



October 10, 2025

Federal Acquisition Regulatory Council
General Services Administration
Washington, D.C.

Subject: Comments on FAR Part 30 Deviation

Dear FAR Council,

The Coalition for Common Sense in Government Procurement (Coalition) appreciates the opportunity to comment on the General Services Administration's (GSA) Class Deviation concerning Federal Acquisition (FAR) Part 30 (Cost Accounting Standards Administration).

By way of background, the Coalition is a non-profit association of firms selling commercial services and products to the Federal Government. Our members include small, medium and large business concerns which collectively account for more than \$16 billion of the annual sales generated through GSA's Multiple Award Schedule program. The Coalition is proud to have collaborated with Government officials for over 45 years in promoting the mutual goal of common-sense acquisition.

Consistent with proposed rule (90 FR 43994) and final rules (90 FR 43942) issued on September 11, 2025, the Coalition supports efforts to transition from Cost Accounting Standards (CAS) in favor of Generally Accepted Accounting Principles (GAAP). This effort will produce substantial efficiencies. While CAS and GAAP have significant overlapping purposes (e.g., revenue recognition, cost classification, asset valuation, expense recognition, financial statement presentation), there are enough differences between the two that companies often have to comply with both standards. This is a significant administrative burden for government contractors, who must maintain systems and processes to meet both sets of requirements despite their similar purposes. Furthermore, contractors already contract with external auditors for oversight and approval of their systems and processes.

Specifically, this change would result in the following benefits to both the government and contractors:

Cost Savings

1. Reduced compliance costs for contractors
 - Contractors wouldn't need to maintain separate accounting systems and practices
 - Eliminates need for specialized CAS expertise and training
 - Reduces documentation requirements specific to CAS compliance
2. Decreased government oversight costs

- Fewer specialized auditors needed for CAS compliance verification
- Simplified audit procedures aligned with commercial practices
- Reduced time and resources spent on CAS-related disputes

Administrative Burden Reduction

1. Simplified accounting practices
 - Most contractors already use GAAP for financial reporting
 - Alignment with commercial business practices
2. Streamlined proposal preparation
 - Standard GAAP accounting principles would apply across all contracts
 - Reduced complexity in cost estimating and pricing
 - Reduced compliance documentation
3. Broader contractor participation
 - Lower barriers to entry for commercial companies
 - Increased competition from firms deterred by CAS requirements
 - Access to innovative solutions from non-traditional contractors without having to go outside the FAR/DFARS
4. Faster contract award process
 - Less time spent reviewing CAS compliance
 - Fewer pre-award accounting system reviews
 - Reduced negotiation time for accounting-related matters

GAAP is already well-established, widely understood, and continuously updated by the Financial Accounting Standards Board (FASB), providing a robust framework that could be sufficient for government contracting purposes while significantly reducing the specialized compliance burden that CAS creates.

RECOMMENDATION: Eliminate CAS in favor of GAAP and rely more on third party audits to reduce administrative costs for contractors that are passed on to the Government and directly for the Government in providing oversight and duplicative audits. This would be a “revolutionary” change that meets the priorities of the Administration: minimizing wasteful spending and adopting commercial best practices.

The Coalition hopes you find these comments useful and thanks you for your time and consideration. If you have any questions, I may be reached at (202) 899-2986 ext. 129 or kdodds@thecgp.org.

Regards,

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