

**COST ACCOUNTING STANDARDS BOARD  
DISCLOSURE STATEMENT  
REQUIRED BY PUBLIC LAW 100-679**

**PART II - DIRECT COSTS**

**NAME OF REPORTING UNIT**

| Item No. | Item description |
|----------|------------------|
|----------|------------------|

**2.3.0** Timing of Charging Direct Material. (Mark the appropriate line(s) to indicate the point in time at which direct material are charged to Federal contracts or similar cost objectives, and if more than one line is marked, explain on a continuation sheet.)

- A.  When orders are placed
- B.  When both the material and invoice are received
- C.  When material is issued or released to a process, batch, or similar intermediate cost objective
- D.  When material is issued or released to a final cost objective
- E.  When invoices are paid
- Y.  Other(s) 1/
- Z.  Not applicable

**2.4.0** Variances from Standard Costs for Direct Material. (Do not complete this item unless you use a standard cost method, i.e., you have marked Line A of Item 2.2.1, or 2.2.2. Mark the appropriate line(s) in Items 2.4.1, 2.4.2, and 2.4.4, and if more than one line is marked, explain on a continuation sheet.)

**2.4.1** Type of Variance.

- A.  Price
- B.  Usage
- C.  Combined (A and B)
- Y.  Other(s) 1/

**2.4.2** Level of Production Unit used to Accumulate Variance. Indicate which level of production unit is used as a basis for accumulating material variances.

- A.  Plant-wide Basis
- B.  By Department
- C.  By Product or Product Line
- Y.  Other(s) 1/

**2.4.3** Method of Disposing of Variance. Describe on a continuation sheet the basis for, and the frequency of, the disposition of the variance.

**2.4.4** Revisions. Standard costs for direct materials are revised:

- A.  Semiannually
- B.  Annually
- C.  Revised as needed, but at least once annually
- Y.  Other(s) 1/

1/ Describe on a Continuation Sheet.