

DCAA Compliance



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| What is DCAA | compliance?

DCAA compliance refers to adhering to the standards and requirements set by the Defense Contract Audit Agency (DCAA) in the United States. The DCAA performs all necessary contract audits for the Department of Defense (DoD) and provides accounting and financial advisory services regarding contracts and subcontracts.

The DCAA will audit any organization that obtains government contracts to ensure compliance with timekeeping and accounting standards. A DCAA representative may visit your company to interview employees and verify compliance through a “floor check.”

| Why is DCAA | compliance important?

Compliance is necessary for contractors to be eligible for DoD contracts. Non-compliance can lead to increased scrutiny and more frequent audits by the DCAA. Failure to comply can result in financial penalties, disallowed costs, and potential legal action.

| How can you maintain compliance?

Timekeeping and accounting procedures are found in the DCAA Audit Manual. Here are the key controls to maintain compliance:

Timesheet Preparation:

- Employees must record their time daily.
- Time should be recorded accurately on the timesheet and distributed correctly by project number, contract number, or other assignment identifiers.
- Any changes to the timesheet should identify the original and corrected times charges and include documentation indicating the employee's concurrence with the change.
- All hours worked, whether paid or not, must be recorded to ensure accurate computation of labor costs and associated overheads.
- Employees must certify the hours on the timesheet reflect the hours worked and the appropriate cost objective at the end of each work period.
- Employees are required to record all hours worked, whether they are paid or not. This is necessary because labor costs and associated overheads are affected by the total hours worked, not just the paid hours worked. Unpaid hours worked are termed "uncompensated overtime".

Timekeeping Policy:




- Supervisors should approve and cosign all timesheets.
- Supervisors are prohibited from completing an employee's timesheet unless the employee is on authorized leave or travel status. In such cases, the supervisor may prepare the timesheet, and the employee should attach their timesheet upon return.
- The nature of the work determines the proper time allocation, not the availability of funding or the type of contract.

Labor Charging System:

- Segregation of responsibilities for labor-related activities is essential.
- For example, the responsibility for timekeeping and payroll accounting should be separated.
- Procedures must be clear and reasonable to avoid confusion and misunderstanding regarding permissible actions.
- Maintenance of controls must be verified continually, and violations should be promptly remedied to serve as a deterrent to future violations.

How Rocketlane Helps Businesses Comply with DCAA

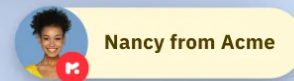
Timesheet Preparation Checklist:

 Employees must record their time daily	 All hours worked, whether paid or not, must be recorded
 Time should be recorded accurately on the timesheet	 Employees must certify the hours against a cost objective
 Any changes to the timesheet should identify the original and corrected timest	 Employees must record all hours worked, including overtime

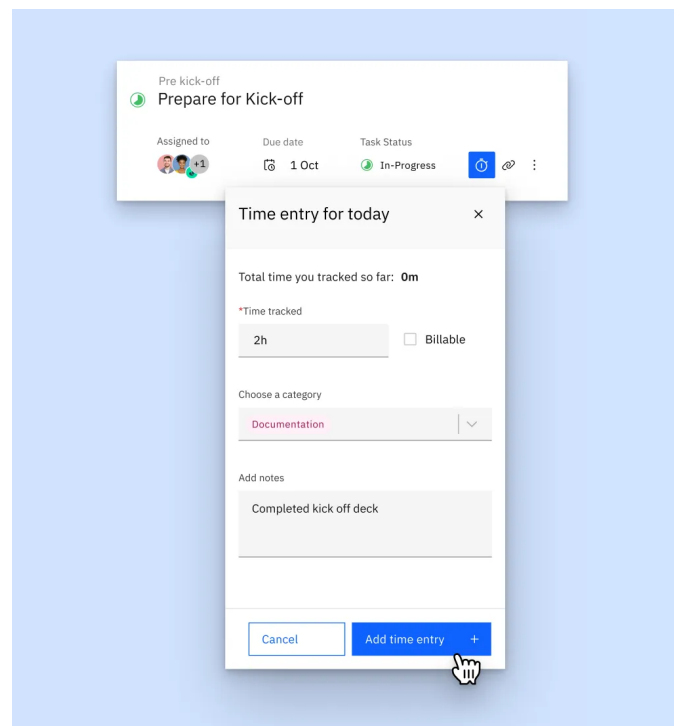
Timesheet Preparation with Rocketlane:

- Time can be reported daily against the appropriate projects and tasks. Individual entries can be marked as Billable or Non-Billable, allowing employees to track all hours worked, whether paid or not.
- Rocketlane manages the entire project plan and the tasks assigned to team members. The system has guardrails to prevent mistakenly reporting time on incorrect projects or tasks.
- You can configure the daily or weekly capacity of team members. If employees work overtime, they are allowed to report time beyond their configured capacity.




Tasks	Mon 05 Apr	Tue 06 Apr
✓ Sales & Presales Hand-off Modert - HRMS Onboarding	1h	-
✓ Kick off meeting Modert - HRMS Onboarding	-	1h 30m
✓ Workflow designing Acme 2 week onboarding	45m	-
✓ Interview Activity	45m	-
Total time	2h 30m	1h 30m



- Time can be reported daily against the appropriate projects and tasks. Individual entries can be marked as Billable or Non-Billable, allowing employees to track all hours worked, whether paid or not.
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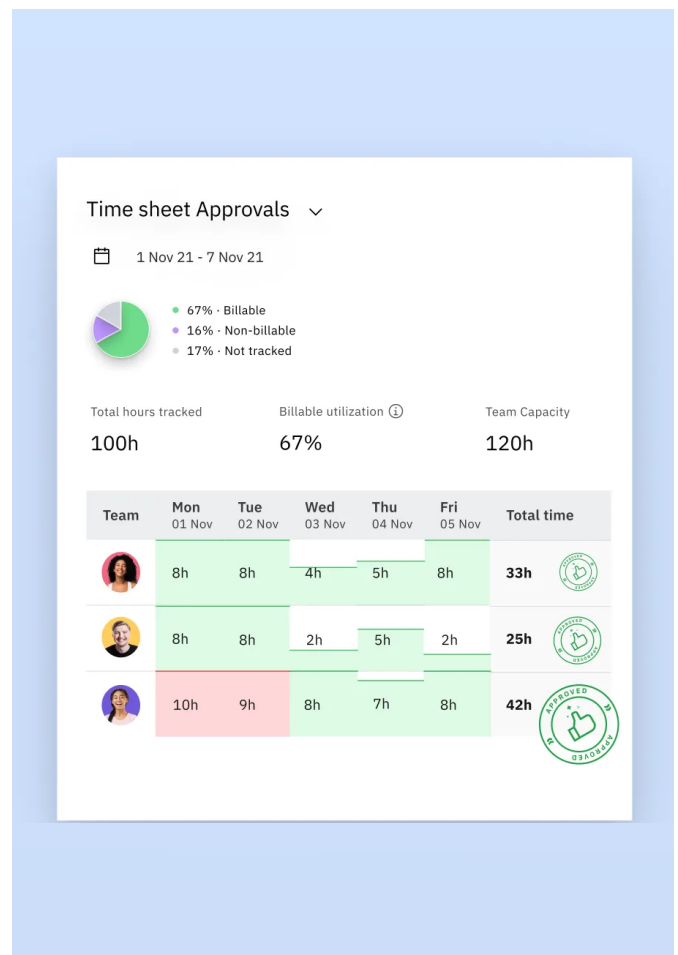


Timekeeping Policy Checklist:




 <p>Supervisors should approve and cosign all timesheets</p>	 <p>Supervisors are prohibited from completing an employee's timesheet</p>	 <p>The nature of the work determines the proper time allocation</p>
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Timekeeping Policy with Rocketlane:

- Timesheets in Rocketlane require an approval workflow. Administrators can configure who approves the timesheets using the Approval settings. Supervisors must approve timesheets after team members submit them. Time entries can be locked on approval or periodically, ensuring they are immutable.
- Rocketlane uses role-based access controls (RBAC) to ensure supervisors can review and approve timesheets but cannot make changes or additions to employees' timesheets.
- In Rocketlane, time entries are added against tasks or projects by default. This ties time entries to the nature of the work and the project type selected by the project owner, ensuring correct time allocation based on the work, not the budget.















Labor Charging System Checklist:

 <p>Segregation of responsibilities</p>	 <p>Procedures must be clear and reasonable to avoid confusion</p>	 <p>Maintenance of controls must be verified continually</p>
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Labor Charging System with Rocketlane:

- Rocketlane allows you to define and assign permissions for every team member. These permissions define what actions a team member can and cannot perform within the product.
- The timesheet filling and approval procedure is documented and provided to the team to avoid errors. Businesses can educate their employees about formal timekeeping procedures in Rocketlane and their access levels within the product.
- When a new person is added to the system, you can immediately configure their role's permissions and settings. The team member library enables continuous auditing to ensure everyone has the correct role and permissions. Additionally, all raw data is exportable for analysis to ensure compliance with the timekeeping policy.

Team member (55) ↑	Permission	Timesheet approver	Weekly capacity
 Doctor Dre	Account Admin	 Admins	40h 00m
 Douglas Hoffmann	Account Member	 Sam Karp	40h 00m
 Frances Carlock	Account Member	 Leonor Southward	40h 00m
 Geoff Gebhardt	Account Admin	 Admins	40h 00m
 Gerald Derosa	Account Member	 Leonor Southward	40h 00m
 Gregory Canizales	Account Admin	 Admins	40h 00m

At Rocketlane, we understand the critical importance of DCAA compliance for organizations. Our platform is designed to help you meet all DCAA requirements effortlessly, ensuring your timekeeping and labor charging systems are accurate, transparent, and auditable.

With Rocketlane, you can confidently manage your projects, knowing that your compliance needs are fully addressed.

For any further questions or assistance regarding DCAA compliance and how Rocketlane can support your specific needs, please reach out to us at sales@rocketlane.com