**Incurred Cost Submission Adequacy Checklist – Final Indirect Cost Rate Proposal**

1. Summary of all claimed indirect expense rates, including pool, base, and calculated indirect rate. (FAR 52.216-7(d)(2)(iii)(A))
   1. Did the contractor identify all claimed pools, bases, and rates, including COM (if applicable)?
   2. Did the contractor provide a cost schedule for each final indirect pool claimed on Schedule A (Schedules B and C)?
   3. Did the contractor provide a cost schedule for each intermediate cost pool claimed on Schedule A (Schedule D)?
   4. Do total pool amounts from Schedule A tie to the total claimed expenses on Schedules B and C?
   5. Do base amounts from Schedule A for intermediate cost pools tie to the base amounts on Schedule D?
   6. Do base amounts from Schedule A for final pools tie to the base amounts on Schedule E?
2. General and Administrative expenses (final indirect cost pool). Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts). (FAR 52.216-7(d)(2)(iii)(B))
   1. Do total G&A pool costs tie to Schedule H?
   2. Do the intermediate allocations appear on source schedules (e.g., Schedule B intermediate allocation amounts to Schedule D allocations)?
   3. Was the applicable fringe and overheads applied to the IR&D/B&P?
   4. Did the contractor include explanatory notes for any amounts contained in an adjustment column or amounts omitted from the claim?
3. Overhead expenses (final indirect cost pool). Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts) for each final indirect cost pool. (FAR 52.216-7(d)(2)(iii)(C))
   1. Do total OH pool costs for each pool tie to Schedule H?
   2. Do the intermediate allocations appear on source schedules (e.g., Schedule C intermediate allocation amounts to Schedule D allocations)?
   3. Did the contractor include explanatory notes for any amounts contained in an adjustment column or amounts omitted from the claim?
4. Occupancy expenses (intermediate indirect cost pool). Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts) and expense reallocation to final indirect cost pools. (FAR 52.216-7(d)(2)(iii)(D))
   1. Do the intermediate allocations appear on source schedules (e.g., Schedule D intermediate allocations to Schedule B allocation amounts)?
   2. Does the schedule identify (1) the allocation base by recipient, (2) the percentage of the total base for each recipient, and (3) the dollars allocated to each recipient?
   3. Did the contractor include explanatory notes for any amounts contained in an adjustment column or amounts omitted from the claim?
5. Claimed allocation bases, by element of cost, used to distribute indirect costs. FAR 52.216-7(d)(2)(iii)( E)
   1. Do base amounts show individual cost elements that tie with costs on referenced schedules (e.g., direct cost elements in bases tie to Schedule H totals)?
   2. Does the schedule include an explanation of each base?
6. Facilities capital cost of money factors computation. FAR 52.216-7(d)(2)(iii)(F)
   1. Do the allocation bases used match corresponding allocation bases claimed in Schedule A?
   2. Did the contractor calculate a separate COM rate (if applicable) for each final indirect pool?
7. Reconciliation of books of account (i.e., General Ledger) and claimed direct costs by major cost element. FAR 52.216-7(d)(2)(iii)(G)
   1. Do the direct cost amount per general ledger column tie to Schedule H?
   2. Did the contractor include explanatory notes for any amounts contained in an adjustment column or amounts omitted from the claim?
8. Schedule of direct costs by contract and subcontract and indirect expense applied at claimed rates, as well as a subsidiary schedule of government participation percentages in each of the allocation base amounts. FAR 52.216-7(d)(2)(iii)(H)
   1. Are the flexibly priced contracts and subcontracts, including commercial T&M, listed by contract and subtotaled by contract type? (Note: FFP and other commercial contracts may be shown on one summary line each)
   2. Do subcontract costs incurred/claimed by contract tie to Schedule J?
   3. Is the cost detail at the same level required by each contract, as specified in the billing instructions per the contract clause, and likely also used for billing purposes (e.g., by delivery order, task order, contract line item (CLIN), etc.)?
   4. Were indirect expenses calculated using claimed rates from Schedule A?
   5. Is the Government participation calculated for each indirect expense pool?
   6. Do base amounts used for calculating Government participation tie to Schedules E and H?
9. Schedule of cumulative direct and indirect costs claimed and billed by contract and subcontract. FAR 52.216-7(d)(2)(iii)(I)
   1. Is the cost detail in the same level used for billing costs (e.g., by delivery order)?
   2. Do FY claimed dollars tie to Schedule H for cost type contracts?
   3. Do FY claimed dollars tie to Schedule K (not Sch. H) for T&M contracts?
   4. Are prior years settled total costs the same as the prior year’s Cumulative Allowable Cost Worksheet?
   5. Are contracts identified as physically complete reported on Schedule O?
10. Subcontract information. Listing of subcontracts awarded to companies for which the contractor is the prime or upper-tier contractor (include prime and subcontract numbers; subcontract value and award type; amount claimed during the fiscal year; and the subcontractor name, address, and point of contact information). FAR 52.216-7(d)(2)(iii)(J)
    1. Does the schedule include all types of subcontracts (e.g., cost-type, T&M/LH, IDIQ with a variable element, and FFP) and inter-company costs claimed by the contractor on flexibly priced prime contracts and/or upper-tier subcontracts?
    2. Did the contractor include all of the detail for the subcontracts (e.g., subcontract number, prime contract number, subcontractor's name and address, point of contact, subcontract value, costs incurred in the FY, and award type)?
11. Summary of each time-and-materials and labor-hour contract information, including labor categories, labor rates, hours, and amounts; direct materials; other direct costs; and, indirect expense applied at claimed rates. FAR 52.216-7(d)(2)(iii)(K)
    1. Is the cost detail in the same level used for billing costs (e.g., by delivery order)?
    2. Are all the contracts/delivery orders identified as T&M/LH on Schedule H reported on Schedule K?
    3. Is the information presented by cost element, with labor presented by labor category, showing contract labor rates (not actual rates and billed labor hours)?
    4. Does the claimed indirect rate tie to Schedule A?
    5. Does direct material and ODC claimed in Schedule K for each contract/delivery order tie to direct material and ODC claimed in Schedule H?
12. Reconciliation of total payroll per IRS form 941 to total labor costs distribution. FAR 52.216-7(d)(2)(iii)(L)
    1. Do direct labor totals tie to totals on Schedule H?
    2. Do G&A labor totals tie to totals on Schedule B?
    3. Do other indirect pool labor totals tie to applicable pool schedules?
13. Listing of decisions/agreements/approvals and description of accounting/organizational changes FAR 52.216-7(d)(2)(iii)(M)
    1. Did the contractor provide a negative response if this schedule was not completed?
14. Certificate of Final Indirect Costs
    1. Is the certificate signed by an individual of the contractor’s organization at a level no lower than a vice president or chief financial officer of the business segment of the contractor that submits the proposal? (FAR 52.242-4(a)(3))
    2. Is the verbiage in the certificate consistent with the required language per FAR 52.242-4(c)?

“*This is to certify that I have reviewed this proposal to establish final indirect cost rates and to the best of my knowledge and belief:*

* + - * *All costs included in this proposal (identify proposal and date) to establish final indirect cost rates for (identify period covered by rate) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply; and*
      * *This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.”*

1. Contract closing information for contracts physically completed in this fiscal year (include contract number, period of performance, contract ceiling amounts, contract fee computations, level of effort, and indicate if the contract is ready to close) FAR 52.216-7(d)(2)(iii)(o)
   1. Are contracts reported here identified as physically complete, already closed or ready to close on Schedule I?
   2. Does the schedule contain Level of Effort (LOE) information (LOE and actual hours), contract fee computations, period of performance, and contract ceiling amounts?