



DEFENSE CONTRACT AUDIT AGENCY
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FORT BELVOIR, VA 22060-6219

IN REPLY REFER TO

PSP 730.5.04

November 21, 2023
23-PSP-010 (R)

MEMORANDUM FOR REGIONAL DIRECTORS, DCAA
CORPORATE AUDIT DIRECTORS, DCAA
ASSISTANT DIRECTORS, DCAA

SUBJECT: Audit Alert on Contractor Compensation Cap – Statutory Fiscal Year 2024

What You Need to Know

As prescribed in Section 702 of the Bipartisan Budget Act of 2013 (BBA; Pub. L. 113-67), dated December 26, 2013, the Office of Federal Procurement Policy published the compensation cap amount for the Statutory Fiscal Year 2024 (Calendar Year (CY)). CAM 6-414.7 was updated to include the BBA compensation cap amount for CY 2024.

What Auditors Need to Do

Auditors should use the following cap amount in evaluating all contractor employee compensation costs proposed during CY 2024 applicable to contracts awarded on or after June 24, 2014:

BBA Contractor Compensation Cap for Contracts Awarded after June 24, 2014 (FAR 31.205-6(p)(4))	
For Costs Incurred	Cap Amount
1/1/2024 – 12/31/2024	\$646,000

Questions and Further Information

FAO personnel with questions regarding this audit alert should contact their Regional or CAD offices. Regional/CAD personnel with questions regarding this audit alert should contact Michelle Ramsey, Program Manager, Policy Pricing and Special Projects (PSP) Division via e-mail at dcaa.belvoir.hq.mbx.dcaa-psp@mail.mil.

Scott Perry
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