

## The Contractor Submission Portal

Written by Nick Sanders  
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You can't find the MRD on the DCAA website, but it's making the rounds via industry associations, so we thought we'd talk about it. Give it a week or two, and then MRD 20-OTS-005 will be available to the general public.

What is MRD 20-OTS-005?

It's called "Introduction of The Contractor Submission Portal," and—as the name foretells—it discusses a new means for contractors to submit the annual proposals to establish final billing rates. (Which are popularly but incorrectly called "incurred cost submissions," but that's not the point of this article.)

The Contractor Submission Portal ("CSP") is "a formal electronic method for contractors to submit their certified incurred cost submissions." According to the MRD, "The goal of this portal is to provide a single place for contractors to submit their incurred cost proposal."

*Wait, what?*

Historically, contractors already have had a single place to submit the final billing rate proposals. It was called email. You emailed the proposal to the cognizant Federal agency official (ACO, DACO, CACO, whatever) and you sent a copy to DCAA. We always sent it to the FAO Manager, but your mileage may vary. Anyway, it's worked just fine for dozens of years; but now apparently we have a CSP to replace it.

*Back to the MRD.*

When a contractor submits its proposal into the CSP, an email will be generated from the CSP "to the cognizant FAO mailbox."

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So, basically, the CSP is simply a middleman. Instead of emailing your proposal to the FAO Manager, you submit to CSP and then CSP generates an email to the FAO Manager. That's some brilliant process improvement and streamlining, right there.

*Back to the MRD.*

What the CSP is, according to the MRD, is a Sharepoint site that "is designed to allow access to all employees within the FAO." What's the value-added by the CSP Sharepoint site? "This allows any employee within the FAO to download a copy of the proposal submission from the SharePoint site to the contractor perm file and perform the adequacy review and subsequent audit of the submission."

As opposed to forwarding it via email, we guess.

Another benefit (to DCAA) is that the CSP can generate status reports by contractor, showing which proposals are pending an adequacy determination and/or which proposals have been determined to be adequate and need to be audited. This is a cool feature, because (as you probably know) DCAA has two months after receipt to determine proposal adequacy and 10 more months after than to start and complete the proposal audit. We get that it would be important to be statusing contractor proposals, by contractor and by FAO, to make sure the statutory deadlines are being met.

Therefore, as near as we can tell, there is zero benefit to the contractor from the new CSP and next to zero benefit to the FAO auditors, but perhaps some moderate benefit to DCAA Headquarters from improved reporting.

*Meh.*

Contractors are not required to use the new CSP, as the MRD makes very clear. However, FAOs are required to engage with their contractors and "encourage" support of the new initiative. It would be weird if nobody used this fancy Sharepoint site, right? Kind of makes you wonder what Fort Belvoir would do when some of the data is coming out of the CSP Sharepoint

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site and the rest is being manually aggregated by each FAO.

And there it is. Once touted as a “TurboTax of Incurred Cost Submissions,” the CSP is revealed to be a ho-hum Sharepoint site with some basic reporting functions.

Use it if you wish.

But before you decide, there is one thing we will mention that you may want to consider—and it’s something we’ve mentioned here before. Courts have held that the Contract Disputes Act’s Statute of Limitations does not start to run until the government knew or should have known about the costs the contractor was claiming. Courts have held that the government should not be expected to know about potentially disputable indirect costs until they have access to details about those costs; commonly, that’s not until the audit actually starts. We think that one way to start the clock earlier is to submit the entire expense ledger along with the final billing rate proposal.

It’s not clear to us that the CSP will accept such a potentially massive document. If the CSP will not accept it and you want to get that clock started, then that would be a reason not to use it and stick with tried-and-true email. Of course, given the current deadlines, it’s fairly rare that DCAA will wait to get that audit started. But you never know....

Something to consider.