



DelDOT Project Closeout Guidelines for Project Managers

Purpose

To define roles and responsibilities for DelDOT Project Managers department-wide regarding documentation, procedures, activities, and requirements for Project Closeout.

Summary

The full lifecycle of a project begins at planning (pre-design), continues through design, right of way (ROW) acquisition, and construction, before reaching the project's completion. "Project Closeout" is the systemic process of reviewing, reconciling, and finalizing contract documentation, in both the technical aspects of a project as well as the financial aspects, to meet the requirements of the contract, the State of Delaware, and federal agencies (IE: Federal Highway Administration-FHWA, Federal Transit Authority-FTA, Federal Railroad Administration-FRA) as necessary. Throughout a project's full lifecycle, there are several points in which project requirements and data must be reviewed, acted upon, and ultimately transferred to another DelDOT section for a project to be considered "closed." In addition to meeting the technical requirements of the proposed project, administrative functions such as the closing of purchase orders should be approached proactively to avoid delays in Project Closeout after construction is completed.

Why Project Closeout? DelDOT must meet its federal obligations for timely Project Closeout under 2 CFR 200.344. These obligations include fiscal responsibility to unencumber state and federal dollars from physically constructed projects to re-program available funds for other projects. DelDOT also has a responsibility to release contractors timely from their bonds and retainage once a project has received final acceptance. Project Managers (PMs) play a significant role in knowing, monitoring, and reporting when projects have reached certain milestones throughout the project lifecycle. By utilizing tools such as Unifier to track completion dates and approved schedule extensions, PMs communicate critical data to Finance and other DelDOT Sections needed to properly monitor and report on projects to outside agencies.

Key Terms

FRED – Field Requested End Date – The date, set by Construction, that field construction work is anticipated to be complete. FRED establishes the Period of Performance end date reported to FHWA which directly impacts when federal funding can be used for expenditures. FRED is estimated as 180 calendar days after agreement on final quantities between DelDOT and its Contractor.



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POP – Period of Performance – The duration of a project with a specified end date, which Finance manages and reports to FHWA/FTA/FRA on federally funded projects. State funded projects are similarly managed internally at DelDOT. The POP end date can only be adjusted at certain milestones by Finance; therefore, close communication between PMs and Finance is crucial to meeting federal reporting deadlines. Additionally, Audit must be able to track and reconcile changes in project durations caused when the FRED changes. Accurate and timely communication on FRED is critical for the Audit to have adequate time to perform its 100% compliance check within the POP, as required for every DelDOT project.

Project Closeout by Phase

PD / PE / ROW / RR / Utilities: Federal statutes dictate that no PE charges can be issued to a project within 6 months of entering the CE phase. PMs assigned to the PE phase of a project must set estimated and actual completion dates for design phase services within the Unifier Estimates tab under the Estimates BP. The estimated date should be set for 3 months after the planned PS&E date of the project to account for final invoices for consultant and other contract services (such as geotechnical drilling for a larger design project). This should allow enough time to process and pay final invoices within the 6-month mandate. PMs should coordinate with Construction for any CE contract services that may be carried over from the PE to the CE phase. If CE services are to be included, a new task must be created in the CE phase. Once the actual date of completion of the design phase and final invoice is known, that date must also be entered into the Estimates tab of the Unifier Estimates BP as this will trigger the Project Closeout activities to begin for the design phase. At Recommendation to Award (RTA), the Design PM must coordinate with the assigned Construction Area Engineer to receive Construction's proposed FRED to be included in the RTA letter. The FRED will be entered into Unifier by the Area Engineer upon award.

Each DelDOT Section is responsible for maintaining a Project Closeout Checklist to facilitate proactive Project Closeout activities for its section's projects, including the closure of Purchase Orders (POs) as tasks are completed. Copies of developed checklists are included in the Appendix.

Construction: Upon Recommendation to Award (RTA) and the project officially changing hands from PE phase to CE phase, the assigned Area Engineer will enter the FRED into Unifier under the General/Project Information/Field Requested End Date menu option in Unifier. During administration of the construction contract, the Area Engineer will update the FRED as necessary due differences between the initially set FRED at RTA. These FRED revisions may be due to change orders, time to complete initial/primary inspections, completion of final punch list, claims, etc.



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For IDIQ projects, the FRED date will need to be assigned and updated no less than annually by the assigned Area Engineer in Unifier at the beginning of each federal fiscal year. A copy of the Acceptance for Maintenance letter must be on file as part of construction closeout.

Area Engineers should refer to the Unifier FRED training documentation located on the DelDOT Design Resource Center (DRC). A link has been provided in the Appendix. Each FRED revision will be retained in an audit trail with notification automatically made to Finance for reporting purposes.

Construction PMs are responsible for updating the Project Closeout Business Process (BP) within Unifier. This BP is used to track construction project completion data and is based on the Project Closeout Checklist previously contained within the Construction Manual on the Design Resource Center. While the previous checklist was outdated, it has been updated to follow current processes during development of the BP. Other offices performing services within the Construction Phase must also document Project Closeout activities on their Project Closeout checklists (i.e., Traffic).

Other Phases: Each section within DelDOT should develop and utilize its own Project Closeout Checklists based on standard practices and requirements of the projects administered. Some sections, such as Traffic or M&O, have unique requirements within their projects not suited for capture by a general SOP. Internal subject matter experts and coordination with Finance & Audit are advised when developing checklists.

PM Tools and Best Practices

It is imperative that the PM take a lead role on Project Closeout activities, as PMs have a global knowledge of activities and POs associated with a project. While some activities may be delegated, responsibility for timely Project Closeout will remain with the PM. Remaining proactive in closing POs as soon as final invoices are received is paramount; the longer a PO stays open, the greater the chance of staff turnover or other pitfalls that lead to the inability to close the PO and, ultimately, the contract associated with the PO. Additionally, the proactive closure of POs will release unused funds and make them available for other projects or phases. DelDOT Finance sends Lapsed PO reports in the spring each year and reconciles lapsed POs at the end of third quarter. Upon receipt of the Lapsed PO report, the Division's Support sections then coordinate with the responsible PMs for them to determine approving the closure of the PO where work has been completed and final invoices received and paid. To assist in this effort, a COGNOS report has been developed, called the Project Closeout 'Hotlist', to pull lapsed POs with no activity since the prior Fiscal



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Year so that PMs can see what POs qualify as lapsing at any given date. It is recommended that PMs review the Hotlist quarterly to proactively close POs ahead of the Lapsed PO reports from Finance to better streamline the PO closeout process and not receive a substantial lapsing PO list once a year. A link to the Hotlist is included in the Appendix. The Hotlist does not replace the reports received from Finance but is intended to supplement Finance's efforts. Should any POs appear on either the Lapsed PO report from Finance or the Hotlist that need to remain open, the PM should coordinate with Finance proactively to note why the PO is to remain open and anticipated timeframe for closure.

Appendix

Useful Links:

Unifier Trainings - [Design Resource Center - Unifier - General Trainings](#)

Construction Manual / Standard Forms - [Standard Forms - Delaware DOT Construction Manual \(deldot.gov\)](#)

COGNOS Project Closeout 'Hotlist' (Project Closeout Report) – [IBM Cognos Analytics](#)

See next pages for currently developed Draft Project Closeout Checklists

- Design Project Close-out Checklist
- Traffic Project Closeout Checklist (DRAFT)
- M&O Project Closeout - Materials & Minor Contracts (M&MC)

Design Project Close-out Checklist

Contract No. : _____ Project Description: _____


DATE

- _____ Construction contract awarded
- _____ Check FACTS for open PE phase purchase orders
- _____ Closeout primary design consultant PO
 - Request Final Invoice
 - Review and approve final invoice
 - Submit final invoice to: DOT_Transolutions_Payment@delaware.gov and Dot.AuditManagement@delaware.gov and request closeout of the PO
 - PO is closed
- _____ Closeout support section POs
 - Coordinate with appropriate PM to make sure all tasks are complete and determine when final invoices can be requested
 - All other POs are closed
- _____ Closeout PE phase
 - Email DOT_Transolutions_Funding_Requests@delaware.gov to unallot the money

Traffic Project Closeout Checklist (DRAFT)

Project No. _____

Legend

 Completed by Signal Construction

Type of Project:

Capital _____

Traffic Only _____

One location _____


Multiple _____


Locations _____

Developer _____

 Completd by Traffic Fiscal

Date:


 All materials ordered, received and billed

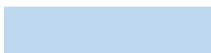
 All Signing materials ordered, received and billed

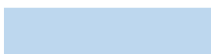
 All contractor bills received, approved and sent to Fiscal for payment

 All contractor bills paid

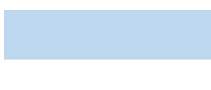
 Closeout letter from Signal Contraction to Contractor received


 Mutiple locations - All locations completed

 All PO closed or Pomods completed to close

 Unallot funds from project (TRAFFIC ONLY PROJECTS)

 Notify Finance - Traffic completed and can be unalloted (CAPITAL PROJECTS)

 Request from developer for refund? If withing 60 days of project completion, send refund
If not, funds can be used for other purchases

 Update P6 to closed/completed (TRAFFIC ONLY PROJECTS)

M&O Project Closeout –

Materials and Minor Contracts (M&MC)

Contract No. : _____ Project Description: _____

DATE

- Project Manager (PM) confirms all work orders have been completed.
- PM conducts and/or confirms inspection.
- PM notifies Support Services Administrator (SSA) to assure all invoices have been received and paid.
- Once confirmed, the PO's and mods are closed.
- Any remaining funds on the project are unallotted by the SSA.
- Finance is advised the funds have been unallotted and project is ready to be closed.