

## **COST ACCOUNTING PRACTICES AND CERTIFICATION**

### **I. PREMBLE**

Any purchase order/letter contract with a value of \$500,000 (\$100,000 for purchase orders placed under prime contracts awarded prior to April 1991) or more (including the value of any options included in the purchase order) resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (CASB) (48 CFR Chapter 99), except for those purchase orders/letter contracts which are exempt as specified in 48 CFR 9903.201-1.

Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in Section (II) of this form.

**CAUTION:** A practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to-practice for pricing proposals or accumulating and reporting purchase order performance cost data.

### **II. DISCLOSURE STATEMENT**

#### **A. CERTIFICATE OF CONCURRENT SUBMISSION OF DISCLOSURE STATEMENT**

[ ] The offeror hereby certifies that four (4) copies of a Disclosure Statement (CASB-DS-1 or CASB-DS-2 for educational institutions) will be submitted to Electric Boat if so requested, upon notification that the offeror is the successful bidder.

Note: A Disclosure Statement will be requested only if you are the successful bidder, and Electric Boat will notify you that submittal is required.

[ ] The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable; and  
(ii) one copy to the Defense Contract Audit Agency, Attention: Resident Auditor.

Date of Disclosure Statement(s) \_\_\_\_\_

Name(s) and Address(es) of Cognizant ACO(s) or Federal Official where Filed:  
\_\_\_\_\_  
\_\_\_\_\_

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

#### **B. CERTIFICATE OF PREVIOUSLY SUBMITTED DISCLOSURE STATEMENT**

[ ] The offeror hereby certifies that the required Disclosure Statement(s) was filed as follows:

Date of Disclosure Statement(s): \_\_\_\_\_

Name(s) and Address(es) of Cognizant ACO(s) or Federal Official where filed:  
\_\_\_\_\_  
\_\_\_\_\_

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement(s).

C. CERTIFICATE OF MONETARY EXEMPTION FROM REQUIREMENT TO SUBMIT DISCLOSURE STATEMENT.

[ ] The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling **\$50 million or more** in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Buyer immediately.

D. CERTIFICATE OF INTERIM EXEMPTION FROM REQUIREMENT TO SUBMIT DISCLOSURE STATEMENT

[ ] The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in Paragraph C, above, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Buyer, in the form specified herein, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption. Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

III. **TYPES OF CAS COVERAGE**

A. ELIGIBILITY FOR MODIFIED CAS PURCHASE ORDER COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting standards clause.

[ ] The offeror hereby claims an exemption from the Cost Accounting Standards, clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received **less than \$50 million in awards of CAS-covered prime contracts and subcontracts**. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Buyer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

**B. ELIGIBILITY FOR EDUCATIONAL INSTITUTION CAS PURCHASE ORDER COVERAGE**

If the offeror qualifies as an educational institution as defined by 48 CFR 9903.201-2, the offeror is eligible for educational institution CAS coverage. If the offeror is eligible to use educational institution provisions of 48 CFR 9904 and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the CAS 501, CAS 502, CAS 505 and CAS 506. Note awards to Federally Funded Research and Development Centers (FFRDCs) operated by educational institutions are not eligible for Educational Institution CAS coverage; but are subject to normal full or modified CAS coverage.

- The offeror hereby certifies that the offeror is qualified as an educational institution as defined by 48 CFR 9903.201-2. The offer further certifies that the work to be performed under any purchase order resulting from this solicitation will be performed by other than federally funded research and development centers run by the financial institution.

**IV. EXEMPTIONS FROM COST ACCOUNTING STANDARDS**

If the offeror is eligible to claim an exemption for CAS requirements, and chooses to claim an exemption, the offeror shall certify that it is eligible to claim and hereby claims an exemption from CAS requirements by checking one the boxes below indicating the applicable 48 CFR 9903-201-1(b) exemption.. Failure to check one of the boxes below shall mean that the resultant purchase order is subject to CAS requirements or that the offeror elects to comply with such requirement.

- SMALL BUSINESS EXEMPTION

The offeror is exempt from the provisions of Cost Accounting Standards as a small business concern, meeting the definitions of FAR 19.001.

OR

- STANDARD PRICING EXEMPTION

Pricing is set by law or regulation.

OR

- COMMERCIAL PRICING EXEMPTION

The pricing is firm fixed-pricing, or fixed-pricing with economic adjustment (provided that price adjustment is not based on actual costs incurred) for the acquisition of commercial items as defined in FAR 2.101.

- CAS-COVERED ACTIVITY EXEMPTION

The value of this purchase order including any options is less than \$7.5 million and at the time of award the offeror is not performing any CAS-covered contracts or subcontracts valued at \$7.5 million or more.

OR

UNITED KINGDOM EXEMPTION FROM FULL CAS COVERAGE

The offeror certifies that it is a United Kingdom contractor and that work on the purchase order/letter contract resulting from this solicitation will be performed substantially in the United Kingdom. In addition, it certifies that it has filed with the United Kingdom Ministry of Defence, for retention by the Ministry, a completed Disclosure Statement (Form no. CASB-DS-1) which shall adequately describe its cost accounting practices. Whenever it is required to follow U.K. Government Accounting Conventions, the disclosed practices shall be in accord with the requirements of those conventions (see 9903-201-4(d).)

OR

PERFORMANCE OUTSIDE OF UNITED STATES EXEMPTION

Work on this purchase order will be executed and performed entirely outside of the United States, its territories and possessions.

V **ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS**

The offeror shall indicate below whether award of the contemplated Purchase Order would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause (FAR 52.230-2), require a change in established cost accounting practices affecting existing contracts and subcontracts.

Yes       No

VI. **CERTIFICATION TO BE MADE BY AN OFFICIAL OF THE OFFEROR AUTHORIZED TO ENGAGE IN THE PROPOSED ORDER.**

Signature	_____	RFQ No.	_____
Name (Typed)	_____	Date:	_____
Title	_____		
Firm	_____		

Name: