

**COUNCIL OF DEFENSE AND SPACE INDUSTRY ASSOCIATIONS**  
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CODSIA Case 2020-004

June 15, 2020

Honorable Michael Wooten  
Administrator  
Office of Federal Procurement Policy  
Office of Management and Budget  
Washington, D.C. 20503

Ref: Expedited Contract Closeout Regulations  
CODSIA Case 2020-004

Dear Administrator Wooten:

On behalf of the member associations of the Council of Defense and Space Industry Associations (CODSIA),<sup>1</sup> we write to call to your attention to a proposed rule to amend the DFARS to provide for expedited contract closeout, published in the April 8, 2020, Federal Register.<sup>2</sup> The proposed rule adds a new DFARS contract clause that allows the contractor and the Government to expedite a contract closeout by waiving any entitlement that may accrue to either party for residual dollar amounts up to \$1,000 at the time of final contract closeout.

We submitted comments on the proposed rule on June 8, 2020<sup>3</sup>. We support that rule but recommended changes to make the closeout opportunity more readily available and address other issues, as detailed in those comments.

Among the recommendations we made in our letter is to seek government-wide coverage for this expedited contract closeout waiver process. In our view, adopting this rule government-wide would significantly benefit all federal agencies and contractors by reducing the number of aged contracts that cannot be closed because of the challenge of reconciling very small dollar differences between the government and the contractor. We recommend that the FAR Council adopt this rule – with our recommended modifications, or at least publish the DFARS proposed rule, as amended, as a FAR rule for public comment.

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<sup>1</sup> CODSIA was formed in 1964 by industry associations with common interests in federal procurement policy issues at the suggestion of the Department of Defense. CODSIA consists of eight associations – Aerospace Industries Association (AIA), American Council of Engineering Companies (ACEC), Associated General Contractors (AGC), CompTIA, Information Technology Industry Council (ITI), National Defense Industrial Association (NDIA), Professional Services Council (PSC), and U.S. Chamber of Commerce. CODSIA's member associations represent thousands of government contractors nationwide. The Council acts as an institutional focal point for coordination of its members' positions regarding policies, regulations, directives, and procedures that affect them. A decision by any member association to abstain from participation in a particular case is not necessarily an indication of dissent.

<sup>2</sup> 68 Fed. Reg. 19719, April 8, 2020, available at <https://www.govinfo.gov/content/pkg/FR-2020-04-08/pdf/2020-06724.pdf>

<sup>3</sup> [http://codsia.org/uploads/6/8/9/9/68991301/codsia\\_dfars\\_expediting\\_contract\\_closeout\\_-\\_final\\_-\\_8\\_jun\\_20.pdf](http://codsia.org/uploads/6/8/9/9/68991301/codsia_dfars_expediting_contract_closeout_-_final_-_8_jun_20.pdf)

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Thank you for your attention to this request. We welcome the opportunity to discuss it with you and/or your staff, and the FAR Council members, at your convenience. If you have any questions or need any additional information, please do not hesitate to contact CODSIA's lead on this issue, Alan Chvotkin, Executive Vice President and Counsel for the Professional Services Council. He can be reached at (703) 875-8059 or at [chvotkin@pscouncil.org](mailto:chvotkin@pscouncil.org).

Sincerely,



John Luddy  
Vice President National Security  
Aerospace Industries Association



Steve Hall  
Vice President, Government Affairs  
American Council of Engineering  
Companies



Jimmy Christianson  
Regulatory Counsel  
Associated General Contractors of  
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David Logsdon

David Logsdon  
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