



DEFENSE CONTRACT AUDIT AGENCY  
DEPARTMENT OF DEFENSE  
8725 JOHN J. KINGMAN ROAD, SUITE 2135  
FORT BELVOIR, VA 22060-6219

IN REPLY REFER TO

PPD 730.5.26.1

December 22, 2008  
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MEMORANDUM FOR REGIONAL DIRECTORS, DCAA  
DIRECTOR, FIELD DETACHMENT, DCAA  
HEADS OF PRINCIPAL STAFF ELEMENTS

SUBJECT: Audit Guidance on Reconciling Billed Costs to Contractor's Accounting Records  
when Reviewing Interim Public Vouchers

This audit guidance is being issued to clarify Agency guidance on the review and approval of interim public vouchers. CAM 6-1008b has been revised to require auditors to reconcile billed costs to the contractor's accounting records for the interim vouchers selected for review based on the FAO sampling procedures.

CAM 6-1008, *Review and Approval of Interim Public Vouchers Submitted to the Auditor*, describes audit steps to be performed for reviewing interim public vouchers for those contractors not authorized to submit public vouchers directly to Government disbursing offices under the Direct Bill Program. Sampling techniques should be used to identify specific vouchers for review. The number of vouchers selected will be based on the results of the internal control audits, audit leads, prior experience or other risk factors. CAM 6-1008b provides the steps necessary for reviewing interim public vouchers selected for review. This CAM section has been revised to add a step to reconcile billed costs to the contractor's accounting records for the voucher(s) selected. For major contractors, this step should be performed prior to provisionally approving the voucher. For nonmajor contractors, auditors may perform this step on the auditor's next visit to the contractor (after provisional approval of interim voucher(s)) and impact any adjustments to subsequent vouchers. For vouchers selected for review relating to Time-and-Materials and Labor-Hour contracts, auditors should ensure that labor hours and material cost reconcile to the contractor's accounting records.

FAO personnel should direct questions to their regional POCs, and regional personnel should direct any questions to Policy Programs Division, at (703)-767-2270 or e-mail: [DCAA-PPD@dcaa.mil](mailto:DCAA-PPD@dcaa.mil).

/Signed/  
Kenneth J. Saccoccia  
Assistant Director  
Policy and Plans

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