



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

IN REPLY REFER TO

PPS 540.1

July 29, 2010  
10-PPS-019(R)

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

SUBJECT: Delegation of Signature Authority for Audit Reports and Other Correspondence

In response to the feedback that the Director has received, effective immediately, he has authorized Regions and FAO Managers to revise their delegations of signatory authority to permit supervisory auditors to sign selected audit reports and memorandums. Since our August 2008 revision to the Delegation of Signatory Authority, we have re-assessed our processes and determined that Supervisors should have the authority for signing certain audit reports and correspondence, subject to FAO Manager discretion. We believe this change will empower our supervisors with the appropriate responsibility and authority as they carry out this critical role as a first line supervisor. This process change will also provide FAO managers with additional time to spend on our high risk audits. FAO Managers will ensure that Supervisory Auditors' delegated approval authority possess the necessary experience and competence to protect the Government's interests considering specific contractor risks. DCAA Regulation 5600.1, Delegation of Signature Authority for Audit Reports and Other Audit Related Documents, has been updated for this revision (Enclosure).

FAO personnel should direct questions regarding this memorandum to their regional offices. Regional offices should direct their questions to Policy Publications and Systems Division (PPS), at (703) 767-3274 or by e-mail at [DCAA-PPS@dcaa.mil](mailto:DCAA-PPS@dcaa.mil).

/s/  
Kenneth J. Saccoccia  
Assistant Director  
Policy and Plans

Enclosure:  
a/s

DISTRIBUTION: C

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

PPS

July 28, 2010

DCAA REGULATION  
NO. 5600.1

**DELEGATION OF SIGNATURE AUTHORITY FOR AUDIT  
REPORTS AND OTHER AUDIT RELATED DOCUMENTS**

1. **REISSUANCE AND PURPOSE.** This regulation establishes procedures for delegation and redelegation of authority to sign audit reports, and office correspondence, to sign DCAA Forms 1, to execute indirect expense rate agreements for contractors with audit determined rates, and to provisionally approve interim public vouchers for payment.
2. **CANCELLATION.** DCAA Regulation 5600.1, Delegation of Signature Authority, dated May 27, 2010, is hereby canceled.
3. **APPLICABILITY AND SCOPE.** This regulation applies to DCAA Regional and Field Detachment Offices and Field Audit Offices (FAOs).
4. **POLICY.**
  - 4.1. **General.** Authority to sign all audit reports, audit-related office correspondence, and DCAA Forms 1; to execute indirect rate agreements; and to provisionally approve interim public vouchers for payment is hereby delegated to the Regional Directors/Director, Field Detachment, Deputy Regional Directors, Regional/Detachment Audit Managers, and FAO Managers. Each level of management may, by exception, further limit or rescind signatory authority. Such action must be in writing. This delegation may be redelegated only as specified in accordance with paragraphs 4.3. through 4.5.
  - 4.2. **FAO Manager Delegation.** Delegation to sign audit reports, Forms 1, Indirect Rate Agreements and memorandums issued to close or cancel audit assignments must be to the level of the FAO Manager or higher and this delegation cannot be re-delegated, except for as provided in 4.3 below. Acting FAO Managers have the same signatory authority as FAO Managers, and their authority is not considered a redelegation for the purpose of this regulation. However, acting FAO Managers should consider delaying the issuance of all audit reports, Forms 1, Indirect Rate Agreements and memorandums to close or cancel audit assignments that he or she supervised until the return of the FAO Manager. If issuance of the report or correspondence cannot be delayed due to Agency mission requirements or customer needs, another FAO Supervisor must review the report or correspondence prior to the acting FAO Manager signing the document. The second supervisory review will be documented in the working papers.

### 4.3. Supervisory Auditor Delegation.

4.3.1 Audit Reports and Memorandums. The FAO Manager may redelegate full or limited signature authority to supervisory auditors to sign selected audit reports and memorandums related to the following assignments:

DMIS Activity Code	Assignment Description
10100	Nonmajor Desk Review
10310	Nonmajor Contractors Labor Floorchecks
10320	MAAR 13 – Purchase Existence and Consumption for Nonmajors
11015	Annual Testing of Contractor Eligibility for Direct Bill Program
15400	Evaluation of Final Vouchers
15500	Provisional Billing Rate Audits
15600	Limitation of Payments
17500	Progress Payment
17740	Preaward Accounting Surveys
17910	Contract Audit Closing Statements on DoD Commercial T&M/LH Contracts
21000 & 27000	Price Proposal for FFP Proposals under \$25 million and Cost-Type Proposals under \$100 million including Cost Element Audit and Cost Realism.
25000	Specific Cost/Rate Information

4.3.2. Other Audit Correspondence. The FAO Manager may also delegate to the Supervisory Auditors full or limited authority to sign all other audit correspondence not included in paragraph 4.2. Acting Supervisory Auditors have the same signature authority as delegated to the supervisory auditor while in the acting capacity.

4.4. Technical Specialist and Senior Auditor Delegation. The FAO Manager may further delegate to the office’s technical specialists or senior auditors full or limited authority to:

- sign acknowledgement and notification letters, and
- provisionally approve interim public vouchers.

4.5 Auditor Delegation. The FAO Manager may also delegate to Auditors at the GS-9 and GS-11 level to provisionally approve interim public vouchers.

## 5. PROCEDURES.

5.1. Redlegation or rescission of signature authority must be in writing and signed by the Regional Director, Deputy Regional Director, Regional Audit Manager, or FAO Manager.

5.2. Audit reports will be signed as prescribed in CAM 10-211. The preparation and processing of indirect rate agreements, DCAA Forms 1, and interim public vouchers are discussed in CAM Chapter 6.

6. EFFECTIVE DATE. This regulation is effective immediately.

A handwritten signature in black ink, appearing to read "Patrick J. Fitzgerald". The signature is fluid and cursive, with the first name "Patrick" and last name "Fitzgerald" clearly legible.

Patrick J. Fitzgerald  
Director