

IDS Terms and Conditions Guide
Section A

Clause Number: A504V
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ADEQUACY OF ACCOUNTING SYSTEM

Seller is required to include a statement, readily visible in its proposal, and a document from its Administrative Contracting Officer (ACO), the DCAA, or DCMA, addressing the adequacy of its accounting and billing systems to support the cost reporting requirement of the proposed contract type under a United States Government contract. Suggested wording for submission of proposals is as follows:

“Seller’s submission of a proposal certifies that Seller’s accounting system has been determined by Seller’s cognizant **Administrative Contracting Officer (ACO)** to be adequate for:

1. Timely development of all necessary cost data applicable to the proposed contract in the form required by the contract type proposed;
2. Price redetermination;
3. Providing data for negotiation of targets or ceilings, a realistic profit adjustment formula, and later negotiating of final price.”