

ANSWER. Instruction 4 was intended to permit the use of the contractor's own format for listing his estimated costs and proposed price, because we recognized that no standard format would fit every accounting and estimating system. We did not intend this to mean that the balance of the DD Form 633 should be ignored. We propose to make this clear by changing ASPR to require a signed DD Form 633 in all instances, even though the contractor's format is substituted for the cost elements and proposed contract estimate portion of the standard form.

QUESTION. What is the significance of the "Reference" column on the DD Form 633?

ANSWER. This column was included to provide you with a "road map," i.e., with the specific identification of the detail supporting the estimated cost element. This detail must be presented in such a manner that the factual data can be identified apart from the judgmental factors and estimates.

QUESTION. Should a contractor furnish a "reference column" when using his own format?

ANSWER. Yes, but the reference column is merely the tool which enables you to find what you are looking for. The important thing is that the contractor make it clear what factual basis, i.e., cost or pricing data, his estimates rest on. In addition, he must show the factors which will tie his estimated costs to the factual base.

QUESTION. Why the emphasis on contractor identification of historical data? I have always relied on the audit report for support in this area.

ANSWER. You will still rely on the audit report but in two ways: first, as a tool to verify contractor furnished data, rather than the principal means of obtaining that data; and second, for commenting where appropriate on data not provided as a part of the contractor's submission. You must remember that it is the contractor, not the auditor, who will certify to the data. You must, therefore, have a clear picture of what the contractor is furnishing and certifying to.

QUESTION. My contractor says that compliance with DD Form 633 will require a "truckload" of data to be submitted with each proposal. What is your reaction to this?