SUGGESTED SIMPLIFICATION CHANGES TO CIRCULAR A-21

Gary Talesnik
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Suggested Simplification Changes To Circular A-21

Disclosure Statements

- Discontinue Disclosure Statements or Simplify Requirements
- If Continued, Limit Reporting and Amendments to Major Cost Accounting Practices Related to Federal Programs
- Raise Submission Threshold
Suggested Simplification Changes To Circular A-21

Interest Costs

- Eliminate Requirement for Lease-Purchase Analysis
- Drop or Simplify Requirement for Computing and Adjusting Interest Expense for Excess Cash Flow
- Drop Requirement for Notification and Cost Adjustments for “Substantial Relocation” of Federal Programs from Financed Facilities
- Allow Interest on Equipment Costing Under $10,000 and Drop Requirement for Government “Agreement” to Interest Costs
Suggested Simplification Changes To Circular A-21

Depreciation

- Drop Requirements Related to “Large Research Facilities”
- Eliminate Requirement to Use Depreciation Recoveries to Acquire or Improve Research Facilities
Suggested Simplification Changes To Circular A-21

Lobbying Costs

- Simplify Lobbying Cost Rules

- Put All Lobbying Cost Policies In A-21; Eliminate Multiple References to Other Documents

- Drop Separate Certification Requirement

- Combine Two Sections on Lobby Costs into One Section
Defense and Prosecution of Criminal and Civil Proceedings, Claims, Appeals

- Drop Lengthy, Complex Rules Currently in A-21; Substitute Streamlined Provisions in A-87
- Limit Restrictions to Defense Contracts as Required by Law, Consistent with A-87
- Allow Costs of Administrative Appeals
Suggested Simplification Changes To Circular A-21

Other Rules Needing Simplification/Streamlining

- Advertising and Public Relations
- Professional Services Costs
- Recruitment Costs