

I want to take this opportunity to wish everyone a Merry Christmas and a Happy Hanukah! I find it hard to believe that we have made another trip around the sun already...

During the last year, we have witnessed a lot of changes in both the governmental market, as well as within our business. We've witnessed everything from the new administration causing a slowdown in the flow of funds to participants, to a slowdown in the decision process for spending new funds. It seemed like the entire government was almost “waiting” to see how the new administration was going to affect the normal business cycle.

As we progressed through the year, this phenomenon seemed to mitigate itself and business is just about back to normal. There are, however, changes within Washington and this may affect the government marketplace in the future.

The President just signed into law the 2018 National Defense Authorization Act (2018 NDAA). There are many new policies contained within this legislation that will affect the government acquisition cycle in the future. Perhaps the largest impact of the new law is the dra-



matic increase in the budget for the Department of Defense, an increase of over \$70 Billion. This includes \$634 Billion for the base budget and \$66 Billion for the war budget. Here is a quick summary of some of the major items that will affect procurement in the future:

- The backlog of Incurred Cost Audits to be eliminated by 10/1/2020
- The use of Commercial resources to assist the DCAA in auditing Incurred Cost Reports
- Increase the Simplified Acquisition Threshold from \$100,000 to \$250,000
- Increase the Micro-Purchase Threshold from \$3,000 to \$10,000
- Establish a process for enhanced Supply Chain Scrutiny
- Train personnel in ac-

quisition chain on how to more easily procure commercial items and other transactions besides contracts and grants

There is a growing current in the government, especially the DoD, that the government isn't able to keep up with some of the technological advances in the industry, especially the IT field, with current procurement practices. This means we will surely see some reform in the acquisition cycle. We need to all pay attention to this to make sure we are not only doing what the government requires, but what is best for our business. If anyone would like to discuss this in more detail, please give me a call.

I want to wish everyone all the best in 2018!

-Mike Anderson, CEO  
ReliAscent LLC

# Why Right Now is the Best Time to Submit Your 2018 Billing Rate Proposal (“BRP”)

Contractors with cost-plus fixed fee contracts always feel the squeeze of submitting their current year budgeted billing rates within 90 days of the close of their fiscal year end. While using your 2017 rates for January-March billings should still be approved for payment, you will save yourself from the large headache of reconciling if you submit your 2018 Billing Rate Proposal to get current provisional billing rates sooner than later.

Your Billing Rate Proposal is a required part of contracts containing FAR 42.7. The “BRP” establishes the indirect rates you

can apply to your direct costs for your current Fiscal Year. For companies with a December 31 year end, this means you must submit this no later than March 31.

As the year comes to an end, it is the best time to put your budget together and prepare for your ongoing efforts for the coming year. If you are unsure of where to start, you can always contact your ReliAscent accountant for help- we have spent years analyzing, developing and preparing Billing Rate Proposals. We help you look at your current contracts as well as estimated efforts, your anticipated contracts and anticipated efforts, where your current staffing may

fall short to fill the gaps, and what costs to plan on increasing in the coming year.

By establishing your 2018 provisional rates now, you will be able to utilize these “new” rates to keep your invoicing in line with your budget, and more accurately see how your current rates are comparing to your budgeted rates throughout the year. Don’t let yourself fall to DCAA’s “naughty” list, ReliAscent will help you and your invoices land on their “nice” list.

- Jenni Kellogg, Controller  
ReliAscent LLC

## ReliAscent Teams With Denver-Based Charity, Sox Place

Sox Place is a drop-in center for kids and young people living on the streets.

Since 2002, they have helped approximately 200,000 children and young people who were either abandoned by their parents, fell through the cracks of the foster care system, or were tossed aside by society.

A space where they can feel safe with couches, recreation, and internet access; Sox Place exists to bring the “Father’s heart to the fatherless, through physical, spiritual, emotional and social provision to urban youth subcultures.”

We here at Reliascent, have teamed up with Sox Place this holiday season to support their annual Christmas party. We

have been collecting donations of clothes, personal hygiene items and gift cards. Since public restrooms downtown are few and far between, Sox Place gives out gift cards to the local supermarket, McDonalds, etc. thereby allowing these so called “street kids” to make a purchase and use the restroom. With these small donations they are given back their dignity.

The Sox Place annual Christmas party is on December 20<sup>th</sup>, and they will have a full turkey dinner. Gifts of clothes, toiletries, gift cards (and even candy), will be provided to these children in need. Some of these same young people have kids of their own so we have collected small toys to give them as well.

Reliascent is happy to team up



with such a great organization, and make the holidays brighter for some of the most overlooked members of our society.

Check out Sox Place on Facebook at [www.facebook.com/soxplaceofficial](http://www.facebook.com/soxplaceofficial)

- Kristen Prismon, Accountant  
ReliAscent LLC