

CEMP-CEP Engineer Regulation 37-5-3	Department of the Army U.S. ARMY CORPS OF ENGINEERS Washington, DC 20314-10000	ER 37-5-3 31 December 2009
	Financial Administration EPA/USACE SUPERFUND PROGRAM FINANCIAL CLOSEOUT INTERAGENCY AGREEMENTS	
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CEMP-CEP

Regulation
No. 37-5-3

31 December 2009

Financial Administration
EPA/USACE SUPERFUND PROGRAM
FINANCIAL CLOSEOUT OF INTERAGENCY AGREEMENTS

1. Purpose. This regulation provides general policy and guidance for establishing procedures governing the financial closeout of Site-Specific Interagency Agreements (IAs), Generic IAs, and Site-Specific Work Authorization Forms (WAFs) issued by the U.S. Environmental Protection Agency (EPA) to the U.S. Army Corps of Engineers (USACE) for the EPA Superfund Program. It covers agreements involving both the Direct Cite and Reimbursable Funding Methods.
2. Applicability. This regulation applies to all Headquarters, U.S. Army Corps of Engineers (HQUSACE) elements, USACE Divisions, Districts, laboratories and field operating activities, which are covered by an EPA/USACE IA to be executed under the EPA Superfund Program.
3. Distribution Statement. Approved for public release, distribution is unlimited.
4. References.
 - a. ER 37-2-10, Financial Administration, Accounting, and Reporting – Civil Works.
 - b. EPA/USACE Payment Process Direct Cite/Revised Reimbursement Methods (EPA Publication 9355.5-14 FS).
5. Policy.
 - a. Closeout Determination: It is USACE policy to financially close out IAs under the EPA Superfund Program as expeditiously as possible. Closeout is required for the following:
 - (1) EPA and USACE have acknowledged that all work under the IA is complete and final payment has been made.
 - (2) IA has expired and an extension has not been requested by USACE Program/Project Manager (PM) or EPA Remedial Project Manager (RPM).
 - (3) Notification of the termination of the USACE assignment is received from EPA.
 - b. Closeout Responsibilities: The USACE PM has the responsibility to update the EPA RPM on the status of the project completion and financial closeout, and the USACE PM will provide to the EPA RPM an estimate of cost and time to finalize all procedures.

(1) USACE PM should request clarification from EPA RPM on details required for closeout such as file review and final closure report.

(2) The EPA RPM has the responsibility to ensure the IA is amended to provide funding and to ensure the IA period of performance is extended in order for USACE to complete financial and contract closeout activities.

(a) Milestones:

- Project Work Physically Complete.
- Receipt of Contractor's Completion Voucher (from Contractor).
- Defense Contract Audit Agency (DCAA) audit (required for any cost reimbursable contract).
- Final Payment:
 - o Signed contractor final payment.
 - o Receipt of the contractor's various certifications required by the FAR and USACE.
 - o USACE action to make reconciliation changes to the contract thru modification process.
- Financial Closeout of IA (EPA and USACE accounts closed).

(b) USACE Closeout Activities:

- Final invoice from contractor requested, received, approved, and paid.
- Receipt of completed reports from contractor for American Recovery and Reinvestment Act (ARRA) stimulus funding requirements.
- All labor, travel complete.
- All USACE obligations/commitments liquidated.
- All Management and Support (M&S) amounts charged for the project finalized.
- All costs recorded and final billed to EPA.
- Receipt of final payment from EPA.
- USACE amounts reconciled with EPA records.
- USACE PM and EPA RPM agree on amount of funding to be decreased.
- Property and equipment disposition completed by USACE.
- Contractor claims settled by USACE.
- Audit completed by DCAA.
- Closeout contract modification issued to contractor.

- Official final contractor payment is made.
- Contract past performance evaluations completed in accordance with guidance issued for type of contract used.
- Finalize project in USACE P2 system to show work physically complete
- Consolidate all project files and forward final closeout reports to EPA.

6. USACE Request for EPA Closeout: When all projects or work assignments funded by a particular IA are fiscally complete, the performing USACE activity will send a letter or e-mail message to the issuing EPA Region to request EPA initiate a signed closeout document. A copy of this request should be forwarded to the Huntsville Engineering & Support Center (Omaha), Environmental & Munitions Center of Expertise (EM CX). The USACE request to EPA should include the following: site name and IA number; total funding authorized; total funding expended; remaining balance of funding available for revocation; and USACE PM (name and phone number). If Direct Fund Cite Method applies, include amounts separately for Revised Reimbursable (in-house) and Direct Fund Cite (contract).

a. Excess Funds: The USACE performing activity will retain any excess funds in the Corps of Engineers Financial Management System (CEFMS) and continue to report the status of funds in the monthly Civil 3011A Report (Report on Status of Appropriation and Work Allowances, Civil Works Funds) until signed written notification is received from EPA to officially withdraw the funds.

b. Closeout Document: Based on the USACE request for EPA to initiate a signed closeout document, the EPA Region will confirm the EPA status of funds with the EPA Cincinnati Finance Center (CFC). If the USACE and EPA balances do not agree, the following actions by both agencies are required:

- (1) Reconcile Revised Reimbursable amounts and monthly SF1080 billings.
- (2) Verify Direct Fund Cite (contract) payment amounts.
- (3) Research any differences between the EPA and USACE accounting systems, and identify any corrections that need to be made prior to closure.

c. Decrease Excess Funding on IA:

(1). In some situations, an IA cannot be financially closed due to a pending DCAA audit, ongoing reconciliation of amounts, claims by the contractor, or difficulty with contract closeouts.

(2) Until the IA can be closed, the following actions should be coordinated between the USACE PM and the EPA RPM.

(a) The USACE PM will identify and advise the EPA RPM as soon as possible of any IA funding (Revised Reimbursable and Direct Fund Cite) estimated to be excess to

USACE's needs and not necessary to cover USACE's contractual obligations. EPA RPM will approve identified IA amount that can be returned to EPA.

(b) USACE must retain obligated funds necessary to cover USACE contract obligations for a project. USACE PM will coordinate with local Resource Management Office and Contracting Officer to confirm IA amount of funding that must remain obligated. Minimal funding should remain on the IA to keep the IA open for the completion of the DCAA audit and any future adjustments.

(c) USACE PM notifies EPA RPM of approximate date of financial closure.

(d) The IA period of performance should be extended for USACE to finalize and issue a closeout modification to the contract. If the IA expires, funding is no longer available for USACE to complete the contract closeout actions.

(e) EPA RPM and USACE PM agree on the expiration date of the IA and the amount of funding to be decreased.

(f) The EPA RPM will coordinate with the EPA Grants Service Center to issue an IA amendment to decrease funding and if necessary, extend the IA expiration date as follows:

- EPA Grants Service Center forwards signed IA amendment to EM CX.
- EM CX reviews IA amendment and forwards amendment and EM CX coversheet to performing district for acceptance.
- Performing district signs IA amendment and decreases excess funds in CEFMS.
- District returns signed IA amendment to EPA.

d. Final IA Closeout:

(1) The EPA RPM coordinates with the EPA Grants Service Center to issue a signed EPA closeout document, which is forwarded to the USACE EM CX.

(2) EM CX reviews EPA closeout document and forwards EPA document with EM CX coversheet to the USACE performing activity for acceptance.

(3) Performing USACE activity accepts signed EPA closeout document and decreases remaining funds in CEFMS.

(4) IA closeout amendment is signed by USACE performing activity and returned to EPA Grants Service Center.

(5) EPA Grants Service Center forwards signed IA to EPA Cincinnati Finance Center (CFC). EPA CFC revokes funds and closes project.

(6) Project is financially closed in both the EPA and USACE accounting systems.

7. General: Two types of Superfund IAs (Site-Specific and Generic) are currently used for the EPA Superfund Program.

a. Site-Specific Superfund IA: EPA issues a signed Site-Specific IA to USACE with an attached Scope of Work Statement and Special Terms and Conditions Statement for one type of activity such as technical assistance, real estate, operation and maintenance, remedial investigation/feasibility study, oversight of potentially responsible parties, remedial design, remedial action (construction), long-term response, removals, etc.

(1) If Direct Fund Cite Method does not apply:

(a) Total IA funding is Revised Reimbursable.

(b) USACE forwards certified monthly billing and status report to EPA.

(2) If Direct Fund Cite Method does apply:

(a) Revised Reimbursable IA amount is for in-house funding.

(b) Direct Fund Cite amount (obligation authority) is for contract award (memo entry in CEFMS).

(c) Specific dollar limitation for Revised Reimbursable and Direct Fund Cite (amounts not interchangeable).¹

(d) EPA CFC pays contractor.

(3) Closeout for Site-Specific Superfund IA:

(a) Site-Specific IA must be financially complete and EPA/USACE balances must agree.

(b) USACE requests closeout document from EPA.

(c) EPA Grants Service Center sends signed closeout document to EM CX.

(d) If remaining amount is \$500 or less, EPA will issue signed closeout letter to USACE (copy to EPA CFC). USACE acceptance signature not required.

(e) If remaining amount is greater than \$500, EPA will issue a decrease IA closeout amendment for USACE signature.

(f) If Direct Fund Cite Method applies, amount to be revoked for Revised Reimbursable and Direct Fund Cite should be noted separately on the EPA closeout document.

(g) EM CX reviews closeout document and forwards with EM CX coversheet to performing district.

¹ Brokered Work: Performing district can request assistance from another USACE activity to support IA work activities. Only Revised Reimbursable funding can be provided by performing district to USACE support activity as follows: (1) Military Interdepartmental Purchase Request. (2) Cross Labor Charge Code.

(h) USACE performing district decreases funds in CEFMS and closes project in USACE accounting records.

(i) If EPA issues an IA closeout amendment, USACE performing district signs IA amendment and returns accepted closeout amendment to EPA Grants Service Center (copy to EM CX).

(j) EPA Grants Service Center forwards signed IA closeout amendment to EPA CFC.

(k) EPA CFC revokes funds for site-specific IA and closes project in EPA accounting records.

b. Generic (Multi-Site) Superfund IA: EPA issues a signed "bulk funded" Generic IA to USACE, which is accepted by the EM CX. The Generic IA provisions are as follows:

(1) EPA obligates funds under one Generic IA for future work at several sites.

(2) Site-Specific Assignments not yet identified.

(3) USACE does not have authority to expend or obligate Generic IA funding.

(4) Direct Fund Cite Method does not apply to Generic IAs.

(5) EM CX signs and accepts Generic IA. Signed Generic IA returned to EPA Grants Service Center.

c. Site-Specific Superfund Work Authorization Form (WAF) Issued From Generic IA.

(1) EPA Project Officer identifies a site, develops brief scope of work statement, and determines dollar amount to be funded from the Generic IA bulk funding on a Site-Specific WAF.

(2) EPA Project Officer issues a signed Site-Specific WAF, which is forwarded, to the USACE EM CX and EPA CFC.

(3) EM CX reduces Generic IA (bulk) funding by the amount issued on the Site-Specific WAF.

(4) EM CX forwards signed WAF issued by EPA with an EM CX coversheet to the performing district. No USACE district signature acceptance is required to be returned to EPA.

(5) Direct Fund Cite Method does not apply to Site-Specific WAF.

(6) Performing district establishes Site-Specific WAF funding (Revised Reimbursable) in USACE P2 and CEFMS systems.

d. Closeout for Site-Specific Work Authorization Form (WAF):


- (1) WAF must be financially complete and USACE/EPA balances must agree.
- (2) USACE requests closeout document from EPA.
- (3) EPA sends a signed closeout document to the EM CX. EPA Project Officer has two options to revoke WAF funding as follows:
 - (a) EPA issues a signed Decrease Site Authorization Form (Appendix A). Revoked funds returned to Generic IA (bulk) funding.
 - (b) EPA issues decrease WAF amendment to revoke funds (Appendix B). Revoked funds returned to EPA but not returned to Generic IA.
- (4) EM CX reviews EPA closeout document and forwards the EPA document with an EM CX coversheet to the performing district. The remaining amount for Revised Reimbursable is revoked in CEFMS by the performing district to close the project. A USACE district signature acceptance is not required to be returned to EPA.
- (5) EM CX coordinates WAF closeout with EPA CFC. EPA CFC revokes funds and closes project in EPA accounting records.
- (6) All Site-Specific WAFs must be closed before a Generic IA can be closed.

e. Closeout for Generic IA:

- (1) EM CX and EPA CFC confirm remaining funds in Generic (bulk funded) IA. EPA and USACE amounts must agree.
- (2) EPA issues signed Generic IA amendment to EM CX to close Generic IA and revoke remaining funding.
- (3) EM CX revokes funding in CEFMS, and a signed/accepted Generic IA amendment is returned to EPA Grants Service Center.
- (4) EPA Grants Service Center forwards signed closeout IA to EPA CFC. EPA CFC revokes remaining funds and closes IA in the EPA accounting system.

FOR THE COMMANDER:

2 Appendices
Appendix A-Decrease Site Authorization Form
Appendix B-Work Authorization Form


STEPHEN L. HILL
Colonel, Corps of Engineers
Chief of Staff

APPENDIX A

U.S. EPA Superfund Program
Decrease Site Authorization Form
U.S. Army Corps of Engineers Generic Interagency Agreement

____ Close Project and Decrease Remaining Funds ____ Decrease Excess Funding
Date: _____

Issued From: U.S.EPA Region _____

Issued To: U.S. Army Corps of Engineers
Environmental & Munitions CX
1616 Capitol Ave., Suite 9200
Omaha, NE 68102-9200

Funding for the U.S. EPA Superfund Program site-specific project listed below is to be decreased as follows:

Site Name: _____

Generic IA Number: _____

Assignment Title: (Example: Technical Assistance, Rapid Response for Removal Activities, etc.)

U.S. EPA RPM/OSC Name: _____ Phone: _____

Total Funding Authorized: \$ _____

Total Funding Billed (Final Cost): \$ _____

Balance of Funding to be Decreased: \$ _____

EPA Accounting Information

	DCN	Superfund Account No.	Object Class	Amount
Deobligate From:	_____	_____	_____	\$ _____
Obligate To:	_____	_____	_____	\$ _____

Authorized EPA Region Signature Date

(Name) USACE EM CX Date

(Name) EPA CFC Date

APPENDIX B

EPA/USACE SUPERFUND PROGRAM

Work Authorization Form (WAF)

Original Increase Decrease Date:

Authorization is hereby given to provide support as described in the Superfund Generic Interagency Agreement (IA) identified below. The following information is provided for cost documentation purposes:

Superfund Generic IA Number:

Site Name:

Work Assignment Title (type of activity):

EPA Work Assignment Number:

EPA Revision Number:

EPA CERCLIS Site ID Number:

Expiration Date:

EPA RPM/OSC:

Preferred USACE District (Optional):

USACE Program/Project Officer:

Scope of Work Description:

Previous Funding	Current Funding	Total Funding
\$	\$	\$

	DCN	Superfund Account Number	Object Class	Amount
Deobligate From:				
Obligate To:				

EPA IA Project Officer

Date

Signed Originals To:

EPA Cincinnati Finance Center
Accounting Operations Office (MS 002)
26 W. Martin Luther King Drive
Cincinnati, OH 45268

U.S. Army Corps of Engineers (EM-CX)
1616 Capitol Avenue, Ste. 9200
Omaha, NE 68102-9200