.4. The extension of the contract closeout period by the PO,

C4.1.1.5. The execution of an automated contract closeout,

C4.1.1.6. The update of a previously submitted contract closeout, and

C4.1.1.7. The final closeout of a cancelled contract in Electronic Document Access (EDA).

C4.1.2. Scope. These reports are identified as Defense Logistics Management Standards (DLMS) Supplement 567C, Contract Completion Status, and primarily provide information to the PO for closing and retiring its contract files. The DLMS transactions are available on the Defense Logistics Management Standards Website on the DLMS IC page.

C4.1.3. Computer Formats. These procedures provide computer processable formats in lieu of hard copy documents and complement those in Federal Acquisition Regulation (FAR), 4.804-1 and the Defense Federal Acquisition Regulation Supplement (DFARS) Procedures, Guidance and Information (PGI) 204.804.

C4.1.4. Contract Completion Statements. Each CAO-issued DLMS 567C may include only one contract completion statement, automated contract closeout, update to an initial automated contract closeout, cancellation of a closeout action, or final closeout of a cancelled contract in EDA. The PO-issued DLMS 567C may include only one contract closeout extension. Multiple contract completion statements within a single DLMS 567C transmission are not permitted at this time.

C4.2. BASIS FOR CONTRACT CLOSING

C4.2.1. Contract Face Value. The basis for closing contract files depends upon the face value of the contract and the extent of administration accorded to it.

C4.2.2. Closeout Code. The CAO uses the conditions set forth in the contract closeout group codes to group the contracts for follow-on closing actions.

C4.3. STANDARD TIMES FOR CONTRACT CLOSING. FAR 4.804-1 prescribes the time standards for closing contracts. These standards are based on the date that the contract is physically completed and on the contract type. When the CAO closes the contract within the time standards, it reports the closure under the procedures in section C4.4. When the CAO does not close the contract within the time standards, it reports the status under the procedures in section C4.5, until it closes the contract and finally reports it under section C4.4.

C4.4. CONTRACT PAYMENT. When an office other than the office with primary contract administration responsibility performs the payment function on a contract, the disbursing office will notify the primary CAO when final payment has been made and the disbursing office file closed. The CAO will forward the status within five workdays after expiration of the standard closing period.

C4.5. CONTRACT COMPLETION STATEMENT

C4.5.1. Purpose. The contract completion statement is the DFARS-authorized electronic version of the DD Form 1594, Contract Completion Statement. It is the means by which the CAO informs the PO (or designated Automatic Data Processing (ADP) point) of the major events of physical completion, final payment, and/or closure of the CAO contract file. For all contracts, a final contract completion statement is the basis for the PO to closeout its contract file. For contracts with a total value of under \$500,000, the closeout process is automated per FAR 4.804-5(a) and DFARS 204.804-3, see section C4.11. Automated Contract Closeout for additional information.

C4.5.2. Contract Completion Definition. A contract is physically completed when,

C4.5.2.1. For supplies and services contracts:

C4.5.2.1.1. The contractor has completed the required deliveries of supplies and the Government has inspected and accepted such supplies, and

C4.5.2.1.2. The contractor has performed all services and the Government has accepted such services, and all option provisions, if any, have expired, and

C4.5.2.1.3. A notice of complete contract termination has been given to the contractor by the Government;

C4.5.2.2. For facilities contracts and rental, use, and storage agreements, a notice of complete termination has been issued or the contract period has expired.

C4.5.3. Physical Completion of Large-Purchase Contract. When a large-purchase contract such as Contract Closeout Group Code B, C, or D, is physically completed (i.e., delivered complete and the material or service accepted), the CAO with the primary contract administration responsibility will forward an interim contract completion statement to the PO to report physical completion.

C4.5.4. Final Payment for Large-Purchase Contract. For a large-purchase contract, Contract Closeout Group Code B, C, or D, when final payment is made and other actions completed, the CAO with primary contract administration responsibility will send a final contract completion statement to the PO based upon physical completion, final payment, and completion of all administrative actions.

C4.5.5. Unliquidated Amount. The unliquidated amount is money that was obligated on the contract but not spent. In all cases, the final contract completion statement must include any unliquidated amount that remains on the contract or order after final payment has been made. The unliquidated amount is the remainder of the accumulated amounts paid, as netted by all collections, subtracted from the amount obligated on the contract by any contract modifications, and adjusted by deductions and all variance codes. The unliquidated amount must be conveyed in the AMT data segment of the CS loop in the DLMS 576C and will appear only when an unliquidated amount remains on the contract. The accountable activity must reclaim this money before the PO closes the contract.

C4.5.6. Contract Over Payments. Contract over payments can occur when the contract contains the quantity variation clause, FAR 52.211-16 Variation in Quantity, and contractors deliver a quantity within the overage quantity permitted. In this instance, the contract funding is deficient and additional funds must be obligated before the contract can be closed. The deficient funds may be cited in the AMT segment and identified by Code C in AMT03.

C4.5.7. Receipt of Contract Extension Report. When the CAO has received a contract completion extension report from the PO, and if the CAO had to perform an additional contract administration function, the CAO will issue a final contract closeout statement report within five workdays after the extended closeout date. If the CAO did not have to perform additional contract administration functions after the extension transaction was issued, the contract file will be closed and the last issued final contract completion statement will apply.

C4.6. UNCLOSED CONTRACT STATUS. The CAO will send an unclosed contract status report to the PO (or designated ADP point) for each contract that will not be closed within the timeframe established in FAR 4.804-2.

C4.6.1. Reason for Delay. The status report will include the reasons for delay and the target date that has been set for closing.

C4.6.2. Revised Unclosed Status Report. If the contract is not closed by the target date, a revised unclosed contract status report will be sent with the new target date and reason(s) for further delay.

C4.6.3. Timeframe. A CAO with primary contract administration responsibility will send the unclosed contract status report to the PO. The CAO will forward the unclosed status report within 45 days after the expiration of the standard closing period (refer to DFARS Procedures, Guidance, and Information (PGI) 204.804-2).

C4.7. CONTRACT CLOSEOUT EXTENSION

C4.7.1. Purpose. The PO will use the contract completed date in the contract completion statement as the closeout date for file purposes. When completion of any pending significant PO action extends beyond this closeout date, the PO will send a contract closeout extension notice to the CAO (or designated ADP point) advising of the extended closeout date.

C4.7.2. Timeframe. The PO must forward the extension to the CAO within 5 workdays after receipt of the completion statement.

C4.7.3. Status. The CAO will then hold the contract open until the extended closeout date.

C4.7.4. Revision of Closeout Extension. The PO must ensure that when the extended closeout date is to be revised, another extension notice, with a new extended closeout date, is sent to the CAO.

C4.7.5. Closure. The CAO will close the contract file when the extended closeout date is passed. If the CAO performed an additional contract administrative function, it will issue another contract completion statement report; otherwise, the previous statement report will remain in effect.

C4.7.6. Exception to Closure. A contract file must not be closed if the contract is in litigation or under appeal; or in the case of a termination, all termination actions have not been completed. See FAR 4.804-1(c).

C4.8. CANCELLATIONS. Conditions may necessitate the cancellation of a contract completion status transaction. Cancellation is done by sending the **procurement instrument identifier (PIID)¹ and Supplementary PIID** (when applicable), CAO, and PO of the original transaction and a Transaction Status Indicator Code K. **When a PIID call/order number (F in 9th position) is used, provide the value in the PIID field.**

C4.9. FAST PAY CONTRACTS. Normally, a PO receives both a shipment notice transaction and a contract completion statement transaction on each contract. On fast-pay contracts that do not exceed \$25,000, however, shipment information is not

¹ Use the legacy PIIN pending transition to the PIID. When using the PIIN, may include the four-position call/order number. Refer to ADC 1161A.

required by the Army, Navy, or DLA. The Army will use the contract completion statement both to show performance and to close the contract. The Air Force requires and receives the shipment information and a contract completion statement on fast-pay contracts.

C4.10. PREPARATION OF THE DLMS 567C TRANSACTION. The instructions to prepare the DLMS 567C are on the Defense Logistics Management Standards Website on the DLMS IC page.

C4.10.1. Structure. This transaction set contains only one table.

C4.10.2. Uses. As discussed in sections C4.4., C4.5., C4.6., and C4.11., there are eight uses of the contract completion status transaction.² Each use is identified by a code in the 1/CS05/050 data element.

C4.10.2.1. CAO Issuance. Those issued by the CAO:

C4.10.2.1.1. The unclosed contract status (Code D);

C4.10.2.1.2. The final contract completion statement for a small purchase (Code A);

C4.10.2.1.3. The interim contract completion statement for a large purchase (Code B); and

C4.10.2.1.4. The final contract completion statement for a large purchase (Code C).

C4.10.2.2. PO Issuance. The transaction issued by the PO is the contract closeout extension (Code E)

C4.10.2.3. DFAS Issuance. The transaction issued by DFAS is the financial contract completion statement (Code F).

C4.10.2.4. Invoicing, Receipt, Acceptance and Property Transfer (iRAPT). The final contract completion statement for automated contract closeouts (Code G); and

C4.10.2.5. Multiple Users. Final closeout for a cancelled contract (Code H).

C4.10.3. Name/Place Data. There are two N1 data segments for names and places.

C4.10.3.1. To/From Code. The 1/N1/030 segment precedes the 1/CS/050 loop, and with two iterations, carries the Code FR (from) and the Code TO (to); these will be the appropriate PO and CAO that will be common to all records in a given transaction set. DAAS/GEX will forward an image (copy) of all 567C contract closeout

² Refer to Volume 7, Appendix 1 (ADC 1163)

transactions to EDA regardless of the originating system or method of closeout. Refer to ADC 1163. See C4.11.8 for N1 segment addressing for automated contract closeout procedures.

C4.10.3.2. Paying Office. The 1/N1/120 segment in the 1/CS/050 loop will identify a paying office or a contractor when one applies to the record.

C4.10.3.3. Transaction Status Code. Each applicable transaction status indicator code is carried in an iteration of the 1/LQ/110 data segment. Only Codes F, J, and K may be used in this transaction set.

C4.10.3.4. Cancellation Report. A cancellation report is identified by the Transaction Status Indicator Code K in a 1/LQ/110 data segment. A cancellation report must be sent at least one calendar day before its replacement report. A cancellation report requires the To, the From, the **PIID** and the **Supplementary PIID** (if applicable), the code for the type transaction, and the cancellation code.

C4.11. AUTOMATED CONTRACT CLOSEOUT

C4.11.1. Purpose. The Automated Contract Closeout is a systemic process in the Contract Closeout module accessible from the Wide Area Work Flow (WAWF) eBusiness Suite home screen for EDA users with an active 'Upload/Inactive Contracts' role. This will apply where notifications are distributed using data from WAWF eBusiness Suite, iRAPT, EDA, and MyInvoice.

C4.11.2. Authority. As permitted by FAR 4.804-5(a) and DFARS 204.804-3, automated contract closeout allows a system to initiate and execute the closeout action.

C4.11.3. Eligibility Requirements.³ Contracts to be closed must not be administered by the Defense Contract Management Agency (DCMA) unless the "Admin By DoDAAC" matches a DoDAAC on an exception list. A new Contracting Officer role will be created within the Automated Contract Closeout module to enable contracts to be placed on hold. Under the Authority identified in C4.11.2, contracts qualify for the automated closeout process if the contract meets the following requirements:

C4.11.3.1. Identified in the Procurement Data Standards (PDS) extensible markup language (XML) data as firm-fixed priced,

C4.11.3.2. Does not exceed a total contract value of \$500,000 (inclusive of exercised options),

C4.11.3.3. Does not have a hold on the contract placed by the Contracting Officer, and

C4.11.3.4. Does not contain any of the following clauses requiring administrative action at closeout:

³ Refer to ADC 1163, Update DLMS 567C Automated Contract Closeout.

- FAR 52.211-11 Liquidated Damages—Supplies, Services, or Research and Development.
- FAR 52.216-7 Allowable Cost and Payment.
- FAR 52.227-9 Refund of Royalties.
- FAR 52.227-11 Patent Rights—Ownership by the Contractor.
- FAR 52.227-13 Patent Rights—Ownership by the Government.
- FAR 52.232-16 Progress Payments.
- FAR 52.232-29 Terms for Financing of Purchases of Commercial Items.
- FAR 52.232-30 Installment Payments for Commercial Items.
- FAR 52.232-32 Performance-Based Payments.
- FAR 52.245-1 Government Property.
- FAR 52.248-1 Value Engineering.

C4.11.3.5. Use of PDS data from EDA enables review of applicable clauses, which is then coupled with evidence of submission from iRAPT and payment of the final invoice in MyInvoice

C4.11.3.6. The following conditions are necessary for automated closeout using this capability:

- Contract must utilize WAWF for deliveries and payments.
- Contract must be available in EDA as PDS.
- Entitlement systems must feed WAWF invoice status.

C4.11.4. Initiation of Automated Contract Closeout. If the eligibility requirements are met, automated contract closeout can be initiated once deliveries are complete and the final invoice is paid.

C4.11.4.1. A 60-day parameterized window will be established once deliveries are complete and the final invoice is paid.

C4.11.4.2. If a document is received during the 60-day window, a new 60-day window will be set based on the following:

C4.11.4.2.1. If a new shipment document is received, the new window will start upon that document becoming “processed” in WAWF.

C4.11.4.2.2. If a new invoice is received, the new window will start upon receipt of the MyInvoice transaction reflecting “paid.”

C4.11.4.3. At the end of the final 60-day window, the DLMS 567C will be released to EDA via the GEX.

C4.11.5. Authority and Eligibility Statement. The automated contract closeout transactions statement of authority and eligibility for initiation of the automated contract closeout cited in C4.11.2 and C4.11.4 will be included by reference in the automated contract closeout transaction when using 1/BC07/020, code CL – Closed.

C4.11.6. Generating Updates to Automated Contract Closeout

C4.11.6.1. If additional documents are received after the transmission of the Automated Contract Closeout to EDA, a new 60-day parameterized window to monitor for additional transactions that would impact the closeout will be established based upon the following criteria:

C4.11.6.1.1. If a new shipment document is received, the new window will start upon that document becoming “processed” in WAWF.

C4.11.6.1.2. If a new invoice is received, the new window will start upon receipt of the MyInvoice transaction reflecting “paid.”

C4.11.6.2. Simultaneous with establishment of a new parameterized window, iRAPT will generate a DLMS 567C Cancellation of a previously submitted automated contract closeout action. This will be identified by 1/BC07/020 Code 2 (Change (Update)), 1/CS05/050 Code G (Final contract completion statement for contract closeouts) and 1/LQ02/110 Code K (Cancellation). This will notify EDA that additional documents were received and a new 60-day parameterized window is started. This ensures that the contract is not open in one system and closed in another system.

C4.11.6.3. At the end of the 60-day period, an updated DLMS 567C will be released to EDA via the GEX. The beginning segment will contain the Action Code 2 to indicate that the transaction is an updated automated contract closeout.

C4.11.7. Name/Place Data for Automated Contract Closeout

C4.11.7.1. To/From code.⁴ The automated contract closeout notices will be distributed electronically using the DLMS 567C transaction set to EDA and applicable Agency Accounting Identifiers (AAI)

⁴ Under the existing design (March 2015), the Automated Contract Closeout transactions will not contain a From and To indicating the sending and receiving organizations for the transaction set and will use the DLMS 567C transaction header envelope and GEX routing rules. This change will have a phased implementation and requires an ECP be developed by the WAWF-iRAPT PMO. Refer to ADC 1163.

C4.11.7.2. The 1/N1/030 segment precedes the 1/C/050 loop, and with two iterations, carries the Code FR (from) and the Code TO (to); this will be WAWF-iRAPT in the FR and the AAI in the TO.

C4.11.7.3. Use the appropriate qualifier in N101 and N103 to identify WAWF-iRAPT, EDA, and the AAI.

C4.11.7.3.1. To identify WAWF-iRAPT, use N101/RGA and N103/93.

C4.11.7.3.2. To identify the AAI, use N101/CW and N103/PI.

C4.11.7.3.3. To identify EDA, use N101/EM and N103/94

C4.11.7.4. DAAS/GEX will forward an image (copy) of all 567C contract closeout transactions to EDA regardless of the originating system or method of closeout.⁵

C4.12. CANCELATION OF A UNILATERAL PURCHASE ORDER NOT ACCEPTED BY THE CONTRACTOR

C4.12.1. As permitted by FAR 13.004 the Government may unilaterally issue an award in response to a vendors quote. Such awards are not binding contracts until acceptance by the vendor either in writing or through performance. As such, there are sets of contracts that remain open in Defense business systems even though no deliveries or work has or will ever occur. C4.12.2 provides the mechanism for identifying and closing these unfulfilled awards in order to free obligated funds and stop perpetuating these extraneous contract files. Contracts identified as unfulfilled, should be administratively closed in accordance with FAR42.302(a)(63).

C4.12.2. A cancelation of a unilateral purchase order not accepted by the contractor will be submitted using Code H in 1/CS05/050.

C4.12.3. This procedure applies to both automated closeouts systemically initiated by iRAPT, as well as all other non-automated closeouts submitted by other systems.

⁵ Refer to ADC 1163.

AP1. APPENDIX 1

CONTRACT CLOSEOUT STATUS REPORT CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alpha

EXPLANATION: Used in the DLMS 567C Contract Completion Statement/ Unclosed Contract Status/Contract Closeout to identify the type and purpose of the transaction.

DLMS SEGMENT/QUALIFIER: CS Segment, CS05 Data Element ID 127

| CODE | Title |
|------|---|
| A | Final contract completion statement for small purchases |
| B | Interim (physical) completion statement for large purchases |
| C | Final contract completion statement for large purchases |
| D | Extension of contract closing date (by CAO) |
| E | Extension of contract closing date (by PCO) |
| F | Financial contract completion statement (by DFAS) |
| G | Final contract completion statement for automated contract closeouts |
| H | Cancelation of a unilateral purchase order not accepted by the contractor |