

Disclosure Statements



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Disclosure Statement

A Disclosure Statement is a written description of a contractor's cost accounting practices and procedures.

(A blue print if you will.)

Disclosure Statement

A Disclosure Statement describes the accounting practices of a business units or segment:

- How costs are accounted for:
 - Direct vs. Indirect Costs
 - Indirect Cost Allocations

Who is the Cognizant Official for CAS Administration?

The federal agency with the largest amount of cost type contract work will be responsible for appointing your cognizant federal official for CAS. This official will be responsible for administering all CAS requirements.

Disclosure Statement

Amendments and Revisions.

Contractors and subcontractors are responsible for maintaining accurate Disclosure Statements and complying with disclosed practices.

Disclosure Statement

Filing Disclosure Statement:

1. Original and one copy to the cognizant Federal official.
2. One copy to the cognizant Federal auditor.

Disclosure Statement

Subcontractor Disclosure Statements.

- (a) The contractor or higher tier subcontractor is responsible for administering the CAS requirements contained in subcontracts.
- (b) If the subcontractor has previously furnished a Disclosure Statement to an ACO, the subcontractor may satisfy the submission requirement by identifying to the contractor or higher tier subcontractor the ACO to whom it was submitted.

Review of Disclosure Statements

- ◆ Adequacy

- Is the accounting practice that you are describing adequately described?

- ◆ Compliance

A two part approach:

- Is the accounting practice describe compliant with CAS regulations?
- Are you actually performing the accounting practice as described?

Parts of the Disclosure Statement

- **Cover Sheet and Certification**
- **Part I General Information**
- **Part II Direct Costs**
- **Part III Direct vs. Indirect Costs**
- **Part IV Indirect Costs**
- **Part V Depreciation & Capitalization Practices**
- **Part VI Other Costs and Credits**
- **Part VII Deferred Compensation and Insurance Cost**
- **Part VIII Home Office Expenses**