

DCAA Reemphasizes Communication

Written by Nick Sanders
Monday, 03 June 2013 00:00

Recently we had [an opportunity](#) to offer words of approval to the recent Department of Energy guidance to its Contracting Officers, guidance that we thought “will tend to reduce cost-related disputes and avoid litigation.” The key aspect of the guidance was to emphasize that “misunderstandings can be minimized by early communication.”

We wholeheartedly agreed with that guidance. And we thought DCMA ought to emphasize the same beneficial role of communication to its Contracting Officers, as well.

In the meantime, the Defense Contract Audit Agency was [reemphasizing](#) the benefits of communication between its auditors and those impacted by its audits.

Readers may remember that DCAA first reminded its auditors that communication was important in the now-famous “Rules of Engagement” MRD. We wrote about it [here](#). The latest MRD simply tells auditors that they should follow the Rules of Engagement because the whole communication thing is working out for everybody.

In the words of the MRD—

Since the issuance of that [“Rules of Engagement”] guidance, we have seen many benefits as a result. Because of the significant impact these changes have had on accomplishing our mission, we want to reemphasize why this communication is so important and what our expectations are for auditor communication throughout the audit. Communication adds value to the audit process and helps ensure that we are performing quality audits that are fair, complete, objective, timely, and comply with auditing standards. Specifically, when auditors communicate with contracting officers and contractor personnel:

- Audit issues are identified early on;
- Potential problems can be dealt with immediately;
- Audits are more focused, efficient, and timely;
- Audit processes, results, and conclusions are better understood;
- Requests for DCAA support in negotiations increase;
- Sustention of audit findings go up; and
- Professional relationships with contracting officers improve.

DCAA Reemphasizes Communication

Written by Nick Sanders

Monday, 03 June 2013 00:00

There's some good guidance in the MRD, and we suggest that readers retain it for future reference (and to show to auditors should they fail to adhere to the guidance). In particular, we like this one: "At the beginning of the audit, auditors should communicate the rationale for the audit procedures they plan to perform."

If that actually happened, it would be a first in our experience.

Anyway, good stuff. It has the potential to be a win/win for all stakeholders, if only the auditors comply with the guidance.