

ETA Property Management Handbook No. 359

CHAPTER VIII

CLOSEOUT PROCEDURES

Closeout Requirements. Within thirty (30) days of the end of a Department of Labor/ETA contract, the contractor must complete and forward a form ETA 3-95 (see facsimile Figure B16 in the Appendix B) to the applicable DOL/ETA Project Manager. The form is required whether or not property has been acquired or furnished under the contract, and the form must be submitted whether the contract has been renewed or not. The Department of Labor will not consider the closeout complete until the Project Manager receives the properly executed form. Failure to submit the form and/or to properly account for Government property at the end of a contract may result in substantial penalties to the contractor. Note that completion and submittal of the form are prerequisites for beginning a property closeout, and that they are solely the contractor's responsibility. The following are the possible property situations at contract expiration, and the appropriate actions of the contractor and the Project Manager.

a. No Government Property Furnished or Acquired.

(1) The contractor must:

- (a) Complete Part 2B of the form ETA 3-95, Final (Closeout) Inventory Certificate, certifying that no Government property was furnished or acquired under the contract.
- (b) Forward the signed form to the appropriate DOL/ETA Project Manager.

(2) The DOL/ETA Project Manager **must**:

- (a) Review the form ETA 3-95.
- (b) Complete Part 4 (the Project Manager's Certification and Disposition Notice) of the form.
- (c) Submit the completed form to the applicable Contracting Officer.

b. Property Acquired - Contract Renewed.

(1) The contractor **must**:

- (a) Complete Part 2A (Contractor's Certification) of the form ETA 3-95.
- (b) Prepare and submit a Contractor's Inventory Certification (form ETA 3-94).
- (c) Prepare a closeout/renewal packet consisting of the completed form ETA 3-95 or with any forms necessary to update the old contract's Property Management System Inventory Master Listing. Transfer owned and loaned property, terminate-

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/reinitiate rental property as appropriate, prepare the form ETA 3-94 for the new contract, and forward the packet to the appropriate Project Manager.

(2) The Government Project Manager **must**:

- (a) Initiate a “Notice of Transfer of Accountability for Government Property” (see sample Figure B-17 in the Appendix B) immediately after the contract expires.
- (b) Review supporting documentation and enter the appropriate transactions to adjust the old contract’s Property Management System Inventory Master List.
- (c) Review and submit transactions to transfer owned and loaned property and terminate/reinitiate rental property as appropriate, review the contractor’s justification of the continuing need for renting any property and decide on appropriate action (e.g., purchase instead of continuing rental), return any rejected rental initiation transactions to the contractor, and advise the contractor of the Department of Labor’s required course of action.
- (d) Complete Part 4 (Certification and Disposition Notice) of the form ETA 3-95.
- (e) Submit the form ETA 3-95 and the “Notice of Transfer of Accountability for Government Property.”

c. Property Acquired - Contract Not Renewed - No Successor Contractor.

(1) The Contractor **must**:

- (a) Prepare property management transactions to update the Electronic Property Management System Inventory Master Listing to reflect its status as of the end of the contract, and attach the appropriate supporting documents.
- (b) Complete Part 2A (the Contractor’s Certification) of the form ETA 3-95.
- (c) Forward the completed form ETA 3-95 with any necessary supporting documents.

(2) The Government Project Manager **must**:

- (a) Review and submit the closeout package for processing.
- (b) Initiate actions to dispose of the remaining property and prepare documents required to remove the property from the computerized inventory.
- (c) Complete Part 4 (Certification and Disposition Notice) of the form ETA 3-95.
- (d) Submit the completed form ETA 3-95 to the National Office.

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d. Property Acquired - Contractor Not Renewed, but Program Continued by Successor Contractor.

(1) The outgoing (incumbent) Contractor **must**:

- (a) Conduct a joint, complete, 100% wall-to-wall inventory of all Government property in conjunction with the new contractor, under the general guidance and in accordance with instructions of the appropriate Project Manager or assigned representative. All disputes regarding nomenclature, substitutions, “not found” property, etc. will be subject to the final, binding decision of the Project Manager or assigned representative.
- (b) Prepare transactions to delete any contractor-owned property that was “loaned” to the contract and carried on the Property Management System Inventory Master Listing as loaned property, and promptly remove this property from the premises under the supervision of the new contractor.
- (c) Prepare transactions to update the Property Management System Inventory Master Listing so that actual Location Codes match the contents during the changeover inventory, and attach the appropriate supporting documents. Transactions must be prepared to transfer the property “not found” during the joint inventory to a single mutually recognized location code under the current contract number.
- (d) Prepare and submit a form ETA 3-96, Report of Survey/Inventory Adjustment Report for any “not found” property within 30 days of the joint inventory. Failure to submit this form and/or a request for relief of accountability within the 30 days may constitute prima facia evidence of acceptance of liability, and the Contracting Officer may be instructed to deduct the acquisition cost of the “not found” property from the contractor’s final payment under the contract.
- (e) Complete Part 2A (the Contractor’s Certification) of the form ETA 3-95.
- (f) Forward the completed form ETA 3-95 with any necessary supporting documents.

(2) The new (incoming) Contractor **must**:

- (a) Participate in a joint, complete, 100% wall-to-wall inventory of all Government property in conjunction with the outgoing contractor, under the general guidance and in accordance with instructions of the appropriate Project Manager or assigned representative. All disputes regarding nomenclature, substitutions, “not found” property, etc. will be subject to the decision of the Project Manager or otherwise assigned representative.

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- (b) Assist in the entering of transactions to update the Property Management System Inventory Master Listing to contain only the property for which the contractor will assume responsibility.
 - (c) Assume control over and responsibility for all Government-furnished property assigned to the contract, prepare and submit a form ETA 3-94, Contractor's Inventory Certification attesting to the validity of the list. In the Property Management System Inventory Master Listing for the center, with changes and adjustments as per the transactions jointly entered with the outgoing contractor and accepting responsibility for all property except that moved to the mutually agreed upon Location Code for the "not found" property from the old contract.
 - (d) Prepare and submit transactions to:
 - (i) Transfer owned property from the old to the new contract using the "Transfer" transaction type.
 - (ii) Transfer loaned property (except loaned property belonging to the outgoing contractor that was reclaimed by the outgoing contractor) from the old to the new contract using the "Loan-Transfer" transaction type.
 - (iii) Terminate remaining rentals under the old contract; (Rentals cannot be transferred;) Use the "Rental-Terminated" transaction type.
 - (iv) Initiate rentals for the new contract, using the "Rental-Initiated" transaction type, and prepare documentation to justify rental continuation (unless specifically exempted from this requirement by the appropriate Project Manager).
 - (e) Assist the incumbent contractor to locate any "not found" property, and promptly notify the appropriate Project Manager if and when any such property is found.
- (3) The Government Project Manager **must**:
- (a) Provide or arrange for an impartial representative to provide the general supervision and guidance of the joint inventory efforts between the two contractors. Arbitrate and resolve all property disputes in a professional and impartial manner.
 - (b) Review supporting documentation.
 - (c) Review the outgoing contractor's submittal of the form ETA 3-96, if filed; and after receiving a valid, fully documented, and supported request for relief of accountability, convene a Board of Survey to resolve any liability issues. The outgoing contractor must be notified of the Board's findings within 30 days of the Government Project Manager's receipt of the correctly prepared/documented

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form, or the contractor will be automatically relieved of further responsibility/liability for any missing, stolen, damaged, and/or destroyed property under the old contract.

- (d) Complete Part 4 (Certification and Disposition Notice) of the form ETA 3-95.
- (e) Submit the completed form ETA 3-95 to the applicable contracting officer, and submit a copy of the form to the National Property Officer.
- (f) Review and enter transactions to transfer owned and loaned property, and terminate/reinitiate rental property as appropriate. (The Government Project Manager will review the new contractor's justification of the continuing need for renting any property and decide on appropriate action, e.g., purchase instead of renewing the rental(s). The Government Project Manager will return any rejected rental initiation transactions to the contractor and advise the contractor of the Department of Labor's required course of action. In addition, the Government Project Manager will issue a Letter of Authority for rental of GSA Motor Vehicles, if appropriate, after assurance of compliance with applicable prerequisites detailed in Chapter IX.)