CHAPTER 15

Table of Contents

Paragraph *Page*

15-000 Other DCAA Functions

15-001 Scope of Chapter 1501

15-100 Section 1 --- Special Procedures for Non-DoD Agencies

15-101 Introduction 1501
15-102 General Requirements 1501
15-102.1 Establishing Audit Cognizance and Processing Non-DoD Audit Requests 1501
15-102.2 Performing Discretionary Audits when Customer Funding is not Available 1501
15-102.3 Non-DoD Cost Principles and Procedures 1502
15-102.4 Final Indirect Cost Rates for non-DoD Contracts 1502
15-102.5 Applicability of CAS to non-DoD Contracts 1503
15-102.6 Obtaining Technical Evaluation of Non-DoD Proposals 1503
15-102.7 Audit Reporting 1503
15-102.8 Suspected Irregularities 1503
15-102.9 Boards of Contract Appeals - Non-DoD Agencies 1503
15-102.10 Non-DoD Postaward Audits 1503
15-102.11 High Risk Conditions 1504
15-102.12 Reimbursable Billings 1504
15-103 Procedures for Processing Non-DoD Cost-Reimbursement Vouchers 1504
15-104 Non-DoD Organizations to which Various Procedures are Applicable 1505
15-105 Procedures Applicable to Cost Reimbursement Contracts Awarded by National Aeronautics and Space Administration (NASA) 1507
15-105.1 General 1507
15-105.2 Contract Audit Closing Statements 1508
15-106 Supplemental Requirements for NASA Contracts 1508
15-106.1 NASA Cost Principles and Procedures 1508
15-106.2 Audit Services for NASA 1508
15-106.3 Programming Operations Audits at NASA Locations 1508
15-106.4 Special Information Reports for NASA 1509
15-106.5 Indirect Cost Audit Reports for NASA 1509
15-106.6 Audits of Progress Payments for NASA 1509

Paragraph *Page*

15-107 Supplemental Requirements for Agency for International Development (AID) Contracts 1509
15-108 Supplemental Requirements for Department of Agriculture Contracts .. 1510
15-109 Supplemental Requirements for Department of Commerce Contracts ... 1510
15-110 Supplemental Requirements for Department of Energy Contracts 1510
15-111 Supplemental Requirements for Department of Health and Human Services (DHHS) and Health Care Financing Administration (HCFA) Contracts. 1510
15-112 Supplemental Requirements for Department of the Interior Contracts... 1510
15-113 Supplemental Requirements for Department of Labor Contracts 1511
15-114 Supplemental Requirements for Department of Transportation Contracts 1511
15-115 Supplemental Requirements for Department of the Treasury Contracts 1512
15-116 Supplemental Requirements for Environmental Protection Agency Contracts 1512
15-117 Supplemental Requirements for National Science Foundation (NSF) Contracts 1512
15-118 Supplemental Requirements for U.S. Army Corps of Engineers (COE) Contracts 1512
15-119 Supplemental Requirements for Department of Education Contracts..... 1513
15-120 Requests for Audit Services Received from State or Local Governments 1513
15-1S1 Non-DoD Supplement - Address List for NASA Office of Inspector General Field Offices 1515
15-1S2 Non-DoD Supplement --- Address List for NASA Procurement Centers 1516
15-1S3 Non-DoD Supplement --- Address List for Department of Health and Human Services Regional Audit Offices 1518
15-1S4 Non-DoD Supplement -- Address List for Department of Transportation Offices 1519
15-1S5 Non-DoD Supplement --- Address List for Department of Agriculture Regional Audit Offices 1522
15-1S6 Supplement --- Additional Report Distribution Requirements for Non-DoD Organizations 1523

Paragraph *Page*

15-200 Section 2 --- Contract Audit Coordinator (CAC) Program

15-201 Introduction 1524
15-202 Policy for Establishment 1524
15-203 Program Objectives 1524
15-204 Designation of Audit Coordination Office 1525
15-205 Responsibilities of the CAC 1525
15-206 Coordinated Audit Objectives or Programs 1526
15-206.1 Criteria for Multi-Segment Contractor CAC Complexes 1526
15-206.2 Criteria for Other CAC Complexes 1527
15-206.3 Procedures for Coordinated Audits 1527
15-207 Responsibilities of Other Audit Offices 1527
15-208 Communication Among Audit Offices 1528
15-209 CAC Conferences 1528
15-209.1 Objectives of Conferences 1528
15-209.2 Planning and Conducting CAC Conferences 1528
15-209.3 Conference Minutes 1529
15-210 Resolution of Problem Areas 1529
15-210.1 Resolution with Contractor 1529
15-210.2 Resolution Among Auditors 1529
15-211 CAC Case Files 1529
15-211.1 Establishing CAC Cases 1529
15-211.2 Advice of CAC Case 1530
15-211.3 Case Resolution 1530
15-212 CAC Information Files 1530

15-300 Section 3 --- Procurement Liaison Auditor and Financial Advisory Services

15-301 Introduction 1532
15-302 PLA and FA Authorization and Types 1532
15-303 Full-time Onsite PLAs and FAs 1532
15-303.1 Audit Liaison Division (OAL) 1532
15-303.2 Memorandum of Understanding (MOU) 1533
15-303.3 Requests for OAL PLAs and FAs 1533
15-304 Part-time PLA and FA Services 1533
15-304.1 Responsible DCAA Offices 1533
15-304.2 Arranging for Part-time Services 1533
15-305 PLA and FA Services 1533

Paragraph *Page*

15-305.1 General 1533
15-305.2 Proactive vs. Reactive 1533
15-305.3 Professional Accounting and Financial Advice 1534
15-305.4 Coordination of Requests for Audit of Price Proposals 1534
15-305.5 Counsel on Advisory Audit Reports 1535
15-305.6 Arranging for DCAA Participation in Negotiation Conferences 1535
15-305.7 Procurement and DCAA Policy and Procedures 1536
15-305.8 PLA Support of Major Defense Systems Procurement 1536
15-305.9 FA Support of Major Defense Systems Procurement 1537
15-305.10 Distribution of Contract Documents 1538
15-305.11 Price Negotiation Memorandum (PNM) 1538
15-305.12 Participation in Training Sessions, Seminars and Review Groups 1538
15-305.13 Assistance in Preparing Replies to General Accounting Office Reports 1539
15-305.14 General 1539
15-306 Liaison Services to Contract Administration Offices 1539
15-307 Liaison Services for Special Access Programs (SAP) 1539
15-308 Audit Report Distribution to Onsite PLAs 1539
15-3S1 Supplement - Audit Liaison Division (OAL) 1540
Procurement Liaison Auditors (PLA) & Financial Advisors (FA) Directory 1540
15-3S2 Supplement – Buying Office Activity Codes and Cross Reference to Audit Liaison Division (OAL) Representatives 1552

15-400 Section 4 --- Auditor Attendance at a Negotiation Conference for a Price Proposal

15-401 Introduction 1563
15-402 Auditor Attendance at a Negotiation Conference 1563
15-402.1 Notification of Availability of Audit Assistance 1563
15-402.2 Request for Auditor Attendance at the Negotiation Conference 1563
15-402.3 Subcontract Negotiation Conferences 1563
15-403 Advisory Audit Counsel in the Negotiation Conference 1563
15-403.1 Negotiation Process 1563
15-403.2 Nature of Audit Counsel 1564
15-403.3 Limitations of Audit Counsel 1564

Paragraph *Page*

15-403.4 Contracting Officer's Treatment of Reported Recommendations 1564
15-404 Documenting Auditor Participation at Negotiations 1565
15-404.1 Auditor's Memorandum of Negotiation 1565
15-404.2 Written Concurrence of Settlement 1565

15-500 Section 5 --- Procedures for Actual or Potential Contract Disputes Cases

15-501 Introduction 1566
15-502 Contracting Officer Decisions 1566
15-503 Coordinated Support of Contract Disputes Activity 1566
15-504 Reporting Requirements for Contract Disputes Cases 1566
15-504.1 DCAA Contract Disputes Cases 1566
15-504.2 Significant Case Summary Reporting 1567
15-504.3 Semiannual Reporting 1567
15-505 Regional Contract Disputes Coordinator (CDC) Responsibilities in Contract Disputes Cases 1568
15-505.1 Evaluate Audit Position 1568
15-505.2 Technical Assistance 1568
15-505.3 Coordinate Government Accounting Witnesses 1568
15-505.4 Develop and Train Field Witnesses 1568
15-505.5 Evaluate Field Support 1568
15-505.6 Control Significant Case Summary and Semiannual Reporting 1568
15-506 FAO Responsibilities in Contract Disputes Cases 1568
15-506.1 Comply with DCAA Regulation 5410.11, Release of Official Information in Litigation and Testimony by DCAA Personnel as Witnesses 1568
15-506.2 Support Government Trial Attorney 1569
15-506.3 Coordinate with Government Trial Attorney and Contracting Officer 1569
15-506.4 Maintain Case Files 1569
15-506.5 Produce Documents 1569
15-506.6 Testify as a Witness 1569
15-506.7 Evaluate Audit Support 1570
15-507 Headquarters Support 1570

Paragraph *Page*

15-600 Section 6 --- Contract Audit Follow-up

15-601 Introduction 1571
15-602 Background and General Requirements 1571
15-603 Responsibilities of Acquisition Components 1571
15-603.1 Tracking of Audit Reports 1571
15-603.2 Reporting Requirements 1571
15-603.3 Resolution of Contract Audit Report Recommendations 1572
15-604 DCAA Follow-up Responsibilities 1572
15-604.1 Support Reviewing Officials or Boards 1572
15-604.2 Support DoD IG and Internal Audit Organization Reviews .. 1573
15-604.3 Identify Reportable Contract Audit Reports 1573
15-604.4 Utilize Feedback 1573

CHAPTER 15

15-000 Other DCAA Functions

15-001 Scope of Chapter

This chapter presents audit policies, procedures, and support requirements relative to other DCAA functions, including contract audit services for non-DoD agencies, the contract audit coordination, financial advisory services and procurement liaison auditor programs, support of negotiation conferences, the contract audit follow-up system, and board of contract appeals cases.

15-100 Section 1 --- Special Procedures for Non-DoD Agencies

15-101 Introduction

a. This section presents policies and procedures relating to audit services rendered to non-DoD organizations other than Educational Institutions (Chapter 13), TRICARE (14-902) and National Guard Bureau (14-903).

b. General requirements associated with servicing non-DoD organizations are stated in 15-102. Procedures for processing reimbursement vouchers are discussed in 15-103. Supplemental requirements developed by and tailored to the needs of specific non-DoD organizations are presented in 15-104 through 15-120.

15-102 General Requirements

The Contract Audit Manual is the determining guide for the conduct and administration of audits for non-DoD as well as DoD contracts. In addition to general guidance provided throughout CAM, specific comments concerning non-DoD audits are contained in various sections of CAM under the audit area being discussed. Presented below is a recapitulation of pertinent CAM guidance as well as a synopsis of procedures unique to non-DoD organizations. For more detailed information, the auditor should refer to the Reimbursable Audit Program Pamphlet, DCAAP 7230.1.

15-102.1 Establishing Audit Cognizance and Processing Non-DoD Audit Requests

a. Cross-servicing arrangements have been made with various non-DoD organizations. Section 1-300 provides guidance for performing audit services for non-DoD organizations, including the rules for establishing audit cognizance and accepting or rejecting non-DoD requests.

b. Requests from non-DoD organizations not listed in the DMIS User Guide, must be coordinated through Headquarters, as described in 1-303 g and h.

c. An increasing number of non-DoD organizations require their activities to submit requests through their Office of Inspector General. In those cases the DCAA field office will honor all reasonable administrative procedures specified by the requesting Office of Inspector General.

d. The cross-servicing arrangements provide for the non-DoD organizations to send the audit requests to the cognizant DCAA field office. Audits performed without a current audit request could result in disagreements regarding reimbursements for the audit services. When an auditor observes non-DoD contracts subject to audit coverage, for which audit requests have not been received, they will be brought to the attention of appropriate non-DoD officials (contracting officer or Office of Inspector General) to facilitate issuance of requests for audit.

15-102.2 Performing Discretionary Audits when Customer Funding is not Available

a. This guidance supplements information contained in 15-102.7, Audit Reporting, to address those situations in which a non-DoD customer does not have the nec-

essary funds to pay for discretionary audit services. The following procedures apply in the event that an FAO has programmed an audit that includes DoD and non-DoD effort and the FAO is advised that there is no funding available to cover one or more non-DoD contracts. If the auditor has been informed by a non-DoD contracting officer that no funding is available and no authorization is provided, the auditor should consider deferring all audit effort until the following fiscal year. However, if deferral is not a viable option, the auditor should proceed as follows:

(1) Notify the contracting officer(s) that their agency's contracts will not be included in the audit and no audit report will be issued to their office.

(2) Adjust the Auditable Dollar Volume (ADV) and scope of audit as necessary.

(3) For billing purposes, audit effort should be allocated to DoD and other participating non-DoD agencies.

(4) Exclude the presentation of information on applicable non-DoD contracts from the audit report.

(5) The contracting officer(s) should be advised when the audit discloses significant weaknesses in the contractor's system of internal controls or adverse conditions that cause the contractor to be high risk. Through discussions with the contracting officer(s), the auditor should identify the weaknesses and/or adverse conditions and state that these deficiencies may impact their agency's contracts. In accordance with 15-102.12, auditors should not expand effort to specifically address issues for non-DoD agencies that are not paying for audit services. However, DCAA has a professional responsibility to advise all affected agencies of conditions or situations that may place the government at significant risk. Accordingly, audit reports that identify such high risk conditions shall be distributed to all affected agencies.

b. If, after the audit report has been issued, a reimbursable customer approaches the FAO to request audit services for which funding authorization is subsequently made available, the following procedures apply:

(1) The FAO should obtain funding authorization from the contracting officer.

(2) The FAO should set up a separate assignment and perform the necessary audit steps and testing procedures to cover the requested non-DoD contracts. The assignment should be treated as discretionary and scheduled considering risk and all workload priorities.

(3) Additional audit effort should be billed to the non-DoD customer.

(4) A separate audit report should be issued that includes indirect rate information as well as direct costs on applicable non-DoD contracts.

15-102.3 Non-DoD Cost Principles and Procedures

The Federal Acquisition Regulation (FAR) is the primary regulation for use by all Federal executive agencies in acquiring supplies and services with appropriated funds. Agencies are authorized to issue supplemental regulations tailored to their organizational needs. Thus, the cost principles and procedures applicable to a specific non-DoD organization consist of the FAR together with that agency's supplemental regulation, if any. The auditor should contact the appropriate non-DoD official (requestor, Office of Inspector General, or acquisition office) to determine whether that organization has issued supplemental regulations.

15-102.4 Final Indirect Cost Rates for non-DoD Contracts

a. Subpart 42.7 of the Federal Acquisition Regulation provides that final indirect cost rates will be established on the basis of auditor determination where contracting officer determination procedures are not applicable. For non-DoD contractors, contracting officer determination applies to business units under the cognizance of a corporate or resident administrative contracting office or where the predominant contract dollar amount is with an agency whose procedures require contracting officer determination.

b. The non-DoD organization may issue supplemental regulations that modify the designation of auditor versus contracting officer responsibility for final indirect cost rate determination. The DCAA audi-

tor should comply with the designation in the agency's supplemental regulations. Contact the non-DoD contracting officer to clarify the designation of responsibility if there are any questions on this subject.

c. The format and content of audit reports on annual indirect cost rates, prepared in accordance with 10-500, are the same for non-DoD contracts as for DoD contracts, whether the auditor-determined or contracting officer-determined method applies.

15-102.5 Applicability of CAS to non-DoD Contracts

Cost Accounting Standards (CAS) apply to non-DoD contracts effective April 17, 1992. For further guidance on applicability of the CAS Board's rules, regulations, and standards, see 8-100, 8-200, and 8-300.

15-102.6 Obtaining Technical Evaluation of Non-DoD Proposals

Some non-DoD organizations do not routinely furnish technical reports on contractors' price proposals. In those cases, the auditor should inform the requestor of the need for a technical report (9-306).

15-102.7 Audit Reporting

a. As stated in 15-103d, e, and f, DCAA Forms 1 and 1c or their equivalents will not be used to report suspended and/or disapproved costs to certain contracting organizations. Such reporting will be accomplished promptly after disclosure of the suspended or questioned item by means of a letter or audit report.

b. Interim audit status reports will be issued in all cases where required or requested by the contracting organization in its request for audit of the contract. Audit reports will also be issued in all cases where interim audits disclose any adverse conditions or weaknesses in the contractor's management practices that the auditor feels should be brought to the attention of the contracting officer.

c. Audit reports will be addressed in the manner prescribed by 10-206. A number of non-DoD organizations have requested supplemental distribution of audit reports which frequently includes distribution of the original or one or more copies to their Office of Inspector General. The requested supplemental distribution is commented on in various sections of CAM under the audit area being discussed. The table presented in 15-1S6 lists, by organization and by type of report, the additional distribution requirements for these non-DoD organizations.

d. In conjunction with the above, the non-DoD address lists presented in 15-1S1 through 15-1S5 will provide guidance in identifying the cognizant non-DoD offices which commonly request our services.

e. When a non-DoD organization submits an audit request through its Office of Inspector General, the non-DoD organization assignment number or other identifier will be included in the “References” section of the cover sheet (Figure 10-2-1) and the first one or two sentences of the audit report (10-206.1c).

f. Guidance on release to the GAO of audit reports and records pertaining to non-DoD organizations is given in 1-200.

15-102.8 Suspected Irregularities

Procedures for referring suspicions of irregularity with respect to non-DoD contracts are included in DCAAR 7640.15.

15-102.9 Boards of Contract Appeals - Non-DoD Agencies

General comments on audit services provided to assist in hearings before boards other than the ASBCA appear in 1-406.2.

15-102.10 Non-DoD Postaward Audits

DCAA's standard memorandum of understanding states that the customer may provide the DCAA Office of Assistant Director, Operations, a list of all contract pricing actions for which the customer wants DCAA to perform a postaward audit in the next fiscal year. This list will constitute specific authority by the customer for

DCAA to perform, and bill for, these specific postaward audits.

15-102.11 High Risk Conditions

Funding constraints now limit the ability of some non-DoD customers to request and pay for routine DCAA audit services for their contracts. However, when performing audits auditors sometimes become aware of high risk conditions (e.g., financial distress or nonperformance of government contracts) that may impact these non-DoD agencies. Although DCAA auditors should not expand efforts to specifically address issues for non-DoD agencies that are not paying for audit services, DCAA has a professional responsibility to advise all affected agencies of conditions or situations that may place the government at significant risk.

Audit reports that identify such high risk conditions shall be distributed to all affected agencies. This does not include audit reports addressed to administrative contracting officers (e.g., CAS noncompliance reports) since these contracting officers are responsible for resolving the issues and the results will apply to all government contracts.

15-102.12 Reimbursable Billings

Field activities will input reimbursable billing information in the DMIS Reimbursable Module in accordance with the requirements of the DMIS User Guide.

15-103 Procedures for Processing Non-DoD Cost-Reimbursement Vouchers

a. The processing of reimbursement vouchers under cost-reimbursement type contracts awarded by non-DoD organizations can be accomplished by one of five methods, depending upon which method the organization has selected. These methods are discussed in paragraphs c. through g. below. Paragraph 15-104 identifies the method designated by each of the non-DoD organizations. Common to all methods and contrary to DoD contract voucher processing procedures, reimbursement vouchers under non-DoD agency contracts must be signed by an authorized certifying officer of the contracting organization prior to payment.

b. Certain particular procedures have been adopted by the National Aeronautics and Space Administration (NASA) for its cost-reimbursement type contracts. Since the volume of auditable NASA contracts is substantial, the procedures are described separately in detail in 15-105.

c. Under the first method, interim vouchers will be prepared by the contractor and forwarded directly to the cognizant auditor. They will be evaluated by the auditor and provisionally approved for payment in the same manner as interim vouchers received on DoD cost-reimbursement type contracts. They will then be forwarded to the finance office of the government organization which awarded the contract for certification and payment. Completion vouchers and necessary supporting documentation will generally be received by auditors and processed in the same manner as DoD completion vouchers. Any suspended or disapproved costs resulting from audit will be reported by use of DCAA Forms 1 and 1c, or equivalent forms as specified by the contracting organization. The procedures for preparation and distribution of the notice of costs suspended and/or disapproved and appeals by the contractor will be as prescribed in 6-902 through 6-908. The auditor will make appropriate deductions on the contractor's submitted vouchers for suspended or disapproved costs.

d. The second method is the same as the first with respect to receipt of vouchers, provisional approval of interim vouchers, and processing of completion vouchers by the auditor. It differs from the first method in that the auditor will report suspended and/or disapproved costs by means of informal interim audit reports with a recommendation that the amount questioned be deducted from the next available voucher. Vouchers approved for provisional payment, together with the informal audit reports, if any, will be forwarded to the contracting organization's fiscal office. That office should be requested to notify the cognizant audit office of the action taken with respect to any recommended suspension or disapproval. The contracting organiza-

tion's fiscal office will refer the vouchers and audit reports to the contracting officer, who will certify the vouchers for payment. The contracting officer will also make the determination with respect to the auditor's recommendations for suspended and/or disapproved costs and notify the contractor as appropriate.

e. The third method is the same as the first with respect to receipt of vouchers and provisional approval by the auditor. The vouchers will, however, be forwarded to the contracting organization's contracting officer for final approval, rather than being forwarded to that organization's finance office. Similarly, any notification of suspended and/or disapproved costs will be forwarded to the contracting officer for final approval and notification to the contractor. Such notification will be made by informal audit report with a request that the auditor be advised of the contracting officer's decision. Since the approval of the contracting officer is required before the suspension or disapproval becomes effective, the auditor will not notify the contractor of any such recommendations and should not make any deductions from vouchers for costs suspended and/or disapproved.

f. Under the fourth method, the contracting organization will instruct its contractors to forward interim and completion vouchers directly to the administrative contracting officer or other designated official of the organization. This official will certify the voucher and process it for payment. The cognizant auditor will receive a paid copy of the voucher. In some cases, however, the contractor may forward an information copy of the voucher to the auditor at the time of its initial submission to the contracting organization. Procedures for reporting questioned costs or fee will be the same as in 15-103d.

g. Under the fifth method, the contractor will forward the first and the final vouchers on each cost-reimbursement type contract to the cognizant auditor. All other vouchers will be submitted directly to the contracting officer's representative. The cognizant auditor will evaluate the initial voucher in accordance with paragraphs 6-1007c and 3-2S1. However, costs will be determined by the cost principles and procedures in the Federal Acquisition Regulation together with agency supplemental regulations. If acceptable, the voucher will be provisionally approved and submitted to the contracting officer's representative. If the evaluation discloses deficiencies in the contractor's internal control or billing procedures which the auditor cannot resolve with the contractor, an audit report will be issued to the contracting organization's Office of Audit. The report should state the deficiencies and the recommendations for corrective action. In addition, the initial voucher should be attached to the audit report. The cognizant auditor will receive a paid copy of each voucher processed under the contract. The final voucher, together with the required documentation submitted by the contractor to the cognizant auditor, will be processed in the same manner as DoD completion vouchers (Section 9 of Chapter 10). DCAA Forms 1, or equivalent forms as specified by the contracting organization, will be prepared for any suspended or disapproved costs. The original and four copies of the form will be forwarded to the contracting organization's Office of Audit with a request that the DCAA auditor be advised of the action taken. However, the original and four copies of DCAA Forms 1 pertaining to contracts awarded by the Department of Transportation will be forwarded to the contracting officer.

15-104 Non-DoD Organizations to which Various Procedures are Applicable

Listed below are the non-DoD organizations to which various procedures are applicable. NASA procedures and requirements are discussed separately in 15-105 and 15-106. The various procedures described in 15-103 apply to all other non-DoD organizations. The list designates which procedure applies to each organization. This list comprises all the non-Department of Defense organizations with which arrangements have been made for audits by DCAA of contracts awarded by such organizations.

Organization	Procedure Prescribed by	Notes
Agency for International Development	15-103f	
Department of Agriculture	15-103f	
Department of Commerce	15-103e	
Department of Education	15-103f	
Department of Energy	15-103f	
Department of Health and Human Services	15-103f	
Department of Housing and Urban Development	15-103f	
Department of the Interior	15-103f	
Department of Justice	15-103f	
Department of Labor	15-103f	
Department of State	15-103d	
Department of Transportation	15-103g	(1)
Department of the Treasury	15-103d	
Department of Veterans Affairs	15-103f	
Environmental Protection Agency	15-103f	(2)
Executive Office of the President, Office of Administration	15-103e	
Federal Emergency Management Agency	15-103f	
General Accounting Office	15-103c	
General Services Administration	15-103f	
Government Printing Office	15-103f	
Interstate Commerce Commission	15-103f	
National Aeronautics and Space Administration	15-105, 15-106	
National Science Foundation	15-103f	(3)
Nuclear Regulatory Commission	15-103d	
U.S. Arms Control and Disarmament Agency	15-103e	
U.S. Postal Service	15-103c	(4)
U.S. Railroad Retirement Board	15-103f	

Notes:

(1) The DCAA auditor will not make any deductions on public vouchers. For cost-reimbursement type contracts awarded by the Department of Transportation, the vouchers and audit reports will be submitted to the cognizant contracting organizations listed in 15-1S4.

(2) Contractors will forward the original interim voucher directly to the finance office with copies for the project office and contracting office. The finance office processes the vouchers for payment which includes Project Officer review and approval of costs and identification of any suspended costs. Costs which may be disallowed are referred to the Contracting Officer. Paid vouchers are provided to the contracting office. The contractor will be provided with the EPA Form 1900-68 which explains any suspended or disallowed costs. Any costs that are disallowed will also be referred to the cognizant audit office at that time for inclusion in the annual incurred cost audits. Completion invoices are submitted along with an interim cumulative claim and reconciliation statement which summarizes costs claimed at the point of completion. After receipt of these documents, the Contracting Officer requests that a final contract audit be performed through the EPA Office of Acquisition Management who prepares a request to the EPA Office of the Inspector General and the cognizant audit offices. As Contract Audit Closing Statements are requested, the requesting office will obtain a Contract Payment System Report showing invoice payments and adjustments and identify any suspended or disallowed costs in the audit request.

(3) For interim vouchers, NSF will instruct its contractors to submit the vouchers to the NSF finance office. They are then forwarded to the contracting officer's technical representative for approval. This official certifies the voucher and returns it to the finance office for approval. Contractors are required to send completion vouchers to the NSF contracting officer. When NSF is the cognizant agency, the NSF contracting officer will either discuss with or send vouchers to the NSF Cost Analysis/Audit Resolution Branch to incorporate final overhead rates in all contracts that have post determined rates. If another agency is cognizant, the NSF contracting officer will discuss with or send completion vouchers to the NSF Office of Inspector General (OIG) to consider for final audit. If it is determined that a final audit is desired, the NSF OIG may forward the vouchers to the cognizant auditor..

(4) Interim and completion vouchers should be sent to the cognizant U.S. Postal Inspection Service requesting the audit, with one copy to the contracting officer.

15-105 Procedures Applicable to Cost Reimbursement Contracts Awarded by National Aeronautics and Space Administration (NASA)

15-105.1 General

a. NASA contracting officers will furnish DCAA branch managers or resident auditors with a separate letter of delegation of authority to perform audits to cover each cost-reimbursement type contract for which an audit is requested. The letter will be accompanied by (1) an attachment setting forth the details of the audit services to be performed and (2) a form designated "Acceptance of Delegation of Audit Services Function," which is to be acknowledged and returned to the contracting officer. This form also provides for an estimate of the cost of audit performance by fiscal year for each contract, including related auditable subcontracts. The FAO should complete the form, except for the section on estimated cost of audit performance, and transmit it directly to the contracting officer. The estimated cost of audit performance will not be entered, since DCAA Headquarters will furnish such estimates to NASA on an agency-wide basis rather than by individual contract.

b. Vouchers under cost-reimbursement-type NASA contracts will be processed in accordance with procedures described below. These procedures are applicable only to vouchers for reimbursement of costs. Claims for fees are submitted by contractors on separate vouchers directly to the NASA contracting officer for evaluation and administrative approval. If the audit discloses any information concerning fees which should be brought to the attention of the contracting officer, this information will be promptly furnished by letter or audit report.

(1) Interim reimbursement vouchers for incurred costs can be submitted either directly to disbursing offices or to the auditor. (See 6-1003b) When interim vouchers are submitted to the auditor, he/she will approve them for provisional payment and send them directly to the designated NASA Center for certification and payment. Final vouchers will be submitted by the contractor directly to the auditor for appropriate evaluation and transmittal to the responsible administrative contracting officer. The procedures applicable to DoD contracts will be utilized in processing these vouchers. The auditor therefore will not sign final vouchers. The contractor will submit, as a minimum, enough copies of vouchers to accommodate the distribution requested in the attachment to the letter of delegation received from NASA contracting officers (see 15-105.1a), as well as one copy each for retention by the cognizant auditor and the administrative contracting officer.

(2) NASA Form 456, Notice of Costs Suspended and/or Disapproved, will be used in lieu of DCAA Forms 1 and 1c. When an issue covered by the Form 456 also affects other contracts not included on the Form 456, such as DoD, other civilian agencies, or other NASA contracts, include a schedule of the affected contracts, showing the contract number, suspended/disapproved amount, and contracting officer's name and phone number. This information is very helpful for the NASA

contracting officer to facilitate government-wide consistency on dispositioning the issue.

(3) After preparation of the NASA Form 456, the auditor will submit it to the NASA contracting officer for review, approval, and countersignature in the number of copies requested by the attachment to the NASA letter of delegation referred to in 15-105.1a. One copy of this form will also be retained by the auditor. After approval and countersignature, the NASA contracting officer will send two copies of the approved NASA Form 456 to the contractor to advise of the suspension or disapproval and will return three copies to the cognizant auditor. The auditor should offer to obtain the contractor acknowledgment of the approved Form 456 and distribute the form copies according to the NASA instructions, if doing so would expedite the procedures. The auditor will attach two copies of the approved Form 456 to the next subsequent voucher provisionally approved. If the contractor has not made a deduction on this voucher for the amount shown thereon, the auditor will make the necessary deduction.

c. If there are NASA cost-reimbursement-type contracts which provide for use of actual indirect cost rates, NASA Forms 456 for each such contract will be submitted with the indirect cost report to NASA (10-506) to adjust any excess of indirect costs previously claimed on such contracts over the amount allowable.

15-105.2 Contract Audit Closing Statements

Upon completion of the audit of each NASA cost-reimbursement-type contract, issue a contract audit closing statement to the cognizant contracting officer. The closing statement will conform to the format and content prescribed in 10-900.

15-106 Supplemental Requirements for NASA Contracts

To meet the needs of special local situations, departures from procedures described in this section may be arranged by DCAA Headquarters, ATTN: OAL, and the NASA Office of Inspector General.

15-106.1 NASA Cost Principles and Procedures

a. The cost principles and procedures prescribed by the Federal Acquisition Regulation (FAR) together with the NASA FAR Supplement (NFS) apply to NASA contracts. Each FAO responsible for audits of NASA contracts should maintain a current copy of applicable parts of these regulations.

b. When costs are allocable to a contract, but are unallowable under NASA cost principles, they will not be charged directly or indirectly to any other contract.

15-106.2 Audit Services for NASA

a. The policy for establishing cognizance and accepting or rejecting non-DoD audit requests stated in 1-300 does not apply to NASA. DCAA will perform all contract audit work requested by NASA (1-303i).

b. Although not subject to the provisions of DoDD 7640.2, "Policy for Follow-up on Contract Audit Reports," NASA has elected to use the DCAA monthly reports, as described in 15-604.3, for all contract audit reports reportable under 15-603.2.

c. Refer to Chapter 13 for policies and procedures relating to OMB circular A-133 Audit services rendered to NASA.

15-106.3 Programming Operations Audits at NASA Locations

a. NASA has requested that certain specified areas which may significantly affect the level of costs incurred be given selective audit emphasis as part of the normal evaluation of contractors' activities. These areas are listed in Supplement 3-S20.

b. The selection of systems/operations audits to be performed will be based on such factors as the dollar value of NASA contracts, type of contract, performance requirements, prior audit experience, and special matters of particular concern to NASA. The DCAA auditor should confer

with the cognizant NASA Office of Inspector General (see Supplement 15-1S1) prior to establishing the annual audit plan. The auditor should also communicate with the NASA Office of Inspector General thereafter when major changes are being made or when other circumstances so warrant, to identify those functions which are of particular interest to NASA and to determine whether the audit service rendered is sufficient for NASA procurement purposes.

c. Promptly after completing each operations audit prepare and distribute a report in accordance with 10-400.

15-106.4 Special Information Reports for NASA

a. A special report will be submitted promptly to NASA when underruns or overruns, terminations, unexpected changes, inadequate contractor controls, or any other unusual circumstances will have an immediate and significant impact on the costs of NASA contracts.

b. Prepare such reports in a letter format in accordance with 10-1200. Usually a standard scope of audit statement would not be applicable in providing information of this nature. Rather than using terms such as "report," "audit (examination)," "review," or "application of agreed-upon procedures," the subject should refer to the information being provided for NASA. For example, a report subject might begin: "Information for NASA on Contractor's Internal Controls."

c. If there is a NASA administrative contracting officer or contracting officer's representative assigned to the contractor facility, the report may be addressed to that official. Otherwise, address the report to the NASA procurement contracting officer having the major NASA interest in the contractor's operations.

15-106.5 Indirect Cost Audit Reports for NASA

a. The Federal Acquisition Regulation together with the NASA FAR Supplement provide that final indirect cost rates will be established on the basis of auditor determination when contracting officer determination procedures are not applicable. Contracting officer determination applies at business units under the cognizance of a NASA administrative contracting officer or when NASA has the predominant contract dollar amount (FAR 42.705-1). For contractors subject to indirect cost rates determined by DCAA, NASA treats the DCAA report rates as final. If NASA is responsible for the rate determination, the DCAA report is advisory and will be addressed accordingly.

b. In view of the foregoing, the formats and contents of audit reports on annual indirect cost rates, prepared in accordance with 10-500, are the same for NASA contracts as for DoD contracts, whether the auditor-determined or contracting officer-determined method applies. Provide additional distribution for NASA per 10-507b(1).

15-106.6 Audits of Progress Payments for NASA

a. Audits of progress payments under NASA fixed-price contracts will be initiated as requested by NASA procurement offices. The cognizant NASA contracting officer will provide the responsible DCAA branch manager or resident auditor a letter of delegation for each contract selected. Each letter of delegation will be accompanied by a form designated "Acceptance of Delegation of Audit Services Function," which should be completed by the DCAA office and returned to the originating NASA office.

b. Audits of progress payments and preparation, addressing, and distribution of related audit reports will be governed by 14-206.

15-107 Supplemental Requirements for Agency for International Development (AID) Contracts

Special AID audit and reporting requirements are stated in 13-706.4. These requirements, although applicable primarily to contracts awarded to educational institutions, also apply to contracts awarded to other nonprofit and commercial contractors and should be noted in such cases.

15-108 Supplemental Requirements for Department of Agriculture Contracts

Audit services will be provided the Department of Agriculture (USDA) only if the request is made by the cognizant regional Department of Agriculture Office of Inspector General - Auditing (OIG-A) (15-1S5). Requests received directly from a USDA agency should be returned, with a reminder that such requests must be channeled through the USDA regional OIG-A.

15-109 Supplemental Requirements for Department of Commerce Contracts

Audit requests are no longer administered through the Office of Inspector General. Instead, all reports should be sent directly to the requesting activity.

15-110 Supplemental Requirements for Department of Energy Contracts

a. The cost principles and procedures prescribed by the Federal Acquisition Regulation (FAR), supplemented by the Department of Energy Acquisition Regulation (DEAR), apply to Department of Energy contracts. DEAR Part 931 applies to DOE contracts other than DOE prime contracts covered by DEAR Subpart 970.31 which involve operation of government-owned-contractor-operated facilities and National Laboratories. A contract covered by DEAR Subpart 970.31 will contain a special cost principle clause setting forth provisions on allowable and unallowable costs applicable to the contract. In auditing DOE contracts, auditors will comply with all reasonable requirements and instructions of DOE.

b. Costs claimed under DOE contracts should be evaluated in accordance with the applicable provisions cited therein. Costs unallowable under a contract in accordance with its governing cost principles will not be charged directly or indirectly to any other contract.

c. DCAA has agreed to perform contract audit work at all DOE prime contractor locations other than those designated as Management and Operating Contractors (1-303h).

15-111 Supplemental Requirements for Department of Health and Human Services (DHHS) and Health Care Financing Administration (HCFA) Contracts.

a. The Department of Health and Human Services (DHHS) has placed some constraints upon its representatives regarding their authority to issue requests for audit services.

(1) Requests for audits of pricing proposals from contracting officers, program directors, or price analysts shall be honored. A copy of reports sent to contracting officers will be distributed to the DHHS Office of Inspector General (15-1S3).

(2) Other audit requests must come from the regional or headquarters office of the DHHS Inspector General (15-1S3). The Inspector General will forward the audit reports to the using activity.

b. Any long-term requests or informal understandings should be confirmed with the DHHS Office of the Inspector General.

c. When an auditor observes DHHS contracts subject to audit coverage for which audit requests have not been received, the auditor should notify the DHHS Office of the Inspector General and determine if funding is available. This includes those DHHS contracts benefiting from operations audits or other across-the-board audits.

d. For Health Care Financing Administration, Peer Review Organization (HCFA PRO) audits, all audit services will be processed through the Columbia Branch Office of the Mid-Atlantic Region. Should any FAO receive a request directly from HCFA, they should notify the Columbia Branch to ensure that the audit has been authorized and funded. Funding is limited on the HCFA PRO audits and FAOs must ensure that billings for these audits do not exceed the amount that has been funded for the assignment.

15-112 Supplemental Requirements for Department of the Interior Contracts

a. All audit requests are administered through the Headquarters Office of the Inspector General. The requests will specify the distribution desired by the Inspector General.

b. Special procedures apply when performing audits of State books and records, as requested by the Office of the Inspector General, Division of Federal Aid, U.S. Fish and Wildlife Service. The Agency's Reimbursable Adder Rate (RAR factor) is not applied to direct audit hours when auditing State books and records. In addition, all auditor effort should be charged directly to the assignment (e.g. briefing the grant, attending meetings). Any TDY costs incurred in the performance of audits should be billed to the Fish and Wildlife as "Other Charges" (see DMIS User Guide). Supervision and administrative support is already included in the reimbursable hourly rate and should not be charged direct.

15-113 Supplemental Requirements for Department of Labor Contracts

Audit services will be provided to the Department of Labor (DOL) only if requests are received from the Assistant Inspector General for Audit. DCAA must obtain a written request for all audits, including self-initiated audits. DOL's procurement offices may neither request nor authorize audits.

15-114 Supplemental Requirements for Department of Transportation Contracts

a. The Office of Inspector General (OIG) for the Department of Transportation (DOT) is no longer responsible for processing DCAA audits. This change came about as a result of the DOT's Appropriations Act for 1997 which eliminated all OIG funding for DCAA contract audits. Accordingly, each DOT contracting officer is authorized to request audit services through an Interagency Agreement Order (IAO). This means that each audit will be requested, and can only be performed, upon issuance of a task order. The DOT contracting activity will notify the cognizant FAO of an impending audit and request a dollar amount for obligating funds. FAOs should give the DOT an estimate of funds based on the anticipated number of billable audit hours times the current reimbursable hourly rate. Billable hours is defined as the sum of direct audit hours plus the application of the Reimbursable Adder Rate (RAR factor). FAOs should not commence audit effort until a written and signed notification, in the form of an Interagency Agreement Order (IAO), is received from the DOT contracting officer.

b. It is extremely important for FAOs to closely monitor the number of audit hours expended on each DOT order for audit services. Our objective is to assure that no hours are expended in excess of hours funded. Therefore, it is imperative that each FAO keep track of the cumulative billable hours on each DOT audit assignment. In order to provide adequate safeguards to ensure funded hours are not exceeded, FAOs are required to establish a system for monitoring the hours expended on DOT audits. This system should incorporate an internal control which requires a reassessment of the estimated hours (obligated funds) once 75% of the direct hours budgeted have been expended. If it appears that the estimated hours are not adequate, the Department of Transportation contracting officer should be advised of the following available options :

(1) The contracting officer can modify the IAO to provide sufficient funds for the level of effort to be provided, or

(2) The contracting officer can request that audit effort continue until the funds that have been obligated are depleted. In this case, the contracting officer should be advised that the audit report will reflect an audit opinion appropriate for the level of effort that was expended (i.e., this could mean an adverse opinion will be issued), or

(3) The contracting officer can direct termination of the work and no audit report will be issued.

c. In accordance with P.L. 104-50, section 348, the Federal Aviation Administration is exempt from FAR and any other regulatory material not specifically included in the FAA "Acquisition Management System" (AMS), effective April 1, 1996. However, the cost principles contained in the FAA AMS do not apply at contractor locations where contract administration responsibility rests with another government agency (e.g., DoD, DOE, etc.). In these situations, the cost principles (e.g., FAR, DFARS, etc.) used by the agency having contract administration re-

sponsibility will be used to determine the allowability of costs for FAA contracts. Auditors at contractor locations with FAA contracts should verify which agency has the contract administration responsibility.

d. For each audit report sent to a DOT activity (including the Massachusetts Highway Department Central Artery/Third Harbor Tunnel project), send two copies of the report to the DOT Office of the Inspector General. An address list for Department of Transportation offices is provided on 15-1S4.

15-115 Supplemental Requirements for Department of the Treasury Contracts

a. With the exception of the Internal Revenue Service (IRS), Treasury Inspector General for Tax Administration (TIGTA), copies of audit reports pertaining to a Department of Treasury contract or procurement action will be sent to:

Department of the Treasury
Office of the Inspector General
1500 Pennsylvania Ave., NW
Room 2412
Washington, DC 20220

b. If the audit report is for the IRS, TIGTA, the original report should be mailed to:

Treasury Inspector General for Tax Administration
Attn: Regina Dougherty
1401 Wilson Blvd., Suite 900
Arlington, VA 22209

In addition, two copies should be mailed to:

Internal Revenue Service,
Procurement Chief,
Cost and Price Analysis Branch
6009 Oxon Hill Road, Suite 700
Oxon Hill, MD 20745-3129

15-116 Supplemental Requirements for Environmental Protection Agency Contracts

a. The Environmental Protection Agency (EPA) Office of Inspector General, Washington Contracts Division, will authorize and coordinate all audit requests. For preaward audits, EPA's Office of Acquisition Management will forward a copy of each preaward audit request to the OIG's Washington Contracts Division. Current EPA procedures require that the audit request must include an eleven-digit EPA control number; otherwise the assignment is not to be accepted. All requests for EPA OIG audit control numbers, correspondence, and audit reports should be sent directly to the Washington Contracts Division at the following address:

U.S. EPA
Office of the Inspector General
Washington Contracts Division (2421)
ATTN: DCAA Monitoring
Aerial Rios Building
1200 Pennsylvania Ave., NW
Washington, DC 20460

b. If requested, an annual report will be sent to the Inspector General for Audits on each contractor/grantee where (1) EPA contracts/grants are in excess of $1 million, or (2) two or more contracts/grants are in effect during the contractor's fiscal year. In its request for audit, EPA will indicate the type of information required in the annual report, such as status of contracts/grants, amounts questioned, and other related data.

15-117 Supplemental Requirements for National Science Foundation (NSF) Contracts

All audit requests will originate from the National Science Foundation, Office of Inspector General, 4201 Wilson Boulevard, Arlington, Virginia 22230. All questions concerning National Science Foundation audit requests will be directed to this address. The procedures described in 1-300 should be followed when auditable NSF contracts are identified for which audits have not been requested.

15-118 Supplemental Requirements for U.S. Army Corps of Engineers (COE) Contracts

a. Requests for audit services will be issued by each of the COE's contracting

activities. Only audits of COE Civil Works projects are billable. These contracts begin with the contract sequence DACW. DCAA will continue to provide audit support for COE Military funded contracts and agreements at no cost. COE Military contracts begin with the contract sequence DACA.

b. In addition to the typical types of audit services for demand and self-initiated work, there are some special Corps of Engineers Civil Works contracts and agreements. When requested, DCAA will audit sponsor costs on Corps Project Cooperation Agreements (cost sharing agreements with state and local governments) and contractor costs on non-FAR contracts and agreements (e.g. cost reimbursable relocation contracts and operation and maintenance contracts). Audits of cost sharing agreements shall be performed in accordance with OMB Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations." (See 13-207) For lease agreements, DCAA will audit lessee accounts and records for the purpose of determining accuracy of reported receipts and value of Gross Fixed Assets. DCAA will also provide contract audit support to Corps contracting personnel during civil and military emergencies, disasters and special operations.

15-119 Supplemental Requirements for Department of Education Contracts

All requests for audit services will be issued only by the Department of Education, Office of Inspector General. Education prefers to notify DCAA when a contract should be included in a self-initiated audit. FAOs should not request a written confirmation when Education declines to participate in a self-initiated audit. FAOs must have an audit request prior to initiating any audit for Education.

15-120 Requests for Audit Services Received from State or Local Governments

a. This guidance pertains to requests for audit services when the request is initiated by a representative of a state or local government. The procedures are based on the provisions of OMB Circular No. A-97, "Rules and Regulations Permitting Federal Agencies to Provide Specialized or Technical Services to State and Local Units of Government under Title III of the Intergovernmental Cooperation Act of 1968." The OMB Circular sets the ground rules permitting federal agencies to provide specialized or technical services to state and local governments.

b. Title III of the Intergovernmental Cooperation Act of 1968 is intended to: (1) encourage intergovernmental cooperation in the conduct of specialized or technical services, (2) enable state and local governments to avoid unnecessary duplication of special service functions, and (3) authorize federal agencies that do not have such authority to provide reimbursable specialized and technical services to state and local governments.

c. Requests for Indirect Rate Information. Field audit offices (FAOs) are authorized to provide readily available contractor information to an audit representative from a state or local government. This includes information that is contained in an audit report or information that is contained in the permanent files on the contractor. Auditors may answer questions and concerns raised by the requestor and may provide a copy of the audit report to them. The key requirement is that the information is readily available and does not require additional audit effort. The FAO should not bill the requesting entity, since this type of effort is not a billable activity.

d. Requests for Contract Audit Services. At contractor locations where DCAA is the responsible audit agency, FAOs may be asked to perform contract audit services by a state or local government. FAOs should first check with Headquarters, ATTN: OWD, to determine if a Memorandum of Understanding (MOU) is in place for the requesting organization, to obtain the Funding Customer Identification (FCID) billing code, and the billing rate to be used. Both the MOU and the funding arrangements must be in place prior to providing any audit services. When performing audits for state and local governments, bear in mind that the following conditions must be met:

(1) The effort is consistent with work normally performed under our contract audit mission;

(2) There is a written request for services from the state or local government;

(3) The services requested can be performed without a negative impact on the existing audit staff;

(4) The predominance of audit services will be at contractors that have either DoD or other Federal contract awards subject to audit. The provision of audit services at contractors that have no DCAA presence will be incidental and at the discretion of the Regional Director.

(5) The requestor agrees to pay for the audit services in advance and a funding authorization number is contained in the request; and

(6) The requestor certifies that the requested audit "cannot be procured reasonably and expeditiously through ordinary business channels."

15-1S1 Non-DoD Supplement - Address List for NASA Office of Inspector General Field Offices

The NASA Office of Inspector General has established a centralized office and e-mail address for the receipt of DCAA audit reports. Audit reports should be sent to the cognizant NASA IG office when the NASA IG requests that it be furnished a copy.

NASA Office of Inspector General
Assistant Inspector General for Auditing
Code W
NASA Headquarters
Washington, DC 20546-0001
(202) 358-1220
(202) 358-3022 FAX
E-mail address: dcaa@mail.hq.nasa.gov

DCAA audit reports should not be sent to the following NASA-IG offices, unless specifically requested by the OIG. The following list of OIG offices is for information purposes should there be a need for auditor contact:

Address of Center	Address of Center
NASA Office of Inspector General Mail Stop 190 Goddard Space Flight Center Greenbelt, MD 20771-0001 (301) 286-0497 (301) 286-1680 FAX	NASA Office of Inspector General Mail Stop KSC/OIG John F. Kennedy Space Center Kennedy Space Center, FL 32899-0001 (321) 867-4531 (321) 867-8599 FAX
NASA Office of Inspector General Mail Stop 28-1 John H. Glenn Research Center Cleveland, OH 44135-3191 (216) 433-8960 (216) 433-5489 FAX	NASA Office of Inspector General Mail Stop 204-11, Ames Research Center Moffett Field, CA 94035-0001 (650) 604-5800 (650) 604-4646 FAX
NASA Office of Inspector General Mail Stop 292, Langley Research Center Hampton, VA 23681-2199 (757) 864-2426 (757) 864-8541 FAX	NASA Office of Inspector General Mail Stop 180-301 Jet Propulsion Laboratory 4800 Oak Grove Drive Pasadena, CA 91109-8099 (818) 354-3360 (818) 393-4882 FAX
NASA Office of Inspector General Mail Stop M-DI George C. Marshall Space Flight Center Marshall Space Flight Center, AL 35812-0001 (256) 544-0253 (256) 544-9344 FAX	NASA Office of Inspector General Mail Stop W-JS Lyndon B. Johnson Space Center 2101 NASA Road 1 Houston, TX 77058-3696 (281) 483-4773 (281) 483-5773 FAX

15-1S2 Non-DoD Supplement --- Address List for NASA Procurement Centers

Langley Research Center, NASA Mail Stop 127 Hampton, VA 23681-2199 (757) 864-2426 (757) 864-8541 FAX	NAS 1
Ames Research Center, NASA Mail Stop 241-1 Moffett Field, CA 94035-1000 (650) 604-5800 (650) 604-4646 FAX	NAS 2
John H. Glenn Research Center Mail Stop 500-313 21000 Brookpark Road Cleveland, OH 44135-3191 (216) 433-2800 (216) 433-5489 FAX	NAS 3
Dryden Flight Research Center, NASA P.O. Box 273 Mail Stop D-1044 Edwards, CA 93523-0273 (661) 258-3326 (661) 258-2292 FAX	NAS 4
Goddard Space Flight Center, NASA Mail Stop 200 Greenbelt, MD 20771-0001 (301) 286-7522 (301) 286-1706 FAX	NAS 5, NAS W
NASA Management Office - JPL Mail Stop 180-801 4800 Oak Grove Drive Pasadena, CA 91109-8099 (818) 354-5359 (818) 393-2607 FAX	NAS 7
George C. Marshall Space Flight Center, NASA Mail Stop GP01 Marshall Space Flight Center, AL 35812-0001 (256) 544-0253 (256) 544-9344 FAX	NAS 8
Lyndon B. Johnson Space Center, NASA Mail Stop BD8 2101 NASA Road 1 Houston, TX 77058-3696 (281) 483-5554 (281) 483-3106 FAX	NAS 9, NAS 15

John F. Kennedy Space Center, NASA Mail Stop OP Kennedy Space Center, FL 32899-0001 (321) 867-7212 (321) 867-8599 FAX	NAS 10
John C. Stennis Space Center, NASA Mail Stop DA00 Stennis Space Center, MS 39529-6000 (228) 688-3632 (228) 688-1141 FAX	NAS 13

15-1S3 Non-DoD Supplement --- Address List for Department of Health and Human Services Regional Audit Offices

Region	Address of Regional Audit Office	Geographic Areas
I.	Regional Inspector General for Audit, DHHS John F. Kennedy Federal Building, RM 2425 Boston, MA 02203 (617) 565-2684 (617) 565-3750 FAX	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island & Vermont
II.	Regional Inspector General for Audit, DHHS Federal Building, RM 3900a 26 Federal Plaza New York, NY 10278 (212) 264-4620 (212) 264-6307 FAX	New Jersey, New York, Puerto Rico & Virgin Islands
III.	Regional Inspector General for Audit, DHHS 150 S. Independence Mall West, Suite 316 Philadelphia, PA 19106-3499 (215) 861-4470 (215) 861-4541 FAX	Delaware, District of Columbia, Maryland, Pennsylvania, Virginia & West Virginia
IV.	Regional Inspector General for Audit, DHHS 61 Forsyth Street, SW Room 3T41 Atlanta, GA 30303-8909 (404) 562-7251(404) 562-7795 FAX	Alabama, Florida, Georgia, North Carolina, and South Carolina
V.	Regional Inspector General for Audit, DHHS 105 West Adams 23rd Floor Chicago, IL 60606 (312) 353-2618 (312) 353-1194 FAX	Illinois, Indiana, Michigan, Minnesota, Ohio & Wisconsin
VI.	Regional Inspector General for Audit, DHHS 1100 Commerce Street RM 4E1A Dallas, TX 75242 (214) 767-8414 (214)767-2039 FAX	Arkansas, Louisiana, New Mexico, Oklahoma, & Texas
VII.	Regional Inspector General for Audit, DHHS 601 E. 12th ST RM 284A Federal Building Kansas City, MO 64106 (816) 426-3591 (816) 426-3655 FAX	Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, & Wyoming
VIII.	Regional Inspector General for Audit, DHHS Federal Office Building 50 United Nations Plaza RM 171 San Francisco, CA 94102 (415) 437-8369(415) 437-8372 FAX	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Washington, American Samoa, Guam, Trust Ter. of Pacific Islands, & Wake Island

15-1S4 Non-DoD Supplement -- Address List for Department of Transportation Offices

Address of Office	Supplemental Address for Submission of Public Vouchers and Audit Reports	Audit Report Dist. No. of Copies
Department of Transportation Office of the Inspector General Room 9200 400 7th Street, SW Washington, DC 20590	Not Applicable	2
U.S. Coast Guard Headquarters Transpoint Bldg. 2100 2nd Street, SW Washington, DC 20593 (202) 267-0814 (202) 267-4019 FAX	ATTN: Chief, Cost/Price Analysis Section, Procurement Division, GACS04A	3
Volpe National Transportation Systems Center, Kendall Square Cambridge, MA 02142 (617) 494-2170 (617) 494-3656 FAX	ATTN: Chief, Analysis and Information Branch, DTS-854	1
Federal Highway Admin. Headquarters 400 7th Street, SW Washington, DC 20590 (202) 366-4205 (202) 366-3705 FAX	ATTN: Contracting Officer's Representative, Office of Contracts and Procurement, HCP-20 (Contract No. Prefix - DTFH61)	2
Federal Land Highway Program Office 400 7th Street, SW Washington, DC 20590 (202) 366-9482 (202) 366-7495 FAX	ATTN: Procurement Advisor, HFL-24 (Contract No. Prefix DTFH71)	4
Federal Transit Admin. 400 7th Street, SW Washington, DC 20590 (202) 366-4980 (202) 366-3808 FAX	ATTN: Director, Office of Procurement, TAD-40	4
Federal Railroad Admin. 400 7th Street, SW Washington, DC 20590 (202) 366-0560 (202) 366-3055 FAX	ATTN: Contracting Officer's Representative, Office of Contracts and Procurement, RAD-30	3

Address of Office	Supplemental Address for Submission of Public Vouchers and Audit Reports	Audit Report Dist. No. of Copies
National Highway Traffic Safety Admin. 400 7th Street, SW Washington, DC 20590 (202) 366-9571 (202) 366-9555 FAX	ATTN: Contracting Officer's Representative, NAD-30, Office of Contracts and Procurement	3
Research and Special Programs Admin. Headquarters 400 7th Street, SW Washington, DC 20590 (202) 366-5180 (202) 366-7974 FAX	ATTN: Contracting Officer's Representative, Office of Contracts and Procurement, DMA-30	3
St. Lawrence Seaway Development Corp. P.O. Box 520 Massena, NY 13662	ATTN: Contracting Officer's Representative, Procurement Division	2
United States Maritime Admin. 400 7th Street, SW Washington, DC 20590 (202) 366-2655 (202) 366-3889 FAX	ATTN: Chief, Office of Acquisition, MAR-380	1
Federal Aviation Admin. Headquarters 800 Independence Ave, SW Washington, DC 20591 (202) 267-3686 (202) 267-5814 FAX	ATTN: Manager, Pricing Staff, ASU-305, Contracts Division, Contracting and Quality Assurance (for audit reports) (Contract No. Prefix DTFA01)	1 Indirect cost 3 other
Federal Aviation Admin. Aeronautical Center P.O. Box 25082 Oklahoma City, OK 73125 (405) 954-7713 (405) 954-0133 FAX	ATTN: Pricing Staff, AMQ 120 Office of Acquisition (Contract No. Prefix DTFA02)	1 Indirect cost 3 other
Federal Aviation Admin. Technical Center Atlantic City International Airport, Atlantic City, NJ 08405 (609) 485-5360/4081 (609) 485-6766 FAX	ATTN: Supervisor, Operations Section, ACT- 51 (Contract No. Prefix DTAFA03)	2

Address of Office	Supplemental Address for Submission of Public Vouchers and Audit Reports	Audit Report Dist. No. of Copies
Transportation Administrative Service Center 400 7th Street, SW Washington, DC 20590 (202) 366-4953 (202 366-9848 FAX	ATTN: Chief, Procurement Operations Division, SVC-180	2

15-1S5 Non-DoD Supplement --- Address List for Department of Agriculture Regional Audit Offices

Address of Regional Audit Office	Geographic Areas
Regional Inspector General Northeast Region Suite 2-2230 5601 Sunnyside Ave. MS 5300 Beltsville , MD 20705-5300 (301) 504-2100 (301) 504-2437 FAX	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virgin Islands, Virginia, and West Virginia
Regional Inspector General Southeast Region 401 W. Peachtree Street, NW Atlanta, GA 30365-3520 (404) 730-3210 (404) 730-3221 FAX	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee
Regional Inspector General Midwest Region 111 N. Canal Street Chicago, IL 60606-7295 (312) 353-1352 (312) 353-3017 FAX	Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin
Regional Inspector General Southwest Region 101 S. Main Street Temple, TX 76501 (254) 298-1430 (254) 298-1373FAX	Arkansas, Louisiana, New Mexico, Oklahoma, and Texas
Regional Inspector General Great Plains Region 9435 Holmes Street Kansas City, MO 64131 (816) 926-7667 (816) 926-3861 FAX	Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Wyoming, and Utah
Regional Inspector General Western Region Suite 225 600 Harrison Street San Francisco, CA 94107 (415) 744-2851 (415) 744-2871 FAX	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Territory of Guam, Trust Territories of the Pacific, and Washington

15-1S6 Supplement --- Additional Report Distribution Requirements for Non-DoD Organizations

ORGANI-ZATION	TYPE OF REPORT	SUPPLEMENTAL DISTRIBUTION (NOTE 1)	# OF COPIES TO IG (NOTE 2)	ADDITIONAL INFORMATION REGARDING	
				# OF COPIES	ADDRESS
All non-DoD	Incurred Costs	10-507			
	Suspected Irregularity	DCAAI 7640.16	DCAAI 7640.16		
AID	Annual Report	15-107	Orig +2	13-706.7	13-706.7
DOC	All	15-109	0		15-109
DHHS	Incurred Costs	10-507.b(4)	1	10-507.b(4)	15-1S3
	Closings	10-905.a(4)	1		15-1S3
	Proposals	15-111a(1)	1		15-1S3
	All Other Reports	15-111a(2) & b	1		15-1S3
DHUD	Incurred Costs	10-507.b(5)	1	10-507	10-507b(5)
DOI	All	15-112	Per request		15-112
DOT	All	15-114	2		15-1S4
EPA	Proposals Incurred Costs	15-116	15-116		15-116

1. The general DCAA policy for addressing audit reports is stated in 10-206.1. Supplemental distribution requirements specified by the non-DoD organizations are referenced in this column. Absence of a listing on this 15-1S6 Supplement or absence of a reference in this column indicates that no supplemental distribution is required.

2. Some non-DoD Offices of Inspector General have requested copies of selected or all audit reports. Absence of a listing on this 15-1S6 Supplement or absence of an entry in this column indicates that distribution to an Office of Inspector General is not required.

15-200 Section 2 --- Contract Audit Coordinator (CAC) Program

15-201 Introduction

This section sets forth the policies and procedures applicable to the Contract Audit Coordinator (CAC) Program. It also provides guidelines for their implementation by field audit offices.

15-202 Policy for Establishment

a. A CAC program may be established and implemented as stated in this section for designated (1) larger multi-segment contractors; (2) government-owned, contractor-operated (GOCO) plants; or (3) other groups of contractors operated as an integrated complex or engaged in a major procurement program or in furnishing the same or similar services or end items to the government, e.g., shipbuilding or aircraft jet engines.

b. When there is a major organizational segment of a contractor's overall corporate structure that consists of a group of subordinate segments under common organizational control, which are relatively independent and have significant auditable government business, a Group Audit Coordinator (GAC) may be established. There should be sufficient contract audit issues, usually unique to the group and normally different from the rest of the corporation, which require coordination among a number of FAOs. Further, there should be a contractor representative available at this group level that can speak for the group and is authorized to resolve issues.

c. Where establishment of a GAC is requested and approved, the DCAA organizational designation of the auditor cognizant of the parent level operations will vary depending on the circumstances. If other segments within the company's organization have sufficient audit requirements, a CAC at the corporate level would be appropriate; if not the position may be a Corporate Home Office Auditor (CHOA).

d. The guidance contained in 15-204 should be followed when establishing a GAC, and all the CAC Case Files required by 15-211 will be maintained at the GAC level, including distribution to Headquarters. All other portions of this guidance should be followed as applicable to the GAC.

e. The program will apply to all locations of each designated contractor or specific group of contractors. It will cover contract audit matters subject to or requiring centralized direction, control, or resolution in such areas as accounting, pricing, audit programming, CAS compliance, and cost estimating policies and practices. In each case, the extent of coordination will be determined by the specific circumstances.

f. Assignment and performance of the coordination duties described herein should be considered an identified part of supervisory and administrative responsibilities at the regional or FAO levels.

15-203 Program Objectives

The overall objective is to increase the effectiveness of contract auditing at those contractor locations designated for inclusion in the program by such means as:

a. Establishing a focal point for each contractor or contractor group to coordinate contract audit matters and distribute information regarding activities of common concern and interest within the CAC/CHOA/GAC complex.

b. Facilitating discussion and resolution of major audit problem areas with corporate or group level personnel.

c. Establishing closer working relationships among audit personnel and responsible contract administration officials in the evaluation of price proposals and negotiation, administration, repricing, and settlement of contracts and subcontracts.

d. Promoting consistency in the audit treatment of incurred and estimated cost representations and implementation of CAS.

e. Coordinating with procurement offices on contract provisions affecting accounting and finance.

f. Establishing coordinated audits where appropriate.

15-204 Designation of Audit Coordination Office

a. Regional directors will submit recommendations to Headquarters, ATTN: P, for the establishment of a CAC complex where such action is in consonance with the policy and objectives stated in 15-202.

b. A regional office or FAO will be selected as the audit coordination office for each CAC complex in accordance with the following guidelines:

(1) For multi-segment contractors, the FAO having the predominant audit workload or a major workload will ordinarily be selected. Proximity to the contractor's home office will also be considered.

(2) For other complexes, the CAC function will be assigned to the regional or field audit office which has responsibility for one or more of the larger contractor(s) performing on the major program. Proximity to the key procurement or contract administration office(s) will also be considered.

c. When a CAC complex is authorized by Headquarters, the regional director will notify all interested DCAA regional and field offices, as well as all applicable government procurement and contract administration offices, of the name of the CAC and his/her office location. Also inform the principal representative(s) of a multi-segment contractor of the establishment of the CAC and the objectives of the program. Notification of the establishment of a CAC complex for GOCO plants or other groups of contractors need not be furnished to the contractors involved.

15-205 Responsibilities of the CAC

The responsibilities of the designated contract audit coordinator will include but are not be limited to:

a. Coordinating the contract audit activities of applicable FAOs as required to accomplish the program objectives, and formulating the annual CAC program or plan of operation.

b. Acting as the contact point for discussions with contractor officials in corporate and divisional offices on such matters as:

(1) Management policies and practices, including proposed changes thereto, having cost implications. These may involve relocation of operations, establishment of a new division, change in organizational structure, new types of products or contracts, and similar matters which would be of significant concern to cognizant auditors at the contractor's other plants or divisions (see 1-502 on change of FAOs).

(2) Inconsistencies and weaknesses in cost accounting procedures and practices, estimating methods, or indirect cost allocation procedures particularly those which are common to more than one division.

(3) Compliance with CAS Board rules, regulations, and standards (see Chapter 8).

(4) Treatment of inter- and intra-company transfers or billings.

(5) Access to the contractor's accounting, operating, and statistical records, current and prospective budgets, operating and financial statements, internal audit reports, corporate minutes, and operating committee minutes.

(6) Questions on the contractor's local practices and procedures affecting cognizant auditors at other locations and requiring consultation or resolution at a higher management level.

c. Notifying cognizant auditors at the respective contractor locations of the results of discussions held and actions taken concerning any of the matters covered above; also advising such auditors on proposed or established changes affecting the contractor's accounting, pricing or estimating procedures, and other changes or management decisions having a bearing on contract audit activities.

d. Coordinating with cognizant auditors to promote consistency of audit treatment of normally sensitive and controversial elements of cost such as research and development, advertising, selling expenses, pension and retirement plans, compensation (see 5-803.2) and recruitment expense.

e. Coordinating with cognizant auditors to promote consistency and uniformity of audit approach by (1) providing them with complete details concerning special audit procedures, techniques, and programs which may be usefully applied at their assigned locations, (2) alerting cognizant auditors of problems at other locations which may exist at their assigned locations, (3) informing cognizant auditors of the de-

tails of problem resolution achieved at other locations which may also be applicable at their assigned locations, and (4) advising cognizant auditors of action taken on problems referred to the audit coordination office for resolution.

f. Furnishing guidance for the scheduling and performance of the annual (historical) home office audit, and home office or other intracompany audits required for forward pricing.

g. Ensuring distribution of pertinent home office reports, and the results of the reviews of the corporate minutes and tax returns to each FAO within the CAC network (3-104.16); and ensuring distribution of the contractor's corporate annual report to FAOs within the network, the CAC's regional office, Headquarters, ATTN: PPD and Headquarters, ATTN: FD. When SEC filings contain information pertinent to government contracts at divisions in the CAC complex and are not included in the corporate annual report, the CAC will also provide such data to cognizant DCAA field audit offices.

h. Coordinating with cognizant auditors, contracting officers, and other responsible officials, as appropriate, in the resolution of general questions of reasonableness of costs generated by divisions or affiliates of the contractor.

i. Assisting departmental negotiators by coordinating with cognizant auditors on:

(1) Timely submission of indirect cost audit reports.

(2) Consistency in audit presentations and explanations for questioned costs.

(3) Uniform audit position and rationale on similar items questioned at different locations.

(4) Attendance at company-wide indirect cost negotiations.

j. Cooperating with procurement and contract administration personnel in performing such contractor-wide studies and reports as will assist in increasing the effectiveness of procurement and in achieving consistency in pricing and costing.

k. Developing coordinated objectives or programs for the audit of selected functional areas and indirect cost items which are common to several locations within the CAC complex (see 15-206).

l. Responding to inquiries for information, special studies, etc. on sensitive items or significant and common problem areas in the CAC complex. Such inquiries will ordinarily be made by Headquarters to the regional director with a copy forwarded directly to the CAC. Replies will be made by similar procedures. Inquiries and replies may be made by telephone when required by time limitations.

m. Evaluating reports submitted by participating FAOs and consolidating where appropriate, significant findings for presentation to appropriate government and/or contractor officials on CAC networks involving major procurement programs for same or similar services or end items, e.g., GOCO plants. Such reports can present pertinent information on common problem areas and indicate recommended action to be taken by procurement and/or contractors to increase financial effectiveness under government contracts.

n. Advising the FAOs within the CAC network of the contractor’s Defense Industry Initiative (DII) participation (if the contractor is a DII signatory company). This notification should be done on an annual basis and should include an explanation of the contractor’s DII related activities that pertain to each segment. The information provided should be sufficient to assist the segment auditor to determine the extent of the contractor’s DII participation for consideration during the annual assessment of internal controls.

15-206 Coordinated Audit Objectives or Programs

15-206.1 Criteria for Multi-Segment Contractor CAC Complexes

As respects multi-segment contractors, common audit objectives and programs are particularly applicable when the same policies and procedures are used throughout the CAC complex in such areas as accounting, estimating, personnel practices, purchasing, and implementation of CAS. In these and other instances the use of common audit programs promotes consistency of audit treatment of selected functional areas at all participating components, as well as assisting in the proper time phasing

and consolidation of audit reports. In those multi-segment CAC complexes where common audit programs cannot be used, the CAC should develop and issue common audit objectives.

15-206.2 Criteria for Other CAC Complexes

Where the CAC program is comprised of selected contractors involved in a major item procurement program or the production of similar or like end items, common audit programs cannot usually be adopted because of the differences in accounting, estimating, and other management systems existing among the different contractors. However, common objectives should be developed and must be sufficiently defined to produce audit results which are compatible for consolidated audit reports. Some examples of areas to be given attention in such CAC programs would include: (1) purchasing of common items, (2) use of the same subcontractors, (3) labor utilization, (4) make-or-buy programs, and (5) government-furnished materials and equipment.

15-206.3 Procedures for Coordinated Audits

Audit objectives and programs should be developed by the CAC with the cognizant auditors, and audits made accordingly. The following guidelines are applicable:

a. Selection of the functions and indirect cost items to be audited will depend upon materiality, sensitivity, and the possibility that such may be questionable or unallowable.

b. The CAC will establish on an overall annual basis the functions and indirect cost items selected for coordinated evaluation and the summary and consolidated reports to be issued.

c. If coordinated audit programs or detailed audit objectives, as appropriate, have been prepared, copies will be distributed to each participating FAO.

d. While the audits are in process, the CAC and participating FAOs should communicate with each other as necessary to clarify questions and problems which may arise.

e. Workshops may be arranged, subject to regional office approval, to discuss and resolve problems and significant questionable areas which cannot otherwise be disposed of.

f. Where indirect cost negotiations are involved, individual reports prepared by the assigned FAOs will be forwarded to the CAC for incorporation in a consolidated audit report covering items audited on a coordinated basis.

15-207 Responsibilities of Other Audit Offices

Audit offices having responsibility for CAC complex components shall follow a policy of full disclosure and positive support to the contract audit coordination program. These offices will:

a. Provide to the contract audit coordinator:

(1) Copies of any reports requested or otherwise considered pertinent for CAC complex consideration or action.

(2) Complete data concerning any local problem areas which, in their opinion, may also exist at any other locations of the contractor or within the CAC complex.

(3) Complete data concerning any local problem area which, while not believed to exist at other CAC complex locations, cannot be resolved locally. Problems should not be submitted until local efforts for resolution have been exhausted. When forwarding unresolved problems, it is necessary that the cognizant auditors explain action taken at the local level and make recommendations for solution by the contract audit coordinator.

(4) Description of special audit procedures, techniques, or programs developed locally which resulted in more effective audit performance and which may be applied at other locations.

b. Perform on a coordinated basis audits of selected functional areas, indirect cost items, major item procurement program elements, etc., in accordance with the time schedules and/or audit programs established for the CAC complex under 15-206.

c. Coordinate CAS audits and report issuance with the CAC, informing him/her of problem areas pursuant to Chapter 8.

d. On audits of operations of major contractors, coordinate drafts of functional reports (see 14-504) with the contract audit coordinator. When issued, copies of these reports will be furnished to the contract audit coordinator.

15-208 Communication Among Audit Offices

a. Full and free exchange of information and thinking is essential to this program. To that end, the audit coordination office and the FAOs responsible for audit at the other contractor locations are authorized to communicate directly with one another in respect to the types of matters described above. Such communication may be through the media of telephone, correspondence, small workshops or visits, as appropriate. The CAC is encouraged to pursue the availability of contractors' tele/video conferencing facilities as a means of communication if possible.

b. Communications between audit offices on problem areas or interrelated audit matters should not be delayed pending the holding of a contract audit coordination conference. They should be initiated as soon as the need is recognized, and should be continued thereafter, on a day-to-day basis as required, to effect resolutions of problem areas.

15-209 CAC Conferences

15-209.1 Objectives of Conferences

In addition to the normal and regular communication channels provided above, conferences of cognizant auditors of a multi-segment contractor or groups of contractors will be held to evaluate mutual problems. These conferences (1) serve as a means for the dissemination of information and the exchange of experiences, (2) enable conferees to reach common understandings and crystallize unresolved problems, and (3) result in agreement on actions to be taken.

15-209.2 Planning and Conducting CAC Conferences

a. Conferences will be planned and held as required, in coordination with the cognizant regional office. Approval for holding conferences and workshops, must be obtained from Headquarters, ATTN: DX, at least 45 days before the date of the planned conference. (The approval requirement does not extend to the conduct of routine operational meetings between CAC and DCE staff members to address specific issues. Moreover, the participation by the CAC and his or her key supervisor in CACO or DCE conferences, in which DCAA is not jointly holding and planning the conference, will be left to the discretion of regional management.) If attendance and participation in a CACO, DCE or other conference extends to multiple employees (more than two employees each from two regions or more) from different regions, approval for attendance should be requested as if the conference were being held by DCAA. A copy of the request should be concurrently provided to Headquarters, ATTN: PPD. The request for approval must include: a draft agenda (15-209.2.d); specific requests for Headquarters participation in agenda topics if desired; justification for a location other than at the Corporate Office, if applicable; and a completed DCAA Form 1100-1(EF) [MRD 00-DX-008(R) dated April 18, 2000].

(1) DX will provide the requestor with timely notification on whether the conference has been approved as proposed; approved with changes; or disapproved for reasons stated in the notification.

(2) Normally a CAC conference should be scheduled at least once every two years; if other considerations indicate a longer interval, the regional director and Headquarters CAC program manager should be appropriately advised.

b. Invitations to participate in conferences will be extended to the Defense Corporate Executive (DCE) or the corporate ACO (CACO), procurement personnel, and audit representatives from non-defense audit agencies, such as NASA, having a significant audit interest. However, the total number of conferees should be kept to a practical minimum. To facilitate a productive concurrent consideration by different audit and/or procurement representatives, separate workshop sessions may be scheduled at the same time as part of the conference proceedings. A separate session for

audit personnel only should be considered in preparing the agenda. Topics to be considered for presentation during auditor-only sessions include procurement support problems, and audit techniques employed at various contractor locations which resulted in improved audit effectiveness or significant audit findings. A summary report of each workshop should be furnished to the conference participants.

c. Contractor representatives may be invited to address the conferees and engage in discussion of matters of mutual interest. Their participation will be limited to specific sessions devoted wholly to this purpose.

d. The CAC should prepare a draft conference agenda on the basis of day-to-day knowledge of CAC activities and information solicited from FAOs on appropriate topics. The draft agenda should be time-phased, incorporate a concise description of each topic showing its scope and applicability, and describe any problems for discussion by participants. Before release of the agenda, an advance copy will be submitted for regional office approval. The CAC will generally serve as conference chair.

e. Recommendations for action to resolve problem areas will be developed during the conference. Where applicable, each such recommendation should be assigned a due date for its implementation and, where appropriate, provide for the issuance of any reports required under 14-504. If the conferees cannot agree on a solution to a problem, the matter should be submitted to the appropriate regional directors for resolution (see 15-210).

15-209.3 Conference Minutes

Conference minutes will be prepared by the contract audit coordinator within 20 days after the close of the conference. After review and approval by the regional office, they will be distributed as follows:

(1) Three copies to the regional office, one of which will be transmitted (with appropriate comments, if any) by the regional office to Headquarters, ATTN: PPD.

(2) One copy each to other interested regional offices.

(3) One copy to each cognizant auditor.

(4) One copy each (or more, as desired) to the CACO, NASA, and other interested offices having representation at the conference.

15-210 Resolution of Problem Areas

It is anticipated that most of the contract audit problems that may arise can be resolved through discussions between the contract audit coordinator and the contractor's key management officials, or by agreement among the cognizant auditors involved, subject to appropriate audit and procurement administrative approvals.

15-210.1 Resolution with Contractor

In the event resolution cannot be achieved with the contractor, the audit problem will be referred by the contract audit coordinator to his/her regional office for disposition. Where resolution cannot be achieved at that level within a reasonable time, Headquarters, ATTN: PPD, will be apprised of all pertinent facts as a basis for appropriate action.

15-210.2 Resolution Among Auditors

Disagreements between a contract audit coordinator and a cognizant auditor in common problem areas will be referred by the contract audit coordinator to his/her regional office. If the cognizant auditor is in another region, the regional office will take steps to resolve the disagreement with the regional office in which the cognizant auditor is located. If this cannot be accomplished, the interested regional offices will refer the matter to Headquarters, ATTN: PPD. Where appropriate, an Advice of CAC Case (see 15-211) will be used to accomplish this referral.

15-211 CAC Case Files

15-211.1 Establishing CAC Cases

a. Contract audit coordinators will maintain appropriate records to document activities under the CAC program. A CAC case file will be established, at the contract audit coordinator's discretion, for (1) each

separate problem area or action item submitted to the contract audit coordinator under the CAC program if resolution will not be accomplished in a relatively short time frame, and (2) any studies or inquiries undertaken under the monitorship of the contract audit coordinator, the scope of which is CAC complex-wide, or affects more than one location.

b. Examples of CAC case file subjects include (1) difficulties concerning access to records; (2) local problems which cannot be resolved locally; (3) problems affecting more than one contractor division or plant; (4) problems requiring coordination or action at the corporate headquarters level; (5) problems requiring uniform action at the contract administration level; (6) CAS compliance issues, and (7) special studies or inquiries on corporate accounting, pricing, and cost estimating policies and procedures.

c. Each CAC case file will contain all pertinent data on the matters and issues involved. Appropriate documentation will also be maintained for CAC activities or actions not made the subject of an individual CAC case file.

15-211.2 Advice of CAC Case

a. When a CAC case file is opened, the contract audit coordinator will prepare an Advice of CAC Case. The advice will show the name of the contractor, the date the case was established, and a control number consisting of the fiscal year and a consecutive series of numbers (for each fiscal year) beginning with one. The advice will include a statement of the case, source of the case, action taken to date, and any action planned. It will be signed by the contract audit coordinator. Below the signature, the following statement will appear:

"Recipients of this advice are invited to submit suggestions for solution of the problem." Copies of the advice will be distributed to (1) the cognizant regional office, (2) each of the other cognizant FAOs, (3) the CACO where appropriate, (4) case file, and (5) Headquarters, ATTN: PPD.

b. Supplemental Advices of CAC Cases may also be issued as required to present subsequent additional data and status information which the CAC considers should be distributed to the above recipients to keep them currently informed about the case.

15-211.3 Case Resolution

When a CAC case is resolved, the contract audit coordinator will prepare an Advice of CAC Case Resolution, which will include the name of the contractor, the case control number, date the case was closed, and a statement of resolution. The advice will be signed by the contract audit coordinator and distributed as in 15-211.2.

15-212 CAC Information Files

The CAC will maintain adequate files relating to the CAC complex and activities for his/her own use and the use of participating FAOs, regional directors, DCAA Headquarters, and others as may be authorized. These files should include as a minimum the following information:

a. Contractor Organization

(1) For multi-divisional CACs, location of the corporate office, and each operating division, plant and/or affiliate performing government contracts.

(2) For groups of contractors constituting a CAC complex, a list showing the name and location of each contractor.

(3) Location of each ACO and DCAA regional and field audit office cognizant of the individual offices or plants indicated in (1) and (2) above.

(4) Organizational chart of each division or constituent contractor, including the names of key personnel.

(5) Annual financial reports as available for each contractor or component within the CAC complex.

(6) Number of employees for each of the locations shown in (1) and (2) above.

(7) For multi-segment contractors, major product lines and services by division or plant as applicable.

(8) For multi-segment contractors, annual (calendar or fiscal year) volume of sales by office, division or plant, and if available, amount and percentage of government business for each.

b. Policies and Procedures

Access to corporate or institutional policies and procedures including those applicable to each contractor, GOCO

plant, or division in the CAC complex.

c. Plans, Programs, Reports, etc.

(1) Annual CAC program or plan of operation.

(2) Common audit programs, audit objectives, and unusual audit programs of applicable FAOs.

(3) Major audit reports submitted by the CAC and applicable FAOs. (These include reports on functional areas, surveys, indirect costs, significant pricing proposals, and noncompliance with CAS.)

(4) Reports on GAO reviews and procurement surveys, and other non-DCAA reports.

d. Correspondence & Communications

(1) Minutes of all CAC conferences and workshops.

(2) Trip reports covering visits to FAOs.

(3) Written comments of the CAC on the review of reports submitted by FAOs.

(4) All correspondence pertaining to the CAC program.

e. CAC Cases

Files pertaining to CAC cases designated by number and title (See 15-211.)

f. Other. The CAC information files should serve as a central collecting and distributing point for information on:

(1) Access to all types of contractor records about which there is some difficulty or question from time to time.

(2) The status of completion of corporate-wide audits where common programs are in use.

(3) Changes or proposed changes in management policies and practices having cost implications.

(4) Current practices in estimating methods, overhead allocation methods, CAS, IR&D costs, advance agreements, pension plan management, insurance on plants, intracompany cost transfers, and other areas common to more than one office, division, or plant.

(5) Specific areas which may afford special opportunity for achieving contractor-wide or group-wide cost reduction and consistent audit treatment.

15-300 Section 3 --- Procurement Liaison Auditor and Financial Advisory Services

15-301 Introduction

a. This section provides policies and procedures applicable to the performance of the DCAA procurement liaison function by the procurement liaison auditor (PLA) and by the financial advisor (FA). Procurement liaison covers advisory audit services that are offered to DoD procurement and contract administration offices to assist them in achieving the objectives of sound contracting by providing onsite accounting and financial advice to contracting officers, negotiators, and buyers. Arrangements have also been made with the National Aeronautics and Space Administration (NASA) to furnish similar PLA services to NASA procurement and contract administration offices.

b. The PLA is primarily concerned with:

(1) facilitating effective communication and coordination between procurement officers and auditors;

(2) providing on-the-spot personal consultation and advice in connection with contractors' cost representations and related matters;

(3) providing to DCAA information regarding specific awards, trends in the type and volume of awards and other data impacting on immediate or long-range DCAA responsibilities; and

(4) providing DCAA management with information as to the adequacy, responsiveness and timeliness of the advisory audit reports being submitted by field audit offices. See 15-305 for further description and guidance on the services provided by DCAA liaison auditors.

c. Financial advisory services are based on the AICPA's Special Committee on Assurance Service's conceptual framework for assurance services. Assurance services do not have the authority of a standard issued by the AICPA but the concept of professional services encompasses the application of professional judgment. The FA is primarily concerned with providing independent professional services that improve the quality of information, or its context, for procurement officials who are the decision-makers. DCAA financial advisory services add value through the application of the FA's professional judgment to various contract matters. This provides a level of assurance to procurement officials that would not exist without the FA's involvement. See 15-305.9 for further description and guidance on the services provided by DCAA financial advisors.

15-302 PLA and FA Authorization and Types

a. DoD Directive 5105.36 (see 1-1S1) authorizes the Director, DCAA to provide accounting and financial advisory services to all DoD components responsible for procurement and contract administration and to establish and maintain liaison auditors as appropriate at procuring and contract administration offices.

b. Both liaison auditor and financial advisory services may be provided either onsite (by full-time or part-time PLAs or FAs working at the individual procuring and contract administration offices), or offsite (by part-time PLAs or FAs using the telephone, facsimile machines, etc., at DCAA field audit offices or contractor plants). Generally speaking, the full-time, onsite PLAs and FAs are located at (1) the major procurement commands with the most significant auditable contracting activity, or (2) the procurement policy-making groups for the military services (see 15-303).

15-303 Full-time Onsite PLAs and FAs

15-303.1 Audit Liaison Division (OAL)

OAL reports to the Assistant Director, Operations, and is responsible for (1) managing the Agency's PLA and Financial Advisory Services programs, and (2) directly supervising all full-time, onsite PLAs and FAs. See 15-3S1 for a listing of the OAL representatives currently onsite at the major procurement commands and contract administration offices. See 15-3S2 for listing of major buying offices' activity codes and a cross-reference to onsite OAL representatives.

15-303.2 Memorandum of Understanding (MOU)

a. To ensure that the PLA or FA services being rendered are genuinely useful and effective and that there is no misunderstanding as to the nature of these services, DCAA is entering into memorandums of understanding (MOUs) with those buying commands that can support/justify a full-time PLA and/or FA. The MOU represents general agreement on the available services and facilities to be provided the PLA and/or FA. It also represents a commitment by both parties to cooperate in the exchange of information to resolve procurement-related problems.

b. Each MOU is signed by DCAA's Assistant Director, Operations, and by the responsible official at each of the PLA or FA locations. It is a working document without an established effective period, and as such can be amended at any time. Questions regarding the MOU may be directed to the Chief, Audit Liaison Division (see 15-3S1).

15-303.3 Requests for OAL PLAs and FAs

Requests for the placement of full-time, onsite PLAs and/or FAs may be forwarded to the Director, DCAA.

15-304 Part-time PLA and FA Services

15-304.1 Responsible DCAA Offices

a. The regional office and, when applicable, the designated field audit office (FAO) cognizant of DCAA operations within a given procurement activity's geographical area, are responsible for providing audit liaison or financial advisory services on a part-time basis. This includes those services that are provided onsite, as well as offsite, on a less-than-full-time basis.

b. The full-time, onsite PLAs and FAs (see 15-303.1) will assist the Regions and FAOs in performing and coordinating their specific PLA tasks when such assistance is (1) determined appropriate in the circumstances, or (2) specifically requested by either the responsible DCAA activity or procurement command.

15-304.2 Arranging for Part-time Services

While part-time PLA or FA services are readily available, they are furnished only upon specific request of, or arrangement with, the respective procurement centers and contract administration offices. Initial requests for part-time services should be first considered by the regional director cognizant of the area in which the procurement center or contract administration office is located.

15-305 PLA and FA Services

15-305.1 General

The onsite PLA or FA is DCAA's principal point of contact at the procuring or contract administration activity to which assigned. The duties of the PLA and FA are often interchangeable, depending upon the immediate needs of the procuring activity. The duties of the PLA cover a broad spectrum ranging from expediting the submission of advisory audit reports to on-the-spot consultation on complex financial and accounting matters relating to contract costs. The duties of the FA generally focus on improving the quality of information for decision-makers by providing confidence about the reliability and relevance of information. This information may be required by contracting officers throughout the contract negotiation process and the life cycle of the contract. To properly provide assurance services, the FA must be independent. Many of the key services that the PLA or FA performs are discussed in 15-305.3 to 15-305.14.

15-305.2 Proactive vs. Reactive

Whenever possible, PLAs and FAs are instructed to take a proactive role as opposed to a reactive role. The proactive role stresses the opening of lines of communication with all command activities including contracting officers, pricing directorates, legal staff, and all other acquisition officials requiring DCAA services. It also (1) emphasizes the joint exploration of ways to improve coordination and the es-

tablishment of mechanisms to identify, evaluate and resolve issues; (2) recognizes that a strong relationship between DCAA and the acquisition and contract administration commands provides a clearer understanding of customer needs; and (3) facilitates DCAA's ability to provide quality, timely, and responsive audit and assurance services.

15-305.3 Professional Accounting and Financial Advice

The PLA or FA will advise procurement personnel on accounting and financial matters in areas of DCAA responsibility. This includes:

a. Explaining or elaborating on the accounting and auditing principles, including CAS, underlying advisory audit report comments, findings, and recommendations and, when necessary, obtaining additional data, elaboration, or explanations from the field auditor.

b. Assisting procurement personnel in their efforts to obtain specific cost information when an audit of a contractor's proposal is not required (see 9-107). PLA or FA assistance in obtaining such information (e.g., indirect cost rates, labor rates, loading factors, etc.) may be necessary and is usually beneficial when a contracting officer is experiencing difficulty (1) contacting the cognizant DCAA field audit office (FAO), (2) obtaining the requested data in a timely manner, or (3) obtaining the requested data because of its connection with some unusual or controversial matter.

c. Providing advice regarding reports on contractors' accounting and estimating systems.

d. Consulting on negotiation targets, and advising on the treatment of controversial items of cost.

e. Arranging for the attendance of field auditors at the negotiation conference, if required, and participating in contract negotiations, when appropriate. (Also see 15-305.6.)

f. Advising on financial sections of business clearances, negotiation memorandums, etc.

g. Discussing with reviewing authorities, on request, the treatment accorded costs in negotiations in which the PLA or FA participated.

h. Advising the contracting officer on matters relating to DCAA's postaward audit reports, and coordinating on requests for followup audit effort on postaward audit findings.

i. Consulting with the contracting officer in determining whether an audit waiver is appropriate, or a DCAA audit is necessary to arrive at a decision that a proposed cost or price is fair and reasonable.

j. Providing counsel and any necessary coordination where a contracting officer is planning to issue a request for audit on only a part of a contractor's price proposal.

15-305.4 Coordination of Requests for Audit of Price Proposals

a. The PLA or FA is available to provide procurement personnel with information regarding the DCAA field audit office to which a copy of the request for field pricing support should be sent, an estimate of the time required for audit (after consultation with cognizant FAO), and the content of the request when specific information is desired. The PLA or FA may offer an opinion, or concur in an opinion of a contracting officer, that an audit is not essential in specific instances. This is particularly pertinent with respect to cost-type proposals for research and development effort where advice on labor rates, overhead rates, loading factors, etc., may be essentially all that DCAA can provide. In these instances, the PLA or FA may assist the contracting officer by evaluating pertinent audit data previously reported by field audit offices and by obtaining current data verbally from the cognizant field audit office (see 9-107).

b. Direct telephonic communications between procurement personnel in the larger buying offices and the cognizant field auditors may result in multiple requests from various negotiators for the same data or requests for data already available in the files of the PLA or FA; requests for data with unrealistic time deadlines; and requests for data to be furnished by telephone which is of such significance or magnitude that it should be furnished only

by means of an advisory audit report. Also, direct telephonic communications may result in misinterpretation because the negotiator may not readily understand what the data means. Consequently, when a field auditor receives a telephonic request for data, questionable or problem areas which cannot be resolved at that time should be promptly referred to the PLA or FA who will obtain any needed clarification or background information from the requestor (see 9-107).

c. The PLA or FA should have copies of all correspondence issued concerning audit matters by the procuring activity if he or she is to provide on-the-spot personal consultation and advice to procurement and contract administration personnel in connection with analyses of contractors' cost representations and related matters. Consequently, the PLA or FA should make arrangements with the procurement activity to be furnished a copy of each request for field pricing support as well as any notices of date adjustments for the auditor's submission of audit report to the Plant Representative/ACO.

d. When the buying office changes product requirements, quantities, or specifications while an audit is in process, the PLA or FA should confer with the contracting officer to assess the impact of the changes on the current proposal. The PLA or FA should then confer with the field auditor on the advisability of continuing the current audit or suspending audit until a revised proposal is submitted. Where appropriate, arrangements may be made for supplemental audit reports.

e. Responsibility for the submittal of a timely audit report rests with the cognizant field auditor; responsibility of the PLA or FA in this matter is to facilitate the use of audit service. The PLA shall look into any inquiry made either orally or in writing by the procuring activity where it is stated that a specific advisory audit report is overdue or was not received on a timely basis. On each such matter the PLA or FA shall discuss the matter with the FAO and the procuring activity in an effort to assure timely reporting or more practicable due dates for future requests.

15-305.5 Counsel on Advisory Audit Reports

a. The PLA or FA will be available to discuss the audit reports with procurement personnel. This can involve providing interpretation and explanation of the accounting and auditing principles underlying the findings, comments, and recommendations set forth in the report or obtaining from the cognizant field auditor additional information or further elaboration and explanation regarding particular cost elements. DCAA offices will provide the onsite PLA one copy of each advisory audit report when it is issued (see 15-308 and 15-3S1). If a location has an FA and does not have a PLA, the report should be furnished to the FA.

b. The PLA or FA will pursue all leads and concerns raised by the management at the commands being supported, and those requiring the attention of DCAA field and/or Headquarters management should be elevated accordingly. A file should be maintained on problem areas in order that recurring matters indicating a trend or other condition requiring action at FAO, regional or Headquarters level may be communicated by the PLA or FA to the appropriate office. Arrangements should be made with the procurement office to provide appropriate notification of problems and problem areas to the PLA or FA, preferably by direct written communication or by copy of a PNM in which the matter is set forth.

15-305.6 Arranging for DCAA Participation in Negotiation Conferences

a. The PLA or FA should arrange to obtain advance information concerning impending contract negotiation conferences in instances where an audit report has been issued. This could involve the prenegotiation conference attended only by government representatives, the formal negotiation conference with the contractor, or both. When advising the contracting officer as to the need for the field auditors' participation at the conference, the PLA will consider the complexity of the audit findings, the magnitude of the dollar amounts of costs questioned and possible savings to the government, the views of the contract-

ing officer's representative, and any other pertinent factors. When such attendance is required, the PCO's request to the field audit office should be transmitted promptly to provide maximum time for preparation and travel arrangements. Where the PCO consistently fails to solicit necessary field auditor attendance, the PLA or FA should resolve the problem in accordance with 15-402.1.

b. Arrangements for auditors' participation in negotiations should be coordinated through the DCAA liaison auditor or FA. Field auditors should inform the PLA or FA of any requests for attendance at negotiations received directly from contracting officers, and discuss any question concerning the necessity or duration of his or her attendance. Field auditors should notify the DCAA liaison auditor or FA upon arrival at a supported procuring activity to attend a negotiation. The negotiations in which field auditors are invited to participate are usually large-dollar, complex procurements, and it may be advisable for the PLA or FA to attend with the field auditor, especially where (1) continuity is needed because negotiations are expected to extend over a number of days or weeks at both the contractor's location and the procurement office and it will not be possible for the field auditor to be present at all sessions, (2) the contracting officer specifically desires that the PLA or FA attend, or (3) the auditor has limited experience as a participant in negotiation conferences.

c. In those cases where a field audit was not requested or where circumstances do not justify the attendance of the field auditor, the PLA or FA should attend negotiation meetings and conferences when requested by the contracting officer, and should provide whatever accounting and audit advice and assistance is required.

15-305.7 Procurement and DCAA Policy and Procedures

The PLA or FA will explain and clarify DCAA policy and procedures to the procuring activity to which assigned, when requested, or if the policy or procedures are not known will request explanation and clarification from Headquarters. In turn, when the PLA or FA becomes aware of new or revised policy or procedures that impact upon DCAA operations, the PLA or FA will advise Headquarters, through his or her region and/or the Audit Liaison Division.

15-305.8 PLA Support of Major Defense Systems Procurement

a. DoD Directive 5000.1, DoD Instruction 5000.2, and DoD 5000.2-R set forth the policies and procedures and establish specific requirements and responsibilities for acquiring major defense systems. As stated in the Directive, the policy of DoD is to assure that the acquisition process is timely, efficient, and effective. In support of that policy, the PLA should make a direct offer to assist the program manager for the major defense systems procurement during the initial stages of the program as well as after contract award. Maintaining good communications and close working relationships with the program manager will help facilitate the acquisition process and resolve audit disclosures.

b. Although not intended as a complete listing, the responsibilities of the PLA on major defense system procurements will generally include those summarized below:

(1) To act as the official representative of and focal point for DCAA on all matters requiring contact with the contracting officer, project manager and their staffs. All field office contacts with the indicated representatives should be made through the PLA.

(2) To recommend to the procurement activity, when appropriate, that the request for proposal (RFP) should require the contractor to:

(a) Disclose any deviations from its normal accounting and/or estimating procedures used to prepare the proposal.

(b) Identify the dollar impact of such deviations.

(c) Identify and explain any anticipated differences between the accounting for costs to be incurred under the proposed contract and the accounting methods and procedures reflected in its proposal.

(d) Prepare and furnish for audit historical unit cost trend studies and analyses

of experienced labor and overhead and G&A expense rate data.

(3) To assist the procurement office in the analysis of the accounting and financial aspects of the contractor's proposal.

(4) To monitor the overall audit input, arranging the timing of field audit effort and reporting so that submissions coincide with the overall time schedules and requirements of the procurement office.

(5) To advise FAOs promptly of any unusual cost provisions in the RFP in order that appropriate coverage may be provided in the audit program.

(6) To advise FAOs of any special areas of audit coverage desired by the procuring authority and not detailed in the RFP; this may be especially important in a competitive situation.

(7) To discuss with the proper representatives the extent to which audits will be needed on major subcontract proposals, and expedite the process by making direct and simultaneous requests to the auditors cognizant of the subcontractors. Such arrangements should be coordinated with the resident auditor at the prime contractor location.

(8) To maintain sufficient contact with the FAOs to monitor the timeliness of audit service, and arrange for any necessary extensions of scheduled report dates.

(9) To discuss and, if necessary, explain audit reports to the procuring authority and other interested personnel.

(10) To arrange for any additional audit effort which may become necessary subsequent to the submission of audit reports. In these efforts, it is essential that the field audit offices are timely and completely responsive to the PLA and that actual or expected delays are communicated promptly to the PLA in order that he or she may initiate appropriate action with the procurement office.

15-305.9 FA Support of Major Defense Systems Procurement

a. In support of DoD Directive 5000.1, DoD Instruction 5000.2, and DoD 5000.2-R discussed in 15-305.8a, DCAA provides financial advisory services as a resource to contracting officers. The primary function of a financial advisor is to provide assurance services as defined in the AICPA Special Committee on Assurance Service's conceptual framework for assurance services. However, when a FA is placed at a location without a PLA, the FA will also perform the various duties of a PLA, as required.

b. To negotiate contracts, the contracting officer must make rational decisions based on information. Assurance services provided by the FA are intended to help the contracting officer improve the information used in the decision process. Better information leads to better decisions. The FA's independence is a key to providing unbiased information to the contracting officer. The AICPA's Assurance Services Definition and Interpretive Commentary defines assurance independence as "an absence of interests that creates an unacceptable risk of material bias with respect to the quality or context of information that is the subject of an assurance engagement."

c. Although the FA's services are available through out the life cycle of the contracting process, the FA can provide support only in those areas in which the FA is professionally competent. Professional standards require the FA to exercise due professional care, ensure that the assurance services are adequately planned and supervised, and obtain sufficient data to afford a reasonable basis for conclusions and/or recommendations made. The financial advisor must communicate these conclusions and/or recommendations to the contracting officer. The communication is generally oral. There are no specific reporting requirements for financial advisory (assurance) services. In the event the decision-maker requests written recommendations or conclusions, the FA should provide them, along with the rationale for the conclusions made, in memorandum format. Lined or unlined paper may be used; DCAA letterhead should not be used. FAs should sign their memorandums in their capacity as financial advisors. Under no circumstances does the signature of the FA represent the official position of DCAA. If the contracting officer requires the Agency's official position, the FA should either submit the draft memorandum for supervisory review and signature or contact

the responsible field audit office for audit support.

d. FA duties do not include performing audits or evaluations of contractors' books and records. The FA does not have independent right of access to contractor records. When accompanying a contracting officer, the FA may suggest that contractor data be requested, and if the contracting officer requests and the contractor provides the data, may provide professional advice to the contracting officer based on it. However, similarly to investigative support (see 4-702.6c(3)), the FA should not state or indicate that his or her presence at the contractor's premises is for any purpose other than to provide professional accounting or audit advice to the contracting officer.

e. Assurance services may involve any type of information. The information improved upon may pertain to financial or non-financial data; may be direct (contractor assertions) or indirect (reports or analyses of contractor assertions); and may apply to systems or processes (such as internal controls or decision models). The information may be obtained internally or externally. The FA may enhance the quality of information needed by the contracting officer by performing the following tasks, although the listing is not intended to be comprehensive.

(1) Perform life-cycle financial management;
(2) Perform cost analysis of information other than cost or pricing data;
(3) Perform commercial pricing and market research;
(4) Develop and/or calibrate pricing models;
(5) Perform regression and other quantitative analysis techniques;
(6) Analyze contractor data and advise the CO on contractor financial capability;
(7) Provide financial and non-financial advice during requirements planning;
(8) Provide on-site IPT and Source Selection Evaluation Board Support; or
(9) Provide assistance with contract cost and payment reconciliation.

15-305.10 Distribution of Contract Documents

The PLA or FA will assist procurement personnel in the identification of DCAA offices to which contract documents should be sent, but will not make the actual distribution.

15-305.11 Price Negotiation Memorandum (PNM)

CAM 4-104 states the procedure to be followed by field auditors in the event a copy of the PNM is not furnished by the contracting officer within a reasonable time after contract negotiation. It also provides that upon receipt of a copy of the FAO's followup request, the PLA or FA has the responsibility to follow up until the PNM is distributed. Preparation and distribution of the PNM is the responsibility of the PCO and unless requested the PLA should not become involved in its preparation. However, when requested by the PCO the PLA or FA may assist in clarification of matters related to audit input and accounting terminology. Although it is not desired that the PLA or FA receive or distribute the DCAA copy of the PNM, he or she should try to arrange that the procedures of the procurement activity provide (1) direct distribution of a copy of the PNM to the cognizant auditor, and (2) notification to the cognizant field audit office in those instances where no PNM will be prepared, e.g., when the procurement was cancelled, the offeror was unsuccessful, etc.

15-305.12 Participation in Training Sessions, Seminars and Review Groups

The PLA or FA's participation in informal training sessions and seminars of the procurement or contract administration office is encouraged since it affords an excellent opportunity to elaborate on DCAA services available to procurement. The PLA or FA may participate as a member of various ad hoc review groups when authorized by OAL or the regional director.

15-305.13 Assistance in Preparing Replies to General Accounting Office Reports

Procurement and contract administration activities will on occasion request the assistance of the liaison auditor or the financial advisor in preparing replies to GAO reports. Although DCAA has no objection to assistance in cost accounting or audit matters involved in such reports, the liaison auditor or the financial advisor should make it clear that his advice does not necessarily represent an official DCAA opinion. CAM 1-204 contains the procedures to be followed when a DCAA opinion is desired.

15-305.14 General

The PLA or FA should be continuously alert to major items of audit workload originating at the procurement office. When it is learned that a major proposal will require audit evaluation in the near future, the appropriate resident or branch office(s) should be informed. Along these same lines, the PLA or FA should assist field auditors by providing information on developments affecting contracts under their cognizance; discussing audit problems with procurement personnel to minimize audit or negotiation difficulties; and coordinating with procurement personnel in establishing the agendas for negotiation conferences so that the field auditor's time at the conference is not unduly extended.

15-306 Liaison Services to Contract Administration Offices

a. Many of the PLA and FA services provided to the procurement centers are also available to Administrative Contracting Officers (ACOs) and other procurement-support personnel at the contract administration offices (CAOs). However, since DCAA field audit office (FAO) managers are often co-located or housed in close proximity, and in daily contact with their CAO counterparts, it is generally unnecessary to assign full-time PLAs or FAs to the CAOs.

b. Meetings should be held periodically between the local management of the DCAA FAO and CAO to discuss issues of common concern, and to determine whether DCAA and the CAO could benefit from new or improved liaison services or financial advisory services. When this appears to be the case, the FAO responsible for the CAO should not hesitate to provide the services. If there is no known DCAA FAO in close proximity to the CAO, the matter of liaison services should be brought to the attention of the appropriate DCAA regional office.

15-307 Liaison Services for Special Access Programs (SAP)

a. As a result of their special security requirements, SAP procurements require unique audit liaison or financial advisory services. To provide these services, DCAA has established a PLA position dedicated to the support of SAPs. The PLA for SAPs, or PLA-SAPs, reports to the Deputy Director, Field Detachment

b. DCAA Instruction 5205.11, "Procedures for Implementing Audit Effort of SAPs" sets forth the specific responsibilities and duties of the PLA-SAP, along with DCAA's operating procedures for supporting SAPs. Questions relating to DCAA's general support of SAPs may be directed to the Field Detachment, PLA-SAPs.

15-308 Audit Report Distribution to Onsite PLAs

a. As provided for in various sections of Chapter 10 the onsite PLAs or FAs (see 15-3S1) are to be included in the distribution of all DCAA audit reports resulting from forward pricing audits (including rate audits), postaward audits, terminations, and claims.

b. This requirement does not mean that part-time, predominantly offsite PLAs or FAs should not receive copies of reports when circumstances warrant such distribution. Nor does it mean that the onsite PLAs or FAs should be limited only to the types of reports noted above. Special consideration should always be given to providing the cognizant PLA or FA with a copy of any audit report that may require, or could benefit from, PLA or FA coordination or involvement. However, prior to transmitting non-listed audit reports, first coordinate with PLA/FA to determine if there is a need for a copy of the report.

15-3S1 Supplement - Audit Liaison Division (OAL)
Procurement Liaison Auditors (PLA) & Financial Advisors (FA) Directory

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
Defense Contract Audit Agency ATTN: OAL Chief 8725 John J. Kingman Road, Suite 2135 Fort Belvoir, VA 22060-6219	(C) 703-767-1730 (A) 427-1730 (X) 703-767-2279 (H) 0730-1600 EST (E) DCAA-OAL@dcaa.mil
SENIOR PROCUREMENT LIAISON AUDITORS & FINANCIAL ADVISORS	
Air Force Materiel Command ATTN: DCAA/WPL Bldg 39/Sr. PLA Wright Patterson AFB Liaison Office 2196 D Street Wright Patterson AFB, OH 45433-7201	(C) 937-255-4369 (A) 785-4369 (X) 937-255-1611 (H) 0730-1600 EST (E) DCAA-PLA-AFMC@dcaa.mil
Air Force Outreach Program Office ATTN: DCAA/Senior FA 3206 Sidney Brooks, Bldg 511 Brooks AFB, TX 78235-5347	(C) 210-536-8685 (A) 240-8685 (X) 210-536-8772 (H) 0700-1530 CST (E) DCAA-FAS@dcaa.mil
Air Force Space & Missile Systems Center ATTN: DCAA Sr. PLA HQ SMC/PK-DCAA 2420 Vela Way, Suite 1467 El Segundo, CA 90245-4659	(C) 310-363-6991 (A) 833-6991 (X) 310-363-6989 (H) 0630-1500 PST (E) DCAA-PLA-AF1@dcaa.mil
US Army Aviation and Missile Command ATTN: AMSAM-AC-BM-A/DCAA/SR FA Bldg 5303, Room 3131 Redstone Arsenal, AL 35898-5280	(C) 256-313-3932 (A) 897-3932 (X) 256-876-3300 (H) 0630-1500 CST (E) DCAA-FAS-HUNTSVILLE@dcaa.mil
US Army Material Command ATTN: AMCRDA-DCAA, PLA 5001 Eisenhower Avenue Alexandria, VA 22333-0001	(C) 703-617-3021 (A) 767-3021 (X) 703-617-7248 (H) 0900-1730EST (E) DCAA-PLA-AMC@dcaa.mil
Naval Sea Systems Command ATTN: DCAA Sr. PLA 1333 Issac Hull Ave S.E., Stop 2060 Washington Navy Yard, DC 20376-2060	(C) 202-781-2909 (A) 326-2909 (X) 202-781-4771 (H) 0830-1700 EST (E) DCAA-PLA-ASN@dcaa.mil

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
Defense Contract Audit Agency ATTN: OAL - Sr. Non-DOD PLA 8725 John J. Kingman Road, Suite 2135 Fort Belvoir, VA 22060-6219	(C) 202-287-1540 (A) (X) 202-287-1456 (H) 0800-1630 EST (E) DCAA-PLA-NONDOD@dcaa.mil
Defense Contract Management - St. Louis ATTN: DCAA/SR FA Robert A. Young Federal Building 1222 Spruce Street, Suite 9.300 St. Louis, MO 63103-2812	(C) 314-331-5096 (A) (X) 314-331-5739 (H) 0630-1500 CST (E) DCAA-FAS-OTHERDOD@dcaa.mil
AIR FORCE PROCUREMENT LIAISON AUDITORS & FINANCIAL ADVISORS	
30th Space Wing/30 CONS/LGCZ ATTN: DCAA FA Bldg 7015, 2nd floor 806 13th Street Vandenberg AFB, CA 93437	(C) 805-605-0196 (A) 275-0196 (X) 805-606-5193 (H) 0730-1600 PST (E) DCAA-FA-AF-Vandenberg@dcaa.mil Supervisor: DCAA-PLA-AF1
37 Civil Engineering Squadron / CEI ATTN: DCAA FA 1555 Gott St., Bldg. 5595 Lackland AFB, TX 78236	(C) 210-671-1497 (A) 473-1497 (X) 210-671-4074 (H) 0800-1630 CST (E) DCAA-FA-FASC-3@dcaa.mil Supervisor: DCAA-FAS
3rd Wing Fighter Group/3CES/CEI ATTN: DCAA FA 5312 9th Street Elmendorf AFB, AK 99506-3240	(C) 907-552-3199 (A) 317-552-3199 (X) 907-552-3790 (H) 0630-1530 AKST (E) DCAA-FA-3CESCEI-ELMENDORF@dcaa.mil Supervisor: DCAA-PLA-AFMC
Aeronautical Systems Center ATTN: DCAA/WPL Bldg 39/PLA Wright Patterson AFB Liaison Office 2196 D Street Wright Patterson AFB, OH 45433-7201	(C) 937-255-3456 (A) 785-3456 (X) 937-656-7753 (H) 0800-1630 EST (E) DCAA-PLA-ASC@dcaa.mil Supervisor: DCAA-PLA-AFMC
AF Flight Test Center ATTN: AFFTC/AQ/DCAA FA 65 N. Wolfe Ave, Bldg 3920 Edwards AFB, CA 93524-6175	(C) 661-277-7473 (A) 527-7473 (X) 661-277-7544 (H) 0800-1630 PST (E) DCAA-FA-AFFTC@dcaa.mil Supervisor: DCAA-PLA-AF1

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
AFRL Kirtland ATTN: AFRL/PK - DCAA PLA Bldg 424, Room 104 2251 Maxwell Avenue SE Kirtland AFB, NM 87117-5773	(C) 505-846-3757 (A) 246-3757 (X) 505-846-9607 (H) 0700-1530 EST (E) DCAA-PLA-KIRTLAND@dcaa.mil Supervisor: DCAA-PLA-AF1
Air Armament Center ATTN: DCAA/FA (AAC/PKC) 205 West D Avenue, Suite 433 Eglin AFB, FL 32542-6864	(C) 850-882-3107 Ext. 4568 (A) 872-3107 (X) 850-882-1873 (H) 0630-1500 CST (E) DCAA-FA-AACPKA-EGLIN@dcaa.mil Supervisor: DCAA-PLA-AFMC
Air Education and Training Command ATTN: HQ AETC/CONS/DCAA FA Bldg 854 Room 111 2021 First Street West Randolph AFB, TX 78150-4302	(C) 210-652-4486 (A) 487-4486 (X) 210-652-4487 (H) 0730-1600 CST (E) DCAA-FA-FASC-1@dcaa.mil Supervisor: DCAA-FAS
Air Force Base Conversion Agency ATTN: AFBCA/DK/DCAA FA 143 Billy Mitchell Blvd, Suite 1 San Antonio, TX 78226-1816	(C) 210-925-3036 (A) 945-3036 (X) 210-925-3511 (H) 0700-1530 CST (E) DCAA-FA-HSW-ACEl@dcaa.mil Supervisor: DCAA-FAS
Air Force Electronic Systems Center ATTN: DCAA/PLA (ESC/PKF) 104 Barksdale Street, Bldg 1520 Hanscom AFB, MA 01731-1806	(C) 781-377-2627 (A) 478-2627 (X) 781-377-4323 (H) 0700-1530 EST (E) DCAA-PLA-ESC@dcaa.mil Supervisor: DCAA-PLA-AFMC
Air Force Human Systems Center ATTN: 311 HSW/PKX - DCAA PLA 8107 Aeromedical Road Brooks AFB, TX 78235-5219	(C) 210-536-8599 (A) 240-8599 (X) 210-536-1696 (H) 0730-1630 CST (E) DCAA-PLA-SAALC@dcaa.mil Supervisor: DCAA-FAS
Air Force Space & Missile Systems Center ATTN: DCAA PLA HQ SMC/PK-DCAA 2420 Vela Way, Suite 1467 El Segundo, CA 90245-4659	(C) 310-363-0890 (A) 833-0890 (X) 310-363-6989 (H) 0800-1600 PST (E) DCAA-PLA-SMC@dcaa.mil Supervisor: DCAA-PLA-AF1

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
HQ Air Mobility Command ATTN: DOBA/DCAA/FA 402 Scott Drive, Unit 3A1 Scott AFB, IL 62225-5302	(C) 618-229-2090 (A) 779-2090 (X) 618-256-5937 (H) 0700-1530 CST (E) DCAA-FA-AFAMC@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
Ogden Air Logistics Center ATTN: Mail Code DCAA/PKF/PLA 6038 Aspen Ave. Bldg 1289 Up Ctr Hill AFB, UT 84056-5990	(C) 801-777-8651 (A) 777-8651 (X) 801-777-8685 (H) 0700-1530 MST (E) DCAA-PLA-OOALC@dcaa.mil Supervisor: DCAA-PLA-AF1
Oklahoma City Air Logistics Center ATTN: OC-ALC/PKCD/DCAA PLA 3001 Staff Drive, Suite 2AJ78A Tinker AFB, OK 73145-3015	(C) 405-739-2946 (A) 339-2946 (X) 405-739-2699 (H) 0730-1600 CST (E) DCAA-PLA-OCALC@dcaa.mil Supervisor: DCAA-PLA-AF1
Tyndall AFB 325 CONS/CC ATTN: DCAA FA 501 Illinois Avenue, Suite 5 Tyndall AFB, FL 32403-5526	(C) 850-283-3972 (A) 283-3972 (X) 850-283-8491 (H) 0730-1600 CST (E) DCAA-FA-325CONNS-TYNDALL@dcaa.mil Supervisor: DCAA-PLA-AFMC
Warner Robins Air Logistics Center ATTN: WR ALC/PKPS - DCAA PLA 235 Byron Street Robins AFB, GA 31098-1611	(C) 478-926-7510 (A) 468-7510 (X) 478-926-7572 (H) 0800-1630 EST (E) DCAA-PLA-WRALC-ROBINS@dcaa.mil Supervisor: DCAA-PLA-AFMC
ARMY PROCUREMENT LIAISON AUDITORS & FINANCIAL ADVISORS	
ACA - South Region ATTN: AFLG-PRC/DCAA FA Bldg 131, 1st Floor, South End 1309 Anderson Way SW Fort McPherson, GA 30330-1096	(C) 404-464-3738 (A) 367-3738 (X) 404-464-4194 (H) 0800-1630 EST (E) DCAA-FA-FORSCOM@dcaa.mil Supervisor: DCAA-PLA-AMC
Army Corps of Engineers - Los Angeles District ATTN: CESPL-CT/DCAA FA 645 North Durfee, Bldg 17 South El Monte, CA 91733	(C) 626-401-4023 (A) (X) 626-401-4007 (H) 0730-1600 PST (E) DCAA-FA-LosAngelesCorps@dcaa.mil Supervisor: DCAA-FAS-HUNTSVILLE

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
Fort McCoy Directorate of Contracting ATTN: DBS-C/DCAA FA 8th Avenue, Building 2103 Fort McCoy, WI 54656-5000	(C) 608-388-5038/8459 (A) 280-5038/8459 (X) 608-388-8179 (H) 0830-1700 CST (E) DCAA-FA-FTMCCOY@dcaa.mil Supervisor: DCAA-FAS
HQ, III Corp and Fort Hood Contracting Command ATTN: DCAA FA 1001 761st Tank BN Ave, Room W113 Fort Hood, TX 76544-5025	(C) 254-287-5521 (A) 737-5521 (X) 254-288-3617 (H) 0730-1600 CST (E) DCAA-FA-FTHOOD@dcaa.mil Supervisor: DCAA-FAS
HQ, Military Traffic Management Command ATTN: MTAQ (DCAA FA) Room 12S33-5 200 Stoval St. Alexandria, VA 22332-5000	(C) 703-428-3030 (A) 328-3030 (X) 703-428-3361 (H) 0730-1600 EST (E) DCAA-FA-MTMC@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
Kansas City District, Corps of Engineers ATTN: DCAA/FA 760 Federal Building 601 East 12th Street Kansas City, MO 64106-2896	(C) 816-983-3864 (A) (X) 816-426-5777 (H) 0700-1530 CST (E) DCAA-FA-KanasCityCorps@dcaa.mil Supervisor: DCAA-FAS-HUNTSVILLE
Northern Region Contracting Center ATTN: ATAC, DCAA FA Building 2798 Fort Eustis, VA 23504-5538	(C) 757-878-3166 Ext. 253 (A) 927-3166 Ext. 253 (X) 757-878-4284 or 2178 (H) 0700-1530 EST (E) DCAA-FA-NRCC@dcaa.mil Supervisor: DCAA-PLA-AMC
Pentagon Renovation Office ATTN: DCAA Procurement Liaison Office/PLA 100 Boundary Channel Drive Arlington, VA 22202-3712	(C) 703-697-2374 (A) 223-2374 (X) 703-697-6045 (H) 0745-1630 EST (E) DCAA-PLA-PENREN@dcaa.mil Supervisor: DCAA-FAS-HUNTSVILLE
Savannah District, Corps of Engineers ATTN: CESAS-CT-DA P.O. Box 889 Savannah, GA 31402	(C) 912-652-5069 (A) (X) 912-652-6061 (H) 0730-1600 EST (E) DCAA-FA-SavannahCorps@dcaa.mil Supervisor: DCAA-FAS-HUNTSVILLE

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
TACOM - Rock Island ATTN: AMSTA-LC-CTC-B DCAA/FA Building 104, 1st Floor 1 Rock Island Arsenal Rock Island, IL 61299-7630	(C) 309-782-6575 (A) 793-6575 (X) 309-782-6109 (H) 0800-1600 CST (E) DCAA-FA-RIA@dcaa.mil Supervisor: DCAA-PLA-AMC
US Army Aviation and Missile Command ATTN: AMSAM-AC-BM-A/DCAA/PLA Bldg 5303, Room 3131 Redstone Arsenal, AL 35898-5280	(C) 256-842-9435 (A) 788-9435 (X) 256-876-3300 (H) 0700-1530 CST (E) DCAA-PLA-AMCOM@dcaa.mil Supervisor: DCAA-FAS-HUNTSVILLE
US Army Communications Electronics Command ATTN: DCAA/PLA AMSEL-AC-CS-D, Bldg 1208W Rittko Avenue Fort Monmouth, NJ 07703-5000	(C) 732-532-3351 (A) 992-3351 (X) 732-532-3046 (H) 0700-1530 EST (E) DCAA-PLA-CECOM@dcaa.mil Supervisor: DCAA-PLA-AMC
US Army Medical Command Acquisition Activity ATTN: MCAA-C-BAS/DCAA FA US Army Medical Command Contracting Center 2107 17th street Bldg 4197 Fort Sam Houston, TX 78234-5015	(C) 210-295-4538 (A) 471-4538 (X) 210-295-4937 (H) 0830-1700 CST (E) DCAA-FA-MEDCOM-1@dcaa.mil Supervisor: DCAA-FAS
US Army Medical Research Acquisition Activity ATTN: DCAA/FA 820 Chandler Street Fort Detrick, MD 21702-5014	(C) 301-619-7678 (A) 343-7678 (X) 301-619-2243 (H) 0800-1630 EST (E) DCAA-FA-USAMRAA@dcaa.mil Supervisor: DCAA-PLA-AMC
US Army Operations Support Command ATTN: AMSOS-CCA-F/DCAA PLA DCAA FLA Liaison Office 1 Rock Island Arsenal, Bldg 350, Rm 500D Rock Island, IL 61299-6000	(C) 309-782-3705 (A) 793-3705 (X) 309-782-3799 (H) 0745-1615 CST (E) DCAA-PLA-RIA@dcaa.mil Supervisor: DCAA-PLA-AMC
US Army Robert Morris Acquisition Center Aberdeen ATTN: AMSSB-ACB-P DCAA PLA Bldg 4118, Room 213 4118 Susquehanna Avenue Aberdeen Proving Ground, MD 21005-3013	(C) 410-278-0736 (A) 298-0736 (X) 410-612-5267 (H) 0745-1615 EST (E) DCAA-PLA-AMCAC@dcaa.mil Supervisor: DCAA-PLA-AMC

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
US Army Space & Missile Defense Command ATTN: SMDC-CM-AP (DCAA PLA) 106 Wynn Drive P.O. Box 1500 Huntsville, AL 35807-3801	(C) 256-955-2499 (A) 645-2499 (X) 256-955-4240 (H) 0630-1500 CST (E) DCAA-PLA-SMDC@dcaa.mil Supervisor: DCAA-FAS-HUNTSVILLE
US Army Space Command ATTN: SMDC-AR-CM, DCAA FA 1670 N. Newport Road Colorado Springs, CO 80916-2749	(C) 719-554-8706 (A) 692-8706 (X) 719-554-8838 (H) 0730-1600 MST (E) DCAA-FA-ARSPACE@dcaa.mil Supervisor: DCAA-PLA-AF1
US Army Tank-Automotive & Armaments Command ATTN: AMSTA-AQ-AMP/DCAA PLA Office/PLA Mail Stop 303 6501 E. 11 Mile Road, Bldg 231 Warren, MI 48397-5000	(C) 586-574-8050 (A) 786-8050 (X) 586-574-7048 (H) 0630-1500 EST (E) DCAA-PLA-TACOM@dcaa.mil Supervisor: DCAA-PLA-AMC
NAVY/MARINE CORPS PROCUREMENT LIAISON AUDITORS & FINANCIAL ADVISORS	
Camp Pendleton Regional Contracting Office ATTN: DCAA Financial Advisor Building 22180 Camp Pendleton, CA 92055	(C) 760-725-8141 (A) (X) 760-725-4346 (H) 0630-1500 PST (E) DCAA-FA-Marinecorp@dcaa.mil Supervisor: DCAA-PLA-ASN
Fleet & Industrial Supply Center ATTN: DCAA FA Bldg W143, Code 200 1968 Gilbert Street, Suite 600 Norfolk, VA 23511-3392	(C) 757-443-1449 (A) 646-1449 (X) 757-443-1407 (H) 0600-1430 EST (E) DCAA-FA-FISC-Norfolk@dcaa.mil Supervisor: DCAA-PLA-ASN
Naval Air Systems Command ATTN: Air 2.0 DCAA PLA Building 2272, Suite 543 47123 Buse Rd Unit IPT Patuxent River, MD 20670-1547	(C) 301-757-7157 (A) 757-7157 (X) 301-757-7866 (H) 0830-1700 EST (E) DCAA-PLA-NAVAIR@dcaa.mil Supervisor: DCAA-PLA-ASN

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
Naval Air Warfare Center - China Lake ATTN: Code 2.0/DCAA FA 1 Administration Circle, Bldg 982 China Lake, CA 93555-6001	(C) 760-939-7084 (A) 437-7084 (X) 760-939-8144 (H) 0730-1700 PST (E) DCAA-FA-NAWC-WD-Chinalake@dcaa.mil Supervisor: DCAA-PLA-ASN
Naval Facilities Engineering Command, Atlantic Div ATTN: DCAA/FA/CODE AQX 1510 Gilbert Street Norfolk, VA 23511-2699	(C) 757-322-4066 (A) 262-4066 (X) 757-322-4089 (H) 0730-1600 EST (E) DCAA-FA-NAVFACLAN@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Naval Facilities Engineering Command, SW ATTN: Code 02R, DCAA PLA 1220 Pacific Highway San Diego, CA 92132-5190	(C) 619-532-3834 (A) 522-3834 (X) 619-532-4789 (H) 0830-1700 PST (E) DCAA-PLA-NAVFACSW@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Naval Facilities Engineering Command-EFANE ATTN: Code 02 Contracts/DCAA FA 10 Industrial Highway, Mail Stop #182 Lester, PA 19113-2090	(C) 610-595-0753 (A) (X) 610-595-0535 (H) 0730-1600 EST (E) DCAA-FA-NAVFACNO@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Naval Facilities Engineering Command-NW ATTN: DCAA FA 19917 7th Avenue NE Poulsbo, WA 98370-7570	(C) 360-396-1864 (A) 744-1864 (X) 360-396-0954 (H) 0800-1630 PST (E) DCAA-FA-NAVFAC-NW@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Naval Facilities Engineering Command-Port Hueneme ATTN: DCAA FA Contracts Office, NF20 Bldg 41 3502 Godspeed Street, Suite 2 Port Hueneme, CA 93043-4337	(C) 805-982-3873 (A) 551-2740 (X) 805-982-4540 (H) 0730-1600 PST (E) DCAA-FA-NAVFAC-PORTHUENEME@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Naval Facilities Engineering Command-Southern Div ATTN: ACQ 02A DCAA FA 2155 Eagle Drive, PO Box 190010 North Charleston, SC 29419	(C) 843-820-5506 (A) 583-5506 (X) 843-820-5848 (H) 0730-1600 EST (E) DCAA-FA-NAVFACSO@dcaa.mil Supervisor: DCAA-PLA-NONDOD

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
Naval Inventory Control Point - Philadelphia ATTN: Code P0251.17 (DCAA PLA) 700 Robbins Avenue Bldg 1 /2211 Philadelphia, PA 19111-5098	(C) 215-697-2554 (A) 442-2554 (X) 215-697-2241 (H) 0730-1600 EST (E) DCAA-PLA-NAVICP@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
Navy PEO-IT, Enterprise Solutions ATTN: DCAA FA 2231 Crystal Drive Crstal Park 3, Suite 400 Arlington, VA 22202-3721	(C) 703-685-5574 (A) (X) 703-685-5564 (H) 0800-1630 EST (E) DCAA-FA-ASN-ARO@dcaa.mil Supervisor: DCAA-PLA-ASN
Naval Sea Systems Command ATTN: DCAA PLA 1333 Issac Hull Ave S.E., Stop 2060 Washington Navy Yard, DC 20376-2060	(C) 202-781-2933 (A) 326-2933 (X) 202-781-4771 (H) 0630-1500 EST (E) DCAA-PLA-NAVSEA@dcaa.mil Supervisor: DCAA-PLA-ASN
Naval Undersea Warfare Center Newport Division ATTN: Code 591, DCAA PLA Commercial Acquisition Department SimonPietri Drive, Bldg 11 Newport, RI 02841-1708	(C) 401-832-1636 (A) 920-1636 (X) 410-832-4820 (H) 0700-1530 EST (E) DCAA-PLA-NUWC-NEWPORT@dcaa.mil Supervisor: DCAA-PLA-AFMC
NAVFAC Engineering Field Activity, Chesapeake ATTN: DCAA FA Washington Navy Yard 1314 Harwood St. SE Bldg 212 Washington, DC 20374	(C) 202-685-3208 (A) 325-3208 (X) 202-433-4151 (H) 0700-1530 EST (E) DCAA-FA-NAVFAC@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Navy Strategic Systems Programs ATTN: SPN-DCAA PLA Nebraska Avenue Complex 287 Somers Court NW, Suite 10041 Washington, DC 20393-5446	(C) 202-764-2141 (A) 764-2141 (X) 202-764-2162 (H) 0900-1730 EST (E) DCAA-PLA-SSP@dcaa.mil Supervisor: DCAA-PLA-ASN
NAWC-TSD Naval Air Training Center ATTN: Code 253G/DCAA FA 12350 Research Parkway Orlando, FL 32826-3224	(C) 407-380-8076 (A) (X) (H) 0730-1600 EST (E) DCAA-FA-NAWC-TSD-Orlando@dcaa.mil Supervisor: DCAA-PLA-ASN

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
Office of Naval Research ATTN: Code 25 - DCAA FA Ballston Centre Tower One 800 North Quincy Street Arlington, VA 22217-5660	(C) 703-696-2603 (A) 426-2603 (X) 703-696-3365 (H) 0730-1600 EST (E) DCAA-FA-ONR@dcaa.mil Supervisor: DCAA-PLA-NONDOD
Space and Naval Warfare Systems Center, Charleston ATTN: Code 02B (1-040 Bldg 3147) DCAA FA Business Service Department One Innovation Drive Hanahan, SC 29406-4200	(C) 843-218-5902 (A) 588-5902 (X) 843-218-4035 (H) 0730-1600 EST (E) DCAA-FA-SPAWARCH@dcaa.mil Supervisor: DCAA-PLA-ASN
Space and Naval Warfare Systems Command ATTN: DCAA FA Contracts Directorate - Bldg. OT-4, Room 1053 4301 Pacific Highway San Diego, CA 92110-3127	(C) 619-524-7394 (A) 524-7394 (X) 619-524-2730 (H) 0700-1530 PST (E) DCAA-FA-SPAWARHQ@dcaa.mil Supervisor: DCAA-PLA-ASN
Space and Naval Warfare Systems Command ATTN: DCAA FA Command Directorate Bldg OT-4, Room 1053 4301 Pacific Highway San Diego, CA 92110-3127	(C) 619-553-3428 (A) 553-3428 (X) 619-553-4464 (H) 0700-1530 PST (E) DCAA-FA-SPAWARHQ@dcaa.mil Supervisor: DCAA-PLA-ASN
Supervisor of Shipbuilding ATTN: Bldg 77, Code 400P/DCAA PLA 3600 Surface Navy Blvd San Diego, CA 92136-5066	(C) 619-556-1172 (A) 526-1172 (X) 619-556-2331 (H) (E) DCAA-PLA-SUPSHIPSD@dcaa.mil Supervisor: DCAA-PLA-ASN
Supervisor of Shipbuilding, Conversion and Repair ATTN: Code 403 / DCAA FA Bldg. 51, 2nd Floor Norfolk Naval Shipyard Portsmouth, VA 23709	(C) 757-396-5041 ext. 426 (A) (X) (H) 0700-1530 CST (E) DCAA-FA-SUPSHIP-Portsmouth@dcaa.mil Supervisor: DCAA-PLA-ASN

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
NON-DOD PROCUREMENT LIAISON AUDITORS & FINANCIAL ADVISORS	
Marshall Space Flight Center ATTN: PS 10/ DCAA PLA Bldg 4202, Room 222 Marshall Space Flight Center, AL 35812	(C) 256-544-4671 (A) (X) 256-544-3223 (H) 0700-1530 CST (E) DCAA-PLA-MSFC@dcaa.mil Supervisor: DCAA-PLA-NONDOD
US Department of Energy Albuquerque Operations ATTN: CPD, DCAA PLA Albuquerque Operations Office PO Box 5400 Albuquerque, NM 87116	(C) 505-845-5905 (A) (X) 505-845-4210 (H) 0700-1530 EST (E) DCAA-PLA-KIRTLAND@dcaa.mil Supervisor: DCAA-PLA-AF1
OTHER DOD PROCUREMENT LIAISON AUDITORS & FINANCIAL ADVISORS	
Defense Contract Management Agency ATTN: DCMA-FBFR/ DCAA PLA DoD Central Control Point 6350 Walker Lane, Suite 300 Alexandria, VA 22310-3226	(C) 703-428-0831 (A) 328-0831 (X) 703-428-1505 (H) 0900-1730 EST (E) DCAA-PLA-DCMA-Int@dcaa.mil Supervisor: DCAA-PLA-ASN
Defense Supply Center Columbus ATTN: Mail Stop PCA / DCAA / PLA 3990 E Broad Street, Bldg 20 Columbus, OH 43216-5000	(C) 614-692-1314 (A) 850-1314 (X) 614-692-1649 (H) 0830-1700 EST (E) DCAA-PLA-DSCC@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
Defense Supply Center Philadelphia ATTN: DCAA PLA DSCP-P, Bldg. 36-2116 700 Robbins Avenue Philadelphia, PA 19111-5092	(C) 215-737-6190 (A) 444-6190 (X) 215-737-7949 (H) 0730-1600 EST (E) DCAA-PLA-DSCP@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
Defense Supply Center Richmond ATTN: DSCR-CEB DCAA PLA 8000 Jefferson Davis Highway Richmond, VA 23297-5000	(C) 804-279-5180 (A) 695-5180 (X) 804-279-4299 (H) 0700-1530 EST (E) DCAA-PLA-DSCR@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD

LOCATION/ADDRESS	PHONE, FAX, HOURS AND E-MAIL
DFAS-Acquisition Support Organization ATTN: QOBE/DCAA PLA Bldg 21 Rm 7C003 3990 East Broad Street Columbus, OH 43213-1152	(C) 614-693-4350 (A) 869-4350 (X) 614-693-5674 (H) 0800-1630 EST (E) DCAA-PLA-DFAS@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
DFAS-Commercial Pay ATTN: QBOE/DCAA FA Bldg 21, Room 7C004 3990 East Broad Street Columbus, OH 43213-1152	(C) 614-693-7987 (A) 869-7987 (X) 614-693-5674 (H) 0630-1500 EST (E) DCAA-FA-DFAS@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
TRICARE Management Activity ATTN: CM/DCAA/PLA 16401 East Centretech Parkway Aurora, CO 80011-9066	(C) 303-676-3480 (A) 926-3480 (X) 303-676-3914 (H) 0730-1600 MST (E) DCAA-PLA-TRICARE@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
TRICARE Management Activity - Falls Church ATTN: DCAA PLA Skyline Five, Suite 550 5111 Leesburg Pike Falls Church, VA 22041-3206	(C) 703-681-1143 Ext. 5425 (A) (X) 703-681-6036 (H) 0730-1600 EST (E) DCAA-PLA-TRICARE-HQ@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD
USTRANSCOM/TC J4-BCO ATTN: DCAA/PLA 508 Scott Drive Scott AFB, IL 62225-5357	(C) 618-229-1570 (A) 779-1570 (X) 618-256-8559 (H) 0730-1600 CST (E) DCAA-PLA-USTRANSCOM@dcaa.mil Supervisor: DCAA-FAS-OTHERDOD

15-3S2 Supplement – Buying Office Activity Codes and Cross Reference to Audit Liaison Division (OAL) Representatives

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
DAAA03	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA05	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAA08	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA09	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA10	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA12	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA14	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA15	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAA22	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA31	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA32	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAA33	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAB07	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAB08	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAB10	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAB15	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAB17	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAB18	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAB32	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAC17	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAC18	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAD01	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD05	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
DAAD07	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD09	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD11	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD13	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD15	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD16	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD17	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD19	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAD21	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAE07	Army	US Army Tank-Automotive & Armaments Command	DCAA-PLA-TACOM
DAAE08	Army	US Army Tank-Automotive & Armaments Command	DCAA-PLA-TACOM
DAAE20	Army	US Army Operations Support Command	DCAA-PLA-RIA
DAAE24	Army	US Army Tank-Automotive & Armaments Command	DCAA-PLA-TACOM
DAAE30	Army	US Army Tank-Automotive & Armaments Command	DCAA-PLA-TACOM
DAAE32	Army	US Army Tank-Automotive & Armaments Command	DCAA-PLA-TACOM
DAAG54	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAG60	Army	US Army Material Command	DCAA-PLA-AMC
DAAG99	Army	US Army Material Command	DCAA-PLA-AMC
DAAH01	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DAAH03	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DAAH10	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DAAH11	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DAAH12	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DAAH13	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DAAH17	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DAAH23	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DAAJ09	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
DAAK01	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAK20	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAK21	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAK60	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DAAL01	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAL02	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAAM01	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DABJ01	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DABJ03	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DABJ13	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DABJ19	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DABJ21	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DABJ27	Army	Fort McCoy Directorate of Contracting	DCAA-FA-FTMCCOY
DABJ29	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DABJ31	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DABJ33	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DABJ35	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DABJ37	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DABJ39	Army	US Army Tank-Automotive & Armaments Command	DCAA-PLA-TACOM
DABJ41	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DABJ45	Army	US Army Material Command	DCAA-PLA-AMC
DABJ47	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DABJ49	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DABJO5	Army	US Army Robert Morris Acquisition Center Aberdeen	DCAA-PLA-AMCAC
DABK01	Army	ACA - South Region	DCAA-FA-FORSCOM
DABK09	Army	ACA - South Region	DCAA-FA-FORSCOM
DABK15	Army	HQ, III Corp and Fort Hood Contracting Command	DCAA-FA-FTHOOD
DABK25	Army	ACA - South Region	DCAA-FA-FORSCOM
DABK29	Army	US Army Aviation and Missile Command	DCAA-PLA-AMCOM
DABK33	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DABM03	Army	ACA - South Region	DCAA-FA-FORSCOM
DABT19	Army	Northern Region Contracting Center	DCAA-FA-NRCC

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
DABT57	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DABT59	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DABT60	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DABT62	Army	HQ, III Corp and Fort Hood Contracting Command	DCAA-FA-FTHOOD
DABT65	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DACA09	Army	Army Corps of Engineers - Los Angeles District	DCAA-FA-LosAngelesCorps
DACA21	Army	Savannah District, Corps of Engineers	DCAA-FA-SavannahCorps
DACA25	Army	US Army Operations Support Command	DCAA-PLA-RIA
DACA31	Army	US Army Material Command	DCAA-PLA-AMC
DACA31**	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DACA41	Army	Kansas City District, Corps of Engineers	DCAA-FA-KanasCityCorps
DACA85	Air Force	3rd Wing Fighter Group/3CES/CEI	DCAA-FA-3CESCEI-ELMENDORF
DACA87	Army	US Army Space & Missile Defense Command	DCAA-PLA-SMDC
DACH26	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DACW21	Army	Savannah District, Corps of Engineers	DCAA-FA-SavannahCorps
DACW25	Army	US Army Operations Support Command	DCAA-PLA-RIA
DACW41	Army	Kansas City District, Corps of Engineers	DCAA-FA-KanasCityCorps
DACW87	Army	US Army Space & Missile Defense Command	DCAA-PLA-SMDC
DADA08	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DADA09	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DADA10	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DADA13	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DADA15	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DADA16	Army	US Army Medical Command Acquisition Activity	DCAA-FA-MEDCOM-1
DADW30	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DADW34	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DADW35	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DADW36	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DADW39	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DADW49	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DAEA18	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM
DAHC07	Army	US Army Communications Electronics Command	DCAA-PLA-CECOM

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
DAKF06	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DAKF11	Army	ACA - South Region	DCAA-FA-FORSCOM
DAKF19	Army	ACA - South Region	DCAA-FA-FORSCOM
DAKF23	Army	Northern Region Contracting Center	DCAA-FA-NRCC
DAKF24	Army	ACA - South Region	DCAA-FA-FORSCOM
DAKF36	Army	ACA - South Region	DCAA-FA-FORSCOM
DAKF48	Army	HQ, III Corp and Fort Hood Contracting Command	DCAA-FA-FTHOOD
DAKF61	Army	Fort McCoy Directorate of Contracting	DCAA-FA-FTMCCOY
DAMD17	Army	US Army Medical Research Acquisition Activity	DCAA-FA-USAMRAA
DAMT01	Army	HQ, Military Traffic Management Command	DCAA-FA-MTMC
DASA03	Army	ACA - South Region	DCAA-FA-FORSCOM
DASG60	Army	US Army Space & Missile Defense Command	DCAA-PLA-SMDC
DASG62	Army	US Army Space Command	DCAA-FA-ARSPACE
DASW01	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DATM01	Army	HQ, III Corp and Fort Hood Contracting Command	DCAA-FA-FTHOOD
DCA100	Other DoD	USTRANSCOM/TC J4-BCO	DCAA-PLA-USTRANSCOM
DCA200	Other DoD	USTRANSCOM/TC J4-BCO	DCAA-PLA-USTRANSCOM
DEAC04	NonDoD	US Department of Energy Albuquerque Operations	DCAA-PLA-KIRTLAND
DECA04	Other DoD	USTRANSCOM/TC J4-BCO	DCAA-PLA-USTRANSCOM
DECA08	Other DoD	USTRANSCOM/TC J4-BCO	DCAA-PLA-USTRANSCOM
DEFG04	NonDoD	US Department of Energy Albuquerque Operations	DCAA-PLA-KIRTLAND
DNA001	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
DSCA01	Other DoD	Defense Contract Management Agency	DCAA-PLA-DCMA-Int
F01600	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F02604	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F03602	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F04611	Air Force	AF Flight Test Center	DCAA-FA-AFFTC
F04684	Air Force	30th Space Wing/30 CONS/LGCZ	DCAA-FA-AF-Vandenberg
F04693	Air Force	Air Force Space & Missile Systems Center	DCAA-PLA-SMC
F04700	Air Force	AF Flight Test Center	DCAA-FA-AFFTC
F04701	Air Force	Air Force Space & Missile Systems Center	DCAA-PLA-SMC
F04704	Air Force	Air Force Space & Missile Systems Center	DCAA-PLA-SMC
F08626	Air Force	Air Armament Center	DCAA-FA-AACPKA-EGLIN
F08630	Air Force	Air Armament Center	DCAA-FA-AACPKA-EGLIN
F08635	Air Force	Air Armament Center	DCAA-FA-AACPKA-EGLIN

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
F08637	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F08651	Air Force	Air Armament Center	DCAA-FA-AACPKA-EGLIN
F09603	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS
F09604	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS
F09650	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS
F11623	Air Force	HQ Air Mobility Command	DCAA-FA-AFAMC
F11626	Air Force	HQ Air Mobility Command	DCAA-FA-AFAMC
F19628	Air Force	Air Force Electronic Systems Center	DCAA-PLA-ESC
F19650	Air Force	Air Force Electronic Systems Center	DCAA-PLA-ESC
F22600	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F22608	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F29601	Air Force	AFRL Kirtland	DCAA-PLA-KIRTLAND
F29650	Air Force	AFRL Kirtland	DCAA-PLA-KIRTLAND
F33600	Air Force	Aeronautical Systems Center	DCAA-PLA-ASC
F33601	Air Force	Aeronautical Systems Center	DCAA-PLA-ASC
F33615	Air Force	Aeronautical Systems Center	DCAA-PLA-ASC
F33657	Air Force	Aeronautical Systems Center	DCAA-PLA-ASC
F34600	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F34601	Air Force	Oklahoma City Air Logistics Center	DCAA-PLA-OCALC
F34608	Air Force	Oklahoma City Air Logistics Center	DCAA-PLA-OCALC
F34612	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F34650	Air Force	Oklahoma City Air Logistics Center	DCAA-PLA-OCALC
F41608	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS
F41612	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F41614	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F41622	Air Force	Air Force Human Systems Center	DCAA-PLA-SAALC
F41624	Air Force	Air Force Human Systems Center	DCAA-PLA-SAALC
F41636	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F41640	Air Force	Air Force Human Systems Center	DCAA-PLA-SAALC
F41650	Air Force	Air Force Human Systems Center	DCAA-PLA-SAALC
F41685	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F41689	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F41691	Air Force	Air Education and Training Command	DCAA-FA-FASC-1
F41800	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
F42600	Air Force	Ogden Air Logistics Center	DCAA-PLA-OOALC
F42610	Air Force	Ogden Air Logistics Center	DCAA-PLA-OOALC
F42620	Air Force	Ogden Air Logistics Center	DCAA-PLA-OOALC
F42630	Air Force	Ogden Air Logistics Center	DCAA-PLA-OOALC
F42650	Air Force	Ogden Air Logistics Center	DCAA-PLA-OOALC
FA4452	Air Force	HQ Air Mobility Command	DCAA-FA-AFAMC
FA8770	Air Force	Aeronautical Systems Center	DCAA-PLA-ASC
FD2020	Air Force	Ogden Air Logistics Center	DCAA-PLA-OOALC
FD2030	Air Force	Oklahoma City Air Logistics Center	DCAA-PLA-OCALC
FD2050	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS
FD2060	Air Force	Warner Robins Air Logistics Center	DCAA-PLA-WRALC-ROBINS
M00681	Marine Corps	Camp Pendleton Regional Contracting Office	DCAA-FA-Marinecorp
M68909	Marine Corps	Camp Pendleton Regional Contracting Office	DCAA-FA-Marinecorp
MDA210	Other DoD	DFAS-Acquisition Support Organization	DCAA-PLA-DFAS
MDA220	Other DoD	DFAS-Acquisition Support Organization	DCAA-PLA-DFAS
MDA904	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
MDA906	Other DoD	TRICARE Management Activity	DCAA-PLA-TRICARE
MDA908	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
MDA946	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
MDA947	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
MDA970	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
MDA972	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
N00014	Navy	Office of Naval Research	DCAA-FA-ONR
N00019	Navy	Naval Air Systems Command	DCAA-PLA-NAVAIR
N00024	Navy	Naval Sea Systems Command	DCAA-PLA-NAVSEA
N00030	Navy	Navy Strategic Systems Programs	DCAA-PLA-SSP
N00039	Navy	Space and Naval Warfare Systems Command	DCAA-FA-SPAWARHQ
N00140	Navy	Fleet & Industrial Supply Center	DCAA-FA-FISC-Norfolk
N00187	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N00189	Navy	Fleet & Industrial Supply Center	DCAA-FA-FISC-Norfolk
N00383	Navy	Naval Inventory Control Point - Philadelphia	DCAA-PLA-NAVICP
N00391	Navy	Naval Inventory Control Point - Philadelphia	DCAA-PLA-NAVICP
N00421	Navy	Naval Air Systems Command	DCAA-PLA-NAVAIR
N00612	Navy	Fleet & Industrial Supply Center	DCAA-FA-FISC-Norfolk
N32263	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N33191	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N39849	Navy	Naval Facilities Engineering Command-EFANE	DCAA-FA-NAVFACNO

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
N44249	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N44250	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N44251	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N44255	Navy	Naval Facilities Engineering Command-NW	DCAA-FA-NAVFAC-NW
N45411	Marine Corps	Camp Pendleton Regional Contracting Office	DCAA-FA-Marinecorp
N45806	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N45809	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N45810	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N47408	Navy	Naval Facilities Engineering Command-Port Hueneme	DCAA-FA-NAVFAC-PORTHUENEME
N60530	Navy	Naval Air Warfare Center - China Lake	DCAA-FA-NAWC-WD-Chinalake
N61339	Navy	NAWC-TSD Naval Air Training Center	DCAA-FA-NAWC-TSD-Orlando
N61414	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N62395	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62467	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N62470	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
N62471	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62472	Navy	Naval Facilities Engineering Command-EFANE	DCAA-FA-NAVFACNO
N62474	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62477	Navy	NAVFAC Engineering Field Activity, Chesapeake	DCAA-FA-NAVFAC
N62578	Navy	Naval Facilities Engineering Command-EFANE	DCAA-FA-NAVFACNO
N62583	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62604	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N62678	Navy	Supervisor of Shipbuilding, Conversion and Repair	DCAA-FA-SUPSHIP-Portsmouth
N62742	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62745	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
N62755	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62766	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62791	Navy	Supervisor of Shipbuilding	DCAA-PLA-SUPSHIPSD
N62808	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62836	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62864	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N62922	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N63200	Navy	Naval Air Warfare Center - China Lake	DCAA-FA-NAWC-WD-Chinalake
N63387	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N65113	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N65114	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N65115	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N65236	Navy	Space and Naval Warfare Systems Center, Charleston	DCAA-FA-SPAWARCH
N66001	Navy	Space and Naval Warfare Systems Command	DCAA-FA-SPAWARHQ
N66604	Navy	Naval Undersea Warfare Center Newport Division	DCAA-PLA-NUWC-NEWPORT
N68248	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N68335	Navy	Naval Air Systems Command	DCAA-PLA-NAVAIR
N68378	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N68711	Navy	Naval Facilities Engineering Command, SW	DCAA-PLA-NAVFACSW
N68762	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N68936	Navy	Naval Air Warfare Center - China Lake	DCAA-FA-NAWC-WD-Chinalake
N68950	Navy	Naval Facilities Engineering Command-Southern Div	DCAA-FA-NAVFACSO
N70272	Navy	Naval Facilities Engineering Command, Atlantic Div	DCAA-FA-NAVFACLAN
NAS-15	NonDoD	NASA - Johnson Space Center	DCAA-PLA-JSC
NAS-8	NonDoD	Marshall Space Flight Center	DCAA-PLA-MSFC
NAS-9	NonDoD	NASA - Johnson Space Center	DCAA-PLA-JSC
NMA302	Other DoD	USTRANSCOM/TC J4-BCO	DCAA-PLA-USTRANSCOM
NMA402	Other DoD	USTRANSCOM/TC J4-BCO	DCAA-PLA-USTRANSCOM

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
S5102A	Other DoD	Defense Contract Management Agency	DCAA-PLA-DCMA-Int
SA7019	Army	Northern Region Contracting Center	DCAA-FA-NRCC
SP0100	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0103	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0200	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0300	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0400	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0410	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0411	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0413	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0414	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0430	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0440	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0441	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0450	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0451	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0460	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0461	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0470	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0475	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0480	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0490	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0495	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0499	Other DoD	Defense Supply Center Richmond	DCAA-PLA-DSCR
SP0500	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0520	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0540	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0560	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0599	Other DoD	Defense Supply Center Philadelphia	DCAA-PLA-DSCP
SP0600	Army	Pentagon Renovation Office	DCAA-PLA-PENREN
SP0700	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0701	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0710	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0720	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0730	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0740	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0749	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0750	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0759	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0760	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0769	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0770	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0779	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0780	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0799	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0900	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0905	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0910	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC

ACTIVITY CODE	CROSS-REFERENCE TO PLA/FA IN TABLE 15-3S1		
	SERVICE*	LOCATION*	E-MAIL ADDRESS (@dcaa.mil)
SP0920	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0930	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0935	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0960	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0970	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
SP0999	Other DoD	Defense Supply Center Columbus	DCAA-PLA-DSCC
USZA23	Army	Northern Region Contracting Center	DCAA-FA-NRCC
USZA95	Army	Northern Region Contracting Center	DCAA-FA-NRCC

* = The PLA/FA service/location refers to the duty station of the responsible PLA/FA, and may be different from the Government Contracting Activity which uses the DODAAC code.
** = Only Pentagon Renovation Contracts

15-400 Section 4 --- Auditor Attendance at a Negotiation Conference for a Price Proposal

15-401 Introduction

This section contains procedures and guidance on audit support of negotiation conferences.

15-402 Auditor Attendance at a Negotiation Conference

15-402.1 Notification of Availability of Audit Assistance

Each advisory audit report shall contain a concluding statement to the effect that audit counsel and assistance is available to the contracting officer if so desired for the negotiation of contract prices covered by the report. The statement should identify the designated financial advisory services center or liaison audit office to which requests for assistance should be made, or in the absence of a designated liaison or financial advisory office, the report should state that the request should be submitted directly to the field office which performed the audit. Where, because of either the complexity or the controversial nature of the matters presented in the report, the auditor considers that further assistance will be particularly beneficial, the concluding statement may recommend to the contracting officer that audit assistance be requested. (See 10-210.5d(8)) When buying offices continually fail to solicit necessary auditor attendance at negotiation conferences, the PLA, together with the regional directors, should confer with the head of such client activities. Refer significant unresolved problems to Headquarters, Attention: O, for discussion at higher procurement levels.

15-402.2 Request for Auditor Attendance at the Negotiation Conference

On receiving the request for audit assistance, the liaison auditor or financial advisor will discuss the report with the contracting officer to determine the extent of the assistance required. To the maximum extent practicable, the liaison auditor or financial advisor should render the required assistance through his or her own office, particularly where it involves only an explanation of accounting principles or a limited amount of information which can readily be obtained by contacting the audit office which performed the audit. Copies of selected audit office working papers may be provided to efficiently satisfy an inquiry. The copies will be marked with appropriate protective markings based on the information contained therein and consistent with the audit report (see 10-205). Where, however, the assistance involves extensive referral to audit working papers or presentation of information on conduct of the examination, the liaison auditor or financial advisor will arrange directly with the audit office for auditor attendance at the negotiation conference. The objective should be to provide the assistance necessary to support the audit findings in the minimum amount of time. Although attendance of field auditors at negotiations is promoted, any requests for auditor attendance which will involve more than two weeks shall be coordinated with the regional office.

15-402.3 Subcontract Negotiation Conferences

Arrangements may be made for a DCAA auditor who performed a subcontract audit to attend a subcontract negotiation conference only when all negotiating parties concur. Participation should be limited to explaining the audit procedures performed and the results of examination. The conduct of subcontract negotiations is the responsibility of the upper-tier contractor.

15-403 Advisory Audit Counsel in the Negotiation Conference

15-403.1 Negotiation Process

The negotiation of a fair and reasonable price is a complex process involving consideration of many factors including (1) actual costs and completion estimates; (2) the amount of profit or fee in relation to total cost, the complexity of the work,

quality, efficiency, and ingenuity of the contractor's performance, and the technical and financial risk assumed; and (3) the competitiveness of the end price. Costs constitute an important factor in the contract price negotiation and the discussions between the contractor and the contracting officer include the objective of arriving at a definitive agreement, to the maximum extent possible, on the amount of costs to be considered in the price. During these discussions, the auditor is responsible for furnishing to the contracting officer, as requested, cost information and explanations of audit findings to facilitate such agreement. Definitive agreement on each element of cost may not always be possible because of honest differences of opinion or other considerations between the negotiating parties. This means, in negotiation terms, a give and take proposition in which the contracting officer usually cannot negotiate a price which includes cost considerations exactly in accordance with the advisory audit report. In this situation, the auditor should clearly establish for the contracting officer the extent and financial significance of any differences or considerations which exist. In connection with profit or fee, many of the other factors enumerated above, which are to be considered in price negotiation, are also not subject to a precise determination. Such factors as the complexity of the work or the contractor's ingenuity are not generally expressed in dollar and cents terms but require judgmental evaluation of a broader basis. Accordingly, in some instances, a total end price may thus be negotiated without specific monetary resolution of all of the individual cost elements or other pricing factors involved.

15-403.2 Nature of Audit Counsel

The auditor will act as the accounting advisor to the contracting officer in the negotiation process. In this capacity, provide the contracting officer financial information and audit counsel which will assist in the conclusion of a fair and reasonable price agreement with the contractor. Whether in actual attendance at the conference or through support from the audit office, the auditor will:

a. Upon request of the contracting officer, explain the audit report recommendations on the costs of the particular items in the contractor's proposal. Copies of appropriate supporting working papers may be provided to help answer a request in an efficient, economical, and effective manner, especially when auditor attendance at the negotiation conference is not feasible.

b. Answer questions raised by conference participants relating to the scope of audit or other bases for audit determinations or recommendations. Appropriate references shall be made to the factual information and documentation in the supporting working papers.

c. Evaluate any additional cost information the contractor may submit or any different considerations which it may allege during the negotiation conference. The additional information shall be evaluated during the conference.

15-403.3 Limitations of Audit Counsel

As discussed in FAR 15.404-1(a)(1), the contracting officer has exclusive responsibility for determining the suitability of the overall negotiated price. It is not appropriate for the auditor to provide in writing or otherwise an overall opinion on a "bottomline" negotiation objective (but see 15-403.4 below).

15-403.4 Contracting Officer's Treatment of Reported Recommendations

Circumstances may arise during a negotiation conference when the auditor believes the contracting officer has given inadequate or improper treatment to the audit recommendations in the advisory audit report. In such cases, the auditor has the responsibility to make his/her position clear to the contracting officer prior to the negotiation settlement. This should be accomplished with appropriate tact and objectivity at a time when the contractor is not present. When the contracting officer fails to accept an audit recommendation and the auditor feels that this action has a significant or continuing impact on the reasonableness of pricing or contract administration and there is an opportunity

for useful corrective action, the procedures outlined by 1-403.3 and 15-604.2 should be followed.

15-404 Documenting Auditor Participation at Negotiations

15-404.1 Auditor's Memorandum of Negotiation

The FAO liaison auditor or financial advisor should prepare a memorandum for the record as soon as possible after attendance at a negotiation conference. The memorandum will include basic identification data with respect to the contractor, the contract, personnel in attendance, etc.; information as to the matters discussed during the negotiation conference; a summary of the action taken on audit recommendations; and the results of the negotiation. Where applicable, the memorandum should also cover the evaluation of new data presented by the contractor, effect of changes in the proposed statement of work, and any other pertinent matters not covered in the audit report. If the contractor's proposal was revised during negotiations, indicate the extent to which the audit report is applicable to the revised proposal, or show a self-explanatory reconciliation. Comment on possible improvements in the audit report presentation, the extent of contracting officer acceptance of audit recommendations, the effectiveness of the contribution made by the auditor at the negotiation conference, audit problem areas disclosed by the negotiation, and other pertinent matters. File the original memorandum with the audit working papers and furnish copies to the liaison audit or financial advisory office. A copy of every memorandum documenting (1) a settlement that is not supported by audit report findings or (2) unusually effective auditor participation will also be furnished to the regional office.

15-404.2 Written Concurrence of Settlement

Auditors are sometimes asked to affirm their concurrence in writing with positions negotiated by contracting officers. These negotiated positions frequently differ from audit report positions, as a result of both subjective and objective arguments raised by contractors at negotiations. When asked to provide such concurrence, the auditor should professionally decline. This is because the contracting officer position has the authority to make flexible concessions without audit concurrence, as well as the responsibility to document the negotiations. (See 15-403.2c, however, for guidance on dealing with additional cost information furnished by the contractor.)

15-500 Section 5 --- Procedures for Actual or Potential Contract Disputes Cases

15-501 Introduction

This section identifies the responsibilities of field, regional, and Headquarters personnel. It outlines the reporting requirements for actual or potential board of contract appeals (BCA) cases and cases in other forums, such as the United States Court of Federal Claims.

15-502 Contracting Officer Decisions

Their warrants authorize contracting officers to resolve claims by or against contractors related to contracts subject to the Contract Disputes Act. Contractors may appeal written decisions to agency boards of contract appeals or to the courts (see FAR 33.211). The Armed Services Board of Contract Appeals (DFARS Appendix A) hears most cases affecting DoD contract costs. Many BCA and court cases involve controversial items. Since appeal decisions often influ-ence the treatment of these items in future years, DCAA has special interest in them.

15-503 Coordinated Support of Contract Disputes Activity

a. Close communication, through established channels, between the FAOs, regional offices, and Headquarters is needed throughout the course of such appeals. Close communication with the government trial attorney and with the contracting officer is also very important.

b. It is Agency policy to assist the government trial attorney in accounting matters in all cases, whether initiated through an Agency finding or by other means. Audit support should fully respond to the actual needs of the government trial attorney and may consist of comprehensive audit and accounting advisory services, accounting research applicable to the specific case, testimony relative to the audit report, or testimony as an expert on accounting and auditing matters. Providing assistance to the government trial attorney includes providing assistance to other government counsel who are supporting the litigation of the case.

c. Audit work is privileged when performed at the request of government trial attorney in support of ongoing or anticipated contract litigation. The attorney work product privilege applies and it protects the auditor's advice from release or disclosure to the other party. Auditors must coordinate closely with government trial attorney before performing litigation support work and during the performance thereof. Auditors must request and follow counsel advice on such matters as whether to affix the attorney work product legend on auditor documents, whether and how to discuss factual aspects of the ongoing audit with the auditee, and the restrictions on handling and use of the auditor's working papers and advisory reports or memos. The government trial attorney may request that audit work be performed but they should not direct how such work is to be accomplished. If such direction occurs, the auditor should explain to government trial attorney that DCAA will be fully responsive to the request for an audit evaluation, but that specific audit tasks needed for that evaluation will be determined by DCAA. If unsuccessful, the auditor in a positive, proactive manner should indicate he/she will timely coordinate the request with DCAA management. Written clarification should be provided to the government trial attorney after coordination with regional management and DCAA Headquarters (Policy and DL). An exit conference will not be held unless the government trial attorney expressly approves it and its scope in writing (see 4-304.7).

15-504 Reporting Requirements for Contract Disputes Cases

15-504.1 DCAA Contract Disputes Cases

a. DCAA is responsible for evaluating all appeal decisions that have an impact on the allowability of costs under DoD contracts. Where such decisions appear to adversely affect the desired DoD policy, DCAA will recommend changes to the ac-

quisition procedures through established channels. Headquarters has established reporting requirements to provide appropriate tracking of the contract disputes cases. The policies and procedures for reporting contract disputes cases are outlined in DCAAI 7730.13. Reporting requirements are summarized in 15-504.2 and 15-504.3.

b. Actual cases have board or court docket numbers while potential cases have not yet reached that stage. Potential cases are those where the contracting officer has issued an unilateral decision advising the contractor of a time frame for appeal — 90 day appeal rights to the ASBCA or 12 month appeal rights to the Court of Federal Claims (FAR 33.211). The status or expiration of appeal rights for most potential cases can be tracked through DMIS. DMIS requires that after a contracting officer's unilateral final decision, the contractor's appeal rights must expire before reporting audit amounts sustained and the related net savings. In addition, even though a contracting officer's decision has not yet been made, there may be occasions when significant CAS or FAR cost principle issues are known to be in dispute and may result in litigation. The FAO should coordinate with the Regional Contract Disputes Coordinator (CDC) regarding the desirability of reporting such a potential case.

c. For reporting purposes, contract disputes cases (both actual and potential) will be designated either significant or routine. Significant cases requiring a case summary (see 15-504.2) and inclusion in the semiannual contract disputes report (see 15-504.3) are those where:

(1) a Cost Accounting Standard issue is involved;

(2) a Cost Principle issue is involved;

(3) specific DCAA audit guidance is being challenged;

(4) over $50 million is in dispute, regardless of the issue; or

(5) the case involves unusual or complex issues, e.g., the FAO has requested regional or Headquarters support or the case is externally sensitive as evidenced by major media attention or Congressional interest.

Cases which do not meet any of the five criteria identified above are considered routine and do not require submission of a case summary. All cases should be included in the semiannual contract disputes report (see 15-504.3.)

15-504.2 Significant Case Summary Reporting

As soon as a significant actual or potential contract disputes case is identified, FAOs will submit a case summary report to the regional special programs office. Regional CDCs will submit significant case summaries to Headquarters, ATTN: PAC, on a real-time basis. The format for case summaries is included in DCAAI 7730.13. Items such as notices of deposition, actual depositions, memorandums for record, and trip reports concerning DCAA participation in the dispute proceedings should be provided to the regional CDC, and as appropriate, forwarded to the Headquarters' CDC program manager.

The case summary should be updated for known or anticipated significant actions related to the dispute.

Both the FAO and the regional CDC are responsible for the accuracy and timeliness of case summary reports. They should also make recommendations for DCAA counsel (DL) involvement, if warranted (see 15-507.)

15-504.3 Semiannual Reporting

In addition to submitting case summaries of significant cases on a real-time basis, and updating the case summaries as new data becomes available, regional directors are responsible for submitting contract disputes semiannual reports to Headquarters. These reports provide an inventory of all open cases and those closed during the six month reporting period. Semiannual reports following the format described in DCAAI 7730.13 should be submitted to DCAA Headquarters, Attention: PAC, by March 30 for the period ending February 28 and September 30 for the period ending August 31. The regional CDC is responsible for the accuracy and timeliness of the information submitted to Headquarters.

15-505 Regional Contract Disputes Coordinator (CDC) Responsibilities in Contract Disputes Cases

15-505.1 Evaluate Audit Position

Regional CDCs will evaluate the audit position, working papers, supporting documentation, contractor's response or rebuttal, and other data to ensure that the case is well-founded. Appeals are time-consuming and expensive, so regional offices should make every effort to present the board or court with a clear, well-supported position. DCAA's position should include rebuttals to any known contractor arguments. Regional offices should recommend additional audit work if the existing documentation is inadequate. In such cases, the field auditor should advise the government trial attorney if more time is required to develop the supporting data.

15-505.2 Technical Assistance

Regional offices will furnish assistance to the FAO and government trial attorney when necessary. Regional CDCs will help the field in developing cases. They will ensure that the auditor clearly understands the major points in the case, and that the trial attorney understands the accounting significance of these points.

15-505.3 Coordinate Government Accounting Witnesses

Government trial attorneys sometimes request expert witnesses to testify in the areas of cost accounting standards, government procurement regulations, generally accepted accounting principles, and generally accepted governmental auditing standards. These witnesses come from various sources, including government, academia, public accounting and consulting firms, and industry. Regional offices will provide assistance to the government trial attorney in locating appropriate witnesses. Most RAMs would qualify as expert witnesses in the various areas covered by contract audit. In some cases, FAO managers and field supervisors may qualify as expert witnesses.

15-505.4 Develop and Train Field Witnesses

DCAA witnesses of fact (usually the auditor who performed the audit or the supervisory auditor) or expert witnesses (usually the RAM or RSPM) need to prepare for their roles. Government trial attorneys prepare witnesses for trial, but, occasionally, this preparation is brief and at the last minute. Whenever appropriate, DCAA should support the witness preparation process. After coordinating with the government trial attorneys, regional CDCs should acquaint the field auditor witness with courtroom procedure, including simulated courtroom testimony. To familiarize themselves with the trial/hearing process, regional CDCs should attend selected board hearings or court trials in their regions.

15-505.5 Evaluate Field Support

Regional CDCs should periodically evaluate FAO compliance with their responsibilities for the contract disputes program (see 15-506) to assure that FAOs are in compliance with Agency policy and to submit suggestions regarding possible improvements. The compliance program should assure active FAO contact with government trial attorneys.

15-505.6 Control Significant Case Summary and Semiannual Reporting

Regional CDC's will oversee the timely submission of case summaries for all significant cases (both initial and updates) and semiannual reporting of actual and potential appeals cases to Headquarters as described in 15-504.

15-506 FAO Responsibilities in Contract Disputes Cases

15-506.1 Comply with DCAA Regulation 5410.11, Release of Official Information in Litigation and Testimony by DCAA Personnel as Witnesses

This regulation requires a determination by the General Counsel or his/her delegate prior to the release of official DCAA in-

formation for use in litigation or the provision of DCAA personnel to be interviewed, contacted, or used as witnesses concerning DoD information. This authority has been delegated to the Chief Trial Attorney or other trial attorneys representing the government in contract appeals proceedings before the ASBCA.

15-506.2 Support Government Trial Attorney

Audit support to government trial attorneys should consist of clearly communicating the facts of the case, explaining the significance of the auditing and accounting issues, if required, and providing appropriate requested assistance. This may include suggesting areas for discovery or participating as a technical advisor during depositions. Field auditors should provide only basic accounting information and specific issue (factual) support. They should exercise special care to avoid expressing opinions on subjects outside the accounting field. They should not express legal or engineering opinions, for example. Auditors should elevate to the regional offices any requests from government trial attorneys that fall outside of accounting areas. For example, auditors should avoid assessing the litigative risk of a case. This responsibility for board or court cases rests with the government trial attorney. FAOs should inform the regional CDC in advance of significant meetings with the trial attorney in order to facilitate regional involvement in important cases.

15-506.3 Coordinate with Government Trial Attorney and Contracting Officer

Offer services to the contracting officer and government trial attorney whenever a situation arises where audit services can be effectively used. Notify the government trial attorney and the contracting officer promptly of any problems of access to records or contractor delay in furnishing data (see 1-504.4). Request them to obtain any necessary technical reviews, and notify them of any technical reviews that are not received on a timely basis. Delays in receiving required technical reports can impair the government's case and hamper the auditor's work. FAOs should be aware of cases in a prehearing status and periodically contact the government trial attorney to offer assistance and discuss case status.

15-506.4 Maintain Case Files

Establish a separate case file for each active board or other contract disputes case. Index the file for easy retrieval of documents. Prepare and maintain, in the file, a case summary for significant cases (see 15-504.2) and a chronology of significant events for routine cases. Documents belonging in the case file are the decision being appealed, the contract, the audit report, the contractor’s complaint, the government’s response to the complaint, correspondence between parties relating to the appeal, and any other pertinent information. Audit assignment files related to contract disputes should be segregated from the general working paper files and maintained in a locked file or cabinet. Contract disputes cases can last for many years. This procedure secures and protects documents during transition periods (change of cognizant supervisors or FAO, for example).

15-506.5 Produce Documents

Clarify and coordinate requests for the production of documents with the trial attorney and the regional office. Review DMIS data to identify all pertinent files. Once identified, segregate these files with the case file for the remainder of the litigation. A DCAA representative should physically observe any contractor access to these files during discovery. Arrange to have all pertinent working papers at the hearing. Protect classified documents essential to the case in the appropriate manner. Retain copies of all working papers released from DCAA custody.

15-506.6 Testify as a Witness

The auditor who performed the original audit or his supervisor will normally be the DCAA factual witness, unless the regional audit manager in coordination with the regional CDC and the govern-

ment trial attorney believe other arrangements are appropriate. If the performing auditor is not available (because of termination, for example), or if the original auditor was a trainee, the supervisory auditor involved in the original audit will be the recommended DCAA factual witness. Promptly notify the regional office when FAO personnel must testify, so the regional CDC may review the case and assist in the witness preparation when appropriate. Self-study course No. 9310, "Auditor Testimony in BCA Proceedings" should be taken by all DCAA witnesses. The CDC should coordinate planned action with the government trial attorneys. Refer any requests from the government trial attorney for additional or expert witnesses to the regional CDC.

15-506.7 Evaluate Audit Support

Following audit participation in an appeal, evaluate the effectiveness of audit support and the need for additional guidance on the issues involved. This report should be submitted to the regional office.

15-507 Headquarters Support

a. Headquarters, Accounting and Cost Principles Division, will monitor all actual and potential cases and update guidance based on an analysis of individual cases or trends. Headquarters will assist regional offices upon receipt of a written request containing a case summary (see 15-504.2), the region's position, and any additional supporting documentation needed to clearly explain the issue (see 4-902.2). The Accounting and Cost Principles Division will evaluate regional requests for DL involvement contained in immediate reports (see 15-504.2) and make referrals to DL, if appropriate. Similarly, Headquarters may refer a representative to testify in support of the regional expert witness in significant cases concerning highly complex or unique issues involving accounting principles, auditing standards, contract cost issues, the application of the FAR cost principles, etc. Headquarters will support cases when such support will serve a useful purpose and the elements of the case are likely to have a significant impact on future allowability and allocability of costs at a number of contractor locations.

b. Headquarters, Office of General Counsel, will review and analyze regional requests for DL support referred by PAC. DL will coordinate with P the identification of cases appropriate for DL involvement. Similarly, any direct requests from government trial attorneys for DL involvement in contract disputes cases will be coordinated with P. For cases accepted by DL for involvement, DL will contact the government trial attorney and offer assistance. DL will communicate to P and the region the significant areas of assistance provided to the government trial attorney.

15-600 Section 6 --- Contract Audit Follow-up

15-601 Introduction

This section presents the responsibilities of acquisition components and contract auditors under DoD Directive 7640.2, "Policy for Followup on Contract Audit Reports."

15-602 Background and General Requirements

a. Audit reports often deal with significant problems or controversial situations. Accordingly, each report must provide clear rationale for the audit position. At times, differences of opinion between the auditor and the contracting officer may arise during the settlement of specific audit issues. Whenever a problem of this type occurs, the auditor must provide the contracting officer with all pertinent evidential materials. Moreover, there shall be continuous communication between the contract auditor and the contracting officer, to promote understanding and improve the potential for satisfactory resolution, before a final decision is rendered.

b. DoD Directive 7640.2, Change 1, "Policy for Followup on Contract Audit Reports," dated August 16, 1995, prescribes DoD policies for contract audit followup and establishes a system for management action on contract audit reports. The system provides for (1) tracking and reporting specified types of contract audit reports, (2) procedures to monitor and ensure the proper, timely resolution and disposition of contract audit reports, and (3) periodic evaluations by internal auditors of the effectiveness of the DoD components' followup systems.

15-603 Responsibilities of Acquisition Components

The DoD Directive requires Secretaries of the Military Departments and the Directors of the Defense Agencies to:

a. Designate a Contract Audit Followup Official (CAFO) to manage their component's contract audit followup program.

b. Establish procedures as prescribed by FAR 15.406.1, whereby contracting officers shall fully consider contract audit advice in the course of determining prenegotiation positions that are subject to DoD component review and clearance processes.

15-603.1 Tracking of Audit Reports

DoD procurement and contract administration components are required, under the directive, to track all contract audit reports. All information is to be maintained on a current basis and is to serve as source documentation for required followup status reports. For preaward contract audit reports, such tracking may be accomplished using records maintained in official contract files.

15-603.2 Reporting Requirements

a. DoD procurement and administrative components are required to submit semiannual status reports on reportable contract audit reports to the DoD Inspector General. These status reports are to be submitted within thirty calendar days after the end of the semiannual periods ending 31 March and 30 September. Reportable reports are:

(1) those reports containing findings and recommendations, whether or not the findings, are qualified, covering estimating system surveys, accounting and related internal control system audits, defective pricing audits, and cost accounting standards (CAS) audits. (Reports containing only favorable findings and recommendations, such as CAS reports recommending that a contractor's proposed accounting change be approved, or estimating system surveys that only contain "suggestions for improvements" are not reportable.)

(2) those reports covering operations audits, incurred costs, settlement of final indirect cost rates, final pricing submissions, termination settlement proposals, and claims, if reported costs or rates questioned or unsupported/qualified equal $100,000 or more.

(3) reports on audit determined final indirect cost rates and Form(s) 1, to the cognizant Administrative Contracting Officer (ACO) when the auditor cannot reach an agreement with the contractor.

b. Audit reports covering preaward proposals; forward pricing proposals, including change orders/modifications; labor, overhead or other advance rate agreements; progress payments; preaward surveys; assist audits; and closing statements are not subject to the reporting provisions of the directive.

c. Interim reports to be incorporated into a future report are not reportable.

d. The semiannual status reports are to include reportable reports (1) open as of the end of the reporting period, and (2) closed during the reporting period.

e. Under the directive, a contract audit report is considered dispositioned when (1) the contractor implements the audit recommendations or the contracting officer's decision; (2) the contracting officer negotiates a settlement with the contractor and a contractual document has been executed; (3) the contracting officer issues a final decision pursuant to the "Disputes Clause" (see 15-502) and 90 days elapse without contractor appeal to the Armed Services Board of Contract Appeals (ASBCA): (4) a decision has been rendered on an appeal made to the ASBCA or U.S. Claims Court and any corrective actions directed by the Board or Court have been completed and a contractual document has been executed; (5) audit reports have been superseded by, or incorporated into, a subsequent report; or (6) any corrective actions deemed necessary by the contracting officer have been taken so that no further actions can be reasonably anticipated. Should the contractor appeal to the Claims Court within the 12 months after final decision, the audit must be reinstated as an open report in litigation.

15-603.3 Resolution of Contract Audit Report Recommendations

a. The contracting officer's prenegotiation position should indicate whether the audit recommendations were accepted or, if not, whether the auditor has revised them. When the contracting officer disagrees with the audit position, the prenegotiation documentation should include the rationale for not accepting the audit advice. The post-negotiation documentation should include a summary of the field pricing report recommendations and the reasons for any pertinent variances from those recommendations.

b. For auditor-determined indirect cost rates, the auditor shall seek agreement with the contractor upon completion of the audit. If agreement is not reached, the auditor shall issue a notice of costs suspended and/or disapproved, and advise the contractor of its right to submit a claim to the ACO for any disapproved costs. If the ACO disagrees with the audit recommendations, the ACO is to comply with the procedures prescribed by his or her DoD component for documentation and review prior to disposition.

c. All reports under the directive, including those not reportable, are to be tracked until dispositioned by the contracting officer and closed for follow-up purposes. The contracting officer shall promptly prepare a memorandum covering the disposition of all reports. The memorandum shall discuss the disposition of all recommendations and questioned and/or qualified amounts, including the underlying rationale for such dispositions. A copy of the memorandum shall be provided to the cognizant contract auditor before the report may be closed.

15-604 DCAA Follow-up Responsibilities

15-604.1 Support Reviewing Officials or Boards

a. DCAA will provide timely and complete responses to any contracting officer or review official who requests factual information or further audit opinions regarding the audit issues being evaluated.

b. Agency policy on review board participation is outlined in 1-403.4.

c. DCAA will assess whether auditor attendance at negotiations would be beneficial to the procuring office in understanding the details related to the audit recommendations. Where it can be determined prior to the issuance of the audit report that the auditor could provide a valuable contribution at negotiations, a statement will be included in the audit report recommending auditor attendance (see 10-210.5).

15-604.2 Support DoD IG and Internal Audit Organization Reviews

DCAA will provide timely and complete support to the IG and any internal audit organization reviewing a DoD Component's contract audit followup system.

15-604.3 Identify Reportable Contract Audit Reports

DCAA Headquarters will identify for NASA Headquarters and DoD components, in a monthly electronic or hard copy report, all contract audit reports reportable under 15-603.2 above. This information will be furnished not later than 19 days after the close of each month.

15-604.4 Utilize Feedback

DCAA will use the feedback provided by the contracting and contract audit followup officials, including final disposition and negotiation memorandums, to analyze and improve audit procedures and practices.