4.804-1 Closeout by the office administering the contract.

(a) Except as provided in paragraph (c) of this section, time standards for closing out contract files are as follows:

(1) Files for contracts using *simplified acquisition procedures should* be considered closed when the *contracting officer* receives evidence of receipt of property and final payment, unless otherwise specified by agency regulations.

(2) Files for firm-fixed-price contracts, other than those using *simplified acquisition procedures*, *should* be closed within 6 months after the date on which the *contracting officer* receives evidence of physical completion.

(3) Files for contracts requiring settlement of *indirect cost rates should* be closed within 36 months of the month in which the *contracting officer* receives evidence of physical completion.

(4) Files for all other contracts *should* be closed within 20 months of the month in which the *contracting officer* receives evidence of physical completion.

(b) When closing out the contract files at 4.804-1(a)(2), (3), and (4), the *contracting officer shall* use the closeout procedures at 4.804-5. However, these closeout actions *may* be modified to reflect the extent of administration that has been performed. Quick closeout procedures (see 42.708) *should* be used, when appropriate, to reduce administrative costs and to enable deobligation of excess funds.

(c) A contract file *shall* not be closed if-

(1) The contract is in litigation or under appeal; or

(2) In the case of a termination, all termination actions have not been completed.

Parent topic: 4.804 Closeout of contract files.