


<h1>Project Navigator</h1>				<b>Guideline</b>			
<b>TITLE</b> <b>CONTRACT CLOSEOUT</b>				VALE # <b>NAV-GP-0194</b>		PAGE <b>1/5</b>	
				<b>DM # 644089</b>		REV. <b>5</b>	
EffectiveDate:	Feb 13/14	Revisit Date:	Dec 2015	Prepared By:	T.Pinkerton	Approved By:	T.Hirschfeld

## 1.0 PURPOSE

This guideline is a reference for closing out any contract to provide material and / or services for a project. The scope of the contract could be a) part of the scope of a larger project or b) that of the entire project.

## 2.0 REFERENCE DOCUMENTATION

The following documents were used in the development of this document or are related to it. The most recent revision shall be used.


<a href="#">NAV-TP-0194</a>	Contract Close-out Checklist
<a href="#">NAV-TP-0064</a>	Customer Verification and Acceptance Template
<a href="#">NAV-GP-0064</a>	Customer Verification and Acceptance Guideline
<a href="#">NAV-TP-0195</a>	Completion Certificate
<a href="#">NAV-TP-0185</a>	Deficiency List Template
DM#644765	Statutory Declaration
<a href="#">Link</a>	Ontario WSIB Clearance Certificate
<a href="#">NAV-TP-0199</a>	Statement of Invoices
<a href="#">NAV-TP-0203</a>	FWI / CCO Verification Email Template
<a href="#">Database</a>	Contractor Evaluation– Questionnaires - Scorecard
NAV-GP-0198	Contractor Evaluation Guideline (to be developed)
<a href="#">NAV-GP-0090</a>	Fixed Asset – Disposal / Transfer / Capitalization Guideline
<a href="#">NAV-LP-0117</a>	Project Capitalization Close Out Memo
<a href="#">NAV-GP-0125</a>	Project Tracking System Guideline
<a href="#">NAV-LP-0126</a>	Project Tracking System

## 3.0 CONTEXT

In order to close a contract all work must have been completed as per the original contract and related Contract Change Orders (CCOs).

The Contract Close-out checklist is guidance for the Project Team and does not prevent SSO Contract Administration from closing the contract. For SSO to close out a contract the applicable activities in the “SSO Contract Administration Items” section of the checklist must be complete. Other activities on this checklist are for verifying internal processes.

Note: Customer Verification and Acceptance may be done at various points within the project, depending on the nature of the work. If done in conjunction with contract

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closeout a complete Handover Package related to that equipment / process must be submitted as part of the contract closeout.

#### 4.0 CONTRACT CLOSE-OUT CONSISTS OF:

A Handover Package may or may not be required prior to contract closeout. This will depend on the project structure, commissioning activities and if the equipment related to an individual contract can be handed over prior to the completion of all contracts associated with that project. If a Handover Package is required the Construction Manager is to complete a “Deficiency List” (NAV-TP-0185) and “Customer Verification and Acceptance Template” (NAV-TP-0064) to ensure that there will be no additional FWI’s or CCO’s required. Ensure that the Scope and Technical Handover section of the Contract Closeout Checklist is complete. See the Technical Handover section below for a more detailed review.


The “FWI / CCO Verification Email” template (NAV-TP-0203) is to be completed by the Cost Controller and emailed to the Procurement Representative. This template will ensure that all FWI’s have been covered by a CCO and if there are FWI’s that have not been covered by a CCO a “closing CCO” must be issued to ensure that all Project and Procurement documents are reconciled for auditing purposes. A “closing CCO” is required even for those FWI’s that have been issued within a contingency amount as only Procurement can enter into a legally binding contract on behalf of Vale. Attach any FWI’s that have not been covered by a CCO to the email.

A Completion Certificate is a document signed by the Contractor Representative and Vale Contract Manager agreeing that the all the work has been completed satisfactorily. The Statement of Invoices is a document from the Contracting Party summarizing the invoices and related holdback amounts.

The Contracting Party is to complete the “Contract Completion Certificate” (NAV-TP-0195) and the “Statement of Invoices” (NAV-TP-0199) and forward these to the Cost Controller. Both the Vale Contract Manager and the Contracting Party shall receive a final copy of the signed Completion Certificate.

WSIB Clearance Certificates are obtained by the Finance Department directly from the Contracting Party; Project Teams or other personnel involved in contract closeout are not required to request this information from the Contracting Party.

If there is NO Holdback on the contract being closed out the Contract Completion Certificate from the Contracting Party must be sent to the Procurement Representative.

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If there is a Holdback on the contract that is being closed then the following must be emailed to the SSO Finance Team at [sso.holdback@vale.com](mailto:sso.holdback@vale.com) and cc'd to the Procurement Representative:

- Completion Certificate (NAV-TP-0195)
- Statutory Declaration
- Statement of Invoices (NAV-TP-0199)

Note that the Statutory Declaration is to be sealed and signed by a Notary Public or Commissioner of Oaths and signed by the Contracting Party stating that all work has been completed and all lien obligations have been discharged.

Allow time for Finance Department to process the Holdback request, complete a lien search, and receive approvals before a holdback can be released. Review holdback release requirements with the Procurement Representative where it may impact capital project closeout at year end.


The Contracting Party does not generate an invoice for the amount of the holdback, nor does a release need to be created. The holdback amount has already been invoiced / released and is being withheld in case of a lien, until the holdback is released.

Engineering contract closeouts are to be managed by the EOC.

The Cost Controller will confirm that all holdback amounts have been released in Oracle.

Other activities include the following and are delegated by the Project Manager:

- Update the “Comments” field in the Project Tracking System to indicate that the contract is complete.
- If an asset was created as a result of the contract and will be put in operation at close-out, then ensure that the Asset Capitalization memo is issued.
- Complete and submit the contractor evaluation form as per the Contractor Evaluation Guideline (NAV-GP-0198).
- Identify in the Cost Control sheet that the contract has been closed out and no further releases shall be issued against this contract.


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Ensure that all other line items on the Contract Closeout Checklist are reviewed and completed if applicable to the contract.

All documentation is to be filed in accordance with the local document management standards.

#### 4.1 TECHNICAL HANDOVER

- If applicable, ensure that all engineering and other documentation related to the contract has been submitted to the Project Team and to the Drawing Management System (JDMS). (*i.e. drawings, design briefs, operation and maintenance manuals, etc...*)
- If applicable, conduct a joint site visit with the Operations Representative and the Maintenance Representative to review all the items installed as part of this contract.
- If applicable, review that all training requirements have been identified and scheduled / completed.
- If applicable, ensure that all spare parts have been received, stored and documented appropriately.
- If applicable, confirm that the information required for the Maintenance Representative to initiate new equipment numbers and MSTs, etc... in Ellipse has been handed over.

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## 5.0 APPENDICES

*Appendix A: Revision and Transition Notes*

### **Appendix A: Revision and Transition Notes**

*Revision notes describe: what was changed, why it was changed, and the plan to implement the change, including whether changes are retroactive*

#### **Revision Control Information**

Rev #	Date	Nature of Change	Page inserted, replaced, revised or cancelled	Approved by document owner
1	June 11/13	Document development for Project Navigator	All	T.Hirschfeld
2	July 22/13	Update	Section 4.0 updated to reflect that SSO obtains WSIB Clearance Certificates.	T. Hirschfeld
3	Oct 18/13	Clarification	Section 4.0 under SSO Contract Admin Activities section clarified "In the event that FWIs were issued for work above the approved contingency amount and individual CCO is required for that FWI"	T. Hirschfeld
4	Feb 13/14	Clarification	All sections revised to provide process clarification	T.Hirschfeld
5	Oct 6/14	Update	Ensure that the Contracting Party receives a copy of the final signed Completion Certificate for their records.	T.Hirschfeld