

**DEFENSE CONTRACT AUDIT AGENCY (DCAA)**

**FY 2009 Supplemental Request  
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) and civilian agency (USAID and State Department) acquisition officials acquiring equipment, materials, and/or services for military operations and reconstruction in Iraq. The DCAA assists these officials in achieving fair and reasonable contract prices and assuring compliance with contractual terms and conditions by responding to requests from acquisition officials for specific services across the entire spectrum of contract financial and business matters and fulfilling the recurring audit work required to monitor cost performance and approve contract payments.

The Agency has established priorities to ensure audit support in Iraq, Kuwait, and related field offices is timely, comprehensively accomplished and promptly reported to its customers. The contingency operations contracts have significantly increased the Agency's auditable dollar base, as well as data requests and support workload for the auditors, supervisors, managers, and headquarters personnel. The audit and financial advisory services provided in support of military operations and reconstruction will be subject to the metrics included in DCAA's Agency Performance Plan.

**II. Force Structure Summary: N/A**

**III. Financial Summary (\$ in Thousands):**

<b>CBS No.</b>	<b>CBS Title</b>	<b><u>FY 2008 Actuals</u></b>	<b><u>FY 2009 Request</u></b>	<b><u>FY 2009 Bridge</u></b>	<b><u>FY 2009 Remaining</u></b>
1.2	Civilian Personnel	12, 914	11, 330	4,345	6, 985
2.1	Temporary/Additional Duty	818	927	490	437
3.7	Other Services/Miscellaneous Contracts	201	343	165	178
	<b>SAG Totals</b>	<b>13, 933</b>	<b>12,600</b>	<b>5,000</b>	<b>7,600</b>

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<b>1. 1.2 Civilian Personnel</b>	12,914	11,330	4,345	6,985
<b><u>Narrative Justification:</u></b> This FY 2009 request provides for a shift in audit effort from supporting new contract awards to auditing costs incurred by contractors during the contract performance. DCAA performs a wide range of audits in theater, including in-country testing of contractor timekeeping, subcontract management, and cash disbursement procedures. The DCAA's real-time audits are critical to ensuring that contractor internal control systems are adequate and costs are properly charged to Government contracts. The DCAA is also engaged in performing audits related to troop sustainment support under the Logistics Civil Augmentation Program (LOGCAP III). Incremental personnel costs include overtime, Sunday pay, post differential and hazardous duty pay. The change between years FY 2008 and FY 2009 is due to fewer required work-years.				
<b>2. 2.1 Temporary/Additional Duty</b>	818	927	490	437
<b><u>Narrative Justification:</u></b> Personnel are assigned on a temporary duty basis to locations in theater. Funds are required for travel to be responsive to customer's needs and to accomplish the mission.				
<b><u>Impact if not funded:</u></b> Auditors would not be able to travel to the work site so only those audit services that could be performed without traveling would be accomplished.				
<b>3. 3.7 Other Services/Misc. Contracts</b>	201	343	165	178
<b><u>Narrative Justification:</u></b> The DCAA obtains support services including security, health services, general supplies and telephone from the Department of State. In addition, DCAA maintains leased vehicles. These services are crucial to the successful completion of audits in an unstable environment in Iraq and to the general well-being of the personnel assigned there.				
<b>Funding Totals</b>	<b>13,933</b>	<b>12,600</b>	<b>5,000</b>	<b>7,600</b>