



Massachusetts Bay Transportation Authority

CAPITAL PROGRAMS MANUALS



PROFESSIONAL SERVICES CLOSEOUT

September 2022

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1.0 Policy

All professional service contracts and task orders shall be closed upon completion of the services. The Consultant must submit their final invoice to the MBTA Project Office. The Project Manager must designate that the work is complete by confirming all submittals and deliverables have been reviewed, inspected and accepted.

2.0 Purpose

The purpose of this manual is to define the closeout process for professional service contracts and task orders. The goal is to ensure all specified work has been completed in accordance with the contract, all deliverables have been received, and all financial aspects of the contract are settled.

3.0 Responsibilities

3.1 Consultant

The Consultant shall notify the MBTA Project Manager that all services are complete and submit a final invoice along with any required deliverables and/or closeout documentation.

3.2 MBTA Project Office

The Project Manager shall confirm all services have been provided. Review the final invoice submission and complete all administrative steps required to close the contract or task order.

3.3 Area Director

The Area Director shall review the CPER and take action consistent with the SOP.

3.4 Delivery or Transformation Chief

The Delivery or Transformation Chief shall review the final contract invoice and consultant CPER (if necessary) and take action consistent with the respective SOPs.

3.5 Budget Analyst

Review and generate the final invoice in CMS.

3.6 MBTA Contract Services

Audit the final invoice submission to ensure that all required closeout documentation has been submitted and is complete and accurate. Submit the invoice to Accounts Payable and perform any required closeout actions within the MBTA Financial Systems.

4.0 Instructions

4.1 Professional Service Contract Closeouts

The closeout process for Professional Service Contracts begins when the Consultant informs the Project Manager that all services have been completed. The closeout process includes a final invoice; an evaluation of the Consultant performing the contract work (CPER); a Closeout Memo declaring that all work and deliverables have been submitted and accepted; a Contract Closeout Form documenting the final amount paid to the Consultant and absolving the MBTA from paying any additional monies for the contract work; confirmation that a CUF Analysis has been performed on a federally funded contract; and if necessary, that “Good Faith Effort” documentation has been provided and accepted, if the Consultant does not meet the DBE requirements on a federally funded contract.

All required documentations must be provided to close a professional services contract and return unused funding to the project.

4.1.1 Consultant Performance Evaluation Reports (CPER)

The Project Manager shall prepare a ‘final’ CPER which shall evaluate the performance of the Consultant’s work for the entire contract. This record shall be generated ahead of the final payment request and is completed through the “Consultant Performance Evaluation Report process in e-Builder, in accordance with the SOP.

The CPER requires action from the Project Manager, Area Director, and if necessary, the Delivery or Transformation Chief. The Delivery or Transformation Chief is only involved in the CPER process if there is a disagreement in scoring between the Area Director and Project Office. All actors shall take action in accordance with the CPER SOP.

The Consultant must also acknowledge the CPER. If the Consultant disagrees with the score that has been given, they may request a meeting with the Project Office or Area Director to discuss the rating.

For additional information on the CPER process and templates please see the CPER SOP ([Consultant Performance Evaluation Report](#)).

4.1.2 Contract Closeout Memo

The Project Manager shall prepare a Contract Closeout Memo to be attached to the final contract invoice process in e-Builder. The Contract Closeout Memo must contain the Project Manager’s declaration that all work is complete and that all submittals and deliverables have been reviewed, inspected and accepted. The Contract Closeout Memo should declare the following items and provide any additional information and documentation as appropriate.

- ❖ Specific design and/or construction objectives and procedures have been met.

- ❖ The terms of the contract, scope of services and costs were complied with and the objectives accomplished.
- ❖ The contract was carried out in an economical and efficient manner.
- ❖ The quality of professional services and cooperation provided by each Consultant supports their selection for future contracts.
- ❖ The contract was carried out in compliance with MBTA and FTA procedures and regulations.
- ❖ That contract records are complete and organized for easy future access by the Authority employees as well as internal and external auditors.
- ❖ Certification that there are no “errors and omissions” for which the Authority should pursue credit to the contract.

4.1.3 Contract Closeout Form

A Contract Closeout Form shall be prepared and attached to the final contract invoice process (MPSI Process) in e-Builder by the Project Manager. The form is sent to the Consultant by the Project Office to fill out and includes the value of the authorized contact amount, the final amount paid on the contract, and any remaining balance on the contract to be unencumbered upon contract closeout. The form must be signed by the Consultant and sent to the Project Manager for review, approval, and to be uploaded to e-Builder.

4.1.4 Commercially Useful Function (CUF Analysis)

A Commercially Useful Function (CUF) is a process to evaluate whether a firm that is certified as a Disadvantaged Business Enterprise (DBE) controls all components of a business and is directly responsible for the execution of the work they are contracted to perform.

A CUF Analysis is a fraud preventative measure that ensures DBEs are performing a Commercially Useful Function and must be performed on all federally funded contracts prior to closeout. The CUF Analysis is performed by the MBTA Office of Diversity and Civil Rights (“ODCR”). Unlike other aspects of the contract closeout process, the Project Manager’s responsibility is to confirm whether or not a CUF Analysis has been performed by ODCR for each DBE Subcontractor on a contract.

A CUF Analysis can be performed soon after contract award. Project Managers are encouraged to confirm if the ODCR Compliance Office has performed a CUF Analysis as soon as possible and should not wait until the final contract payment to seek confirmation.

To confirm if a CUF Analysis has been performed, the Project Manager must email the ODCR Compliance Officer or check the Project’s e-Builder Document File Folder No. 21.15 “CUF Analysis”. If it is determined that a CUF Analysis has not been performed,

the Project Manager shall notify the ODCR Compliance Officer who will begin the process. Once ODCR has been notified that a CUF Analysis has not been performed, the contract closeout may proceed.

4.1.5 Disadvantaged Business Enterprise (DBE) Good Faith Effort (GFE)

The Project Manager should be monitoring the DBE goal throughout the contract to ensure the Consultant is meeting or will meet the DBE goal. The Consultant shall document all activities pertaining to DBE participation as it relates to the Consultant's commitment to the MBTA. The Project Manager shall notify the MBTA Office of Diversity and Civil Rights ("ODCR") promptly upon notice that the DBE goal attainment is in jeopardy and partner with ODCR to examine the Consultant's ongoing efforts to meet the DBE goal and determine options for corrective actions when necessary. If upon contract completion the Consultant has not met the DBE goal then the Consultant must submit GFE documentation in accordance with the Regulations cited below.

Upon receipt of the Consultant's GFE submission, the Project Manager should coordinate their review with ODCR to determine if the Consultant's efforts are compliant with the federal guidelines.

The Consultant shall upload their GFE Documentation to e-Builder folder 21.08 "Good Faith Efforts Documentation".

For guidance on how to document Good Faith Effort, please see the [Code of Federal Regulations, Appendix A to Part 26](#) - Guidance Concerning Good Faith Efforts and the MBTA DBE Program Plan.

4.1.6 Final Contract Invoice

After all deliverables have been inspected and accepted, the Consultant shall initiate the closeout process by submitting their final contract invoice to the MBTA Project Office through e-Builder consistent with the Professional Services Invoice SOP ([Professional Services Invoicing SOP](#)).

Prior to the Project Manager's approval of the final contract invoice, the Project Manager must complete a CPER in e-Builder evaluating the Consultant's work, provide a Closeout Memo declaring that all work and deliverables have been submitted and accepted, and provide a Contract Closeout Form documenting the final amount paid to the Consultant and absolving the MBTA from paying any additional monies to the Consultant for the contract work. The forms will be uploaded to e-Builder by the Project Manager during their review of the final contract invoice.

In addition, if the contract is federally funded the Project Office must confirm that ODCR has performed a CUF Analysis and whether or not Good Faith Effort documentation is required.

Once all required documents have been completed and uploaded to e-Builder, the Project Manager shall review the invoice for completeness and accuracy consistent with the Professional Services Invoicing SOP and forward to the Delivery or Transformation Chief who shall also review the invoice and take action consistent with the Professional Services Invoicing SOP.

The Budget Analyst shall then generate the approved invoice in CMS and take action consistent with the Professional Services Invoicing SOP.

Finally, the Contract Services Auditor shall receive the CPER, Contract Closeout Memo, Contract Closeout Form and the approved invoice and take action consistent with the Professional Services Invoicing SOP. The Contract Services Auditor must also perform any required CMS and/or FMIS actions to unencumber funding and to close the contract in the Authority's financial systems.

4.2 Task Order Closeout

The closeout process for Professional Service Task Orders begins when the Consultant informs the Project Manager that all services have been completed. The closeout process includes the submission of CPER evaluating the Consultant performing the task order work; submittal of a Task Order Closeout Form which confirms that all work and deliverables have been submitted and accepted, indicates various contract values, and absolves the MBTA from paying any additional monies for the subject task order work; confirmation that a CUF Analysis has been performed on the task order, if it is federally funded; and if necessary, that "Good Faith Effort" documentation has been provided and accepted, if the Consultant does not meet the DBE requirements on a federally funded task order.

Unlike a standard professional services contract, task orders are fully paid prior to closeout. Project Managers are then required to follow-up on all closeout documentation (CPER, Closeout Form). All required documents must be provided in order for a task order to be closed and any unused funding returned to the project.

4.2.1 Final Invoice Submission

After all deliverables have been inspected and accepted, the Consultant shall submit their final task order invoice to the MBTA Project Office through e-builder consistent with the Professional Services Invoice SOP ([Professional Services Invoicing SOP](#)). The Consultant must indicate that the invoice is the final invoice on the subject task order. This indication will link the payment to the e-Builder closeout process to allow for reporting and follow-up on closeout documentation as required.

All actors in the invoice process (Project Manager, Budget Analyst and Contract Services Auditor) shall take action consistent with the Professional Services Invoicing SOP.

4.2.2 Consultant Performance Evaluation Reports (CPEP)

Upon notification that the Consultant has submitted the final invoice on a task order, the Project Manager shall prepare a 'final' CPEP which shall evaluate the performance of the Consultant's work on the subject task order. This report shall be generated once work on the task order has been completed and prior to task order closeout. The CPEP is completed through the "Consultant Performance Evaluation Report" process in e-Builder, in accordance with the SOP.

The CPEP requires action from the Project Manager, Area Director, and if necessary, the Delivery or Transformation Chief. The Delivery or Transformation Chief is only involved in the CPEP process if there is a disagreement in scoring between the Area Director and Project Office. All actors shall take action in accordance with the CPEP SOP.

The Consultant must also acknowledge the CPEP. If the Consultant disagrees with the score that has been given, they may request a meeting with the Project Office or Area Director to discuss the rating.

For additional information on the CPEP process and templates please see the CPEP SOP ([Consultant Performance Evaluation Report](#)).

4.2.3 Task Order Closeout Form

After receiving compensation for the final payment on a task order, the Consultant shall immediately fill out the Task Order Closeout Form by inputting the authorized amount of the task order, the final amount paid on the task order, and any remaining balance on the task order to be unencumbered following closeout. The form must be signed by the Consultant and sent to the Project Manager for review and approval.

The Project Manager shall receive the signed Task Order Closeout Form from the Consultant and review it for accuracy.

- ❖ The form shall be returned to the Consultant if it contains incorrect information or if it is not signed.
- ❖ If the information on the form is accurate, the Project Manager must affix their signature to the form attesting that (1) all services have been provided, (2) any submittals and deliverables have been reviewed, inspected and accepted, (3) that all invoices have been paid and (4) that the task order may be closed. Once complete, the Task Order Closeout Form is emailed to the Contract Services Auditor along with the CPEP capsupportpsauditinvoice@mbta.com.

4.2.4 Commercially Useful Function (CUF Analysis)

A Commercially Useful Function (CUF) is a process to evaluate whether a firm that is certified as a Disadvantaged Business Enterprise (DBE) controls all components of a business and is directly responsible for the execution of the work they are contracted to perform.

A CUF Analysis is a fraud preventative measure that ensures DBEs are performing a Commercially Useful Function and must be performed on all federally funded task orders prior to closeout. The CUF Analysis is performed by the MBTA Office of Diversity and Civil Rights (“ODCR”). Unlike other aspects of task order closeout, the Project Manager’s responsibility is to confirm whether or not a CUF Analysis has been performed by ODCR for each DBE Subcontractor on a task order.

A CUF Analysis can be performed soon after a task order has been awarded. Please note that ODCR may not receive notification of an awarded task order in a timely manner and may not realize a CUF must be performed. As a result, Project Managers are encouraged to confirm if the ODCR Compliance Office has performed a CUF Analysis as soon as possible and should not wait until the final task order payment to seek confirmation.

To confirm if a CUF Analysis has been performed, the Project Manager must email the ODCR Compliance Officer or check the Project’s e-Builder Document File Folder No. 21.15 “CUF Analysis”. If it is determined that a CUF Analysis has not been performed, the Project Manager shall notify the ODCR Compliance Officer. Once ODCR has been notified that a CUF Analysis has not been performed, the task order closeout may proceed.

4.2.5 Disadvantaged Business Enterprise (DBE) Good Faith Effort (GFE)

The Project Manager should be monitoring the DBE goal throughout the task order to ensure the Consultant is meeting or will meet the DBE goal. The Consultant shall document all activities pertaining to DBE participation as it relates to the Consultant's commitment to the MBTA. The Project Manager shall notify the MBTA Office of Diversity and Civil Rights (“ODCR”) promptly upon notice that the DBE goal attainment is in jeopardy and partner with ODCR to examine the Consultant’s ongoing efforts to meet the DBE goal and determine options for corrective actions when necessary. If upon task order completion the Consultant has not met the DBE goal then the Consultant must submit GFE documentation in accordance with the Regulations cited below.

Upon receipt of the Consultant’s GFE submission, the Project Manager should coordinate their review with ODCR to determine if the Consultant’s efforts are compliant with the federal guidelines.

The Consultant shall upload their GFE Documentation to e-Builder folder 21.08 “Good Faith Efforts Documentation”.

For guidance on how to document Good Faith Effort, please see the [Code of Federal Regulations, Appendix A to Part 26](#) - Guidance Concerning Good Faith Efforts and the MBTA DBE Program Plan.

4.2.6 Final Task Order Closeout Documentation and Submittal

Upon completion of the Consultant Performance Evaluation Report (CPEP), Task Order Closeout Form, confirmation of whether or not a CUF Analysis has been performed, and if required, that the submission of Good Faith Effort documentation has been submitted and accepted, the Project Manager shall submit the closeout documents to the Contract Services Auditor at capsupportpsauditinvoice@mbta.com who shall review the closeout documentation. The Contract Services Auditor will:

- ❖ Ensure the Task Order Closeout Form and CPEP are signed by the Consultant and Project Manager.
- ❖ Confirm the values submitted on the Task Order Closeout Form are accurate by comparing the values on the form to the remaining balances in both CMS and FMIS.
- ❖ If the values are accurate, the form shall be signed by a Contract Services Auditor and any required CMS audit adjustments and/or modifications to the FMIS Purchase Order shall be made and the subject task order closed.
- ❖ If the Auditor discovers any discrepancies between the Task Order Closeout Form, CMS or FMIS, the Auditor shall work with the Project Manager to resolve the discrepancies. Once the issues are resolved, the Project Manager will request the Consultant to submit a new version of the Task Order Closeout Form.
- ❖ Once complete, a signed copy of the Task Order Closeout Form is sent to the Consultant, Project Manager, Sr. Manager of Professional Services, Budget Analyst and the Director of Audit and Closeout informing them that the Task Order has been closed.
- ❖ The Project Manager shall upload the final Task Order Closeout Form to e-Builder Folder 06.01.16.

4.3 e-Builder

Contract and task order closeout documents must be processed through their respective e-Builder processes, when available, to allow the documents to be linked to Closeout Reports in e-Builder. These reports will allow visibility into the closeout process for proactive monitoring and follow-up by multiple parties.

5.0 Exceptions

No exceptions.

6.0 Document History

Document Owner: Capital Programs Support – Contract Services

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V1 / September 16, 2022

7.0 Appendices

7.1 Templates

- ❖ [Contract Closeout Memo](#)
- ❖ [Contract Closeout Form](#)
- ❖ [Task Order Closeout Form](#)

7.2 Reference Documents

- ❖ [Professional Services Invoicing SOP](#)
- ❖ [Consultant Performance Evaluation Report \(CPEP\) SOP](#)
- ❖ [Code of Federal Regulations \(GFE\)](#)
- ❖ [DBE Program Plan](#)