POLICY FLASH-19

POLICY FLASH 2006-19

DATE: March 17, 2006
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management

SUBJECT: **Ordering Procedures for Contract Audit Services (DCAA, DCMA, HHS, and ONR)**

SUMMARY: The purpose of this Flash is to expedite the issuance of uniform ordering procedures for various audit services required by the Department. Such agreements involve the Defense Contract Audit Agency (DCAA), Defense Contract Management Agency (DCMA), Health and Human Services (HHS), and Office of Naval Research (ONR). An Acquisition Letter (AL) providing more comprehensive policy and procedural information is forthcoming

What is the purpose of this process change?

To establish consistent corporate audit ordering procedures, which enable the Department to provide standardized and cost effective processes with audit service providers, as well as ensure efficient and effective implementation of a corporate audit management program (CAMP).

How will this affect work processes?

- Contracting officers should ensure and verify that no audits are performed on a Federal Supply Schedule (FSS) contract where rates have been previously established as fair and reasonable by GSA.

- Contracting officers should ensure that the need for an audit is addressed in the acquisition planning stage of an anticipated requirement in accordance with FAR Part 7. This includes verifying that funding has been budgeted for audit services prior to the audit taking place.

- Contracting Officers are reminded that the initiation of an audit and obligation of Department funds to support it may only be incurred as a result of their final review and approval.

This information will be discussed as an upcoming Procurement Policy and Assistance Group (PPAG) meeting. Questions concerning this Policy Flash should be directed to Denise P. Wright at (202) 287-1340 or Denise.Wright@hq.doe.gov .

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