



## Pacific Scientific Energetics Materials Company

### CERTIFICATE OF COMPLIANCE COST ACCOUNTING STANDARDS RULES AND REGULATIONS

#### A. CERTIFICATE OF CONTRACT EXEMPTION

If Offeror's proposal exceeds \$750,000 but Offeror claims an exemption from the requirements of Public Law 100-679 and the Cost Accounting Standards Board (48 CFR Chapter 99) and the implementing Cost Accounting Standards (CAS) rules or regulations, the block appropriate to the claim will be marked. Offeror certifies that.

- (a)  Proposed price is based on established catalog or market prices of commercial items sold in substantial quantities to the general public;
- (b)  Proposed pricing is set by law or regulation;
- (c)  It is a small business concern;
- (d)  It is a Foreign Concern. Contracts with foreign concerns subject to CAS shall only be subject to Standard 9904.401, Consistency in Estimating, Accumulating, and Reporting Costs, and Standard 9904.402, Consistency in Allocating Costs Incurred for the Same Purpose.
- (e)  Contracts or subcontracts of less than \$7.5 million, provided that, at the time of award, the business unit of the contractor or subcontractor is not currently performing any CAS-covered contracts or subcontracts valued at \$7.5 million or greater.
- (f)  Contracts and subcontracts in which the price is set by law or regulation.
- (g)  Firm fixed-priced, fixed-priced with economic price adjustment (provided that price adjustment is not based on actual costs incurred), time-and-materials, and labor-hour contracts and subcontracts for the acquisition of commercial items.
- (h)  Firm-fixed-price contracts or subcontracts awarded on the basis of adequate price competition without submission of cost or pricing data.

#### B. COST ACCOUNTING STANDARDS NOTICES and CERTIFICATION (Oct 2008)

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

##### I. Disclosure Statement—Cost Accounting Practices and Certification

(a) Any contract in excess of \$750,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 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 paragraph (c) of Part I of this provision.



Caution: In the absence of specific regulations or agreement, 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 contract performance cost data.

(c) Check the appropriate box below:

(1) *Certificate of Concurrent Submission of Disclosure Statement.* 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 cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: Insert Disclosure Statement Date

Name and Address of Cognizant ACO or Federal Official Where Filed: Insert Name and Address of ACO or Federal Official

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.

(2) *Certificate of Previously Submitted Disclosure Statement.* The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: Insert Disclosure Statement Date

Name and Address of Cognizant ACO or Federal Official Where Filed: Insert Name and Address of ACO or Federal Official

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.

(3) *Certificate of Monetary Exemption.* 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 Contracting Officer immediately.

(4) *Certificate of Interim Exemption.* The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, 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 Contracting Officer, in the form specified under paragraph (c)(1) or (c)(2) of Part I of this provision, 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 (4). 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.

**II. Cost Accounting Standards—Eligibility for Modified Contract 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 Contracting Officer 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.

**Eligibility for Modified Cost Accounting Standards Coverage by an Educational Institution**

Offeror hereby certifies it is an educational institution that will not use a Federally Funded Research and Development Center (FFRDC) operated by it to perform the work for this contract. Offer further certifies it is an educational institution eligible for coverage under CFR 9903.201-2 (c). (CAS coverage is pursuant to FAR 52.230-5 rather than FAR 52.230-2.)

**Eligibility for Modified Cost Accounting Standards Coverage by a Foreign Concern**

Offeror hereby certifies its eligibility for exemption from CAS Coverage as a foreign concern. Any resultant subcontract shall comply with CAS Standards found in 48 CFR 9904.401 and 48 CFR 9904.402. Offeror shall disclose (if it meets certain requirements) actual cost accounting practices, and follow consistently disclosed and established cost accounting practices. (CAS coverage is pursuant to FAR 52.230-4.)

**III. Additional Cost Accounting Standards Applicable to Existing Contracts**

The offeror shall indicate below whether award of the contemplated contract would, in accordance with paragraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

Yes       No

C. The Offeror, in support of (see information below\*), hereby authorizes PSEMC to submit to the United States Government or the prime or subcontractor who is the customer of PSEMC the quotation of offeror, the disclosure statement(s) and any amendments thereto, and this certificate as representations of compliance by the offeror with Public law 100-679 and regulations of the Cost Accounting Standards Board, as amended.

- DATED Insert Date
- DOLLAR AMOUNT \$Insert \$\$ Dollar Amount
- IN RESPONSE TO PSEMC RFQ NO. Insert RFQ #
- DATED Insert Date
- COMPANY NAME Insert Company Name

\_\_\_\_\_  
Signature of Authorization Representative

TITLE Insert Title

ADDRESS Insert Address

DATE OF EXECUTION Insert Date of Execution