



**DEFENSE CONTRACT AUDIT AGENCY**  
**DEPARTMENT OF DEFENSE**  
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IN REPLY REFER TO

PQA 720.7.A.425

July 17, 2003  
03-PQA-054(R)

**MEMORANDUM FOR REGIONAL DIRECTORS, DCAA**  
**DIRECTOR, FIELD DETACHMENT, DCAA**

**SUBJECT: Audit Guidance on Acting FAO Managers and Supervisory Auditors and their Authority to Sign/Initial-off on Audit Reports and Other Audit Related Documents**

**Background**

DCAA Regulation 5600.1, *Delegation of Signature Authority for Audit Reports and Other Audit Related Documents*, establishes the Agency's procedures for delegating and re delegating the authority to sign audit reports and other audit-related correspondence. Specific procedures within the Regulation prescribe the types of audit reports that, because of their significance and sensitivity to the Agency can only be signed by DCAA's field audit office (FAO) managers or those supervisory auditors (SAs) designated to act for the FAO managers in their absence. The Regulation further prescribes that all other report types can be signed by supervisory auditors, but not by GS-13 technical specialists or GS-12 auditors designated to act on behalf of the SA.

CAM 4-403i(2) contains DCAA's principal guidance on auditors and SAs initialing-off on audit working papers (w/ps) and SAs initialing-off on final draft reports. The guidance basically calls for (1) auditors to individually initial-off on all completed w/ps and (2) SAs to approve the audit work performed and then indicate this approval by initialing-off on the lead w/ps, the top page of the summary w/p section, the top page of risk assessment/preliminary review section, and the top page of the draft audit report.

**Guidance**

The specific filing requirement below is to be implemented by October 1, 2003. The other guidance is effectively immediately. This is because, while not yet recorded in CAM or DCAAR 5600.1 and except for the filing requirement, we recognize that the guidance below is already being followed for the most part.

1. The designation of a DCAA supervisory auditor to act for the FAO manager during the manager's absence must be documented in writing, and the documentation must be maintained in the FAO's files under DCAA's file number 205.9, *Delegations of Authority*. An e-mail message with the name of the acting supervisory auditor and acting dates is sufficient documentation.

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2. The designation of a DCAA technical specialist or GS-12 auditor to act for the SA during the SA's absence must be documented in writing (an e-mail message will suffice). This documentation must also be maintained in the FAO's files under file number 205.9.
3. Technical specialists or GS-12 auditors who have been temporarily promoted or officially detailed to a GS-13 SA position (not to exceed 120 days) have the same authority as the SA to sign certain low-risk audit reports and other audit related correspondence. (Paragraph 4.1 of DCAAR 5600.1 requires the signature delegation to be in writing and Paragraph 4.2 details the limitations of the signature authority.)
4. A technical specialist or GS-12 auditor designated to act for a GS-13 SA, even though not temporarily promoted or officially detailed, has the same authority as the GS-13 SA to approve/initial-off on all audit w/ps and final draft reports, unless otherwise limited or prohibited by the SA or FAO manager. (Note, however, that except in the circumstances explained in 3 above, technical specialists and GS-12 auditors acting as SAs are specifically prohibited by DCAAR 5600.1, paragraph 4.2, from signing any audit reports.)

Field audit personnel should direct any questions they may have regarding this memorandum to the Chief of their Regional Quality Assurance Division. Mr. Ken Saccoccia, Program Manager, Headquarters, Quality Assurance Division (PQA), will address questions forwarded from the regions.

/Signed/  
Robert DiMucci  
Assistant Director  
Policy and Plans

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