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The Retraining of the DCAA Auditor

Posted by [Wayne Murdock](#) on [Mon, Apr 15, 2013 @ 10:12 AM](#)

The continuing trend toward the diminution of pay and benefits for Government employees will have a negative impact on DCAA for many years to come. Over recent years, and especially the past few, DCAA has lost and will continue to lose its experience and knowledge base. Once those who can retire and those who can find employment elsewhere do so, the "preeminent" government audit agency with the primary goal of contract audits will be a mere shell of its former self, and many would argue that has already come to pass. Pay freezes, furloughs, changes in retirement benefits, and overall lack of leadership have had devastating effects on the DCAA auditor rolls and contractors are now seeing the impact of this "Brain Drain." These actions, coupled with the Agency's overreaction to recent GAO and DoD-IG criticism, have resulted in at best inappropriate interpretations and at worst inaccurate uses of government regulations and internal DCAA guidance by auditors with very little experience or direction that in past years was provided by more senior people.

Defense contractors can then take one of three paths. The first is to be combative with each and every aspect of dealings with DCAA. This direction can produce short term results but what is the impact to long term relationships? The second path is to acquiesce and do everything any auditor tells them to do. This may result in a better short term relationship but could and most likely would create an auditor "bully." And as with any bully, the auditor will take and take without regard to what is right or wrong. The third path is one of education. In past years junior auditors learned from the people around them; not only more senior DCAA auditors but contractors as well. So, one of those elements is now missing, that of the experienced auditor and supervisor to provide direction. Therefore, although it may sound counterintuitive to help the auditor to be a better more well-trained auditor, this writer maintains that this is exactly what defense contractors should do. Someone needs to teach these young auditors the right way to do things and why not you? This is where a well-trained government compliance person or staff is invaluable. Teach the auditor the right way to do things, train them in the proper use of government regulations, and maybe show them how to use their own guidance. Admittedly, some will never learn. In our experience though, the vast majority of DCAA auditors want to do their job and do it right, so help them. If you don't feel you have a staff member that can do that properly then call upon companies like Redstone GCI who can help you with that expertise.



Through the years, we have found that in working with hundreds of DCAA auditors at our government contractor clients success is often dictated by picking and choosing the right battles. Choosing responses geared toward fully explaining the entire situation using a combination of regulatory guidance and DCAA's own internal guidance (even though it does not carry the weight of law) allows most auditors to bridge the gap between their audit program and the contractor's counter position on a matter. At the end of the day, we are all there to do a job, so why not focus on education in all matters with DCAA to not only ensure your position is well-founded, but also to (hopefully) assist in the development of DCAA's up and coming staff. The bottom line is: it will not only assist you in developing your rebuttal to audit findings, but also wouldn't you rather deal with a well-trained auditor who knows what they're doing?

Finally, in closing, if you have the opportunity to work with more senior DCAA technicians, many of which are our former colleagues, please take the opportunity to let them know that you appreciate them taking an active role in your audit. Many contractors see the involvement of senior DCAA auditors as a challenge, and all too often we see the supervisors take a back seat and matters that should be easily resolved tend to snowball. The involvement of senior managers/supervisors with staff auditors is a key component to a positive outcome of audits for all involved. Their assistance with the mentoring and development of staff is critical to not only the individual auditors, but also to our own sanity in working with contractors to achieve effective and efficient audits. The best practice when contacted by a DCAA auditor is to immediately open a line of communication with the auditor **and their supervisor** to ensure that you begin building a relationship early. You definitely do not want the first time that you speak with a supervisor to be when a problem has arisen. Keep that line of communication open throughout the audit and the process will be much better for all involved.

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Audit Support Services**

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Redstone Government Consultants are a team of the most senior industry veterans and the brightest new talent in the industry. Many have held senior government positions including leadership roles in the DCAA. Our new talents bring significant accounting and software experience along with fresh perspectives, inspiration and energy to our team. Through our leadership and combined experience, we provide a unique perspective, bringing both government and contractor proficiencies to bear and ensuring rock-solid government compliance for our clients.

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