

DEFENSE CONTRACT AUDIT AGENCY (DCAA)
FY 2010 Overseas Contingency Operation: Operation Iraqi Freedom / Operation Enduring Freedom
Operation and Maintenance, Defense-Wide
Budget Activity 4: Administration and Service-wide Activities

Detail by Subactivity Group

I. Description of Operations Financed:

The Defense Contract Audit Agency (DCAA) provides audit services and financial advice to all Department of Defense (DoD) acquisition officials involved in OIF / OEF military operations and reconstruction in Iraq. The DCAA's assists these officials in achieving fair and reasonable contract prices and assures compliance with contractual terms and conditions by 1) responding to requests from acquisition officials for specific services across the entire spectrum of contract financial and business matters, and 2) fulfilling the recurring audit work required to monitor cost performance and approve contract payments. The DCAA's workload originates primarily from the effort required to audit and monitor DoD and civilian agency (USAID and State Department) acquisitions of equipment, materials, and/or services. Congressional interest in the costs charged to Iraq-related contracts, and requests for contract audit support from the Defense Procurement Fraud Unit and U.S. attorneys during the conduct of investigations and prosecution of perpetrators of contract fraud also impact DCAA's workload.

There are few audit matters within DCAA more sensitive and significant than the support provided to the OIF / OEF related contracts. The Agency ensures audit support in Iraq, Kuwait, Afghanistan and related field offices is timely, comprehensively accomplished and promptly reported to its customers. The OIF/OEF and Iraq reconstruction contract dollars increased the Agency's auditable dollar base, data requests and support workload for the auditors, supervisors, managers, and headquarters personnel. The DCAA audits of cost-reimbursable contracts represent a continuous effort from evaluation of proposed prices to final closeout and payment. The DCAA performs initial audits of contractor business system internal controls and preliminary testing of contract costs to provide a basis for provisional approval of contractor interim payments and early detection of deficiencies. The DCAA performs annual comprehensive contract cost audits throughout the life of the contract; the contracting activity uses the audits to adjust provisionally approved interim payments and negotiate final payment to the contractor.

The audit and financial advisory services provided in support of OIF / OEF military operations and reconstruction in Iraq will be subject to the same performance measurement as all other DCAA audit activities.

II. Force Structure Summary: N/A

CBS No.	CBS Title	FY 2008 Cost of War	FY 2009 Bridge	FY 2009 Remaining	FY 2009 Total	FY 2010 Total
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III.

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III. Financial Summary

1.0	Personnel	\$12,914	\$4,345	\$6,985	\$11,330	\$12,625
2.0	Personnel Support	\$818	\$490	\$437	\$927	\$936
3.0	Operating Support	\$201	\$165	\$178	\$343	\$347
	SAG Totals	\$13,933	\$5,000	\$7,600	\$12,600	\$13,908

A. Subactivity Group

1.	1.2 Civilian Personnel	\$12,914	\$4,345	\$6,985	\$11,330	\$12,625
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Narrative Justification: Changes between years FY 2008 and FY 2009 are the result of fewer required workyears. The FY 2009 Cost of War request provides for a continuing shift in audit effort from supporting new contract awards to auditing costs incurred by contractors during the contract performance. The increase between years FY 2009 and FY 2010 is driven by workyears, payraises, and inflation related to additional workload in Afghanistan.

2.	2.1 Temporary/Additional Duty	\$818	\$490	\$437	\$927	\$936
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Narrative Justification: Personnel are assigned on a temporary duty basis to locations within Iraq, Kuwait and Afghanistan. Funds are required for travel to be responsive to customer's needs and to accomplish the mission. Lack of funds would result in the inability of auditors to travel to the necessary work site and, therefore, only those audit services that could be performed without traveling would be accomplished.

3.	3.7 Other Services/Misc. Contracts	\$201	\$165	\$178	\$343	\$347
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Narrative Justification: The DCAA has an agreement with the Department of State for support services that include security, health services, general supplies and telephone. In addition, DCAA maintains leased vehicles. These services are crucial to the successful completion of audits in an unstable environment in Southwest Asia and to the general well-being of the personnel assigned there.

Total		\$13,933	\$5,000	\$7,600	\$12,600	\$13,908
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