

DATA ITEM DESCRIPTION

Title: DD Form 1921, "Cost Data Summary Report"

Number: DI-FNCL-81565A

Approval Date: 20031031

AMSC Number: D7514

Limitation:

DTIC Applicable:

GIDEP Applicable:

Preparing Activity: (D) OSD/PA&E/CAIG

Applicable Forms: DD Form 1921 (OMB Control No. 0704-0188); 33 hours

Use/Relationship: DD Form 1921 is used to obtain essential cost data from contractors for the purpose of establishing a cost database. Prime contractors and integrating contractors for teaming arrangements with Contractor Cost Data Reporting (CCDR) requirements in their prime contracts are responsible for informing subcontractors and team contractors who meet the reporting thresholds about these requirements. All contractors must submit reports electronically to the Defense Cost and Resource Center (DCARC), who maintains a database of CCDR data. The CCDR database will be used to do the following: (1) prepare program cost estimates for major systems reviewed by the Defense Acquisition Board (DAB) and other Component review programs, (2) develop independent government contract estimates in support of cost and price analyses, and (3) develop estimates to support Analyses of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts.

Information acquired through DD Form 1921 includes actual and estimated incurred costs at completion with the number of units being procured by Work Breakdown Structure (WBS). Reporting typically includes level 3 of the contract and subcontract WBS. Costs include both direct and overhead for each WBS element and are subdivided into recurring and nonrecurring costs. General and Administrative (G&A), undistributed budget, management reserve, facilities cost of money, and profit or fee are shown separately at the bottom of the report and are not included in the individual WBS element costs.

DD Form 1921 reporting is mandatory on Acquisition Category (ACAT) IC and ID program contracts or subcontracts valued over \$50 million (in FY 2002 dollars). Contracts priced between \$7 million and \$50 million (in FY 2002 dollars) are subject to CCDR reporting requirements when the Cost Working-Level Integrated Product Team (CWIPT) determines, and the Cost Analysis Improvement Group (CAIG) agrees, that they are high-risk or high-technical-interest items. Contracts priced below \$7 million (in FY 2002 dollars) are not subject to CCDR reporting. This exemption applies to all ACAT I, II, and III programs with CCDR requirements. Reporting frequency is tied to program estimating needs as determined by the program manager and the CWIPT for ACAT I programs and the program manager and the responsible Component reviewing authority for ACAT II and III programs.

This DID summarizes the format for DD Form 1921 and provides preparation instructions to support the specific data and frequency requirements specified in the

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contract. DD Form 1921 is one of two CCDR formats and is related to the other report, DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report" (DID number DI-FNCL-81566A). Both reports are available for inclusion on any given contract that meets the criteria specified above and any other conditions specified for a particular report.

This DID replaces DID number DI-FNCL-81565.

Requirements:

1. *Reference documents.* Mandatory CCDR requirements are contained in DoD Instruction 5000.2.
2. *Format.* Use DD Form 1921 and the detailed preparation instructions below. All CCDR reports for new or modified ACAT I contracts, awarded after October 1, 2003, must be submitted electronically using the standard Microsoft Excel template, XML, or the CCDR Pre-processor tool. Forms must be submitted as secure e-mail attachments, using a certificate issued by the DCARC for encryption and digital signature.

Preparation Instructions:

1. *General Instructions.* For ACAT I contracts, DD Form 1921 shall be submitted for a contract estimate and, if required, a program estimate in response to a Request for Proposals (RFP) and after that as specified in the contract. The program manager and the CWIPT review process determine these requirements during the CCDR planning phase. A contractor's program estimate consists of all costs related to the total program as specified by the DoD Component for that particular contractor. Although the program estimate will typically involve the costs for several different contracts, a contract estimate is only for one specified contract.

For contractor's program estimates, submit separate DD Form 1921 reports for each fiscal year and for each appropriation when a program involves funding from Research, Development, Test, and Evaluation (RDT&E) and Procurement. Show all dollars related to the buy of a given fiscal year in the report for that year, regardless of the year of expenditure. Make separate line entries on DD Form 1921 for items "on contract" and items "not on contract." "On contract" includes all dollars for items for which there is a signed contract between the contractor and the government plus any approved changes or modifications on which contractual agreement has been reached. "On contract" also includes the estimated dollars for items that the contractor has authorization to perform work on but the specific dollars have not been negotiated. "Not on contract" includes all additional dollars the contractor anticipates are required (e.g., expected change orders). It also includes changes to the program the Department of Defense has specified to the contractor for possible future consideration but for which no contractual action has been initiated.

2. *Specific Instructions.* The following instructions apply to DD Form 1921.
 - a. Item 1a. Program. Enter the approved system designator or the type, model, and series of the prime end item(s) being purchased under contract or being proposed for contract. If the contract or proposal includes services (research, flight tests, etc.), provide details of the work to be performed. For associate contractors and subcontractors required to report separately, enter the end item being purchased

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on the contract and the program for which it is being procured (e.g., aft body section of the F-X, wind tunnel tests for the B-X, launch equipment for missile X).

- b. Item 1b. Approved Plan Number. Enter the number of the Contract Plan approved by the CAIG Chair that authorized the collection of data for this report.
- c. Item 2. Dollars In. Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract.
- d. Item 3. Type Action. Check the box that most accurately describes the data being reported. If reporting on a contract estimate, enter the assigned contract number as well as the number of the latest contract amendment. If the data are in response to an RFP, enter the RFP number.
- e. Item 4. Appropriation. Check the appropriate box to indicate the type of appropriation, RDT&E or Procurement, used to fund the contract. If funding other than RDT&E and Procurement is used, do not check a box but note the specific type of funds in the “Remarks” section (Item 13). For contractor program estimates, leave Item 4 blank, unless otherwise specified by the DoD Component.
- f. Item 5. Report As Of. Enter the appropriate numbers for the month, last day, and year of the reporting period, e.g., December 31, 2002 would be shown as 12/31/02.
- g. Item 6. Multi-Year Contract. If the contract is funded from a single fiscal year, check “No” and enter the specific fiscal year funding the contract in the “Remarks” section (Item 13). However, if the report pertains to an incrementally funded Research and Development (R&D) contract, check “Yes” and enter all the fiscal years covered by the contract in the “Remarks” section. In some cases, contractors may be operating under a multi-year contract that provides for annual increments of the quantities procured under the contract. This type of contract is an example of Multi-Year Procurement (MYP), identified by the following characteristics: the government negotiates the contract for the quantities to be procured in more than 1 year; contract quantities are budgeted and financed in accordance with the program year for which each quantity is authorized; and funds are obligated only for the first year’s quantity, with succeeding year’s contract quantities funded annually thereafter. In the event funds are not made available to support one or more succeeding year’s quantities, the contract shall be canceled. However, contractors are protected from loss by the terms of the contract cancellation-ceiling clause. For MYP contracts described above, check “Yes” and enter each fiscal year of funding covered by the report. You may be required to submit a separate report by type of funds and fiscal year on designated reporting elements.
- h. Item 7. FY Funded. Enter the fiscal year for which data are being reported. If the contract being reported contains more than one fiscal year, show the current year in Item 7 and the remaining years in the “Remarks” section (Item 13). If the data being reported are for program estimates, select from among the following options of years to be covered: prior fiscal years, fiscal year – 2, fiscal year – 1,

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current fiscal year, fiscal year + 1, fiscal year + 2, fiscal year + 3, fiscal year + 4, fiscal year + 5, fiscal year + 6, balance to complete, and total program. Always include prior fiscal year, balance to complete, and total program values in contractor program estimates. For contractor program estimates, leave Item 7 blank, unless otherwise specified by the DoD Component.

- i. Item 8. Contract Type. Enter the Electronic Data Interchange (EDI) code for the type of contract for which data are being reported. The codes for the contract types included in the Federal Acquisition Regulation (FAR) are listed in the table below. Follow the instructions that correspond with contractual submission requirements. For contractor program estimates, leave Item 8 blank, unless otherwise specified by the DoD Component.

EDI Code by FAR Contract Type

FAR Contract Types	EDI Code
Cost Reimbursement Contracts	
Cost Sharing (CS)	CH
Cost Plus Award Fee (CPAF)	CW
Cost Plus Fixed Fee (CPFF)	CX
Cost Plus Incentive Fee (CPIF)	CY
Cost Plus Incentive Fee (With Performance Incentives)	CA
Cost Plus Incentive Fee, Award Fee (CPIF/AF) ^a	CY
Fixed Price Contracts	
Firm Fixed Price (FFP)	FR
Fixed Price Incentive Fee (FPIF)	FI
Fixed Price Incentive Successive (Targets) (FPIS)	FI
Fixed Price Incentive Successive Target (With Performance Incentive)	FF
Fixed Price Incentive Firm Target (With Performance Incentive)	FB
Fixed Price with Award Fee (FP/AF)	FH
Fixed Price with Economic Price Adjustment (FP/EPA)	FX
Fixed Price with Prospective Price Redetermination (FP/PRD)	FD
Fixed Ceiling Price with Retroactive Price Redetermination (FCP/RPR)	FM
Firm Fixed Price, Level of Effort Term (FFP/LOET)	FJ
Letter Contracts (LC)	OC

^a This type of contract exists but is not included in the FAR.

If the contract type is not in the table, enter the EDI contract code “OC” in the space provided. In addition, enter the name of the contract type in the “Remarks” section (Item 13) followed by the EDI code “OC”.

If the contract type is CPIF, CPIF/AF, FPIF, or FPIS, include a reference to the complete name of the contract type in the “Remarks” section (Item 13).

- j. Item 9. Contract Price Estimate. Enter the total contract price value. If the contract is FFP, FP/EPA, FP/PRD, or FCP/RPR, enter the total negotiated cost and profit for work to be performed. For all incentive and cost contracts, enter the negotiated target costs, profit or fee, and cost incentive arrangements (i.e., 70-30, 60-40) where applicable. Enter all incentive sharing arrangements using the “Remarks” section (Item 13) as necessary.

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- k. Item 10. Contract Ceiling. Enter the amount of the contract ceiling, if applicable.
- l. Item 11. Contractor Type. Check “Prime/Associate” if you are the prime or associate contractor for the work. If you are a subcontractor, check “Subcontractor.” Enter the name, division (if applicable), and address of the reporting prime contractor, associate contractor, or subcontractor in the space provided.
- m. Item 12. Name of Customer (Subcontractor Use Only). If a subcontractor is submitting the report, enter the name of the customer for whom the work on contract is being performed. Also enter the number of the prime contractor’s contract with the government customer. If a prime or associate contractor is submitting the report, leave this item blank.
- n. Column A. Contract Line Item. In the space provided, enter the contract line item number that relates to the individual reporting element in Column B.
- o. Column B. Reporting Elements. Enter the WBS reporting elements specified in the contract Cost and Software Data Reporting (CSDR) Plan approved by the CAIG Chair and included in the contract. The PM in coordination with the CWIPT shall incorporate all proposed reporting element changes in a revised CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the “Remarks” section (Item 13).
- p. Column C. WBS Element Code. Enter the WBS element code for the reporting element being reported in Column B in accordance with the Contract CSDR Plan approved by the CAIG Chair. Typically, this code is used to identify the WBS structure and related indenture.
- q. Columns D and H. Number of Units. In Column D, enter the cumulative number of equivalent units actually completed to date. Equivalent units represent the total of completed units plus work completed on partially completed units translated into an equivalent number of totally completed units. Note the methodology used to determine equivalent units in the “Remarks” section (Item 13). Separately identify the number of fully completed units. In Column H, enter the number of units to be procured under this contract for each reporting element. For R&D contracts, enter two quantity amounts for any reported WBS element that includes items to be procured or produced. The first entry is the quantity to be procured and delivered to the government. The second quantity represents the number of units the contractor will use internally during contract performance e.g., testing. For example, suppose that for an interim CCDR report the actual quantity (equivalent units) of deliverable units produced to date was 5.4 and the quantity of internal units produced to date was 2.3. In this case, enter 5.4/2.3 in the number of units or quantity field to date for the specific WBS element. Further assume that at completion of the contract 12 units were to be delivered and 4 systems would be used internally. Then, enter 12/4 in the number of units or quantity field at completion for that same WBS element.

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- r. Columns E, F, G, I, J and K. Costs Incurred To Date and At Completion—Nonrecurring, Recurring and Total. Enter actual incurred costs and estimated incurred costs at completion by segregating costs into the following three categories: nonrecurring costs, recurring costs, and total cost.

The table below summarizes the reporting requirements of prime contractors for both their data and related subcontract data. Subcontractor data refers to all contractors below the prime (regardless of specific tier) that meet CCDR reporting thresholds. Typically subcontractors will report directly to the Department of Defense/DCARC. However, on an exception basis, subcontractors can report through the prime. In these cases, the prime contractors must report both recurring and nonrecurring costs of subcontractors from whom they receive data. For subcontractors who instead report their recurring/nonrecurring split directly to the Department of Defense/DCARC, prime contractors need only show total costs. For subcontractors with no CCDR reporting requirements (referred to as nonreporting subcontractors), prime contractors with CCDR reporting requirements must provide an estimated split between recurring and nonrecurring costs.

Summary of Reported DD Form 1921 Data

DD Form 1921—Data Provided by Prime Contractors	Recurring Costs	Nonrecurring Costs	Total Costs
Prime contractor data	◆	◆	◆
Subcontractor data			
Subcontractors reporting to prime contractor	◆	◆	◆
Subcontractors reporting to DoD	❖	❖	◆
Nonreporting subcontractors	□	□	◆

◆ Available to and reported by prime contractor.

❖ Not reported by prime contractor (data available to DoD analysts only).

□ Estimated and reported by prime contractor.

For the reporting elements in Column B that are reported by subcontractors without CCDR contractual requirements, include all estimated costs except General and Administrative (G&A) expenses. For reporting elements in Column B that are reported to the prime separately, enter the incurred costs and estimates at completion as reported by the subcontractor. For elements that are separately reported to the Department of Defense, use price data from subcontractor billings and other relevant cost data for incurred costs to date (Column G) and the estimated price at completion for estimated incurred costs (Column K).

Report all costs without regard to ceilings established for incentive contracts or the price on firm fixed price contracts. When the total anticipated recurring or nonrecurring costs on a contract is estimated to be 95 percent or more of the total cost at contract completion, report all cost data for each reporting element as either recurring or nonrecurring in Columns E or F and I or J, as appropriate. In these cases, the total contract split determines the breakout for each individual reporting element regardless of the actual recurring/nonrecurring split attributed to each element. Also, leave Columns E, F, and G (costs incurred to date) blank if no costs have actually been incurred.

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All reported data must reflect the reporting contractor's best estimate for performing currently authorized work plus any additional directed work for which execution or negotiation of amendments is pending. This includes work not formally included in the contract price. These estimates shall be used for planning purposes only and shall not be binding on either the contractor or DoD.

Also in Columns G and K, make each of the summary entries described below on a separate line, below the last reporting element in Column B.

- (1) Subcontractor G&A. Enter in Columns G and K the cumulative G&A costs to date and estimated cost at completion for each of the subcontractors who report data to you. Then submit the subcontractor's report to the government along with your own report. For subcontractors reporting directly to the government, no entry is required since such costs are included in the data reported under each reporting element. These values cover all work performed by the subcontractor and do not relate to any specific reporting element.
- (2) Other Subcontractor Miscellaneous. Enter the appropriate miscellaneous subcontractor costs in Columns G and K.
- (3) Subcontractor Undistributed Budget. Enter the appropriate undistributed budget amounts in Columns G and K.
- (4) Subcontractor Management Reserve. Enter the appropriate management reserve amounts in Columns G and K.
- (5) Subcontractor Facilities Capital Cost of Money. Enter the appropriate facilities capital cost of money in Columns G and K.
- (6) Total Cost (Less Subcontractor Profit or Fee). Enter the total subcontractor costs, less profit or fee, in Columns G and K.
- (7) Subcontractor Profit or Fee. Enter in Columns G and K the profit or fee at completion for each of the subcontractors who provide you data. Then submit the subcontractor's report to the government with your own. For subcontractors reporting directly to the government, no entry is required since such costs are included in the summary entries of the subcontractor's report to Department of Defense. These values must cover all work performed by the subcontractor and not relate to any specific reporting element.
- (8) Total Cost (Less Reporting Contractor's G&A and Profit or Fee). Enter the total cost less G&A costs and profit or fee in Column K.
- (9) Reporting Contractor G&A. Enter G&A costs incurred to date and at completion in Columns G and K.
- (10) Other Reporting Contractor Miscellaneous. Enter miscellaneous contractor costs incurred to date and at completion in Columns G and K.
- (11) Reporting Contractor Undistributed Budget. Enter the appropriate undistributed budget amounts in Columns G and K.

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- (12) Reporting Contractor Management Reserve. Enter the appropriate management reserve amounts in Columns G and K.
- (13) Reporting Contractor Facilities Capital Cost of Money. Enter the appropriate facilities capital cost of money in Columns G and K.
- (14) Total Cost (Less Contractor Profit or Fee). Enter the total contractor costs, less profit or fee, in Columns G and K.
- (15) Reporting Contractor Profit or Fee. Enter in Columns G and K the total of all profit or fee in accordance with the terms of the contract (e.g., incentive formula).
- (16) Total Cost (Through Reporting Contractor G&A and Profit or Fee). In Columns G and K, enter the sum of the following line entries: Total Cost (less the reporting contractor's G&A and profit or fee), Reporting Contractor G&A, Other Reporting Contractor Miscellaneous Items, and Reporting Contractor Profit or Fee.
- s. Page ____ of ____. At the bottom of each page, enter the page number and total number of pages of the Cost Data Summary Report being submitted.
- t. Item 13. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.
- u. Items 14a through g. Point of Contact Information. Enter the following information for the point of contact: name, department, telephone number (including area code), e-mail address, fax number, and (if not submitting electronically) signature and date signed.

Definitions:

1. *Costs Incurred*. Costs incurred represent costs identified through the use of the accrual method of accounting and reporting or otherwise actually paid. Such costs include the cost of direct labor, direct materials, and direct services identified with and necessary for the performance of a contract, as well as all properly allocated and allowable indirect costs shown in the contractor's books.
2. *General and Administrative (G&A)*. G&A consists of indirect expenses related to the overall management and administration of the contractor's business unit, including a company's general and executive offices, the cost of staff services such as legal, accounting, public relations, financial and similar expenses, and other general expenses. G&A is also considered a generic term used to describe expenses whose beneficial or causal relationship to cost objectives that cannot be more accurately assigned to overhead areas for engineering, manufacturing, material, and so on.
3. *Facilities Cost of Money*. Facilities cost of money is an imputed cost determined by applying a cost-of-money rate to facilities capital employed in contract performance. Capital employed is determined without regard to whether its source is equity or borrowed capital. The resulting cost of money is not a form of interest on borrowing.

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4. *Management Reserve*. Management reserve is the amount of the total allocated budget that is held back for management control and risk purposes at the total contract level rather than designated for the accomplishment of specific tasks.
5. *Profit or Fee*. Profit is the excess of revenues over expenses in fixed-price contracts. In special cost-reimbursement pricing arrangements, fee is a form of profit representing an agreed-to amount beyond the initial estimate of costs that reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed-fee arrangement, or may vary (within a contractually specified minimum-maximum range) during performance, as in a cost-plus-incentive-fee arrangement.
6. *Recurring and Nonrecurring Costs*. The following guidelines for distinguishing between recurring and nonrecurring costs apply to all reporting contractors (i.e., prime contractors, subcontractors, and lower tier contractors). While these guidelines are useful for establishing general boundaries, time reported on recurring and nonrecurring tasks should be reported as work is performed. For example, technical management tasks should be reported as recurring and nonrecurring to reflect the work actually being done rather than the general practice of aggregating and reporting the work as nonrecurring. Also, test activities that will routinely continue into production should be recorded as recurring costs.
 - a. Recurring Costs. Recurring costs are repetitive elements of development and investment costs that may vary with the quantity being produced during any program development or production phase. For example, during the development phase, repetitive production-like costs incurred when producing prototype and test units, whether they be for the customer or for contractor use, are considered recurring costs. Recurring costs include the following: engineering required for redesign, modifications, reliability, maintainability, and associated evaluation and liaison; complete reporting elements produced either for test or for operational use; tool maintenance, modification, rework, and replacement; training Service personnel to operate and maintain equipment; and reproduction and update of technical data and manuals.
 - b. Nonrecurring Costs. Nonrecurring costs are those elements of development and investment costs that are not repetitive (i.e., they generally occur only once or infrequently in the life cycle of a system. Such costs are often found in engineering, system test, tooling, and pre-production activities, and also include basic design and development through first release of engineering drawings and data, all system and subsystem test activities (except end item acceptance testing), configuration audits, qualification testing, technical publications through initial release, basic tool and production planning through initial release, all basic tooling, engineering models, partially built units for development or test purposes only, units not built to operational or tactical configuration, and specialized work force training.
7. *Undistributed Budget*. Undistributed budget is that portion of the budget applicable to program effort that has not yet been allocated to control account budgets or to management reserve.

End of DI-FNCL-81565A