



OFFICE OF THE SECRETARY OF DEFENSE

1800 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-1800

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COST ASSESSMENT AND  
PROGRAM EVALUATION

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Changes to Requirement for Submissions of Contractor Business Data Report  
(DD Form 1921-3)

The Office of Cost Assessment and Program Evaluation (CAPE) has determined that the requirement for submission of DD Form 1921-3, "Contractor Business Data Report" (CBDR), may be met with data submitted in contractor format, following the preparation instructions detailed in the draft Data Item Description (DID), DI-FNCL-81765, provided at <http://www.cade.osd.mil/policy/1921-3>. Contractors with the 1921-3 Contractor Business Data Report requirement must submit a single CBDR that fulfills either the existing DID, DI-FNCL-81765B, or the draft DID, DI-FNCL-81765, to the Defense Cost and Resource Center (DCARC) in CAPE within 60 days subsequent to the end of the contractor's fiscal year.

Data in contractor format provides visibility into the business base that is not provided by the existing CBDR, as it aligns to proposals, Defense Contract Management Agency (DCMA) Forward Pricing Rate Proposals (FPRPs), Forward Pricing Rate Agreements (FPRAs), and Defense Contract Audit Agency (DCAA) audits. It also reports costs that are aligned with the contractor's internal categories, instead of mapping to standard functional categories.

Please contact the Defense Cost and Resource Center (DCARC) or the CADE Support Help desk at (253)564-1979 Ext.1 for additional information on implementation of the draft DID.

A handwritten signature in dark ink, appearing to read "R. P. Burke", with a long horizontal line extending to the right.

Richard P. Burke  
Deputy Director  
Cost Assessment

Attachment: Draft 1921-3 DID, DI-FNCL-81765



**DRAFT DATA ITEM DESCRIPTION DRAFT**

**Title:** Contractor Business Data Report (DD Form 1921-3)

**Number:** DI-FNCL-81765

**AMSC Number:**

**DTIC Applicable:**

**Preparing Activity:** CAPE

**Approval Date:**

**Limitation:**

**GIDEP Applicable:**

**Use/Relationship:** For background and detailed requirements related to Contractor Business Data Report (1921-3), refer to DoD 5000.04-M-1, "Cost and Software Data Reporting (CSDR) Manual."

DD Form 1921-3, "Contractor Business Data Report," is used by contractors to submit: (1) direct and indirect actual cost data on Government contracts and (2) proposed direct and indirect cost data in response to Government solicitations according to Defense Federal Acquisition Regulations Supplement (DFARS) sections 234.7100, 234.7101, 242.503-2, 252.234-7003, and 252.234-7004.

This Data Item Description (DID) summarizes the format for DD Form 1921-3 and provides preparation instructions to support the specific data and frequency requirements specified in the contract. DD Form 1921-3 is related to the other CSDR forms, including DD Form 1921 "Cost Data Summary Report" (DI-FNCL-81565), DD Form 1921-1, "Functional Cost-Hour Report" (DI-FNCL-81566), and DD Form 1921-2, "Progress Curve Report" (DI-FNCL-81567). All forms are available for inclusion on any contract that meets the criteria specified in DoD Instruction 5000.02 or under other conditions specified for a particular contractual effort.

This DID supersedes DI-FNCL-81765B.

**Requirements:**

1. *Reference documents.* The applicable issue of the documents cited herein, including their approval dates and dates of any applicable amendments, notices, and revisions, shall be as cited in ASSIST at the time of the solicitation; or, for non-ASSIST documents, as stated herein.

2. *References.*

- a. DoD Instruction 5000.02, "Operation of the Defense Acquisition System," [current version], available at <http://www.dtic.mil/whs/directives/>. This instruction explains mandatory CSDR requirements.
- b. DoD 5000.4-M, "Cost Analysis Guidance and Procedures," [current version], available at <http://www.dtic.mil/whs/directives/>.
- c. DoD 5000.04-M-1, "Cost and Software Data Reporting (CSDR) Manual," [current version], available at <http://www.dtic.mil/whs/directives/>.
- d. DD Form 2794, "Cost and Software Data Reporting Plan," [current version], available at <http://www.dtic.mil/whs/directives/>. Commonly referred to as the CSDR Plan, a completed DD Form 2794 must be approved by the Office of the Secretary of Defense (OSD) Deputy Director, Cost Assessment (DDCA).
- e. "Contractor Business Data Report (CBDR) Sample Format," [current version], available at <http://www.cade.osd.mil/policy/1921-3>.
- f. "CSDR-SR Submitter Guide," [current version], available under the "CADE User Guides" section

at <http://cade.osd.mil/support>.

3. *Format.* There is no prescribed data format for the Contractor Business Data Report (1921-3) or the accompanying Data Definitions. The 1921-3 "Sample Format," available on the Cost Assessment Data Enterprise (CADE) website (Reference "e" above), may serve as a starting point for developing a tailored report. The reporting entity is encouraged to modify the format to best convey the information so long as it fulfills the data requirements described under the "Preparation Instructions" below.

The 1921-3 must be submitted as a stand-alone Excel-compatible file to the CADE's secure Web site using the FPR & 1921-3 Submit-Review System. Uploading requires the use of either a DoD Common Access Card (CAC) or a DoD-approved External Certificate Authority (ECA) Certificate. See the CADE Web site (Reference "f" above) for certificate and other submission instructions.

4. *Implementation.* The CBDR requirement applies to both prime contractors and subcontractors that have other CSDR requirements. Contractors are responsible for implementing CSDR requirements on all subcontracts that meet the reporting thresholds (see DoD Instruction 5000.02, Table 4, "Regulatory Contract Reporting Requirements").

**Preparation Instructions:**

1. *General Instructions.*

- a. These instructions apply to this DID and to other related CSDR DIDs that share common items and related instructions. Report all currency throughout this form in U.S. Dollars with at least the precision of whole dollars. In other words, fractions of dollars are allowed; do not report dollars in thousands or millions. Report all hours throughout this form with at least the precision of whole hours. Fractions of hours are allowed; do not report hours in thousands or millions.
- b. 1921-3 reporting is not required for companies foreign to the United States.
- c. The 1921-3 is to be prepared by the business entity (e.g., plant, site, or business unit) who has received the requirement on a CSDR contract plan. This business entity may or may not be responsible for submitting a Forward Pricing Rate Proposal (FPRP), representing the basis for negotiating the Forward Pricing Rate Agreement (FPRA) with the U.S. Government. If the business entity does submit an FPRP, then the 1921-3 must align with the rate categories provided in the FPRP. If different sites for a business entity have different rates, data must be reported discretely by site.
- d. Reports are to be submitted annually, as of the end of the business entity's fiscal year. The reports are due 60 days subsequent to the end of the contractor's fiscal year.
- e. The data requested must be provided for the two most recently completed fiscal years, and for all future years included in the business entity forecast period. For purposes of this report, submit actual costs for the two most recently completed fiscal years. Data for more than two prior years may be provided at the contractor's discretion. Submit estimated costs for all future years. If the business entity submits an FPRP, the number of future years must reflect the number of years contained in the most current FPRP or FPRA document. In the absence of FPRP or FPRA documents, provide the number of years in the business entity's forecast.
- f. Mark the security classification of the report as "Unclassified" in the space provided on the upper left and lower right of the form. However, if the report is classified, contact the Defense Cost and Resources Center (DCARC) for special processing instructions. Please note: "Proprietary" is not an official DoD security classification, and should not be marked as such in this space. If the use of a proprietary disclosure statement is required, it should be inserted in the document's footer.

2. *Specific Instructions: Metadata.*

- a. Item 1. Contractor Name.
- b. Item 2. Contractor Address (including ZIP code).
- c. Item 3. Business Entity.
- d. Item 4. Point of Contact (Last Name, First Name, Middle Initial).
- e. Item 5. Point of Contact (Department).
- f. Item 6. Point of Contact (Telephone Number, including Area Code).
- g. Item 7. Point of Contact (Email Address).
- h. Item 8. Date Prepared (YYYYMMDD).
- i. Item 9. Reporting Calendar. Provide at a minimum the last two years of actuals and at least three years of future forecasts. The business entity is encouraged to provide actuals as far back as possible and future forecasts that align with timeframes in FPRA/FPRPs. If the FPRA/FPRP does not extend to three years or more, or the business entity does not submit an FPRP, then provide data which includes the number of years in the business entity's forecast.
  - i. Year. Designate the year in four digits, for example, "2018."
  - ii. Year Start. The first day within the designated year. Use the appropriate numeric format. For example, January 1, 2018, would be shown as "20180101."
  - iii. Year End. The last day within the designated year. Use the appropriate numeric format. For example, December 31, 2018, would be shown as "20181231."
  - iv. Prior Year. Mark "X" if the Year is the "Prior Year," referring to the company's most recently completed year for financial reporting. Only one year will be marked. Years including and before the "Prior Year" contain actual values while years after the "Prior Year" are forecasted values.

3. *Specific Instructions: Reported Data.*

- a. Section A. Business Entity Cost Summary. Report the total costs actually incurred or forecasted to be incurred by the business entity according to the following categories. Do not omit any business entity costs from this section. Do not include the same cost in two different categories.
  - i. Cost Type. Enter one of the following. Specify where fringe costs are reported in the Data Definitions.
    - (1) Direct Labor.
    - (2) Direct Materials.
    - (3) Other Direct Costs (ODC).
    - (4) Overhead.
    - (5) G&A.
    - (6) Unallowable.

- (7) Other (specify). If necessary, enter the name of other categories of business unit costs not captured in Items 1-6 above. If there are multiple other categories, please insert additional items as needed and specify their names. Descriptions regarding the cost contents in each cost type must be provided in the Data Definitions.
- (8) Total Business Entity Costs. Items 1-7 will sum to Item 8, Total Business Entity Costs.
- ii. Year. See definition for Metadata Item 9.i.
- iii. Dollars. Enter the dollars.
- b. Section B. Revenue Summary. The total actual and forecasted business unit revenues.
- i. Year. See definition for Metadata Item 9.i.
- ii. Revenue Dollars. Enter the total revenue in dollars.
- c. Section C. Rate Summary. Provide straight-time dollars per hour for each direct labor category. For each Fringe, Overhead, and G&A category managed by the business entity, provide the base, expense, and rate. Specify where fringe costs are reported in the Data Definitions. Exclude unallowable costs.
- i. Year. See definition for Metadata Item 9.i.
- ii. Category Name.
- (1) Direct Labor Category. Enter the direct labor categories managed by business entity. If the business entity provides an FPRP or FPRA document, then the direct labor categories reported here must be consistent with the those categories in the FPR process. Straight-time direct labor rates, excluding fringe rates and overtime.
- Values. Provide Dollars per Hour.
- (2) Fringe Category Name. Enter the fringe categories managed by business entity. If the business entity provides an FPRP or FPRA document, then the fringe categories and rates reported here must be consistent with the fringe categories provided in the FPR process.
- Values. Provide Base Dollars, Expense Dollars, Base Hours, Expense Hours, and Rate Percentage.
- (3) Overhead Category Name. Enter the overhead categories managed by business entity. If the business entity provides an FPRP or FPRA document, then the overhead categories and rates reported here must be consistent with the overhead categories provided in the FPR process. If the business entity has material categories without overhead expenses, provide the base dollars with zero values for expense and rate.
- Values. Provide Base Dollars, Expense Dollars, Base Hours, Expense Hours, and Rate Percentage.
- (4) G&A Category Name. Enter the G&A categories managed by business entity. If the business entity provides an FPRP or FPRA document, then the G&A categories and rates reported here must be consistent with the G&A categories provided in the FPR process.
- Values. Provide Base Dollars, Expense Dollars, Base Hours, Expense Hours, and Rate Percentage.

- d. Section D. Expense Details. Identify the Expense dollars for each of Fringe, Overhead, and G&A, further identified by component categories tracked by the business entity. Certain components must be identified separately.
- i. Year. See definition for Metadata Item 9.i.
  - ii. Cost Type. Enter one of the following. Specify where fringe costs are reported in the Data Definitions.
    - (1) Fringe.
      - Fringe Category Name. See definition for Item ii.2, Section C.
      - Entity Fringe Component. Identify fringe costs by component, such as medical, leave, and retirement, as recorded by the business entity. Retirement and medical costs must be identified separately.
      - Values. Provide indirect Expense Dollars.
    - (2) Overhead.
      - Overhead Category Name. See definition for Item ii.3, Section C.
      - Entity Overhead Component. Identify overhead costs by component as recorded by the business entity. Internal Research and Development (IRAD) costs must be identified separately.
      - Values. Provide indirect Expense Dollars.
    - (3) General & Administrative.
      - G&A Category Name. See definition for Item ii.4, Section C.
      - Entity G&A Component. Enter the G&A categories managed by business entity. Internal Research and Development (IRAD) costs must be identified separately.
      - Values. Provide indirect Expense Dollars.
- e. Section E. Base Details. Identify Direct Labor, Materials, and Other Direct Costs (ODCs) by the business entity's own categories. Further identify the direct base by the top ten DoD programs performed by the business entity, other DoD, other government, and commercial. Exclude unallowable costs.
- i. Year. See definition for Metadata Item 9.i.
  - ii. Cost Type. Enter one of the following. Specify where fringe costs are reported in the Data Definitions.
    - (1) Direct Labor.
      - Overhead Category Name. See definition for Item ii.3, Section C.
      - Values. Provide direct Base Dollars and direct Base Hours.
    - (2) Direct Materials.
      - Entity Materials Category. If the business entity has an overhead category specifically for materials, enter that here. If the business entity has material

categories without overhead expenses, provide the base dollars according to the business entity's nomenclature.

- Values. Provide direct Base Dollars.

(3) Other Direct Costs (ODC).

- Entity ODC Component. Identify the components of ODC costs, such as costs for travel, information technology, reproduction of printed material, rental of special facilities and equipment, fire and extended coverage, insurance, and shipping and transportation charges for items sent or returned to subcontractors, and so forth, according to the structure recorded by the business entity. If the business entity does not track ODC components, then do not report by component.
- Values. Provide direct Base Dollars.

iii. Buyer.

(1) DoD Program Buyer. For all business entity work identified by a specific DoD program in the "Program Name" data item, enter the buying agency from the list below:

- Army.
- Navy.
- Marines.
- Air Force.
- Missile Defense Agency.
- DoD.
- Other (Specify). If none of the above, specify the DoD buying agency. Do not enter "Other."

(2) Other DoD. All remaining DoD effort and projected new DoD business that is not associated with the DoD programs/projects associated with one of the top ten DoD Programs which are listed as a "Specified DoD Program." If costs for "Other DoD" are greater than 10% of the total direct labor dollars, high level details regarding the composition of these costs must be provided in the Data Definitions.

(3) Other Government. Work for government agencies other than the DoD that is being performed in the same business entity. If costs for "Other Government" are greater than 10% of the total direct labor dollars, high level details regarding the composition of these costs must be provided in the Data Definitions.

(4) Commercial. Commercial work that affects the calculation of DoD overhead rates in the business entity. If costs for "Commercial" are greater than 10% of the total direct labor dollars, high level details regarding the composition of these costs must be provided in the Data Definitions.

iv. Program Name. Enter at least the top ten DoD programs (regardless of Acquisition Category, or ACAT, level) performed by the business entity. It is encouraged that more than ten programs be identified. Include all contracts and projects associated with the DoD program. For example, if a contractor has eighteen contracts for a single defense program—including efforts for spares,



sustainment, production, and development—the costs for these contracts must be aggregated and reported as one program. Report all contracts associated with each program in Section G, Contract Numbers.

Enter the Government name given to the acquisition program, regardless of ACAT designation. If only a product associated with the program is being produced, enter the type of the product being developed or procured (e.g., radar), and include the official military designation for the end item (e.g., “AN/APG-81 Radar”).

***The “Program Name” data item may be nulled (left blank) for all “Buyer” data item entries associated with “Other DoD,” “Other Government,” and “Commercial,” unless the business entity elects to further identify the data by additional program or project names.***

- f. **Section F. Delivery Schedule Details.** If business base projections are made on the basis of program quantity orders, report prime mission product quantities. Delivery schedule is only requested, where appropriate, for the Program Names provided in sections E. The business entity is encouraged to provide additional details and data items where readily available.
- i. **DoD Program Name.** See definition for Item iv, Section E.
  - ii. **Qualifier.** Optional field. Provide any additional qualifying description of the quantities being reported for each program, if necessary. Each program may have multiple line items if they are delivering different types of products that are qualitatively different and significant in scope.
  - iii. **Year.** See definition for Metadata Item 9.i.
  - iv. **Quantity.** The number of program prime mission product end item quantities delivered or forecasted to be delivered.
- g. **Section G. Contract Numbers.** Provide all contract numbers active in the Prior Year and relate to the DoD Program Name for at least the top ten programs.
- i. **Contract Number.**
  - ii. **DoD Program Name.** See definition for Item iv, Section E.
- h. **Section H. Data Definitions.**
- i. **Remarks.** Note any relevant information that could be useful in the interpretation of the data provided in this report, including any explanations specified in the items above.
  - ii. **Accounting Changes.** Use this area to report significant accounting changes to the business entity that have occurred and are projected to occur, for each year of the reporting period. Identify the specific effects on cost or data (e.g., hours, rates) categories on the 1921-3 that were and will be impacted by the accounting change(s). Please provide a quantitative comparison of the old accounting prior to the change (normalized to one hour of labor or one dollar of material) as compared to the new accounting post change.
  - iii. **Organizational Changes.** Use this area to report significant organizational changes to the business entity that have occurred and are projected to occur, for each year of the reporting period.
  - iv. **Configuration of Rate Structure.**
    - (1) **Placement of Fringe.** For Section B, Business Entity Cost Summary, are fringe costs included in Direct Labor, in Overhead, or is fringe spread between both direct and indirect

labor?

- (2) Overhead Base. Calculated from hours, straight-time dollars, total direct labor dollars including Fringe, or total direct dollars including materials? If none, specify.
- (3) G&A Base. Calculated from hours, straight-time dollars, total direct labor dollars, or total direct dollars including materials? If none, specify.

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