

COUNCIL OF DEFENSE AND SPACE INDUSTRY ASSOCIATIONS
4401 Wilson Boulevard, Suite 1110
Arlington, Virginia 22203
703-875-8059

March 2, 2011

Mr. Patrick J. Fitzgerald:
Director
Defense Contract Audit Agency
8725 John J. Kingman Road, Suite 2135
Fort Belvoir, Virginia 22060-619

Dear Mr. Fitzgerald

As you know, industry as well as government is preparing for the possibility of a government shutdown of unknown duration after March 18. Like government agencies, companies are identifying personnel who will be impacted and they are working with their government counterparts to accomplish that and other tasks associated with a possible shutdown. The undersigned members of the Council of Defense and Space Industry Associations (CODSIA) are appealing to you for more information regarding DCAA's plans in the event of a government shutdown.

CODSIA was formed in 1964, at the suggestion of the Department of Defense, by industry associations with common interests in federal procurement policy issues. CODSIA consists of six associations – the Aerospace Industries Association (AIA), the American Council of Engineering Companies (ACEC), the National Defense Industrial Association (NDIA), the Professional Services Council (PSC), TechAmerica, and the U.S. Chamber of Commerce. CODSIA's member associations represent thousands of government contractors nationwide. The Council acts as an institutional focal point for coordination of its members' positions regarding policies, regulations, directives, and procedures that affect them. A decision by any member association to abstain from participation in a particular case is not necessarily an indication of dissent.

Of particular interest is DCAA's plan for assuring contractor payments. DCAA approval is necessary for payment if the company isn't authorized to direct bill. During the last shutdown, the vast majority of auditors did not remain on the job and ongoing audits ceased. If that is the current plan as well, are there contingency plans to assure payment of those companies whose authorization to direct bill has been denied because their annual audits have been delayed and not due to a system deficiency finding or some other disciplinary measure?

We are requesting you to share with us as much information as you can about your contingency plans. For example, who are your essential workers going to be, by function, and how many will

be on the job? What are the alternate plans, if any, to help eligible contractors get paid in a timely fashion if funds are available?

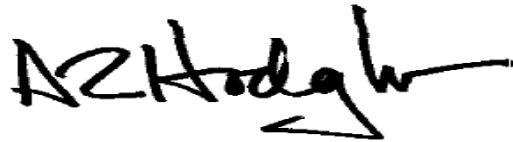
We understand there are a number of unknowns at this point. Any information your organization might provide would be deeply appreciated. It would also be useful if you would name a point-of-contact for us to consult about different audit issues as they arise.

Thank you in advance for your consideration of this request. Please consider Bettie McCarthy, CODSIA's Administrative Officer as a central point of contact for us. She can be reached at 703-875-8059 and codsia@pscouncil.org.

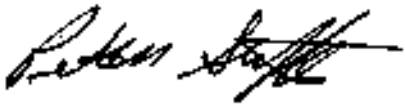
Sincerely



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