

CLIENT ALERT

Show Them the Money: ASBCA Finds Govt Claims Untimely When Contractor Provided Cost Impact Analyses

June 5, 2013

In *Raytheon Corp.* (April 22, 2013), the most recent in a string of CDA statute of limitations cases barring untimely government claims (discussed [here](#), [here](#), [here](#), and [here](#)), the ASBCA dismissed the government's CAS-based claims relating to 3 out of the 4 accounting practice changes at issue, reminding contractors of the importance of complying with the regulatory requirement to provide timely estimates of the impacts of accounting changes. The Board allowed one claim to proceed "where Raytheon only reported the fact of a change, not the implications of it or other data" from which the Government could have concluded it had a claim, but dismissed as untimely 3 claims because Raytheon had provided cost impact information more than 6 years prior to the final decision asserting a Government claim, noting that "[c]laim accrual does not depend on the degree of detail provided, whether the contractor revises the calculations later, or whether the contractor characterizes the impact as 'immaterial,'" but is pegged instead to when the contractor "notified the Government of a specific, adverse cost impact flowing from [the change]."

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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