

**COMPETENCIES  
EMPLOYEE SELF-ASSESSMENT**

**BCF 205 – CONTRACTOR FINANCE FOR ACQUISITION MANAGERS**

BCF 205	Competency	Yes	No	Work Description/Justification
1	<p><b>Contractor Financing.</b></p> <ul style="list-style-type: none"> <li>• Identify three categories of cash inflows.</li> <li>• Identify four categories of cash outflows.</li> <li>• Describe the cash flow cycle.</li> <li>• Explain time value of money concept.</li> </ul>			
2	<p><b>Financial Analysis of DoD Contractors.</b></p> <ul style="list-style-type: none"> <li>• Explain the role of financial capability analysis in the DoD acquisition process.</li> <li>• Identify types of financial data and where you would get them.</li> <li>• Identify the purpose and main elements of a businesses external financial reports.</li> <li>• Explain the interrelationships among the categories of ratios and how they explain the financial condition of a business.</li> </ul>			

BCF 205	Competency	Yes	No	Work Description/Justification
3	<p data-bbox="323 285 659 354"><b>Sales Forecasting and the Annual Operating Plan.</b></p> <ul data-bbox="323 395 711 1052" style="list-style-type: none"> <li data-bbox="323 395 711 526">• Explain how cost/managerial accounting differs from financial accounting.</li> <li data-bbox="323 534 711 602">• Identify the major types of cost systems.</li> <li data-bbox="323 611 711 741">• Distinguish between direct and indirect type costs and describe how overhead rates are calculated.</li> <li data-bbox="323 750 711 818">• Discuss the common types of indirect cost pools.</li> <li data-bbox="323 826 711 913">• Describe the major types of costs in each indirect cost pool.</li> <li data-bbox="323 922 711 1052">• Determine the significance of the Cost Accounting Standards Board (CASB) and CAS 401 and 402.</li> </ul>			
4	<p data-bbox="323 1065 632 1133"><b>Cost Accounting for Government Contracts.</b></p> <ul data-bbox="323 1174 711 1823" style="list-style-type: none"> <li data-bbox="323 1174 711 1338">• Determine how: (1) forward pricing, (2) billing, and (3) actual indirect cost rates are used in Government contracting.</li> <li data-bbox="323 1346 711 1477">• Explain allowability, allocability, and reasonableness of cost tests.</li> <li data-bbox="323 1485 711 1690">• Identify Independent Research and Development/Bid and Proposal (IR&amp;D/B&amp;P) expenses as elements of contractor cost.</li> <li data-bbox="323 1699 711 1823">• Determine Facilities Capital Cost of Money (FCCM) as an element of contractor cost.</li> </ul>			

BCF 205	Competency	Yes	No	Work Description/Justification
5	<p data-bbox="325 254 587 285"><b>Cost-Volume-Profit</b></p> <ul data-bbox="325 327 715 768" style="list-style-type: none"> <li data-bbox="325 327 715 430">• Explain the difference between fixed and variable costs.</li> <li data-bbox="325 437 715 540">• Explain the meaning of break-even and break-even chart.</li> <li data-bbox="325 547 715 650">• Identify the concepts of contribution margin and marginal pricing.</li> <li data-bbox="325 656 715 768">• Define the concept of operating leverage and how it may influence pricing strategy.</li> </ul>			
6	<p data-bbox="325 789 632 851"><b>Contractor Use of Cost Estimating.</b></p> <ul data-bbox="325 893 676 1017" style="list-style-type: none"> <li data-bbox="325 893 676 924">• Identify cost proposals.</li> <li data-bbox="325 930 676 1017">• Describe the estimating methodology for various elements of cost.</li> </ul>			
7	<p data-bbox="325 1038 639 1100"><b>Overhead Planning and Analysis.</b></p> <ul data-bbox="325 1141 703 1752" style="list-style-type: none"> <li data-bbox="325 1141 703 1307">• Analyze the impact which changes in business base have on a defense contractor's direct and indirect costs.</li> <li data-bbox="325 1313 703 1452">• Analyze the impact of a reduction in the sales forecast on a defense contractor's business base.</li> <li data-bbox="325 1458 703 1587">• Distinguish between variable and fixed costs and derive revised overhead pool costs.</li> <li data-bbox="325 1593 703 1752">• Compute revised overhead rates to be used by a defense contractor for Government contracting purposes.</li> </ul>			

BCF 205	Competency	Yes	No	Work Description/Justification
7 Con't.	<ul style="list-style-type: none"> <li>• Appraise the equitability of the contractor's overhead pool structure to a Government program manager.</li> <li>• Compute the financial impact on a Government program as a result of changes in overhead rates.</li> </ul>			
8	<p><b>Cost Proposals and Report Evaluations.</b></p> <ul style="list-style-type: none"> <li>• Prepare requests for additional information or support from the DPRO Program Integrator.</li> <li>• Prepare requests for additional information or clarifications.</li> <li>• Prepare requests for information from other program office personnel.</li> <li>• Prepare recommended negotiation objective positions on proposal cost elements, along with supporting rationale to be used in pre-negotiation briefings and negotiations.</li> </ul>			
9	<p><b>Capital Investment for Cost Reduction.</b></p> <ul style="list-style-type: none"> <li>• Demonstrate computation of (1) pay back (PB), (2) net present value (NPV), and (3) internal rate of return (IRR) methods for evaluating capital investment proposals.</li> <li>• Identify how risk and return affects a contractor's willingness to invest in capital (fixed) assets.</li> </ul>			

BCF 205	Competency	Yes	No	Work Description/Justification
9 Con't.	<ul style="list-style-type: none"> <li>• Identify Government disincentives and incentives to capital investment.</li> </ul>			
10	<p><b>Proposal Pricing.</b></p> <ul style="list-style-type: none"> <li>• Describe the considerations of a contractor in pricing competitive proposals to the DoD, and the importance of pricing decisions and its risk to the proposing contractor.</li> <li>• Determine the complexity of factors impacting the pricing decision.</li> <li>• Identify types of information relevant to the pricing decision.</li> <li>• Discuss the motivations underlying contractor pricing proposals.</li> </ul>			