

# Cost Accounting Standards



***Larry Caton***  
***Acquisition Cost/Price Analyst***



# Background Information

- 1968 Congressional hearings raised concerns over the lack of cost control and consistency in Defense contract cost accounting practices
- 1970 Congress passed Public Law 91-379 which formed the Cost Accounting Standards Board (CASB), the CAS board functioned for a decade promulgating 19 standards, and numerous interpretations
- 1992 the Cost Accounting Standards (CAS) was recodified into the Federal Acquisition Regulation (FAR) and made applicable to all negotiated Government contracts

# Purpose of CAS

Cost Accounting Standards (CAS) are a set of standards that are designed “to achieve uniformity and consistency in cost accounting practices.”

# Advantages of CAS

- Consistency
- Comparability
- More accurate cost allocations
- Higher degree of reliance on accounting systems which reduces risk of incorrect charging or misallocations

# Fundamental Difference Between CAS and FAR Regulations

- CAS deals with the allocability of cost
- FAR deals both with allocability and allowability of cost

# CAS Standards Implemented by the FAR Cost Principles

<b>CAS Standard</b>	<b>FAR Reference</b>	<b>CAS Standard</b>	<b>FAR Reference</b>
401	31.201-1, 31.203(d)	410	31.203, 31.201-4
402**	31.202, 31.203(a)	411	31.205-26
403	31.203, 31.201-4	412*	31.205-6(j)
404**	31.205-11(m), 31.205-16	413*	31.205-6(j)
405**	31.201-2, 31.201-6	414*	31.205.10(a)
406	31.203(e)	415*	31.205-6(i) & (k)
407	31.201-1	416*	31.205-19(a)
408	31.205-6(a) & (m)	417	31.205-10(b)
409**	31.205-11	418	31.203, 31.201-4
		420*	31.205-18(b)

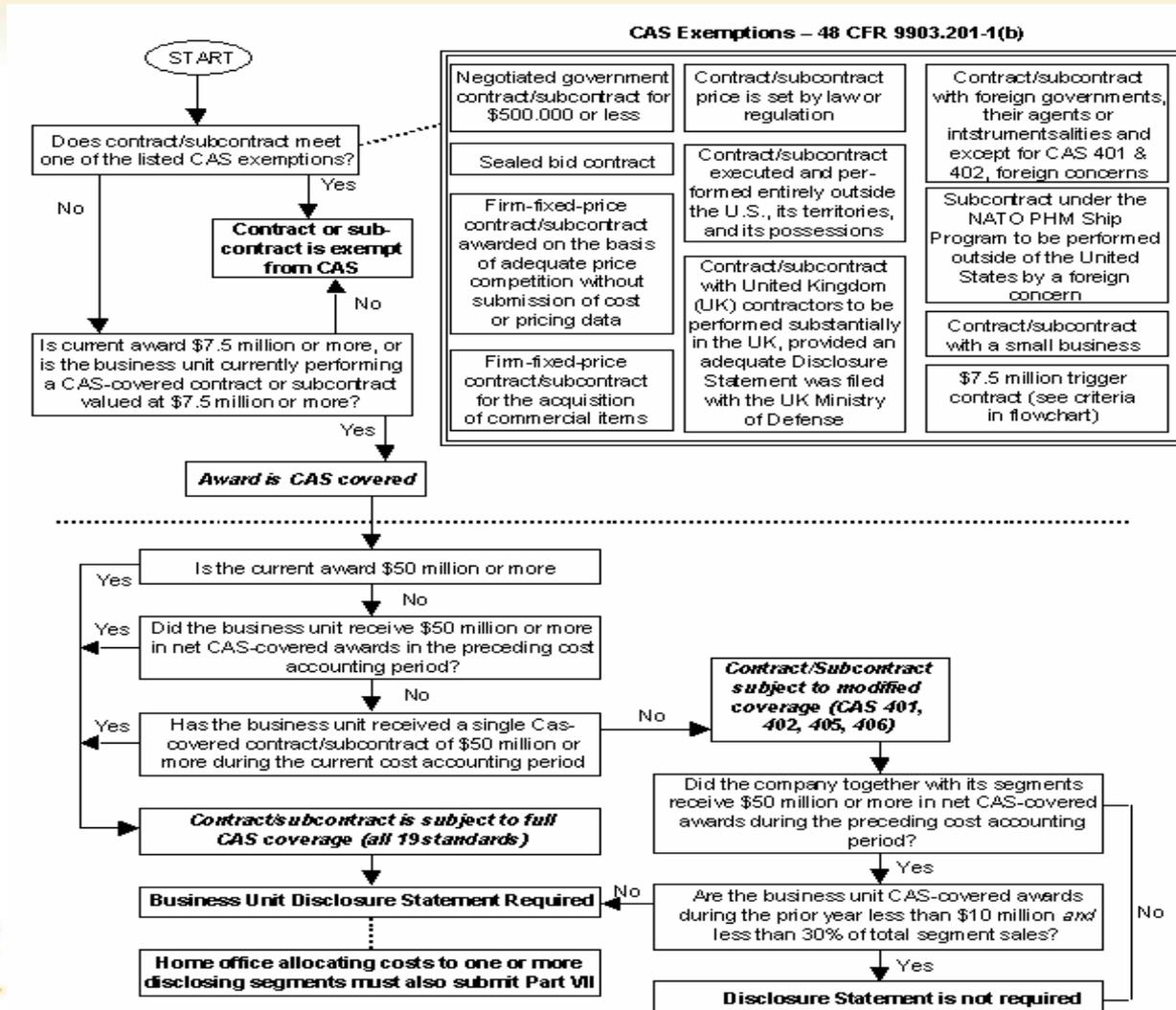
\* These standards are incorporated by reference under most circumstances.

\*\* These standards are substantively duplicated by the cost principles.

# What Contracts are CAS Covered?

Any negotiated government contract/subcontract for over \$500,000 or more, as long as the Business Unit is currently performing a CAS covered contract/subcontract valued at \$7.5 million or more.

# CAS Coverage and Disclosure Statement Determination



# Different Degree of CAS Coverage

- Modified CAS Coverage
  - CAS 401, 402, 405, 406
- Fully CAS Coverage with a Disclosure Statement
  - All 19 Standards with a Disclosure Statement

# Cost Accounting Standards

- 401\*Consistency in Estimating, Accumulating, and Reporting Costs
- 402\*Consistency in Allocating Costs Incurred for the Same Purpose
- 403 Allocation of Home Office Expenses to Segments
- 404 Capitalization of Tangible Assets
- 405\*Accounting for Unallowable Costs
- 406\*Cost Accounting Period
- 407 Use of Standard Costs for Direct Material and Direct Labor
- 408 Accounting for Costs of Compensated Personal Absence
- 409 Depreciation of Tangible Capital Assets
- 410 Allocation of Business Unit General and Administrative Expenses to Final Cost Objectives

# Cost Accounting Standards

- 411 Accounting for Acquisition Costs of Material
- 412 Composition and Measurement of Pension Cost
- 413 Adjustment and Allocation of Pension Cost
- 414 Cost of Money as an Element of the Cost of Facilities Capital
- 415 Accounting for the Cost of Deferred Compensation
- 416 Accounting for Insurance Costs
- 417 Cost of Money as an Element of the Cost of Capital Assets under Construction
- 418 Allocation of Direct and Indirect Costs
- 419 Reserved
- 420 Accounting for Independent Research and Development and Bid and Proposal Costs

# CAS Standards Focused on During this Training Session

- 406\* Cost Accounting Period
- 401\* Consistency in Estimating, Accumulating, and Reporting Costs
- 402\* Consistency in Allocating Costs Incurred for the Same Purpose
- 418 Allocation of Direct and Indirect Costs
- 410 Allocation of Business Unit General and Administrative Expenses to Final Cost Objectives
- 403 Allocation of Home Office Expenses to Segments
- 404 Capitalization of Tangible Assets
- 409 Depreciation of Tangible Capital Assets
- 405\* Accounting for Unallowable Costs
- 420 Accounting for Independent Research and Development and Bid and Proposal Costs
- 408 Accounting for Costs of Compensated Personal Absence

# Format of the CAS Standards

- 20 Purpose
- 30 Definitions
- 40 Fundamental Requirement
- 50 Techniques for Application
- 60 Illustrations
- 63 Effective Date

# CAS 406

## Cost Accounting Period

CAS 406.40. A contractor shall use a fiscal year defined in the standard to mean a 12 month period, 52 weeks, or 53 weeks as his cost accounting period, with the exception for changes in cost accounting periods.

# CAS 401 Consistency in Estimating, Accumulating and Reporting Costs

## CAS 401.40 Fundamental Requirement.

- Contractors accounting systems need to estimate and accumulate cost in the same manner. (This is both on the same contract and between contracts)
- However, contractors can accumulate cost in greater detail than they estimated and still be in compliance with the standard

# CAS 401.60 Illustrations – Practices Deemed to be Consistent

## *Practices used in estimating cost for proposals*

1. Contractor estimates an average direct labor rate for manufacturing direct labor by labor category or function.
2. Contractor estimates an average cost for minor standard hardware items, including nuts, bolts, washers, etc.

## *Practices used in accumulating and reporting cost of contract performance*

1. Contractor records manufacturing direct labor based on actual cost for each individual and collects such costs by labor category or function.
2. Contractor records actual cost for minor standard hardware items based upon invoices or material transfer slips.

# CAS 401.60 Illustrations – Practices that are not Deemed to be Consistent

## *Practices used for estimating costs for proposals*

1. Contractor estimates engineering labor by cost function, i.e., drafting, production engineering, etc.
2. Contractor estimates a single dollar amount for machining cost to cover labor, material and overhead.

## *Practices used in accumulating and reporting costs of contract performance*

1. Contractor accumulates total engineering labor in one undifferentiated account.
2. Contractor records separately the actual cost of machining labor and material as direct costs, and factory overhead as indirect costs.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.20 Purpose.

The purpose of this standard is to require that each type of cost is allocated only once and on only one basis to any contract or other cost objective.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.30 Definitions.

(3) Direct cost means any cost which is identified specifically with a particular final cost objective. Direct costs are not limited to items which are incorporated in the end product as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified specifically with other final cost objectives of the contractor are direct costs of those cost objectives.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.30 Definitions.

(4) Final cost objective means a cost objective which has allocated to it both direct and indirect costs, and in the contractor's accumulation, system, is one of the final accumulation points.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.30 Definitions.

(6) Indirect cost pool means a group of incurred costs identified with two or more cost objectives but not specifically identified with any final cost objective.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.40 Fundamental requirement.

All costs incurred for the same purpose, in like circumstances, are either direct costs only or indirect costs only with respect to final cost objectives. No final cost objective shall have allocated to it as an indirect cost any cost, if other costs incurred for the same purpose, in like circumstances, have been included as a direct cost of that or any other final cost objective.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.40 Fundamental requirement.

Further, no final cost objective shall have allocated to it as a direct cost any cost, if other costs incurred for the same purpose, in like circumstances, have been included in any indirect cost pool to be allocated to that or any other final cost objective.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.20 Purpose.

Double counting occurs most commonly when cost items are allocated directly to a cost objective without eliminating like cost items from indirect cost pools which are allocated to that cost objective.

# CAS 402 Consistency in Allocating Costs Incurred for the Same Purpose

## CAS 402.50 Techniques for application.

(e) Any direct cost of minor dollar amount may be treated as an indirect cost for reasons of practicality where the accounting treatment for such cost is consistently applied to all final cost objectives, provided that such treatment produces results which are substantially the same as the results would have been obtained if such cost had been treated as a direct cost.

# CAS 402.60 Illustrations

Contractor normally allocates all travel as an indirect cost and previously disclosed this accounting practice to the Government. For purposes of a new proposal, contractor intends to allocate the travel costs of personnel whose time is accounted for as direct labor directly to the contract. Since travel costs of personnel whose time is accounted for as direct labor working on other contracts are costs which are incurred for the same purpose, these costs may no longer be included with indirect cost pools for purposes of allocation to any covered Government contract. Contractor's Disclosure Statement must be amended for the proposed changes in accounting practices.

# CAS 402.60 Illustrations

Contractor normally allocates special tooling costs directly to contracts. The costs of general purpose tooling are normally included in the indirect cost pool which is allocated to contracts. Both of these accounting practices were previously disclosed to the Government. Since both types of costs involved were not incurred for the same purpose in accordance with the criteria set forth in the contractor's Disclosure Statement, the allocation of general purpose tooling costs from the indirect cost pool to the contract, in addition to the directly allocated special tooling costs is not considered a violation of the standard.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

## CAS 410.20 Purpose.

The purpose of this Cost Accounting Standard is to provide criteria for the allocation of business unit general and administrative (G&A) expense to business unit final cost objectives based on their beneficial or causal relationship.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

## CAS 410.30 Definitions.

- (2) Business Unit means any segment of an organization, or an entire business organization which is not divided into segments.
- (3) Cost input means the cost, except G&A expense, which for contract costing purposes is allocable to the production of goods and services during a cost accounting period.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

## CAS 410.30 Definitions.

(6) General and Administrative (G&A) expense means any management, financial, and other expense which is incurred by or allocated to a business unit and which is for the general management and administration of the business unit as a whole.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

(7) Segment means one of two or more divisions, product departments, plants, or other subdivisions of an organization reporting directly to a home office, usually identified with responsibility for profit and/or producing a product or service. The terms include Government-owned contractor-operated (GOCO) facilities, and joint ventures and subsidiaries (domestic and foreign) in which the organization has less than a majority of ownership, but over which it exercises control.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

## CAS 410.40 Fundamental requirement.

(a) Business unit G&A expenses shall be grouped in a separate indirect cost pool which shall be allocated only to final cost objectives.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

CAS 410.40(b)(1). The G&A expense pool of a business unit for a cost accounting period shall be allocated to final cost objectives of that cost accounting period by means of a cost input base representing the total activity of the business unit except for the special allocation under CAS 410.50(j).

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

CAS 410.40(b)(1) ... The cost input base selected shall be the one which best represents the total activity of a typical cost accounting period.

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

CAS 410.40(b)(2) ... The allocation of the G&A expense pool to any particular final cost objectives which receive benefits significantly different from the benefits accruing to other final cost objective shall be determined by special allocation (410.50(j)).

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

CAS 410.40(d). Any costs which do not satisfy the definition of G&A expense but which have been classified by a business unit as G&A expenses, can remain in the G&A expense pool unless they can be allocated to business unit cost objective on a beneficial or causal relationship which is best measured by a base other than a cost input base. (Purification of G&A pool)

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

- There are three acceptable bases for the allocation of G&A expenses:
  - Total Cost Input
  - Value-Added
  - Single Element

# CAS 410 Allocation of Business Unit G&A Expenses to Final Cost Objectives

When a contractor performs activities outside the scope of their normal contracting function and do not require a significant amount G&A support, this cost would be excluded from the total cost input base. (For example, a contractor building a parking lot and they normally process Medicare claims.)

# CAS 410.60 Illustrations

- Business Unit A has been including the cost of scientific computer operations in its G&A expense pool. The scientific computer is used predominately for research and development, rather than for the management and administration of the business units as a whole. The costs of the scientific computer operation do not satisfy the Standards definition of G&A expense; however, they may remain in the G&A expense pool unless they can be allocated to business unit cost objectives on a beneficial or causal relationship which is best measured by a base other than a cost input base representing the total activity of a business unit during a cost accounting period.

# CAS 410.60 Illustrations

- Segment B performs a budgeting function, the cost of which is included in its G&A expense pool. This function includes the preparation of budgets for another segment. The cost of preparing the budgets for the other segment should be removed for B's G&A expense pool and transferred to the other segment.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.20 Purpose.

To establish criteria for allocation of the expenses of a home office to the segments of the organization based on a causal/beneficial relationship.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.30 Definitions.

Home office means an office responsible for directing or managing two or more, but not necessarily all, segments of an organization.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.40 Fundamental requirement.

Home office expenses shall be allocated on the basis of the beneficial or causal relationship between supporting and receiving activities.

# CAS 403 Allocation of Home Office Expenses to Segments

The allocation of Home Office Expenses should follow this hierarchical structure:

- 1) Identification of expenses for direct allocation to segments to the maximum extent practical;
- 2) Accumulation of significant nondirectly allocated expenses into logical and relatively homogeneous pools to be allocated on bases reflecting the relationship of the expenses to the segments concerned; and
- 3) Allocation of any remaining or residual home office expenses to all segments.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.40 Fundamental requirement.

(2) No segment shall have allocated to it as an indirect cost, either through a homogeneous expense pool, or the residual expense pool, any cost, if other costs incurred for the same purpose have been allocated directly to that or any other segment.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.40 Fundamental requirement.

(b)(1) Centralized service functions.  
Expenses of centralized service functions performed by a home office for its segments shall be allocated to segments on the basis of the service furnished to or received by each segment.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.40 Fundamental requirement.

(b)(4) Any cost like State and local income taxes, franchise taxes which cannot be identified specifically with individual segments shall be allocated to benefited segments using an allocation base representative of the factors on which the total payment is based.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.40 Fundamental requirement.

(c) Residual expenses.

Typical residual expenses are those for the chief executive, the chief financial officer, and any staff which are not identifiable with specific activities of segments.

# CAS 403 Allocation of Home Office Expenses to Segments

## CAS 403.50 Techniques for application.

Hierarchy of preferable allocation technique are as follows:

- 1) Activity – Measure of the activities of such functions ordinarily can be expressed in terms of labor hours, machine hours, or square footage.

# CAS 403 Allocation of Home Office Expenses to Segments

- 2) Output – is measured in terms of units of end product produced by the supporting function, as for example, number of printed pages for a print shop.
- 3) Surrogates – used to represent the relationship are generally measures of the activity of the segments receiving the service; for example, for personnel, labor hours, or labor dollars of the segments receiving the service.

# CAS 403 Allocation of Home Office Expenses to Segments

CAS 403.50 (c) Residual expenses are allocated on three factor formula, comprised of the following components:

- Payroll dollars
- Operating revenue
- Average net book value

# CAS 403.60 Illustrations

## *Home Office Expense or Function*

1. Personnel Administration
2. Data processing services
3. Centralized purchasing and subcontracting
4. Central telephone service

## *Illustrative Allocation Bases*

1. Number of personnel, labor hours, payroll, number of hires.
2. Machine time, number of reports.
3. Number of purchase orders, value of purchases, number of items.
4. Usage costs, number of instruments.

# CAS 418 Allocation of Direct and Indirect Costs

- CAS 418.20 Purpose.
- The purpose of this Cost Accounting Standard is to provide for:
- Consistent determination of direct and indirect cost
- Criteria for the accumulation of indirect costs
- Guidance relating to the selection of allocation bases

# CAS 418 Allocation of Direct and Indirect Costs

## CAS 418.40 Fundamental requirements.

- (a) A business unit shall have a written statement of accounting policies and practices for classifying costs as direct or indirect which shall be consistently applied.
- (b) Indirect costs shall be accumulated in indirect cost pools which are homogeneous.
- (c) Pooled costs shall be allocated to cost objectives in reasonable proportion to the beneficial or causal relationship of the pooled costs to cost objectives.

# CAS 418 Allocation of Direct and Indirect Costs

CAS 418.40 (2) The pooled cost shall be allocated based on the specific identifiable of resource consumption with cost objectives by means of one of the following allocation bases:

- (i) A resource consumption measure (machine usage rate)
- (ii) An output measure, (pages copied)
- (iii) A surrogate that is representative of resources consumed (direct labor dollars)

# CAS 418 Allocation of Direct and Indirect Costs

## CAS 418.60 Illustrations.

(e) Business Unit E elects to allocate occupancy cost for buildings through an indirect cost pool based on square footage.

This is fine as long as the pool is homogeneous, otherwise, the pool has to be allocated more discretely.

# CAS 418.60 Illustrations

- Business Unit A has various classifications of engineers whose time is spent on working directly on the production of good or services called for by contracts and other final cost objectives. In keeping with its written policy, detailed time records are kept of the hours worked by these engineers, showing the job/account numbers representing various cost objectives. On the basis of these detailed time records, Business Unit A allocates the labor costs of these engineers as direct labor costs of final cost objectives. This practice is in accordance with the requirements of 418.50(a)(1).

# CAS 418.60 Illustrations

- Business Unit C accumulates the costs relating to building ownership, maintenance, and utility into one indirect cost pool designated “Occupancy Costs” for allocation to cost objectives. Each of these activities has the same or a similar beneficial or causal relationship to the cost objectives occupying a space. Business Unit C’s practice is in conformance with the provisions of 418.50(b)(1).

# CAS 404 Capitalization of Tangible Assets

## 404.20 Purpose.

For purposes of cost measurement, contractors establish and adhere to policies with respect to capitalization of tangible assets.

# CAS 404 Capitalization of Tangible Assets

## CAS 404.30 Definitions.

(2) Original complement of low cost equipment means a group of items acquired for the initial outfitting of a tangible capital asset or an operational unit, or a new addition to either. The items in the group individually cost less than the minimum amount established by the contractor for capitalization for the classes of assets acquired but in the aggregate they represent a material investment.

# CAS 404 Capitalization of Tangible Assets

## CAS 404.40 Fundamental Requirement.

- (a) The acquisition cost of tangible capital assets shall be capitalized. Capitalization shall be based upon a written policy that is reasonable and consistently applied.
- (b) The contractor's policy shall designate economic and physical characteristics for capitalization of tangible assets.

# CAS 404 Capitalization of Tangible Assets

## CAS 404.40 Fundamental requirement.

(1) The contractor's policy shall designate a minimum service life criterion, which shall not exceed 2 years, but which may be a shorter period. The policy shall also designate a minimum acquisition cost criterion which shall not exceed \$5,000 but which may be a smaller amount.

# CAS 404 Capitalization of Tangible Assets.

## CAS 404.40 Fundamental requirement.

(4) The contractor's policy for an original complement of low cost equipment may be a higher minimum dollar limitation.

# CAS 409 Depreciation of Tangible Capital Assets

## CAS 409.20 Purpose.

The purpose of this Standard is to provide criteria and guidance for assigning costs of tangible capital assets to cost accounting periods and for allocating such costs to cost objectives within such periods in an objective and consistent manner.

# CAS 409 Depreciation of Tangible Capital Assets

## CAS 409.40 Fundamental requirement.

(1) The depreciable cost of a tangible capital asset shall be its capitalized cost less its estimated residual value.

(Residual value does not have to be used if its less than 10% of the capitalized value.)

# CAS 409 Depreciation of Tangible Capital Assets

## CAS 409.40 Fundamental requirement.

(2) The estimated service life of a tangible capital asset (or group of assets) shall be used to determine the cost accounting periods to which the depreciable cost will be assigned.

# CAS 409.40 Fundamental Requirements.

## CAS 409.40 Fundamental requirement.

(b) (1) Depreciation costs may be charged directly to cost objectives only if such charges are made on the basis of usage and only if depreciation costs of all like assets used for similar purposes are charged in the same manner.

(This is a CAS 402 issue as well.)

# CAS 405 Accounting for Unallowable Costs

## CAS 405.20 Purpose.

- (a)(2) The Standard is predicated on the proposition that costs incurred in carrying on the activities of an enterprises - regardless of the allowability of such costs under Government contracts - are allocable to the cost objective with which they are identified on the basis of their beneficial or causal relationships.
- (b) This Standard does not govern the allowability of costs.

# CAS 405 Accounting for Unallowable Costs

## Key elements of CAS 405:

- Unallowable costs should be identified at the time the cost first becomes defined as unallowable cost.
- Unallowable costs should be treated the same as allowable costs as related to cost allocations.
- Unallowable cost are included in the base for the calculation of indirect rates in accordance with the contractors established accounting practices.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.20 Purpose.

The purpose of this Cost Accounting Standard is to provide criteria for the accumulation of independent research and development costs and bid and proposal costs and for the allocation of such costs to cost objectives based on the beneficial or causal relationship between such costs and cost objectives.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.30 Definitions.

(2) Bid and proposal (B&P) cost means the cost incurred in preparing, submitting, or supporting any bid or proposal which effort is neither sponsored by a grant, nor required in the performance of a contract.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.30 Definitions.

(6) Independent research and development means the cost of effort which is neither sponsored by a grant, nor required in the performance of a contract, and which falls within any of the following three areas;

- (i) Basic and applied research,
- (ii) Development, and
- (iii) Systems and other concept formulation studies.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.40 Fundamental requirement.

- (a) The basic unit for the identification and accumulation of Independent Research and Development (IR&D) and Bid and Proposal (B&P) costs shall be the individual IR&D and B&P project.
- (b) The IR&D and B&P project costs shall consist of all allocable costs, except business unit general and administrative expenses.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.40 Fundamental requirement.

(d) The IR&D and B&P cost pools of a home office shall be allocated to segments on the basis of the beneficial or causal relationship between the IR&D and B&P costs and the final cost objectives.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.40 Fundamental requirement.

(f) (1) The B&P costs incurred in a cost accounting period shall not be assigned to any other cost accounting period.

(2) The IR&D costs incurred in a cost accounting period shall not be assigned to any other cost accounting period, except as may be permitted pursuant to provisions of existing laws, regulations, and other controlling factors.

# CAS 420 Accounting for IR&D and B&P Costs

## CAS 420.50 Techniques for application.

(d) The costs of any work performed by one segment for another segment shall not be treated as IR&D costs or B&P costs of the performing segment unless the work is a part of an IR&D or B&P project of the performing segment. If such work is part of a performing segment's IR&D or B&P project, the project will be transferred to the home office to be allocated.

# CAS 408 Accounting For Costs of Compensated Personal Absence

## CAS 408.20 Purpose.

To improve, and provide uniformity in, the measurement of costs of vacation, sick leave, holiday, and other compensated personal absence for a cost accounting period, and thereby increase the probability that the measured costs are allocated to the proper cost objectives.

# CAS 408 Accounting For Costs of Compensated Personal Absence

## CAS 408.40 Fundamental requirement.

- (a) The costs of compensated personal absence shall be assigned to the cost accounting period or periods in which the entitlement was earned.
- (b) The costs of compensated personal absence for an entire cost accounting period shall be allocated prorata on an annual basis among the final cost objectives of that period.

# Questions and Answers