Written by Administrator Wednesday, 11 August 2010 00:00

DCAA has received perhaps more than its fair share of criticism over the past couple of years. We have even doled out some of the criticism ourselves. In November, 2009, Patrick Fitzgerald r

eplaced

April Stephenson as Director of the Defense Contract Audit Agency, and many of us hoped the new leadership would guide the agency away from the problems caused by its truculent attitude. But Mr. Fitzgerald has yet to create any substantive reforms, and

recent audit guidance

gives little—if any—reason for optimism that DCAA is going to rejoin the ranks of the Defense acquisition corps as a valued (and value-added) member.

Various commenters have questioned the audit agency's commitment to change. In this article, we reported on a blog post from POGO in which the author thought the auditors were playing too nice with the Defense Contract Management Agency (DCMA). He wrote—

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But on the other hand—and I think this is probably the case—this memo demonstrates another instance where DCAA's independent audit findings may be undermined. The memo states that auditors and contracting officers should work together to 'resolve' audit issues and emphasized that even when differences occur, DCMA and DCAA should strive to work the issues within the respective organizations. This memo gives the impression that audit findings are something to be 'resolved' between the two organizations rather than audit findings to be acted upon by the contracting officer. And to the degree that this is the case, or that this memo confuses the independent role of DCAA, the Director of DCAA should consider withdrawing the memo.

<u>In</u> <u>another article</u>, we reported that the same gadfly group (POGO) had sent a letter to influential senators in March, 2010, telling them that—

We worry that these problems are indicative of a systemic strategy for reform that seeks to decrease congressional pressure rather than to institute meaningful reform. More importantly, we think that it would be naïve to assume that

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removing April Stephenson from DCAA solves the systemic problems at DCAA.

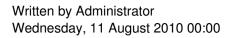
Perhaps becoming a bit impatient with the lack of substantive reform, Congress weighed-in

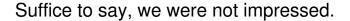
, proposing legislation (H.R. 5013) that would mandate reforms to the agency—reforms that the agency seems reluctant to make.

The foregoing provides some context for a "viewpoint" **posted** on FederalTimes.com, written by Robert Hale (Undersecretary of Defense, Comptroller) and Mr. Fitzgerald. The piece, entitled "DCAA Working to Improve Audit Quality, Management," recapped the progress made in reforming the admittedly "tarnished" audit agency. The progressive actions that have been taken are nothing new to anybody who reads our articles and, in fact, tend to mask the agency's continued failure to address its withdrawal from—and, indeed, active attempts to

sabotage

—the Defense acquisition system in the name of "independence" and compliance with generally accepted government auditing standards.





Nor were the few commenters who posted their thoughts. One comment, posted on the POGO site, had this to say—

These must be the only two people in DoD that think DCAA is on the right track! The audits need to be timely, e.g. issued before the need no longer exists, to be meaningful. Please if there is anyone out there that is receiving timely reports fro DCAA, please post the info here so we can share in their glory. I suggest Mr. Hale and Mr. Fizgerald share some success stories concerning timely reports, I bet there aren't many to share. Just how many reports has DCAA issued this FY in total? I hear auditors spend most of there time waiting for their reports to be issued. None of the auditors I've spoken with consider themsevles busy, most would wlecome more work if the resulting reports would be issued.

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We deplore the grammar and spelling, yet sympathize with the sentiments expressed.