



**DEFENSE CONTRACT AUDIT AGENCY
DEPARTMENT OF DEFENSE
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IN REPLY REFER TO

PAS 730.3.B.2.4

August 24, 2010
10-PAS-020(R)

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

SUBJECT: Audit Guidance on Audit Report Contacts and Disagreements on Audit Findings

MRD 08-PAS-022(R) dated July 31, 2008, Subject: Audit Alert on Handling Disagreements on Audit Findings, provides procedures to be followed when there is a difference of opinion between the auditor and the supervisor or higher level management regarding audit findings. The MRD requires the auditor and the supervisor to document in the superseded working papers unreconciled differences of opinion that materially affect the audit conclusions.

Effective immediately the name of an auditor who has documented an unreconciled difference of opinion on audit findings may be excluded as a contact in the DCAA Personnel section of the applicable audit report if the auditor so chooses. Furthermore, MRD 08-PAS-022(R) states that the documentation should be prepared when the difference of opinion materially affects the audit conclusions. However, auditors and/or supervisors may document in the superseded working papers any unreconciled difference of opinion on audit findings for both completed and cancelled assignments.

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

/s/
Kenneth J. Saccoccia
Assistant Director
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