

**THE COST AND HOUR REPORT
(FLEXFILE) AND QUANTITY DATA REPORT
IMPLEMENTATION GUIDANCE**



**OFFICE OF THE SECRETARY OF DEFENSE
COST ASSESSMENT AND PROGRAM EVALUATION**

MARCH 2019

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1. Introduction

The Cost and Hour Report (FlexFile) and Quantity Data Report represent the first major update to the Contractor Cost Data Reporting (CCDR) system since 1973, modernizing contract data collection for use in cost analysis and resource assessments. The FlexFile and Quantity Report will replace the existing CCDR forms, comprising the Contract Work Breakdown Structure (CWBS) Index and Dictionary; DD Form 1921 Cost Data Summary Report (CDSR); DD Form 1921-1 Functional Cost-Hour Report (FCHR); DD Form 1921-2 Progress Curve Report (PCR); and DD Form 1921-5 Sustainment FCHR. The FlexFile provides actual costs segregated by Contract Line Item Number (CLIN), the company's rate structure, and below the product-oriented Work Breakdown Structure (WBS), as well as other reporting elements that make it possible to recreate the equivalent of legacy 1921 forms while providing additional insight to the Department's analysts. The FlexFile also provides a means to collect summary level forecasts according to the WBS and allows for certain types of allocations for actual costs.

This guide can be used by the government Cost Working Integrated Product Team (CWIPT) to implement FlexFiles on contracts and understand what needs to be considered in addition to current CSDR planning guidance. It can also be used as a reference by the reporting entity in fulfilling the FlexFile reporting requirement on their contract.

Though the default CSDR requirement will be the approved FlexFile/Quantity Data Report Data Item Description (DID) (as opposed to the 1921 series forms), it is expected that there may be some context-specific exceptions. If the reporting entity and effort being performed make it unlikely that the additional insight provided by the FlexFile would be used by the DoD cost estimating community, the CWIPT may elect to recommend 1921 series instead. This recommendation will be subject to review by the plan approval authority. The FlexFile/Quantity Data Report DID does not impact whether or not cost reporting is required on a contract.

2. References

References. All references below will be made available at <https://cade.osd.mil/policy>.

- a. DoD Instruction (DoDI) 5000.02, "Operation of the Defense Acquisition System," (current version).
- b. DoDI 5000.73, "Cost Analysis Guidance and Procedures," (current version).
- c. DoD 5000.04-M-1, "Cost and Software Data Reporting (CSDR) Manual," (current version).
- d. MIL-STD-881, "Work Breakdown Structure for Defense Materiel Items," (current version).
- e. OSD CAPE "Operating and Support Cost-Estimating Guide," (current version).
- f. CSDR Plan DD Form 2794 Template and Process (current version).
- g. DI-FNCL-82162 (Cost and Hour Report (FlexFile) DID)
- h. DI-MGMT-82164 (Quantity Data Report DID)
- i. FlexFile Data Exchange Instructions (DEI) (current version).

- j. FlexFile File Format Specifications (FFS) (current version).
- k. FlexFile Excel-Compatible Submission Guidance (current version)
- l. FlexFile Excel Template (current version)
- m. Draft FlexFile and Quantity Data Report CDRLs (DD Form 1423-1)

3. FlexFile-Specific Factors

Both government and industry must take into consideration the following guidance when planning for and submitting the FlexFile and Quantity Data Report. This is in addition to existing CSDR guidance which, can be found at <https://cade.osd.mil/policy>.

a. DD Form 2794

In addition to the CSDR planning guidance, the CWIPT must consider the following when planning for the FlexFile and/or Quantity Data Report: End Item, Order/Lot, government optional tailoring, and specific Quantity Data Reporting elements. Each one of these considerations is further explained in the following sections.

The common DD Form 2794 data elements make cost data in the FlexFile relatable to quantity data in the Quantity Data Report, as well as software data in the Software Resources Data Report (SRDR). The remarks section of the 2794 will also be utilized for any other unique instructions the CWIPT may require.

Please see <https://cade.osd.mil/policy> for instructions on how to fill out the DD Form 2794.

b. Quantity Data Report

On the legacy CCDR forms, quantity data were reported in tandem with cost data. Quantity data will now be reported separately from the cost data as part of the Quantity Data Report. The 2794 will require that the Quantity report accompany the FlexFile submission for all required submission events. No physical count of hardware elements will be reported in the FlexFile submission itself.

i. Reporting Level

As part of the planning process, the CWIPT must consider which WBS elements the Quantity Data Report will include quantity information for. This will generally be for hardware elements, which can include prototypes, test systems, and production units. Initial spares, repair parts, and support equipment that are quantifiable at the WBS level may also be included. This will be indicated in the quantity columns on the approved DD Form 2794.

ii. Sequencing

The CWIPT must also consider whether the reporting entity will provide production sequencing as part of the Quantity Data Report. This will be indicated on the intra-contract scope page of the 2794 for those specific End Items and Order/Lots for which sequencing will apply. Examples are included in Data Group E of the approved Quantity Data Report DID.

iii. Government Furnished Equipment

The Quantity Data Report DID specifies that the report will account for all government-furnished equipment (GFE) quantities integrated, and the FlexFile will include the costs incurred by the reporting entity for the material handling, integration, test, etc., of the GFE being reported.

For example, say the reporting entity receives five engines as GFE and the CWIPT has identified GFE Quantities against the required data element via the GFE Quantity column of the approved DD Form 2794. The reporting entity will not report the material costs associated with those five engines but will report costs associated with the integration of those five engines into the prime mission product. The Quantity Report, however, will report five engines and categorize them as GFE.

c. File Specification Guidance

There are three file format options the contractor can choose to use for submission. The initial implementation for the FlexFile allows industry to submit in an Excel-compatible format. If needed due to the size of the file being submitted, the reporting entity may choose to submit certain tables in a comma-separated value (CSV) file. The data model is final, and industry may choose to implement IT solutions to export native data directly into the data model, but this is not a current requirement. The three options are detailed below.

i. FlexFile Excel-Compatible Submission Guidance

Refer to the FlexFile Excel-Compatible Submission Guidance for instructions on how to submit the FlexFile in an Excel-compatible file. If the reporting entity chooses to submit in an Excel-compatible file, the Defense Cost and Resource Center (DCARC) will translate the Excel-compatible file into the data model for CADE ingestion. This may result in some coordination between the reporting entity and the DCARC to ensure the data submitted are consistent with the Excel-compatible guidance and being interpreted correctly. This is intended to be of the contractor's own format.

ii. FlexFile Excel Template

The FlexFile Excel Template can be used as an alternative submission mechanism to the FlexFile-Compatible Submission Guidance. This template is intended to be an intermediate solution pending implementation or procurement of software that can create files conforming to the File Format Specification (FFS). The data here must still conform to the data model defined in the File Format Specification (FFS) and Data Exchange Instructions (DEI).

iii. Data Exchange Instructions and File Format Specifications

Refer to the Data Exchange Instructions (DEI) and File Format Specification (FFS) for guidance on how to submit the FlexFile according to the data model in JavaScript Object Notation (JSON). JSON is an electronically-readable format for structuring data. The FFS and DEI provide specific formatting instructions for electronic transfer of FlexFiles data. As mentioned above, this is not a current requirement, but industry may submit

according to the DEI/FSS if they so choose. Refer to the approved CDRL for any information regarding the submission mechanism.

For classified reports that are utilizing the FlexFile and Quantity Data Report DIDs, the reporting entity is required to utilize the FlexFile Excel-Compatible Submission Guidance or the FlexFile Excel Template in lieu of the DEI/FFS. Analysts will not have the capacity to review reports in a classified environment if reports are submitted according to the JSON data model.

d. Scope of Reporting

i. Complete Contract Reporting

The scope of the data reported in a particular FlexFile submission will include the total costs actually incurred on the entire contractual effort, across all CLINs, funding sources, lots, variants, and task/purchase/delivery orders. Actual costs will be time-phased by month back to the contract work start, unless otherwise stated by the CWIPT (see Section 4c of this guide for more detail). This includes costs incurred under an Undefinitized Contract Action (UCA) or letter contract.

For example, if the reporting cycle consists of three annual reports, the third annual submission will contain data for the third year inclusive of the data from the first and second annual reports, updated for any accounting changes. This is a change from the legacy CCDR reports where submissions could have reported cumulative or discrete costs depending on the contracting method or scope of reporting. The FlexFile provides the flexibility to receive annual reports, but still gain insight into discrete scopes of work via the End Item and Order/Lot. See section 4d of this guide for more information regarding End Item and Order/Lot.

ii. Changes to Scope of Reporting

When scope (e.g., End Item, Order/Lot) is added or defined, the reporting entity must report the discrete costs identified with additional scope, even if it is not detailed on the approved DD Form 2794. It is required that the program office notify the DCARC beforehand so any updates to DD Form 2794 can be made. In such cases where the 2794 lags contractual updates, the reporting entity must tag data appropriately in anticipation of forthcoming updates to the 2794 at the approval of the CWIPT.

iii. Final Reporting

A report is considered a Final Report if it meets the two conditions detailed in Data Group A, Item 8d of the approved FlexFile DID. The conditions are:

Condition 1: The final end items have been delivered and accepted by the government (e.g., as evidenced by a completed DD Form 250) or higher tier contractor in the case of a subcontractor.

Condition 2: 95% or more of all Actuals To Date (ATD) total costs have been incurred relative to all costs the reporting entity expects to incur for each and every Order/Lot (defined in Data Group B, Item 4 of the approved FlexFile DID).

The two conditions apply to the individual Orders/Lots that comprise the FlexFile, as opposed to the total FlexFile. For an example using Condition 2 above, if a FlexFile consists of Lot 1 and Lot 2—where Lot 1 has incurred 100% of total costs and Lot 2 has incurred 90% of costs—then the FlexFile does not meet Condition 2 of a Final Report even if the aggregate of the Orders/Lots is at 95% incurred. The contract submission is only final when each Orders/Lots has incurred 95% or more of its total costs.

4. Mandatory Specifications

a. Reporting Level

For Actuals to Date (ATDs) only, the reporting entity will tag *all* costs and hours to the lowest level of WBS. For example, if WBS element 1.1.1 is the lowest level of the WBS then the reporting entity will report costs to 1.1.1, and *not* to higher level “parent” elements, such as 1.1 and 1.0.

For Forecasts at Completion (FACs), the reporting entity will report costs at the levels identified in the approved DD Form 2794. FACs do not have to be tagged at the lowest level of WBS if not identified in the 2794. For example, if the 2794 requires FACs at WBS Element 1.0 only, then the reporting entity only has to report the FAC at 1.0. The reporting entity does not have to report the FAC at 1.1, 1.2, 1.3, etc., if it is not required.

Alternatively, the 2794 may require FACs discretely reported for each of the WBS elements 1.0, 1.1, and 1.1.1, say, but not for element 1.2 or any of its “children” elements. See Figure 1 for an example of how to report ATDs and FACs in the 2794.

WBS Code	WBS Level	WBS Name	ATDs	FACs
1.0	1	Aircraft System		X
1.1	2	Aircraft System, Integration Assembly, Test, and Checkout	X	X
1.2	2	Air Vehicle		X
1.2.1	3	Air Vehicle Integration, Assembly, Test, and Checkout	X	X
1.2.2	3	Airframe		X
1.2.2.1	4	Fuselage	X	
1.2.2.2	4	Wing	X	
1.2.2.3	4	Empennage	X	

FACs should be indicated at the level where the contractor is expected to report. CADE will **not** roll up the values if only reported at the lowest level of the WBS.

ATDs should only be indicated at the lowest level of the WBS. CADE will roll up the values to the corresponding parent WBS elements.

Figure 1 – Plan Excerpt

The DD Form 2794 process recognizes that the Government may require cost reporting below the third reporting level of the CWBS, which is the routine level for all applicable contracts. Further, the Government may require contract ATD to be reported at a lower level of the CWBS than that required for FAC. For example, the DD Form 2794 may require ATD at level 5 of the CWBS while it requires FAC at level 3. It is encouraged that

the reporting entity set up the accounting system to discretely capture and report the costs and hours at the CWBS level specified by the 2794, with minimal allocation (see DoD 5000.04-M-1, “Cost and Software Data Reporting (CSDR) Manual”).

b. Account

In the FlexFile DID, the term “Account” refers to a point where actual costs and hours incurred are accumulated. The Account is based on the reporting entity’s structure for accumulating and managing actuals at or below the WBS defined in the DD Form 2794.

Accounting actuals from charge numbers at the lowest levels are sufficient to fulfill the FlexFile requirements for actual costs and hours. The reporting entity may also elect to supply the FlexFile “Account” field with control account or work package information from the execution system, as opposed to raw accounting system charge numbers or charge lines. See Figure 2 for an example. In either case, allocation of costs to the reporting structure are acceptable and should be reported in Data Group F – Allocation Methodology.

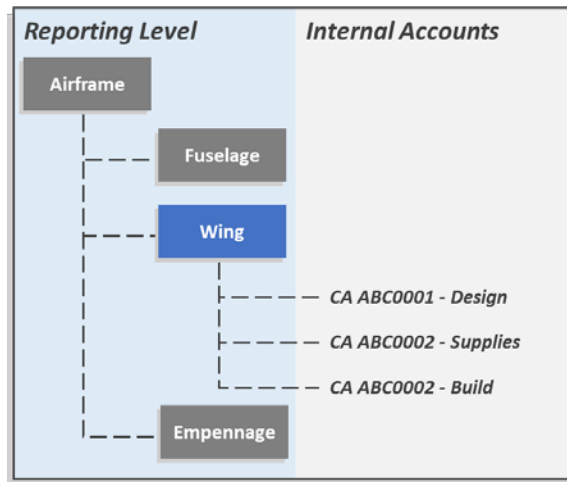


Figure 2 – Account relationship to Reporting Level illustrated

c. Time-phasing

FlexFile submission requires that the ATD costs and hours be reported by month, unless otherwise indicated by the CWIPT and communicated through the approved DD Form 2794 and approved FlexFile CDRL. This does not apply to the FACs.

If the CWIPT chooses to tailor the requirement for periods longer than one month, then the report still requires the Reporting Period to be reported (see Data Group B, Item 2 of the approved FlexFile DID). Periods longer than a month can include the entire period of performance to date. For example, if the CWIPT decides that actual costs and hours be reported by quarter instead of month, each dollar and hour report should be tagged to a Reporting Period Start Date and a Reporting Period End Date that represents a three month period. The Reporting Period End Date in this example will be determined by the reporting entity’s financial calendar.

d. End Item and Order/Lot

DD Form 2794 identifies two fields which help define contract scope: End Item and Order/Lot, to which FlexFile actual costs and hours must be reported. FACs are also required by Order/Lot, but not End Item. Both the End Item and the Order/Lot fields will be unique to the program and contract, and will be determined by the CWIPT through the 2794 process. The reporting entity will receive the definition of both End Item and Order/Lot fields in the 2794, and their suitability may be addressed with the Government during the CSDR Post Award Conference (PAC).

The expectation, in most cases, is that End Item and Order/Lot fields will align with the CLIN structure, such that accounting by CLIN should provide the basis for identifying both End Item and Order/Lot.

Some typical cases follow:

i. Sequential Orders/Lots

The Order/Lot field identifies different purchase orders on the same contract. A single FlexFile submission will contain data for all of the identified Orders/Lots, as opposed to requiring as many submissions as there are Orders/Lots in a given reporting year.

For example, a single development contract may include sequential purchase orders for Preliminary Design, then Detailed Design, then Long Lead Items, then Construction, and so forth. Other examples include a block-buy contract that may include production lots 1 through 5, then there will be five Order/Lot identifiers represented in the FlexFile (Lot 1, Lot 2, etc.)¹.

When Orders/Lots are identified on the intra-contract scope page of the 2794, the FlexFile must have the associated data tagged/reported as required.

ii. End Items

End Items are uniquely identified platforms, models, versions, flights, variants, kits, services, or sustainment activities for which the CWIPT may specify separately tagged/reported costs within the FlexFile submission. Generally, End Items should not be asked for by subassembly, but for complete hardware end items that are delivered. In order for the Government to gain insight into the costs of different End Items in the past, the DD Form 2794 may have identified separate End Items in the WBS, or required separate submissions by End Item. The FlexFile at a minimum will have only one submission per contract according to a standard WBS, with the distinct End Item costs tagged appropriately, as identified on the intra-contract scope page of the DD 2794. The different End Items are then identified in a single field within the same FlexFile submission, as opposed to requiring as many submissions as there are End Items.

¹ The Legacy CCDRs would have required, for example, one submission for each of the five lots. In the FlexFile, those five lots will be identified within a single FlexFile submission (using Order/Lot field).

iii. Common End Items

Common material or software costs that span across multiple end items, may be identified as a “Common” end items.

iv. IDIQs

For Indefinite Delivery/Indefinite Quantity (IDIQ) contracts, a different Order/Lot identifier for each Task Order will be identified in the DD Form 2794. The 2794 will not identify an Order/Lot for the entire IDIQ scope (i.e., the 2794 will not assign the entire contract to one Order/Lot when the cost and hours can be reported against discrete Task Orders).

e. Functional Category and Functional Overhead Category

Direct labor categories will align with reporting entity’s Forward Pricing Rate (FPR) proposals and agreements. Material categories may or may not align with the FPR. The reporting entity may provide material loading rate for material categories; these categories may or may not have an overhead applied to them depending on the reporting entity’s structure. Other Direct Costs (ODCs) will be tagged according to the reporting entity’s system and will often exclude overhead as well. The overall intent is to receive actual contract costs according to the resource that aligns with those found in the FPR.

For example, for a direct labor charge, such as Direct Engineering, the Functional Category and Functional Overhead Category should align with the reporting entity’s corresponding Direct Labor FRP Category and Overhead FPR Category. For the overhead costs associated with that direct labor charge, the Functional Category should align with the corresponding Overhead FPR Category, with null values being reported for the Functional Overhead Category. See Figure 3 for an example.

Functional Category	Functional Overhead Category	Standard Functional Category	\$	Hrs
Engineer_Design	Engineer OH	Direct Engineering Labor	\$1000	10
Engineer OH	-	Engineering Labor Overhead	\$250	
G&A	-	General and Administrative	\$100	
FCCOM	-	Facilities Capital Cost of Money	\$50	

Figure 3 – Functional Category and Functional Overhead Category

If reporting G&A and FCCOM as part of the ATD data, the Functional Category would indicate G&A and FCCOM, respectively, with null values being reported for the Functional Overhead Category.

It is expectation that an analyst will be able to utilize the Functional Category to distinguish between direct and overhead costs.

f. Standard Functional Categories

The Government’s Standard Functional Categories have been organized into two levels: a mandatory higher-level structure and an optional lower-level breakout. The reporting entity is required to tag their own functional categories or accounts to the mandatory higher-level structure defined in Data Group E, Item 7 of the approved FlexFile DID.

The reporting entity must only tag to the most applicable standard functional category. It is not required that the reporting entity tag the Standard Functional Categories at a level lower than their own pricing categories. There is not an expectation that industry examine work content at the control account or work package level to meet this requirement. For example, an engineer resource that can support both the recurring manufacturing line as well as non-recurring development will always be tagged to “Direct Engineering Labor.”

“Other Direct Costs Not Shown Elsewhere” is *not* synonymous with ODCs. “Other Direct Costs Not Shown Elsewhere” *include* ODCs, but may also encompass other reporting entity functional categories that do not clearly align with the mandatory Engineering, Manufacturing, Maintenance, and Material categories, such as Program Management and Services.

g. Summary Elements

Each Summary Element will be delineated by the Order/Lot provided in the approved DD Form 2794. For example, if a FlexFile submission has both Lot 1 and Lot 2, then the FlexFile will provide Subtotal, G&A, FCCOM, Undistributed Budget (UB), Management Reserve (MR), Fee, and Price for each of Lot 1 and Lot 2.

Subtotal (Actuals To Date) must include the direct and indirect costs associated with the DD Form 2794 WBS elements, but exclude all costs associated with the other summary elements. This is true even if the reporting entity elects to include G&A and FCCOM in the WBS (in accordance with Data Group E and Data Group G of the approved FlexFile DID).

For example, say the reporting entity is reporting G&A and FCCOM as part of actual costs in the WBS. Assume that the sum of actual costs associated with the WBS element, including G&A and FCCOM is \$1,000,000. Further assume that when G&A and FCCOM are excluded, the sum of actual costs associated with the WBS is \$900,000. The latter figure, \$900,000, will get reported for the Subtotal (Actuals To Date). See Section 7a of this guide for more detail about including G&A and FCCOM as part of the WBS.

Subtotal (Forecasts At Completion) must include the direct and indirect costs associated with the DD Form 2794 WBS, exclusive of the summary elements in the same manner as Subtotal (Actuals To Date) described above.

Reporting entity will report the amount of MR that is currently in the account. The reporting entity will also report UB that is currently in the account, unless the reporting entity chooses to distribute them throughout the Forecasts At Completion costs.²

If the reporting entity does not report FCCOM as part of their proposal bid, then FCCOM will not be reported as part of the summary elements and a remark should be included indicating that fact.

h. WBS Element Definitions and Remarks

i. WBS Element Definitions

WBS Element Definitions subsume the equivalent to the prior requirement for the Contract Work Breakdown Structure (CWBS) Index and Dictionary. The reporting entity shall define each WBS element from the approved DD Form 2794 within each submission. WBS Element Definitions includes technical content that explains functionality and physical descriptions; work content that explains the process used to design, produce, or sustain the end item or service; and cost content that provides explanations for recurring versus non-recurring efforts and purchased versus made in-house decisions. If the WBS element is not within scope, then a definition must be provided that reflects this.

The WBS Element Definitions are similar to the legacy CWBS Dictionary in the sense that it is expected that definitions are updated with each submission to reflect any changes in scope.³ However, the FlexFile submission does require Data Group C – Definitions and Remarks with every required submission event, as opposed to a singular submission after Contract Award.

For example, the definitions may be common across all Orders/Lots; however, the definitions may also detail any nuances across the different Orders/Lots. For example, say the WBS element for propulsion comprises purchased parts A, B, and C. Over the course of the contract, purchased part C was replaced with purchased part C-2. The definition section for the propulsion WBS element must note that change for the later Orders/Lots where it was made.

ii. Remarks

The FlexFile allows the reporting entity the ability to provide remarks at both a summary level and a WBS level, equivalent to the Remarks provided on the 1921 (CDSR) and 1921-1 (FCHR). Both Summary Remarks and remarks by DD Form 2794 WBS Element are further delineated by Order/Lot.

The remarks section allows the reporting entity the opportunity to note any relevant information that could be used in the interpretation of the data. It may also be utilized to

² Note that legacy CSDR required both Undistributed Budget (UB) and Management Reserve (MR) be associated with “Costs Incurred At Completion – Total.”

³ Note that legacy CWBS Dictionaries were a separate deliverable from the cost reports and required the reporting entity to provide updates outside of the reporting cycle given any changes to technical, work, or cost scope.

respond to any questions government analysts may have regarding the data during the validation stage of reporting. Reporting entity must also note in the Remarks section any accounting changes that occurred in any of the reported categories since the last report.

i. Forecasts At Completion (FAC)

FAC reporting is required at the WBS element level, at a minimum, according to the At Completion Costs column on the approved DD Form 2794. Refer to Block 10c of the 2794 and section 6 for the CWIPT requirement for the breakout of FAC Standard Functional Categories or Nonrecurring or Recurring. The reporting entity also has the option to report UB as part of the WBS for FACs. See Section 4h of this guide for instructions on how this affects the reporting of summary elements.

5. Clarification Regarding Allocations

The allocation methodology allows the reporting entity to allocate their source data by WBS, Order/Lot, End Item, or by Unit/Sublot. Allocations may be performed by the reporting entity in order to meet the reporting requirements specified in the DD Form 2794. Of the various allocations the reporting entity may perform, the FlexFile only supports insight into these four types of allocations. Other allocations need not be detailed.

The reporting entity does not perform the allocations described above, but rather only provides the method by which they would do so. CADE will have the capability of applying the methodology to the data submitted.

a. Original Source Definition

Original Source (unallocated) here means source data that requires an allocation, for example to two or more WBS elements, but have not been natively allocated in reporting entity's system. The unallocated data will have a tag to the allocation methodology which will demonstrate how it should be allocated.

b. Methodology

If allocations are required to fulfill the FlexFile data elements, the reporting entity will identify the methodology corresponding to those specific data elements for which allocations are needed. The FlexFile supports both direct percent assignments and prorating. For direct percent assignments, the reporting entity identifies the allocation of cost and hours from one Account to two or more elements, whether WBS, Order/Lot, End Item, or Unit/Sublot. Prorating spreads the Account allocation across identified elements, whether WBS, Order/Lot, End Item, or Unit/Sublot, based on the relative amounts of cost expenditures discretely accrued to those identified elements.

The reporting entity has discretion on how to set up their execution system to meet internal accounting guidelines and government mandatory requirements. If the FlexFile reporting structure differs from this execution structure, the reporting entity may allocate. Again, the

FlexFile only requests insight into four specific types of allocations: WBS; Order/Lot; End Item; and Unit/Sublot.

c. Allocations Types Not Requiring Insight

Allocations not supported include Nonrecurring and Recurring and reporting entity Functional Categories.

If the reporting entity is executing to a WBS that differs in reporting level or element designation from the DD Form 2794 WBS, then mappings or allocations are necessary. For mappings that take contract data that has many-to-one or one-to-one relations with the 2794 WBS, documentation is not required. For contract data that has a many-to-many or one-to-many relations with the 2794 WBS, then use the allocation methodology.

d. Interaction Between End Items and Allocations

Allocations are not needed for common costs and hours when a common End Item has been provided. For example, say Vehicle Variant A and Vehicle Variant B have been provided as an End Item but Common Vehicle Hardware has not been provided as an End Item. If the reporting entity has material costs that are common to both Variant A and Variant B, then an allocation must take place to delineate how much of the material goes to each variant. If a Common End Item has been provided, then those common material costs may be tagged to the Common End Item.

e. Validation

This requirement is focused on application of the Allocation Methodology to reach results in accordance with the plan and not focused on a detailed review of the analytical basis for each allocation.

f. Examples of Allocations

If the reporting entity had an Account for all materials, they will report the Account at the summary level. They will then provide their allocation methodology via the allocation methodology table to spread the Account by percentages (or by proration) to the applicable WBS elements.

As noted, documentation is not necessary for mappings of contract data with an execution WBS many-to-one or one-to-one relations with the DD Form 2794 WBS. For example, a many-to-one relationship would be charge codes X, Y, and Z that map directly to WBS element 1.1.1. A one-to-one relationship would be charge code X mapping directly to WBS element 1.1.1.

For contract data with an execution WBS that has one-to-many or many-to-many relations with the DD Form 2794 WBS, the reporting entity must use the allocation methodology detailed in Data Group F. For example, a one-to-many relationship would be charge code X being allocated to both WBS elements 1.1.1 and 1.1.2. A many-to-many relationship would be charge codes X and Y each being allocated to both WBS elements 1.1.1 and 1.1.2.

6. Government Optional Tailoring Guidance

a. Unit/Sublot Reporting as it pertains to ATDs

The addition of Unit Reporting in a FlexFile will be indicated on the intra-contract scope page of the DD Form 2794. If Unit Reporting is selected, it is expected that all touch labor costs and hours that are associated with the discrete units or sublots be tagged as Touch Manufacturing or Touch Maintenance as defined in Date Group E, Item 7.

The remarks section of the 2794 will further detail whether costs will be broken out by individual unit or by sublot.

Unit/Sublot number is only applicable to touch labor categories for actual costs and hours. It is not expected for other functional elements, such as engineering labor, program management, or materials, to be identified by Unit/Sublot number. Nor will Forecasts At Completion (FAC) be identified by Unit/Sublot number.

b. Nonrecurring/Recurring as it pertains to FACs

The government has the option through the planning process to ask for FACs further broken out by Nonrecurring/Recurring in Block 10c of the DD 2794.

c. Standard Functional Categories as it pertains FACs

The government has the option through the planning process to ask for FACs further broken out by the top-level Tier 1 Standard Functional categories in Block 10c of the DD Form 2794.

d. Additional Tags

Specification of additional tags is optional within the planning process. The starting point for the FlexFile CDRL posted on the CADE website removes the requirement for Data Group B, Item 4 (Additional Data Fields #1-#12) of the approved FlexFile DID. The expectation is that the requirement for additional fields would only be invoked in a sole source environment when it can be confirmed that the additional fields exist in a format for inclusion in the FlexFile in a non-burdensome manner. Government CWIPTs will not ask for the reporting entity to tag to new categories, meaning any categories that the reporting entity does not inherently track to.

The DD Form 2794 can be revised to include those additional categories of the performing reporting entity during the PAC.

7. Reporting Entity Optional Tailoring Guidance

The FlexFile provides the reporting entity with the ability to determine certain aspects of its own submissions. Through the CWIPT planning process, the Government has no means to force the reporting entity to provide the following classes of optional data. In other words, the reporting entity has the ability to elect to report the following two classes of information as part of the FlexFile.

a. G&A and FCCOM

The FlexFile always requires the reporting entity to provide the total costs attributable to General and Administrative (G&A) and Facilities Capital Cost of Money (FCCOM) in the Summary Elements section (Data Group D of the approved FlexFile DID). However, the reporting entity may elect to provide G&A and FCCOM as either an “Add” or “Non-Add” to the WBS (in accordance with Data Group E and Data Group G of the approved FlexFile DID).⁴

If the reporting entity elects to exclude G&A and FCCOM from the WBS, then the costs and hours attributable to the WBS will only include Direct and Overhead elements. If the reporting entity elects to include G&A and FCCOM in the WBS, then the costs and hours attributable to the WBS will include Direct, Overhead, G&A, and FCCOM. All G&A and FCCOM cost elements must then be tagged as “G&A” and “FCCOM,” respectively, in the “Standard Functional Category” data field (see Data Group E, Item 7 of the approved FlexFile DID). If G&A and FCCOM are included as “Adds” to the WBS, then they must be applied to all direct charges within the WBS.

The reporting entity may also elect to include G&A and exclude FCCOM, or vice versa. The reporting entity shall identify whether G&A and/or FCCOM are included as “Adds” or “Non-adds” to the WBS in the configuration section of the Metadata table of the FlexFile File Format Specifications (referenced in Requirements section of the FlexFile DID).

For example, if the reporting entity elects to include G&A within the WBS actuals (“Add”), it will be recorded as a separate line item tagged to the standard functional category G&A. The reporting of G&A within this context will look like line items for Overhead (OH) in which a separate line item is identified and tagged appropriately to WBS, CLIN, etc. Take for example a line item for direct engineering labor. A separate line item will be created to capture its OH expense with all the same data tags as the direct cost except for functional category fields. A new line item will delineate an OH cost instead of a direct labor expense. Similarly if the reporting entity elects to report G&A as part of the actuals detail, a third line item will be reported that shows G&A cost for that direct expense.

b. Tier 2 “Detailed” Standard Functional Categories

All cost and hour data elements must be identified by the appropriate Tier 1 “Standard” Functional Category. However, if the reporting entity is tracking resources at a sufficient level, it may elect to identify costs and hours at a lower level according to the Tier 2 “Detailed” Functional Categories. If the reporting entity elects to report at the Tier 2 level, then it must identify all cost and hour elements with one of the Tier 2 categories. There is

⁴ Note that the legacy CSDR required G&A and FCCOM to be Non-adds; in other words, the aggregate of all costs attributable to the WBS excluded all G&A and FCCOM costs. This instruction has been modified to allow the reporting entity the choice.

always an “Other” category for a particular resource that does not fit into one of the other well defined standard categories.

If the government requests that FACs be further reported by the Tier 1 “Standard” Functional Categories through the planning process, then the reporting entity has the option to further report FACs to the Tier 2 “Detailed” Functional Categories.

Appendix A - Pre-Submission Considerations

The following questions need to be considered by both the reporting entity and the CWIPT before the first official submission. The questions may not apply to all situations, but if applicable, more questions should be considered. The questions should be tailored to the needs of the specific contract and requirement. The questions should also be included in the Post Award Conference. Refer to the CADE public website for PAC guidance (<https://cade.osd.mil/policy/csdr-timeline>).

- What is the reporting entity's overall understanding of the FlexFile and Quantity Data Report requirement?
- Does the reporting entity have any proposed revisions to the approved CSDR Plan (End Item tags, Order/Lot tags, etc.) for the CWIPT to consider?
- How will the reporting entity be tracking unit reporting if required on the FlexFile?
- What is the reporting entity's method of reporting completed and in process units on the Quantity Data Report?
- If applicable, how will direct and non-direct reporting subcontractors appear on the Prime's FlexFile report?
- Does the reporting entity have the ability to tag the actual dollars and hours for all contract line item numbers (CLINs)?
- How does the reporting entity plan to report Account, Functional Category, and Functional Overhead Category?
- How does the reporting entity plan to map to the Standard Functional Categories?
- Are there tags that the reporting entity can provide that gives the government complete insight into this mapping?
- How will the CWBS dictionary be maintained?
- Does the reporting entity understand that the CWBS dictionary must be included with each FlexFile submission as described in Data Group C of the approved FlexFile DID?
- Will the reporting entity need to provide an Allocation Methodology as outlined in Data Group F of the approved FlexFile DID?
- Will the reporting entity need to provide external mapping tables to report any of the required reporting elements?

Appendix B - Validation Guidance

The following are Validation checks that will be performed by the DCARC. These checks will be in addition to ensuring compliance with the approved DID and any special instructions that may be included in the DD Form 2794. This is not exhaustive and does not include any checks performed by external Government stakeholders (e.g., the cognizant program office or Service Cost Center). This list is subject to change. Checks identify potentially anomalous situations that may require an explanation be provided in the remarks section of the FlexFile or corresponding Quantity Data Report, or both. For instructions on how to provide the data, please see section 3c of this guide. For more information on the Validation process, please see DoD 5000.04-M-1, “Cost and Software Data Reporting (CSDR) Manual”.⁵

* May only require clarification in the remarks

* New based on FlexFile/Quantity Report requirement

Data Group A – Metadata

- Failed to provide or provided incomplete Metadata in accordance with Data Group A – Report Metadata of the DID *
- Metadata on FlexFile does not match metadata on approved CSDR plan
- Contract ceiling not distinctly identified *
- Contract price not distinctly identified *
- Contract ceiling is less than contract price *
- Total price at completion is greater than contract price *
- Total price at completion is less than contract price *
- Reported contract ceiling and/or contract price not reported in whole dollars
- Security Classification missing or mislabeled
- Prime/Subcontractor labeled incorrectly
- Plan Number not reported
- Plan Number incorrect
- Indicated that the Contract Type is Incentive but did not provide all negotiated target costs, profit or fee, and cost incentive arrangements in the Remarks section *
- Indicated that the Contract Type is MC for Multiple Contracts but and did not provide a description of the contracting arrangement in the Remarks section *
- Contract Ceiling exceeds the contract price (FFP) *
- Incorrect Contract Number
- Appropriation inconsistent with Phase (e.g., RDT&E should be paired with Development) with no explanation in the remarks *

⁵ Note that all checks can be performed manually but some are performed by the Cost Planning & Execution Tool (cPet). cPet checks are only performed if file is in the JSON data model.

- Incorrectly labeled Phase
- Incorrectly labeled Report Cycle
- Submission Number not reported
- Submission Number incorrect
- As of date incorrect *
- As of date same as date prepared *
- Program Name incorrect
- Prime Mission Product incorrect
- Incorrectly reporting Customer if submitting entity is a direct reporting subcontractor
- Customer city/state missing
- Period of Performance (PoP) start and end dates do not match the contractual period of performance *
- Resubmission Number incorrectly reported
- Point of Contact information missing

Data Group C – Definitions and Remarks

- Not following Special Contractor Instructions in the approved CSDR plan
- Failed to provide WBS Element Definitions in accordance with Data Group C – Definitions and Remarks of the DID *
- Failure to update WBS Definitions, if necessary
- Failure to follow the approved CSDR plan
- Failure to follow the approved CSDR plan--removing WBS elements
- Failure to follow the approved CSDR plan--adding WBS elements
- Adding WBS elements with the same code and different element names to "provide more detail"
- Failure to spell out acronyms
- WBS Definitions are the same as the statement of work (SOW)
- Failure to provide definitions for summary level elements
- WBS elements defined as “Reserved”
- Provided definition but did not report costs
- Reported costs but did not include definition
- Insufficient technical content definitions
- Insufficient work content definitions
- Insufficient cost content definitions
- Identical definitions in dictionaries for prime/subcontractor or joint venture contractors
- Referred to Spares in parent level definition, but no definition for Initial Spares & Repair Parts

Data Group D – Summary Elements

- Not following Special Contractor Instructions in the approved CSDR plan
- Failure to clearly identify Summary Elements in accordance with Data Group D **

- Failure to provide Summary Elements in accordance with Data Group D *
- Subtotal does not match the root WBS element exclusive of G&A and FCCOM
- Summary elements do not sum correctly
- Reporting Contractor G&A reports zero cost at completion *
- Reporting Contractor FCCOM reports zero cost at completion *
- Reporting Contractor Profit/Loss or Fee reports zero cost at completion *
- Report marked Final, but Reporting Contractor Undistributed Budget does not report zero cost at completion *
- Report marked Final, but Reporting Contract Management Reserve does not report zero cost at completion *

Data Group E – Actuals To Date (ATD) and Data Group G – Forecasts At Completion (FAC)

- Failure to comply with Special Contractor Instructions in the approved CSDR plan
- Failure to clearly identify required data fields in accordance with Data Group E **
- Failure to clearly identify required data fields in accordance with Data Group G and block 10c of the approved CSDR plan **
- Failure to clearly identify non-required data fields *
- Failure to provide data fields in accordance with Data Group E or Data Group G *
- Reported dollars and hours are negative *
- Decrease in reported dollars and hours when compared to previous report *
- Actuals To Date are greater than Forecasts At Completion *
- Report marked Final, but cost to date is less than 95% of total cost at completion *
- Report marked Final, but total cost to date differs from total cost at completion by more than \$25 million *
- Reported dollars and hours not reported in whole numbers
- Redundant data reported in FlexFile *
- Interim Report contains costs that are 100% complete *
- Costs are reported as all Nonrecurring or all Recurring *
- Systems Engineering/Program Management reports zero cost at completion *
- Null values present for the following data fields: WBS, Nonrecurring or Recurring, Standard Functional Category, End Item, Order/Lot, Reporting Period, Unit/Sublot (if applicable) *
- Null values present for the following data fields with no further explanation: Account, CLIN, Functional Category, Functional Overhead Category **
- Reporting element from FlexFile not found on Contract Plan
- Required reporting element omitted from FlexFile *
- Required reporting element from FlexFile reports zero cost for Total At Completion *
- Non-required reporting element from FlexFile reports non-zero costs *
- WBS in FlexFile does not match WBS on Contract Plan
- Actual dollars and hours tagged to parent level the WBS elements *

- End Item and Order/Lot values provided as part of the submission do not align with the CSDR plan *
- Data reported for Direct Labor Hours but not for Direct Labor Dollars *
- Data reported for Direct Labor Dollars but not for Direct Labor Hours *
- Data reported for Direct Labor but not for Overhead *
- Data reported for Overhead but not for Direct Labor *
- Unit/sublot costs tagged non-touch labor Standard Functional Categories **
- Unit/sublot costs tagged Nonrecurring **
- Hours tagged to material and/or overhead Standard Functional Categories **
- FCCOM and G&A dollars reported as part of the reported actuals and not identified as such in the Standard Functional Category data field **
- Labor rate is unusually low *
- Labor rate is unusually high *
- Not clear how the Functional Category and Functional Overhead Category correspond to the FPRA **
- Material costs not discretely reported *
- Data reported for Direct Reporting Subcontractor with no additional detail *
- Subcontractor dollars tagged incorrectly tagged to engineering, manufacturing, or maintenance Standard Functional Categories **
- Other Costs Not Shown Elsewhere are greater than or equal to 15% of total cost with no additional detail *
- Reporting Period does not contain a start or end date
- Reporting Periods do not contain a month, day and year
- Reporting Periods overlap
- Time-phased data equal to the period of performance but did not indicate the period of performance of the submitted data **

Data Group F – Allocation Methodology (as required)

- Failure to follow Special Contractor Instructions in the approved CSDR plan
- Null values present for the following data fields as part of the actuals with no allocation methodology provided: WBS, End Item, Order/Lot, Unit/Sublot (if applicable) *
- See section 5e of this guide for information regarding the validation of allocations.

Quantity

- Failure to follow Special Contractor Instructions in the approved CSDR plan
- Reporting element from Quantity Report not found on Contract Plan *
- Required reporting element omitted from Quantity Report **
- Required reporting element from Quantity Report reports zero quantity for Total At Completion **
- Non-required reporting element from Quantity Report reports quantities **

- Costs are not complete, but number of units to date equals the number of units at completion *
- Costs reported as complete, quantities incomplete *
- Full system units for children-level WBS elements *
- Parents units equals the sum of children-level WBS elements *
- Units reported, no costs reported *
- Units for non-hardware elements *