

Teaming to Improve Audit Resolution

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Charlie Williams, Jr., Defense Contract Management Agency director, and Patrick J. Fitzgerald, Defense Contract Audit Agency director, signed a memorandum May 7 reinforcing their commitment to ensure fair and reasonable contract prices for warfighters, the Department of Defense and taxpayers.

DCMA is the component that works directly with defense suppliers to help ensure that DoD, federal and allied government supplies and services are delivered on time, at projected cost and meet all performance requirements.

DCAA is responsible for performing contract audits and providing accounting and financial advisory services on contracts and subcontracts to all DoD components responsible for procurement and contract administration. The agency's services include negotiation, administration and settlement of contracts and subcontracts to ensure fair and reasonable contract prices.



“To this end, we expect that auditors and administrative contracting officers will always strive to resolve issues quickly and productively within each of our respective organizations,” Williams and Fitzgerald said jointly in their memorandum. “Although disagreements and differences of interpretation will occur, the competence and professionalism of our collective organizations should permit the successful resolution of issues while respecting the opinions of each party.”

The memorandum states both agencies will focus on eliminating communication and process challenges and forge a more cooperative and cohesive relationship between DCMA and DCAA.

“We do not accept the notion that the workforces of our agencies are unable to work professionally together to accomplish the department’s business. It is our strategic intent to ensure we address and deal with the issues as they arise in an open and transparent manner, and we look to each and every one (within our agencies) to do the same,” Williams said.

The pricing and cost allowance decisions that DCMA ACOs must make are often accomplished with the input of DCAA audits. Therefore, establishing a good working relationship is critical. To accomplish this, employees have to

understand and respect the regulatory responsibilities of each agency. According to the document, “Those responsibilities are carried out best when both auditors and contracting officers establish the appropriate working relationships and lines of communication. This is our expectation.”

Dave Ricci, DCMA Contracts executive director, and Ken Saccoccia, DCAA Policy and Plans assistant director, conducted a joint presentation at the 2010 DoD Procurement Conference/Training Symposium held in Orlando, Fla., May 10–14 to show the collaborate efforts under way.

Ricci said there will be quarterly meetings between the two agency directors, daily communication between the headquarters staffs and regular meetings at other levels. Ricci noted that both agencies understand the ACO is the decision maker, and DCAA’s advice is integral to DCMA’s decision-making process.

The agreement ends stating each agency collectively recognizes that to be successful, it is imperative to work together and respect the independence and professional expertise of each agency. ©

To see the memorandum in its entirety, visit https://home.dcma.mil/command/_files/dcma_dcaa.pdf.

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— Charlie Williams, Jr., Defense Contract Management Agency director, and Patrick J. Fitzgerald, Defense Contract Audit Agency director