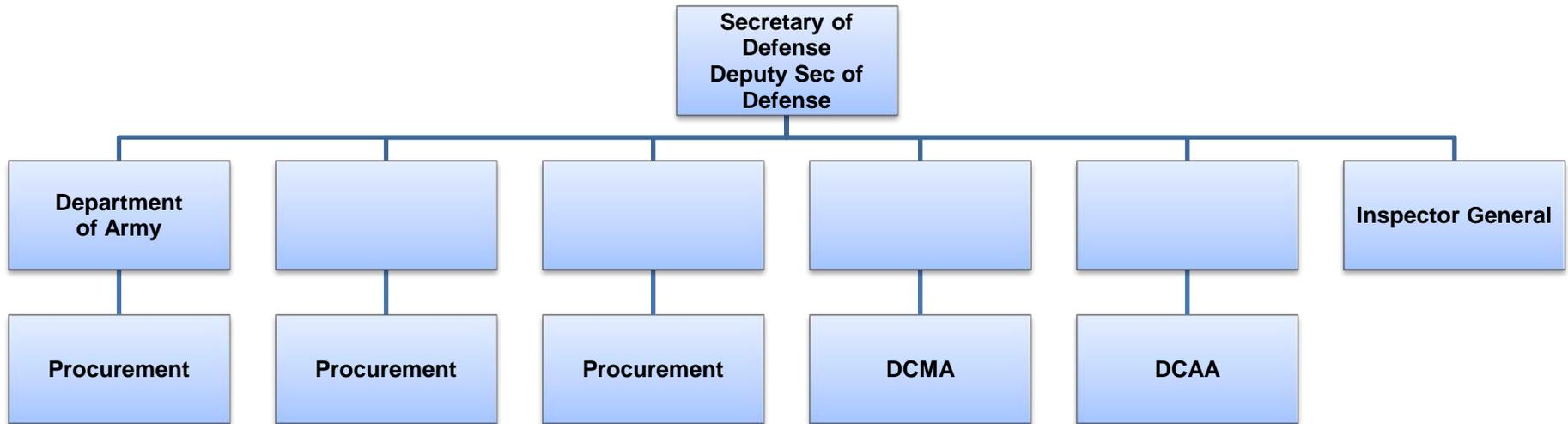


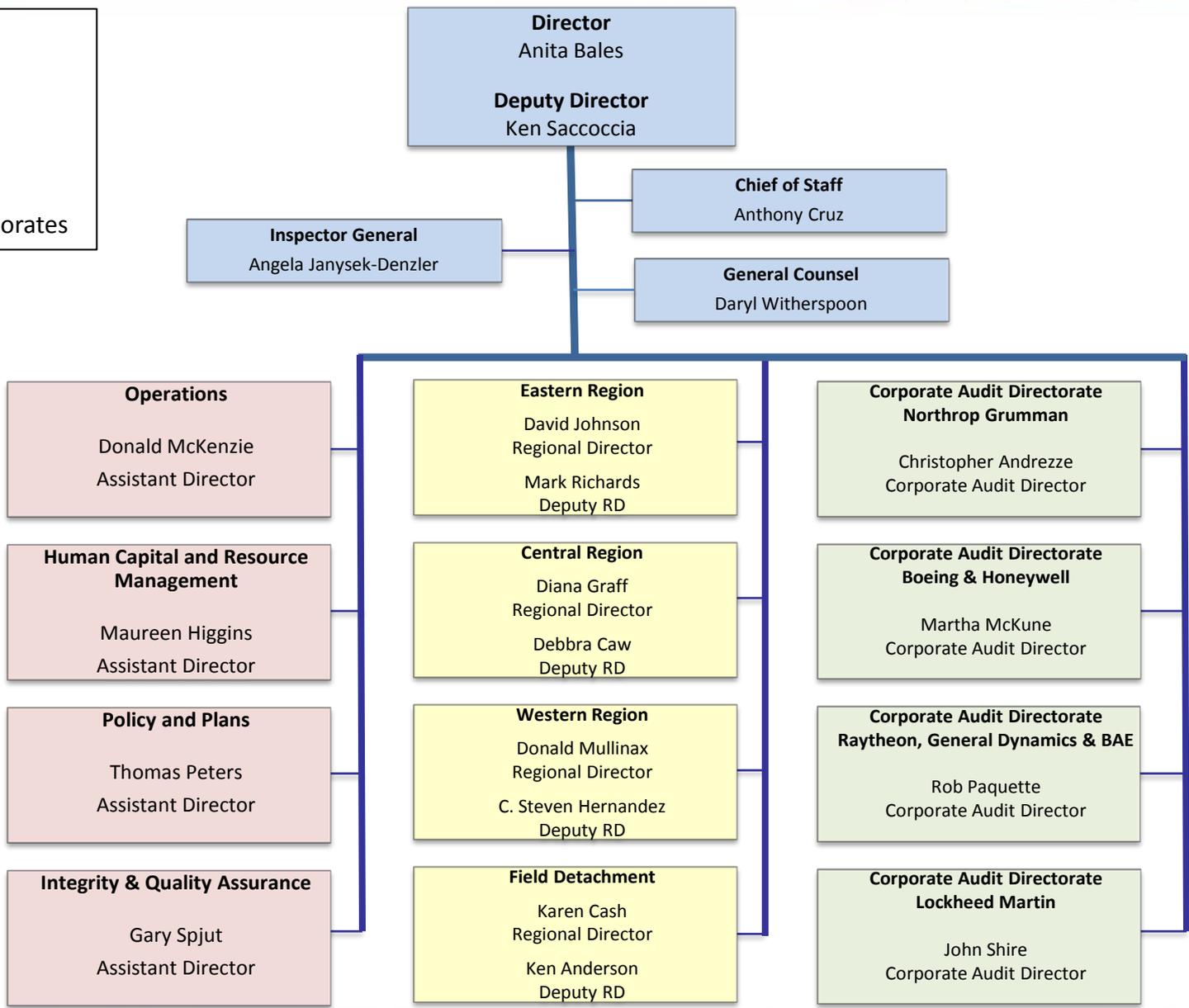
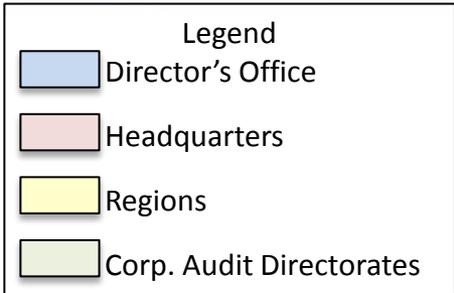


# Introduction and DCAA Overview

The views expressed in this presentation are DCAA's views and not necessarily the views of other DoD organizations

# Department of Defense (DoD) Organization





# Defense Contract Audit Agency

- Approximately 5,000 employees located at over 300 offices throughout the United States and overseas
- Responsibilities and Duties:
  - Perform all needed contract audits for DoD
  - Provide accounting and financial advisory services to DoD (and civilian agencies when requested) acquisition and contract administration components during all contract phases:
    - Preaward
    - Contract execution
    - Settlement (contract closing)

# DCAA Audits Throughout Phases of a Contract

## Pre-Award

Accounting System
Proposal Review
- Labor Rates
- Indirect Rates
- Materials
- ODC

## Throughout Contract Life

Annual Incurred Cost Reviews
Real Time Labor and Material
CAS Compliance
Business Systems
Provisional Billing Rates/Vouchers
Progress Payments
Truth in Negotiations
Special Contracting Officer requests

## Contract Completed

Evaluation of Final Voucher
Terminations

# DCAA

- DCAA does not (this list is not all inclusive):
  - Assist contractors in setting up adequate accounting systems
  - Assist contractors in developing forward pricing rates
  - Assist contractors in developing cost proposals
  - Provide recommendations for consultants
  - Attend meetings intended to assist the contractor in developing a proposal position

# Available Presentations

- Accounting System Requirements
- Contract Briefs
- Incurred Cost Submissions
- Monitoring Subcontracts
- Proposal Adequacy
- Provisional Billing Rates
- Public Vouchers
- Real-time Labor Evaluations

# DCAA Internet Resources

## [www.dcaa.mil](http://www.dcaa.mil)

- Audit Process Overview – Information for Contractors Manual
- DCAA Preaward Accounting System Checklist
- DoD Contract Proposal Adequacy Checklist
- DoD Forward Pricing Rate Adequacy Checklist
- DCAA Incurred Cost Adequacy Checklist
- Incurred Cost Electronically (ICE) Model
- Links to Acquisition Regulations
- Small Business Seminar Slides



DCAA assisted the Army and Marine Corps in reducing the unit

[Request An Audit](#)

[Audit Process Overview – Information For Contractors](#)

[Directory Of Audit Programs](#)

[CAM – Contract Audit Manual](#)

[Selected Area Of Cost Guidebook: FAR 31.205 Cost Principles](#)

[MRDs – Audit Guidance Memos](#)

[CAS – Cost Accounting Standards](#)

[FAR – Federal Acquisition Regulation](#)

[FAR Cost Principles Guide](#)

[DFARS – Defense Federal Acquisition Regulation Supplement](#)

[GAGAS/Yellow Book – Generally Accepted Government Auditing Standards](#)

[FAQs](#)



## ABOUT DCAA ▶

Learn about DCAA's mission, services, and value to the warfighter and taxpayer with the Strategic Plan, Year in Review, and Report to Congress.



## GUIDANCE ▶

Access current DCAA, DoD, and federal acquisition regulations and requirements for government contracting and auditing, including CAM, CAS, FAR,



## CHECKLISTS & TOOLS ▶

Prepare for a DCAA Preward Accounting System, Contract Pricing Proposal, Forward Pricing Rate Proposal, and Incurred Cost audits using DCAA

- Preaward Accounting System Adequacy Checklist
- Contract Pricing Proposal Adequacy Checklist
- Forward Pricing Rate Proposal Adequacy Checklist
- Incurred Cost Submission Adequacy Checklist
- Cost Of Money Rates
- ICE (Incurred Cost Electronically) Model
- EZ-Quant Applications



DCAA assisted the Army and Marine Corps in reducing the unit price for nearly 12,000 Humvees



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**ABOUT DCAA** ▶

Learn about DCAA's mission, services, and value to the warfighter and taxpayer with the Strategic Plan, Year in Review, and Report to Congress. Get information on career opportunities. Find out how to request an audit.



**GUIDANCE** ▶

Access current DCAA, DoD, and federal acquisition regulations and requirements for government contracting and auditing, including CAM, CAS, FAR, DFARS, GAGAS and other guidance. Find answers to Frequently Asked Question.

**Help for Small Business**



**CHECKLISTS & TOOLS** ▶

Prepare for a DCAA Preaward Accounting System, Contract Pricing Proposal, Forward Pricing Rate Proposal, and Incurred Cost audits using DCAA checklists. Access ICE Model and EZ-Quant applications.



## AUDIT PROCESS OVERVIEW

Useful information to assist contractors understand DCAA audit processes

### Information for Contractors

A helpful guide that provides an overview of the types of audits DCAA conducts, links to checklists, and what you can expect in a DCAA audit.

- [Information for Contractors](#)

### Help for Small Business Contractors

DCAA Small Business Focal Point (571) 448-2008

[DCAA-OAL-SmallBusinessFocalPoint@dcaa.mil](mailto:DCAA-OAL-SmallBusinessFocalPoint@dcaa.mil)

In addition to the [Information for Contractors](#) guide, DCAA offers targeted information to assist with audit issues that relate to small businesses. Access presentations below for help on specific topics important for smaller contractors:

- [Accounting System Requirements](#)
- [Contract Briefs](#)
- [Incurred Cost Submissions](#)
- [Monitoring Subcontracts](#)
- [Proposal Adequacy](#)
- [Provisional Billing Rates](#)
- [Public Vouchers](#)
- [Real-time Labor Evaluations](#)

# Public Vouchers

- Cost type contracts provide for interim payments for costs on a Standard Form (SF) 1034 public voucher. DCAA will perform voucher reviews based on risk.
- Fixed price contracts are subject to FAR Part 32 financing methods.

# Contractor Responsibilities

- Contact the cognizant DCAA office after contract award
- Ensure DCAA has the necessary information to process contract billings, such as current provisional billing rates, copy of the contract, any special contract provisions, etc.
- Maintain adequate billing system internal controls
- Ensure adequate support is maintained for amounts billed
- Submit timely incurred cost proposals and final vouchers in accordance with FAR 52.216-7

# Preparation of Vouchers

- The contractor is responsible for preparing and submitting claims for reimbursement according to the terms of the contract.
- Vouchers should not be submitted more than once every two weeks.
- Public voucher claims for reimbursement must be prepared on the prescribed Government forms:
  - First voucher on a contract is an interim voucher, as are all subsequent vouchers prior to the final voucher.
  - Final voucher will not be submitted until all contract work is completed. The auditor may provide advice concerning the format for preparing public vouchers and financial representations.

# DCAA Review

- DCAA will perform a review of interim vouchers using a sampling approach in accordance with DFARS 242.803
  - Pre-payment Testing - Review and approve interim vouchers to assure that the voucher is properly prepared and acceptable for provisional payment
  - Post-payment Testing - Review paid vouchers to assure claimed costs were paid, costs reconcile to supporting documents, and are in accordance with the terms of the contract
- DCAA will review the final vouchers upon administrative contracting officer request.

*Note - All provisionally approved interim vouchers are subject to a later audit of actual costs incurred*

# Common Deficiencies

- Math errors
- Billed costs not allowed per the contract terms (e.g., overtime)
- Incorrect provisional billing rates (indirect costs)
- Billing over contract ceiling amounts

# Frequently Asked Questions

Is there any general guidance for how a contractor should be inputting information into iRAPT (formerly WAWF)?

Yes, there is guidance on the required information for different contract types and the guidance varies by type of contract. See <https://wawftraining.eb.mil/wawfwbt/xhtml/unauth/web/wbt/wawfra/vendor/DocumentCreate.xhtml> for an overview of invoice creation and required information for different types of contracts.

# Frequently Asked Questions

When information is incorrect on a voucher, can the contractor recall and correct the voucher or does the contractor have to submit a new voucher?

Contractors will not be able to recall and correct the following fields: contract number, delivery order number, Cage Code, document type, shipment number or date, and invoice number or date. If the contract number has been entered incorrectly, a new invoice must be submitted.

See the WAWF Quick Reference guide for Recalling or Resubmitting an invoice located at:

<http://www.dtra.mil/documents/business/wawf/RecallorResubmit.pdf>

# Contact Information

- DoD Office of Small Business Programs  
[www.acq.osd.mil/OSBP](http://www.acq.osd.mil/OSBP)
- DCAA  
[dcaa-oal-smallbusinessfocalpoint@dcaa.mil](mailto:dcaa-oal-smallbusinessfocalpoint@dcaa.mil)