

## 4.804 Closeout of contract files.

(S-90) Contracting officers shall follow the FAR standard timeframe for closeout. Contracting officers shall assess the validity of their unliquidated obligations (ULOs) that are 120 calendar days or more past the contract delivery date in accordance with DLAM 7010.02, Unliquidated Obligations (ULO) and Undelivered Orders (UDO) Management ([https://issue-p.dla.mil/Published\\_Issuances/Unliquidated%20Obligations%20\(ULO\)%20and%20Undelivered%20Orders%20\(UDO\)%20Management.pdf](https://issue-p.dla.mil/Published_Issuances/Unliquidated%20Obligations%20(ULO)%20and%20Undelivered%20Orders%20(UDO)%20Management.pdf)).

(S-91)(1) Definition.

*“Excess funds”* means any funding amount remaining obligated on a contract at the time of contract closeout that is not needed to pay for contract performance or for contract adjustments (see DLAM 7010.02, Encl. 3, Table 1 for valid reasons funds should remain obligated). Excess funds are a subset of “unliquidated obligation(s).”

(2) Contracting officers shall deobligate excess funds via bilateral or unilateral (see 43.103(b)(S-90)43.103 Types of contract modifications.) contract modification as part of the contract closeout process. The record of the contract obligation amount is maintained in DLA’s electronic business system and shall be updated to remove all deobligated excess funds as part of contract closeout.

**Parent topic:** SUBPART 4.8 – GOVERNMENT CONTRACT FILES