



**DEFENSE CONTRACT AUDIT AGENCY
DEPARTMENT OF DEFENSE
8725 JOHN J. KINGMAN ROAD, SUITE 2135
FORT BELVOIR, VA 22060-6219**

IN REPLY REFER TO

PAS 730.3.B.2.4

10-PAS-014(R)
May 13, 2010

**MEMORANDUM FOR REGIONAL DIRECTORS, DCAA
DIRECTOR, FIELD DETACHMENT, DCAA
HEADS OF PRINCIPAL STAFF ELEMENTS, HQ, DCAA**

SUBJECT: Audit Alert on Supplemental Revisions to Working Papers after Report Issuance

This MRD clarifies the policy on supplemental revisions to audit working papers after the audit report is issued. Under no circumstances should working papers be altered in any way subsequent to report issuance. This includes the official electronic APPS package; the files on the backup CD, and hard copy working paper files.

CAM 4-409 lists the specific circumstances under which additional audit procedures may be necessary, causing the auditor to supplement the existing working papers and issue a supplemental report where appropriate. In these cases, the supplemental working papers should be created as a separate set of files and should not be incorporated directly into the original APPS package. The auditor should take prudent measures to ensure that the supplemental working papers will not be mistaken for part of the original working paper package. Supplemental working papers should contain a concise explanation of the circumstances under which they were created. They should be stored in Livelink in the same folder as the original official working papers but the auditor should not open the original APPS files to add this supplemental documentation. The supplemental working papers should also be copied to a new single session CD which should be stored with the backup CD for the original APPS files. If there are hard copy working papers for the assignment, care must be taken to ensure that the original set which existed at report issuance/assignment closure are not altered in any manner.

Once an assignment has been selected for an internal or external oversight review (i.e., DCAA Quality, GAO, or IG), FAOs/Regions shall refrain from conducting any further management reviews of the completed working papers. Securing any hard copy working papers and refraining from conducting management reviews after an assignment is selected for oversight review eliminates any questions related to the integrity of the working paper documentation generated to support the conclusions reached in the assignment. If circumstances exist that require the selected assignment's archived working papers to be supplemented under the criteria in CAM 4-409, the FAO should first coordinate with Headquarters through the regional office so that the reviewers can be notified.

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FAO personnel should direct questions regarding this memorandum to their regional offices, and regional personnel should direct any questions to Auditing Standards Division, at (703) 767 3274 or email: DCAA-PAS@dcaa.mil.

/s/ David E. Johnson
/for/ Kenneth J. Saccoccia
Assistant Director
Policy and Plans

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