



# Incurring Cost Submissions

Further information is available in the  
Information for Contractors Manual under Enclosure 6

# Incurring Cost Submissions

- Due Dates of Submissions
- Delinquent Submissions
- Adequacy Review
- Audit Requirements
- Required Submission Schedules
- ICE Model / Contractor Submission Portal
- Penalties
- Frequently Asked Questions

# Due Dates of Submissions

- Incurred cost claims are due six months after completion of the contractor's fiscal year end.
  - Per the Allowable Cost and Payment Clause (FAR 52.216-7(d)(2))
  - Allowable cost and payment clause applies to cost-reimbursement type contracts (FAR 16.307)

# Delinquent Submissions

If submissions are six months delinquent, DCAA will recommend a decrement factor for the Contracting Officer to make a unilateral determination. (FAR 42.703-2(c)(2))

# Incurring Cost Adequacy Review

- We check for the schedules listed FAR 52.216-7(d)(2)(iii)
- Any missing or unreconcilable schedule could cause us to report the submission as inadequate
- Recommend self-assessment



IC Adequacy  
Checklist

# Audit Requirements

- FAR 31.201-2(d) requires contractors to maintain records and supporting documentation to demonstrate allowability and allocability of costs
- FAR 31.205 also requires specific documentation to demonstrate the allowability of certain cost elements

# Examples of Specific Documentation Under FAR 31.205

FAR 31.205-33, Professional and Consultant Service Costs, requires the following evidential matter:

- Details of all agreements (e.g., work requirements, rate of compensation, and nature and amount of other expenses, if any) with the individuals or organizations providing the services and details of actual services performed;
- Invoices or billings submitted by consultants, including sufficient detail as to the time expended and nature of the actual services provided; and
- Consultants' work products and related documents, such as trip reports indicating persons visited and subjects discussed, minutes of meetings, and collateral memoranda and reports.

# Examples of Specific Documentation Under FAR 31.205

FAR 31.205-46, Travel Costs, indicates costs shall be allowable only if the following information is documented:

- Date and place (city, town or other similar designation) of the expenses;
- Purpose of the trip; and
- Name of person on trip and that person's title or relationship to the contractor.



# Incurring Cost Electronically (ICE) Model

**ICE** is an EXCEL spreadsheet that provides contractors with a standard user-friendly electronic package to assist in preparing timely and adequate incurred cost submissions.

It should result in less time being spent in:

- ***Submission preparation***
- ***Supporting the audit***

# ICE Benefits

- User Friendly
- Includes all schedules required for an adequate submission per FAR 52.216-7
- Updates are performed electronically and the linking feature updates all impacted schedules
- ICE creates an inventory of electronic files that can be used in subsequent years to compare costs and facilitate submission preparation
- The submission of an adequate proposal may expedite contract closings

# Required Submission Schedules

## FAR 52.216-7(d)(2)(iii) *(referenced to ICE model)*

- Schedule A Summary of Indirect Expense Rates
- Schedules B, C, D Indirect Cost Pools
- Schedule E Claimed Allocation Bases
- Schedule F Cost of Money
- Schedule G Booked and Claimed Direct Costs
- Schedule H Direct Costs by Contract at Claimed Rates
- Schedule H-1 Government Participation by Pool
- Schedule I Cumulative Allowable Cost Worksheet
- Schedule J Subcontract Information
- Schedule K Hours and Amounts on T&M Contracts
- Schedule L Payroll Reconciliation
- Schedule M Accounting/Organization Changes
- Schedule N Certificate of Indirect Costs
- Schedule O Contract Closing Information

# Schedule A

## Summary of Indirect Expense Rates

<b>COST ELEMENT</b>	<b>CLAIMED</b>	<b>REFERENCE</b>
<b><u>Overhead</u></b>		
POOL	510,610	<a href="#"><u>SCHED C (1)</u></a>
BASE	656,824	<a href="#"><u>SCHED E</u></a>
O/H RATE	<u>77.74%</u>	
<b><u>General and Administrative (G&amp;A) Expenses</u></b>		
POOL	271,023	<a href="#"><u>SCHED B</u></a>
BASE	3,151,320	<a href="#"><u>SCHED E</u></a>
G& A RATE	<u>8.60%</u>	

# Schedules B, C, D – Indirect Cost Pools

ACCOUNT NUMBER	DESCRIPTION	TOTAL PER			Reference
		G/L, F/S & TRIAL BAL.	ADJUSTMENT	CLAIMED	
8310	Salaries & Wages	90,007		90,007	
8320	Legal Fees	1,744		1,744	
8330	Audit Fees	32,361		32,361	
8501	Travel	12,987	(1,295)	11,692	
8503	Entertainment	484	(484)	-	
8505	Advertising & Promotion	354	(287)	67	
8522	Bad Debts	3,018	(3,018)	-	
8520	Periodicals	6,435		6,435	
8523	Conventions/Seminars	7,936	(319)	7,617	
8527	Interest Expense	1,001	(1,001)	-	
8528	Holiday	2,321		2,321	
8540	Vacation	5,812		5,812	
8530	Sick Leave	987		987	
8531	Personal Absence	1,082		1,082	
8532	Employee FICA	3,815		3,815	
8535	FUI	183		183	
8536	SUI	910		910	
8537	Workers' Compensation	515		515	
8549	Health Insurance	8,912		8,912	
8550	Life Insurance	1,087		1,087	
8551	Pension Plan	12,318	(1,883)	10,435	
8552	Miscellaneous	3,357		3,357	
	<b><u>SUBTOTAL</u></b>	<b>197,626</b>	<b>(8,287)</b>	<b>189,339</b>	
<b>Intermediate Allocations:</b>					
	Occupancy	23,151	-	23,151	<b>Sched D (1)</b>
	<b><u>SUBTOTAL</u></b>	<b>220,777</b>	<b>(8,287)</b>	<b>212,490</b>	
	IR & D Mat'l, Trvl, ODC(Sum SCH H)	9,724		9,724	<a href="#">SUM SCHED H</a>
	IR & D Labor (Sum SCH H)	14,287		14,287	<a href="#">SUM SCHED H</a>
	IR & D Overhead(Sum SCH H & SCH E)	11,822	(715)	11,107	<a href="#">SUM SCHED H</a> <a href="#">SCHED E</a>
	B & P Mat'l, Trvl, ODC(Sum SCH H)	6,485		6,485	<a href="#">SUM SCHED H</a>
	B & P Labor (Sum SCH H)	9,525		9,525	<a href="#">SUM SCHED H</a>
	B & P Overhead(Sum SCH H & SCH E)	7,882	(477)	7,405	<a href="#">SUM SCHED H</a> <a href="#">SCHED E</a>
				-	
	<b>TOTAL G &amp; A EXPENSE POOL</b>	<b>280,502</b>	<b>(9,479)</b>	<b>271,023</b>	

# Schedule E – Claimed Allocation Bases

	PER G/L, F/S & TRIAL BAL/FS	PER G/L ADJUSTMENTS	CLAIMED	Ref.
<b>Overhead Pool</b>	\$ 543,522	\$ (32,912)	\$ 510,610	<a href="#">Sched C (I)</a>
<b>Overhead Base:</b>				
Total Contract Labor	\$ 633,012		\$ 633,012	<a href="#">Summary Sched H</a>
IR&D Labor	14,287		14,287	<a href="#">Summary Sched H</a>
B&P Labor	9,525		9,525	
<b>Total Overhead Base</b>	\$ 656,824	\$ -	\$ 656,824	
<b>Overhead Rate</b>	82.75%		77.74%	
<b>G&amp;A Pool</b>	\$ 280,502	\$ (9,479)	\$ 271,023	<a href="#">Sched B</a>
<b>G&amp;A Base:</b>				
Contract Labor			\$ 633,012	<a href="#">Summary Sched H</a>
Contract Travel			34,563	<a href="#">Summary Sched H</a>
Contract Material			842,981	<a href="#">Summary Sched H</a>
Other Direct Costs			172,105	<a href="#">Summary Sched H</a>
Subcontracts			944,841	<a href="#">Summary Sched H</a>
<b>Subtotal = DIRECT COSTS</b>			\$ 2,627,502	
General Ledger Overhead (before adjustments)			543,522	<a href="#">Sched C (I)</a>
Less: IR&D/B&P O/H transferred to G & A pool.				
IR & D O/H (at G/L rate)			(11,822)	<a href="#">SCHED B</a>
B&P O/H (at G/L rate)			(7,882)	<a href="#">SCHED B</a>
Other Misc Adjustments to G&A Base (provide detailed support)			-	
<b>G&amp;A Base - Total Cost Input (excludes IR&amp;D/B&amp;P and COM)</b>			\$ 3,151,320	
<b>G&amp;A Rate</b>			8.60%	

# Schedule F – Facilities Cost of Money

Computing COM Rate:			
	Treasury		
	Rate	Mos.	COM Rate
Apr - Jun 08	4.750%	3.00	1.188%
Jul - Dec 08	5.125%	6.00	2.563%
Jan - Mar 09	5.625%	3.00	1.406%
			5.157%

Months percentage added for demonstration purposes - adjust as needed

Company 1		1. Applicable	2. Accumulation	3. Allocation of	4. Total Net	5. COM for Cos	6. Allocation	7. Facilities
Cost Accounting Period 20xx		Cost of Money	& Distribution of	Undistributed	Book Value	Accounting	Base For	Capital COM
		Rate	NBV	(Basis Of Allocation) (Column 2+3)	(Column 1*4)	Period	Period	Factors
<b>Business Unit Facilities Capital</b>	Recorded	5.16%	69,761				In units of measure (Note 1)	
	Leased Property		162,290					
	Corporate/Group							
	Total		232,051					
	Undistributed		193,290					
	Distributed		38,761					
<b>Overhead Pools</b>	Cost of Money Overhead		30,345	168,162	198,507	10,237	656,824	0.01559
	Unused		-	-	-	-	-	0.00000
	LESS: COM on IR&D/B&P Labor:							
	Cost of Money Overhead					(371)	(23,812)	0.01559
	Unused					-	-	0.00000
	Subtotal					9,866		
<b>G&amp;A Expense Pools</b>	G & A		8,416	25,128	33,544	1,730		
	ADD: COM on IR&D/B&P Labor					371		
	Subtotal:					2,101	3,151,320	0.00067
<b>TOTAL</b>			38,761	193,290	232,051	11,967		

# Schedule G

## Booked and Claimed Direct Costs

<u>DESCRIPTION *</u>	<u>AMOUNT</u> <u>PER GENERAL</u> <u>LEDGER *</u>	<u>ADJUSTMENTS</u>	<u>AMOUNT</u> <u>CLAIMED</u>	<u>Ref.</u>
Direct Labor	656,824		656,824	<a href="#">Summary Sch H</a>
Travel	35,173	(1,687)	33,486	<a href="#">Summary Sch H</a>
Material	843,192		843,192	<a href="#">Summary Sch H</a>
Other Direct Cost	187,493	(3,183)	184,310	<a href="#">Summary Sch H</a>
Subcontracts	944,841		944,841	<a href="#">Summary Sch H</a>
<b>TOTAL DIRECT COSTS</b>	<b>2,667,523</b>	<b>(4,870)</b>	<b>2,662,653</b>	

\* Includes IR&D/B&P direct costs



# Schedule H - Direct Costs by Contract at Claimed Rates

JOB ORDER	Prime CONTRACT NUMBER	SUBCONTRACT NUMBER	Total Labor	Travel	Material	ODC	Sub-Contracts	Total Direct Costs	Claimed O/H	Direct Costs Plus O/H	G&A Base (TCI)	Claimed G & A Applied	Total Costs	O/H COM Applied	G & A COM Applied	Total COM	Grand Total	
<b>A. COST TYPE:</b>																		
1201	N00039-90-C-0873		122,113	5,231	115,068	43,630	87,912	373,954	94,931	468,885	468,885	40,324	509,209	1,904	314	2,218	511,427	
	Claimed		-	1,687		3,183		4,870	-	4,870	4,870	419	5,289	-	3	3	5,292	
	Not Claimed		16,387	836	312	1,212	15,341	34,088	12,739	46,827	46,827	4,027	50,854	255	31	286	51,140	
1203	N00040-90-C-0874		8,973	87	9,687	632	7,888	27,267	6,976	34,243	34,243	2,945	37,188	n/a	n/a	-	37,188	
1204		Clark Inc. subk																
<b>A. TOTAL COST TYPE</b>			<b>147,473</b>	<b>7,841</b>	<b>125,067</b>	<b>48,657</b>	<b>111,141</b>	<b>440,179</b>	<b>114,646</b>	<b>554,825</b>	<b>554,825</b>	<b>47,715</b>	<b>602,540</b>	<b>2,159</b>	<b>348</b>	<b>2,507</b>	<b>605,047</b>	
<b>B. OTHER FLEXIBLY PRICED:</b>																		
1205	N000060-90-C-0913		210,312	8,932	38,643	59,613	89,732	407,232	163,497	570,729	570,729	49,083	619,812	3,279	382	3,661	623,473	
<b>B. TOTAL OTHER FLEXIBLY PRICED</b>			<b>210,312</b>	<b>8,932</b>	<b>38,643</b>	<b>59,613</b>	<b>89,732</b>	<b>407,232</b>	<b>163,497</b>	<b>570,729</b>	<b>570,729</b>	<b>49,083</b>	<b>619,812</b>	<b>3,279</b>	<b>382</b>	<b>3,661</b>	<b>623,473</b>	
<b>C. VAR. TIME &amp; MATERIAL:</b>																		
1301	N00022-96-D-0111		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Task Order No. 1		5,300	382	1,000			6,682	4,120	10,802	10,802	929	11,731	83	7	90	11,821	
	Task Order No. 2		2,882	421	500			3,803	2,240	6,043	6,043	520	6,563	45	4	49	6,612	
1305	F66777-97-D-0112		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Task Order No. 1		2,911	171	750			3,832	2,263	6,095	6,095	524	6,619	45	4	49	6,668	
<b>C. TOTAL VAR. TIME &amp; MATERIAL</b>			<b>11,093</b>	<b>974</b>	<b>2,250</b>	<b>-</b>	<b>-</b>	<b>14,317</b>	<b>8,623</b>	<b>22,940</b>	<b>22,940</b>	<b>1,973</b>	<b>24,913</b>	<b>173</b>	<b>15</b>	<b>188</b>	<b>25,101</b>	
<b>D. VAR-FIXED PRICE:</b>																		
			99,819	5,338	16,724	12,914	147,318	282,113	77,599	359,712	359,712	30,935	390,647	1,556	241	1,797	392,444	
<b>D. TOTAL VAR-FIXED PRICE</b>			<b>99,819</b>	<b>5,338</b>	<b>16,724</b>	<b>12,914</b>	<b>147,318</b>	<b>282,113</b>	<b>77,599</b>	<b>359,712</b>	<b>359,712</b>	<b>30,935</b>	<b>390,647</b>	<b>1,556</b>	<b>241</b>	<b>1,797</b>	<b>392,444</b>	
<b>E. VARIOUS COMMERCIAL WORK:</b>																		
			164,315	11,478	660,297	50,921	596,650	1,483,661	127,738	1,611,399	1,611,399	138,580	1,749,979	-	-	-	1,749,979	
<b>E. TOTAL VARIOUS COMMERCIAL WORK</b>			<b>164,315</b>	<b>11,478</b>	<b>660,297</b>	<b>50,921</b>	<b>596,650</b>	<b>1,483,661</b>	<b>127,738</b>	<b>1,611,399</b>	<b>1,611,399</b>	<b>138,580</b>	<b>1,749,979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,749,979</b>	
<b>TOTAL CONTRACT COSTS</b>			<b>633,012</b>	<b>34,563</b>	<b>842,981</b>	<b>172,105</b>	<b>944,841</b>	<b>2,627,502</b>	<b>492,103</b>	<b>3,119,605</b>	<b>3,119,605</b>	<b>268,286</b>	<b>3,387,891</b>	<b>7,167</b>	<b>986</b>	<b>8,153</b>	<b>3,396,044</b>	
	IR&D		14,287	366	126	9,252		24,011	11,107	35,118								
	B&P		9,525	244	85	6,156		16,010	7,405	23,415								
<b>TOTAL IR&amp;D/B&amp;P</b>			<b>23,812</b>	<b>610</b>	<b>211</b>	<b>15,388</b>	<b>-</b>	<b>40,021</b>	<b>18,512</b>	<b>58,533</b>								
<b>GRAND TOTAL</b>			<b>656,824</b>	<b>35,173</b>	<b>843,192</b>	<b>187,493</b>	<b>944,841</b>	<b>2,667,523</b>	<b>510,615</b>									

# Schedule H-1

## Government Participation

<u>Contract Type</u>	<u>Overhead</u>		<u>G&amp;A</u>		<u>Ref.</u>
	<u>Base Amount</u>	<u>%</u>	<u>Base Amount</u>	<u>%</u>	
Cost-Type	147,473	22.5%	554,825	17.8%	<a href="#"><u>SCHE H</u></a>
Flexibly Priced	210,312	32.0%	570,729	18.3%	<a href="#"><u>SCHE H</u></a>
T&M	11,093	1.7%	22,940	0.7%	<a href="#"><u>SCHE H</u></a>
Fixed Price	99,819	15.2%	359,712	11.5%	<a href="#"><u>SCHE H</u></a>
Commercial	164,315	25.0%	1,611,399	51.7%	<a href="#"><u>SCHE H</u></a>
IR&D/B&P	23,812	3.6%	-	0.0%	<a href="#"><u>SCHE H</u></a>
<b>Total</b>	656,824	100.0%	3,119,605	100.0%	

**Note:** The purpose of this schedule is to present a general overview of the extent that cost-type and flexibly priced contracts participate in the absorption of indirect expenses

# Schedule I – Cumulative Direct & Indirect Costs Claimed & Billed

Contract No.	Subcontract No.	Order No.	Subject To Penalty Clause Note (2)	Prior Years Settled Total Costs Note (3)	Unsettled/Claimed Direct And Indirect Costs Using			Less Contract Limitations Rebates/C Note (5)	Net Cumulative Settled or Claimed Note (6)	Cumulative Billed (Manual Entry)		Over (Under) Billing	Physically Complete (Note 7)	
					Prior Year Costs EYE Note (4)	Current Year Costs EYE Note (4)	Total Cumulative Settled or Claimed Note (4)			Date Cost Billed Through	Amount			
<b>Cost Type &amp; Flexibly Priced:</b>														
<b>SCHED H</b>														
N00039-90-C-0873		1201	Yes	-	126,821	511,427	638,248		638,248	18	2/28/2009	640,110	1,862	
N00040-90-C-0874		1203	Yes	382,595	2,867,500	51,140	3,301,235		3,301,235	30	3/31/2009	3,295,110	(6,125)	
	Clark Inc. subk	1204	-	359,626	555,311	37,188	952,125		952,125	24	1/31/2009	960,100	7,975	Yes
N00060-90-C-0913		1205	Yes	591,362	443,916	623,473	1,658,751		1,658,751	33	3/31/2009	1,640,426	(18,325)	Yes
<b>Subtotal Cost Type &amp; Flexibly Priced</b>							<u>6,550,359</u>		<u>6,550,359</u>			<u>6,535,746</u>	<u>(14,613)</u>	
<b>Time &amp; Material:</b>														
<b>SCHED K</b>														
N00022-96-D-0111		001	-	-	-	10,601	10,601	-	10,601	6	12/31/2008	10,848	247	Yes
N00022-96-D-0111		002	-	-	-	5,950	5,950	-	5,950	6	12/31/2008	5,000	(950)	
F66777-97-D-0112		001	-	-	-	6,000	6,000	-	6,000	2	12/31/2008	5,750	(250)	
<b>Subtotal Time &amp; Material Contracts</b>							<u>22,551</u>		<u>22,551</u>			<u>21,598</u>	<u>(953)</u>	
<b>Total - Cost/Flexibly Priced and Time &amp; Material Contracts</b>							<u>6,572,910</u>		<u>6,572,910</u>			<u>6,557,344</u>	<u>(15,566)</u>	

# Schedule J – Subcontract Information

Cost-type subcontracts issued under flexibly priced prime contracts: Yes  No

SUBCONTRACT NO.	PRIME CONTRACT NO.	SUBCONTRACTOR'S NAME & ADDRESS	POINT OF CONTACT AND PHONE NO.	SUBCONTRACT VALUE	Performance Period		INCURRED IN FY 2009	AWARD TYPE
					From	To		
P.O. #XYZ0998R	N00039-05-C-0873	Small Company 1445 Southpark Blvd. Buffalo, NY 14206	Ms. Donna Charleston Marketing Manager (716) 883-8700 X317	\$110,500	3/16/2006	6/30/2009	\$87,912	CPFF
P.O. #XYZ0776R	N00040-05-C-0874	Tanza Enterprises 87B Executive Park Fairfax, VA 22033	Mr. Mike Tanza President (703) 983-5640	\$895,000	4/20/2006	12/2//2010	\$15,341	CPFF
P.O. #XYZ01032R	Subcontract to Clark Inc. Prime N00039-05-C-0875	Argonautics, Inc. 555 Ocean Parkway Anaheim, CA 92803	Mr. Ted Kessel Marketing Manager (714) 998-2000 X12	\$152,500	7/25/2008	10/16/2011	\$7,888	CPFF
P.O. #XYZ1213R	N00060-05-C-0913	DSK Corporation 3559 Vaulting Road York, PA 17405	Ms. Jane Matthews Marketing (717) 992-7800	\$236,135	10/12/2008	3/15/2009	\$49,732	CPFF
P.O. #XYZ0822R	N00060-05-C-0913	Aristeo Associates 546 Arroyo Drive Carlsbad, NM 87112	Mr. Vince Aristeo President (504) 535-1600	\$100,000	5/14/2007	5/14/2008	\$40,000	CPFF

T&M/LH subcontracts issued under flexibly priced prime contracts: Yes  No

Incentive subcontracts under flexibly priced prime contracts: Yes  No

Subcontract orders based on cost issued under IDIQ prime contracts: Yes  No

Inter-divisional/intercompany and FFP effort issued under flexibly priced prime contracts: Yes  No

# Schedule K - Hours and Amounts on Time & Material (T&M) Contracts

Contract Labor Category (1)	Contract No. N00022-96-D-0111	Task: 001	Rate (2)	Hrs	Amount	Contract No. N00022-96-D-0111	Task: 002	Rate (2)	Hrs	Amount
<b>LABOR</b>										
Program Manager			\$ 25.00	100	2,500			\$25.00	50	1,250
Senior Engineer			\$ 20.00	100	2,000			\$17.50	100	1,750
Engineer			\$ 15.00	200	3,000			\$12.50	100	1,250
Analyst			\$ 12.50	100	1,250			\$12.50	-	-
Technical Typist			\$ 7.00	50	350			\$7.00	100	700
<b>TOTAL</b>				<u>550</u>	<u>9,100</u>				<u>350</u>	<u>4,950</u>
<b>OTHER COSTS</b>										
Material Costs (3)					1,000					500
Travel Costs (3)					382					421
		<u>Sched A</u>								
G&A @:		8.60%	(4)		119					79
Subtotal					<u>1,501</u>					<u>1,000</u>
<b>TOTAL</b>					<u>10,601</u>					<u>5,950</u>
Task Ceilings					<u>25,000</u>					<u>12,500</u>

### Explanatory Notes

- (1) Represents effort performed by the company. Any subcontract effort should be identified separately.
- (2) Represents rates specified in the contract which may be higher or lower than actual rates incurred.
- (3) Represents actual costs recorded in the cost records.
- (4) G&A applied at the claimed rate to Material (if not Value-added base) and Travel Costs.

# Schedule L – Payroll Reconciliation

<u>Acct No.</u>	<u>Description</u>	<u>General Ledger</u>	<u>Reference</u>
	<b><u>Direct Labor:</u></b>	656,824	Summary SCHED H
	<b><u>General &amp; Administrative:</u></b>		SCHED B
8310	Salaries	90,007	
8528	Holiday Wages	2,321	
8540	Vacation Wages	5,812	
8530	Sick Leave	987	
8531	Personal Absence	1,082	
	<b><u>Overhead Pools:</u></b>		SCHED C (x)
7001	Wages	33,060	
8421	Holiday Wages	20,181	
8422	Vacation	25,440	
8423	Sick Leave	14,318	
8425	Severance Pay (in full)	32,419	
	<b><u>Intermediate Pools:</u></b>		SCHED D (x)
8110	Occupancy Wages	23,280	
	Overtime Premium (in ODCs)	270	
	Overtime Premium	-	
	Other Adjustment to arrive at Total Payroll Distributed (Provide detailed support)	-	
	<b>TOTAL LABOR DISTRIBUTION</b>	<b>906,001</b>	
		<b>PER IRS FORM 941</b>	
	1ST QTR.	228,479	
	2ND QTR.	228,236	
	3rd QTR.	237,206	
	4th QTR.	220,167	
	Plus: Current Year Accrual	15,128	
	Minus: Prior Year Accrual	(33,214)	
	Other Adjustments	9,999	
	<b>TOTAL PAYROLL</b>	<b>906,001</b>	

# Schedule M

## Accounting/Organization Changes, etc.

This schedule provides information related to the following:

- Significant decisions, agreements or approvals (e.g., pension plan, billing rates or contract ceilings)
- Significant accounting or organization changes (e.g., changes to indirect pool structure or mergers and acquisitions)



# Schedule N – Certificate of Indirect Costs

## Certificate of Final Indirect Costs Fiscal Year End - 3/31/2009

This is to certify that I have reviewed this proposal to establish final indirect cost rates and to the best of my knowledge and belief:

1. All costs included in the proposal   [identify proposal and date]   to establish final indirect cost rates for   [identify period covered by rate]   are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply; and
2. This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.

Firm: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Certifying Official: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_

### FAR Part 52.242-4-- Certification of Final Indirect Costs.

As prescribed in 42.703-2(f), insert the following clause:

#### Certification of Final Indirect Costs (Jan 1997)

(a) The Contractor shall --

- (1) Certify any proposal to establish or modify final indirect cost rates;
- (2) Use the format in paragraph (c) of this clause to certify; and
- (3) Have the certificate signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the business segment of the Contractor that submits the proposal.

(b) Failure by the Contractor to submit a signed certificate, as described in this clause, may result in final indirect costs at rates unilaterally established by the Contracting Officer.

(c) The certificate of final indirect costs shall read as follows: (see above)



# Schedule O – Contract Closing Info

<u>Contract No.</u>	<u>Order No.</u>	<u>Performance Period</u>		<u>Ready To Close(1)</u>	<u>Contract Ceiling Amount (2)</u>	<u>Fee(3)</u>	<u>Level of Effort Cumulative Hours</u>		<u>Notes</u>
		<u>From</u>	<u>To</u>				<u>Required</u>	<u>Actual</u>	
<b>Cost Type:</b>									
Subcontract-Clark Inc.	-	2/16/05	2/28/09	Yes	1,000,000	60,000	15,000	14,588	
N00060-95-C-0913	-	10/16/06	12/28/08	Yes	1,750,000	112,000	27,500	28,950	
<b>Time &amp; Material</b>									
N00022-96-D-0111	001	7/1/06	12/31/08	Yes	25,000				

**Preparation Notes:**

(1) Indicate whether the contract is ready to close based on all information available. If the contract is not ready to close (e.g., a contract modification is being pursued), the reasons why should be stated in a footnote:

(2) Provide the overall contract ceiling amount before fee, for the type of contract.

(3) Provide fee amount as provided by the contract. Include details of the fee computation for all flexibly priced incentive fee and level of effort type contracts, along with the contract modification used, in a footnote.

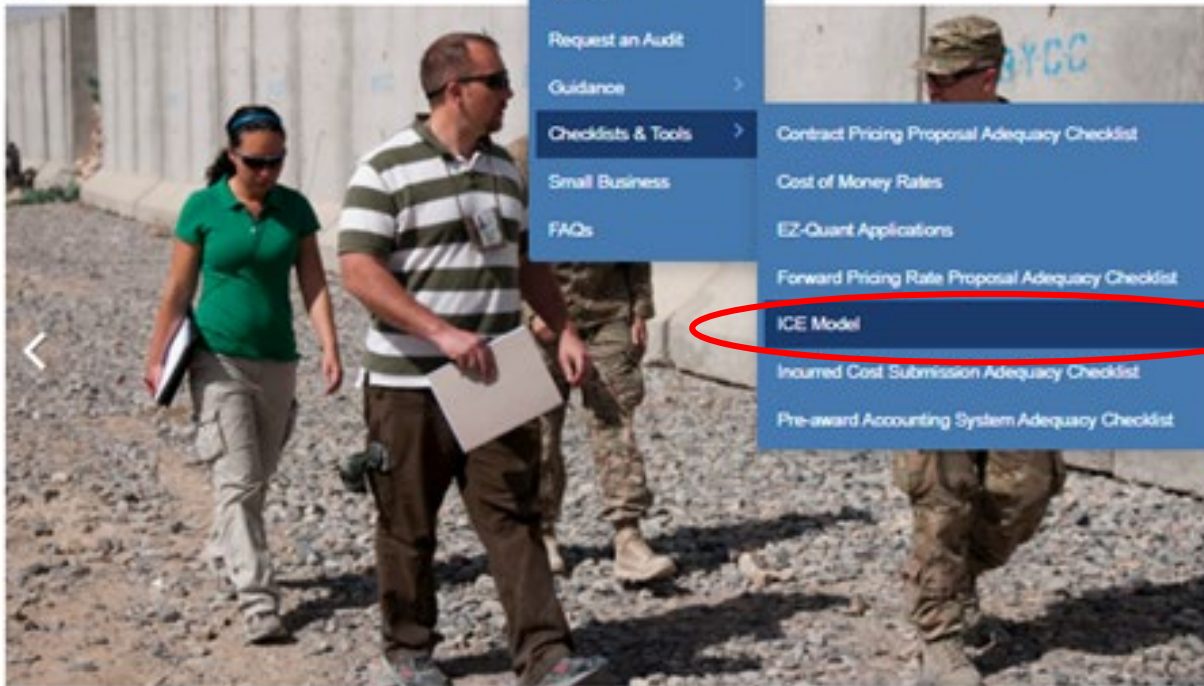


DCAA  
DEFENSE CONTRACT AUDIT AGENCY



HOME ABOUT DCAA CAREERS WITH DCAA CUSTOMERS LOCATOR CONTACT AGENCY NEWS

HOME



Services

Request an Audit

Guidance

Checklists & Tools

Small Business

FAQs

Contract Pricing Proposal Adequacy Checklist

Cost of Money Rates

EZ-Quant Applications

Forward Pricing Rate Proposal Adequacy Checklist

ICE Model

Incurred Cost Submission Adequacy Checklist

Pre-award Accounting System Adequacy Checklist

### Top Stories

#### Policy and Quality team up to Discuss Guidance, Address Common Issues

DCAA's Policy & Plans and Integrity & Quality Assurance Directorates conducted a weeklong conference [Story](#)

#### Mentoring Program Celebrates and Cohort Graduation with Live and Virtual Ceremony

DCAA is creating a culture of mentoring across the Agency through its mentoring program. At the [Story](#)

#### DCAA Inducts Two into Senior Executive Service

DCAA inducted two new members into the Senior Executive Service during a ceremony on December 5th, [Story](#)

# ICE Model

- [ICE Manual.pdf](#) - Complete instructions for using the ICE Model
- [ICE\\_Model.xls](#) - Template for Use in preparing Incurred Cost Proposal
- [ICE\\_Demo.xls](#) - Sample File with Data

# Other Schedules Provided by ICE

- Comparative Analysis by pool and account
- Compensation for Certain Contractor Employees per FAR 31.205-6(p)
- Identification of Prime Contracts Under Which the Contractor Performs as a Subcontractor
- Contract Brief

# Contractor Submission Portal

What is Contractor Submission Portal (CSP)?

- The CSP is located within the Procurement Integrated Enterprise Environment (PIEE).
- Portal is a single place for contractors to submit their incurred cost proposal.
- Allows contractors to submit a new proposal, updated an existing proposal, or withdraw a proposal.

# Contractor Submission Portal Benefits

- Ability to easily transfer large incurred cost submissions;
- You receive a formal automatic notification validating that your submission was received by the cognizant FAO;
- Centralized storage with version control, to ensure that DCAA works with the most current version you provided; and,
- Simple process for withdrawing and/or updating proposal.

# Penalties (FAR 42.709)

- Penalties will be assessed if a contractor claims an expressly unallowable indirect costs (as noted in FAR 31.2) in an final indirect rate proposals (incurred cost proposals)
- Two levels of penalties



# Common Deficiencies

- Signed certification not included or not signed by at least a Vice President or CFO (schedule N)
- Lack of subcontractor information (schedule J)
- Not all intermediate allocations disclosed (sch. D)
- Unallowable costs not included in G&A base (sch. E)
- IR&D/B&P not fully burdened (sch. B)
- Physically complete contracts not shown on sch. I & O
- Government participation not calculated for all final indirect rates (schedule H-1)



# Frequently Asked Questions

Do I have to use the ICE model?

No, the contractor may use any format; however, the ICE model does provide all the schedules required per FAR 52.216-7.

# Frequently Asked Questions

Do I have to submit my proposal through the contractor submission portal?

No, the contractor submission portal is just an automated method to submit your proposal and receive formal automatic notification that your submission was received by your DCAA office.

# Frequently Asked Questions

Can DCAA grant an extension for submitting my final incurred cost rate proposal?

No. Extensions for submitting final rate proposals can only be granted by the administrative contracting officer per FAR 42.705-1(b)(1)(ii). To locate your responsible administrative contracting officer, please contact the Defense Contract Management Agency (DCMA).

# Frequently Asked Questions

When will DCAA determine adequacy of my incurred cost submission and perform the incurred cost audit?

- Auditors should assess the contractor's incurred cost proposal upon receipt and complete the assessment within 60 days of receipt.
- It is DCAA policy that incurred cost submissions will be audited as promptly as possible after receipt. Submissions received after December 12, 2017 will be completed within one year of receipt of an adequate proposal.

# Frequently Asked Questions

I'm preparing my submission(s) (e.g., contract pricing proposal, forward pricing rates, incurred cost, etc.) and would like to ask the DCAA auditor some specific questions on my submission to make sure I'm on the right track. Will the DCAA auditor give me some specific advice on how to prepare my submission?

A DCAA auditor can answer general questions related to the acquisition regulations. For example, if a contractor asked advice on what the FAR requires in certain situations, a DCAA auditor would be able to provide that information. Auditors may also provide general advice on what constitutes an adequate submission. However, auditors are precluded from assisting contractors in preparing and developing the contractor's submission because doing so would create a significant threat to the auditor's independence. Contractors should look under the "Guidance" and "Checklist and Tools" tabs on DCAA's website for guidance about the adequacy of their specific submission.

# Questions/Comments

