

# Kronos Workforce AutoTime

Helping you achieve compliance with DCAA audit requirements

## What is DCAA?

### About DCAA

The Defense Contract Audit Agency (DCAA) (dcaa.mil) provides audit and financial advisory services to the Department of Defense (DoD) and other federal entities responsible for acquisition and contract administration. DCAA operates under the authority, direction, and control of the under secretary of defense (comptroller)/chief financial officer.

### Mission

As a key member of the government acquisition team, DCAA is a dedicated steward of taxpayer dollars that delivers high-quality contract audits and services to ensure that warfighters get what they need at fair and reasonable prices.

### History

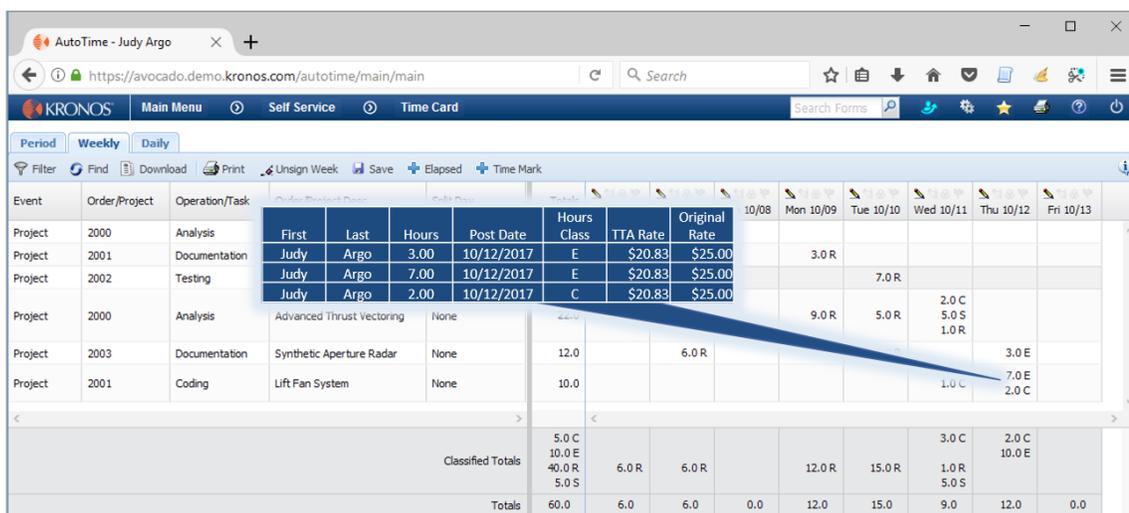
Prior to 1965, each U.S. military branch had separate contract audit functions and regulations. Contractors and government personnel recognized the need for consistency, and Secretary of Defense Robert S. McNamara instituted "Project 60" in May 1962 to examine whether it was feasible to centrally manage contract administration and audit activities. An outcome of this study was the decision to establish a single contract audit capability, the Defense Contract Audit Agency. DCAA began providing audit and financial advisory services to government contracting officials on July 1, 1965.

## What is DCAA compliance?

- When DCAA performs an audit or a pre-award survey of a government contractor, it is assessing the contractor's compliance with the Federal Acquisition Regulation (FAR).
- FAR provides policies and procedures that government acquisition officials and contractors must follow in the procurement process for goods and services.
- FAR, together with agency supplemental regulations (e.g., the Department of Defense Federal Acquisition Regulation Supplement (DFARS), which applies to all Defense components), cost accounting standards (CAS), and specific contractual provisions, should be the primary guidelines for contractors' conduct in administering contracts.

## What are DCAA audit interests?

- DCAA is concerned with identifying and evaluating all activities that either contribute to or have an impact on proposed or incurred costs of government contracts.
- DCAA evaluates contractors' financial policies, procedures, and internal controls.
- DCAA also performs audits that identify opportunities for contractors to reduce or avoid costs (operations audits).



Event	Order/Project	Operation/Task	First	Last	Hours	Post Date	Hours Class	TTA Rate	Original Rate	10/08	Mon 10/09	Tue 10/10	Wed 10/11	Thu 10/12	Fri 10/13
Project	2000	Analysis	Judy	Argo	3.00	10/12/2017	E	\$20.83	\$25.00		3.0 R				
Project	2001	Documentation	Judy	Argo	7.00	10/12/2017	E	\$20.83	\$25.00			7.0 R			
Project	2002	Testing	Judy	Argo	2.00	10/12/2017	C	\$20.83	\$25.00						
Project	2000	Analysis	Advanced Thrust Vectoring		None						9.0 R	5.0 R	2.0 C 5.0 S 1.0 R		
Project	2003	Documentation	Synthetic Aperture Radar		None		12.0								3.0 E
Project	2001	Coding	Lift Fan System		None		10.0							1.0 C	7.0 E 2.0 C
Classified Totals															
Totals							60.0	6.0	6.0	0.0	12.0	15.0	9.0	12.0	0.0

Tracking compensated and uncompensated labor supports automation of total time accounting calculations.

### What are DCAA's major areas of emphasis?

DCAA focuses on the following areas:

- Business systems
- Management policies and procedures
- Accuracy and reasonableness of contractors' forward pricing and incurred cost representations
- Adequacy and reliability of records and accounting systems
- Contractor compliance with contractual provisions having accounting or financial significance
- DCAA's audits are generally limited to pricing actions and contracts that fall under FAR Part 15, Contracting by Negotiation

### What happens if I fail a DCAA audit?

Organizations that fail a DCAA audit face severe consequences. Failing a DCAA audit or submitting inconsistent or false labor information can have the following possible impacts:

- Loss of existing contracts and ineligibility for future contracts
- Criminal charges
- Monetary penalties
- Unfavorable judgment under the False Claims Act

### How can Kronos Workforce AutoTime help with DCAA audits?

The Kronos Workforce AutoTime™ solution:

- Reconciles payroll time and labor in real time
- Provides comprehensive audit trails that identify when records are updated and by whom
- Supports historic edits or prior-period adjustments with a full audit trail
- Offers increased functionality for labor distribution and costing
- Enables clear processes for review and approval of submitted time
- Allows configurability for unique labor rules and policies, and the ability to assign different levels of security within the system to employees and supervisors
- Integrates seamlessly with well-known ERP systems to maintain data integrity
- Accommodates labor tracking for every employee, including temporary workers, and reduces the risk of potential fraud and misreporting of labor expenses
- Provides built-in system reports and ad hoc reporting capabilities
- Supports automation of total time accounting calculations by tracking compensated and uncompensated labor

**Timecard Edit Supervisor Report**

Start Date: 01/01/2018  
End Date: 06/12/2018  
Print Date: 06/12/2018 07:24:24 PM

Event	Posting Date	Start Timestamp	End Timestamp	Total Hours	Cancelled By	Cancel Date
<b>King, Jim</b>						
100	Stone, Debbie					
CLOCK	05/16/2018	06:15:09 AM	02:01:09 PM	0.0	King, Jim	05/23/2018 11:40:12 AM
PROJECT	05/16/2018	06:15:09 AM	02:01:09 PM	7.2	King, Jim	05/23/2018 11:40:12 AM
PROJECT	05/16/2018	02:01:09 PM	02:01:09 PM	0.0	King, Jim	05/23/2018 11:40:12 AM
MEAL	05/16/2018	11:00:00 AM	11:30:00 AM	0.5	King, Jim	05/23/2018 11:41:05 AM
Idle Time	05/16/2018	02:01:09 PM	06:01:09 PM	4.0	King, Jim	05/23/2018 11:41:06 AM
PROJECT	05/16/2018	02:01:09 PM	02:01:09 PM	0.0	King, Jim	05/23/2018 11:41:07 AM
Late Arrival	05/29/2018	06:30:00 AM	01:11:29 PM	6.6	King, Jim	05/29/2018 01:25:06 PM
Late Arrival	05/29/2018	07:00:00 AM	01:11:29 PM	6.1	King, Jim	05/29/2018 02:13:36 PM
CLOCK	05/29/2018	01:11:29 PM		0.0	King, Jim	05/29/2018 02:13:37 PM
Late Arrival	06/12/2018	06:30:00 AM	07:00:00 AM	0.5	King, Jim	06/12/2018 09:58:08 AM
MEAL	06/12/2018	11:00:00 AM	11:30:00 AM	0.5	King, Jim	06/12/2018 05:00:36 PM
WORKORDER	06/12/2018	07:00:00 AM	04:58:50 PM	9.4	King, Jim	06/12/2018 05:00:38 PM
<b>Argo, Judy</b>						
200	Argo, Judy					
Projects	05/11/2018	12:00:00 AM	12:00:00 AM	4.0	King, Jim	05/18/2018 09:14:19 AM
Projects	05/17/2018	12:00:00 AM	12:00:00 AM	8.0	King, Jim	05/18/2018 09:14:53 AM
Projects	05/17/2018	12:00:00 AM	12:00:00 AM	1.0	King, Jim	05/18/2018 09:14:53 AM
Projects	05/11/2018	12:00:00 AM	12:00:00 AM	8.0	King, Jim	05/18/2018 09:14:53 AM

Integrated report shows all timecard edits performed by a supervisor.

**Details**

Trans Details | Trans Duration | Trans Duration Dtl

Find | Download

Fields	Values
Transaction ID	4747544
Updated By	Debbie Stone
Quantity Compl...	10.0
Order Num	1000
Order Desc	Job 1000
Operation Num	10
Op Desc	Assemble Kit
Posting Date	6-12-2018
Pay Date	6-12-2018
Total Hours	9.97
Start Timestamp	7:00
End Timestamp	16:58
Start Rnd Times...	7:00
End Rnd Timest...	16:58
Cancelled By	Debbie Stone
Event	Work Order (WORKORDER)
Trans Timezone	America/New_York
Facility Code	Chelmsford
Cancel Type	C
Adjusts Trans ID	4747540
Adjuster Trans ID	4747548
Update Date	17:05
Op Comp	No
Activity Num	10
Activity Desc	Assembly Labor

Full audit log information is available directly from the timecard.

General Audit Requirements	Example of a Kronos Workforce AutoTime Use Case
<b>Management Review</b>	Kronos Workforce AutoTime's intuitive management review feature gives managers a real-time view into their employees' labor activities and provides all necessary details for the review process.
<b>Employee Awareness Training</b>	Organizations can deliver messages to employees right at the time clock or send messages through the web, ensuring that employees are updated on system changes or any timekeeping requirements.
<b>Labor Authorization/Approvals</b>	Managers can electronically sign employee timecards to approve the labor — a method long accepted by DCAA. Charge element filtration functionality lets managers preauthorize which jobs an employee may charge.
<b>Timekeeping</b>	Integrated timesheets display all payroll and labor information in a single screen and automatically reconcile all time and labor charges.
<b>Labor Distribution</b>	Companies need to prove where work was performed, who performed it, and what each employee accomplished. Kronos Workforce AutoTime simplifies this process and enables employees to be more efficient, facilitating the collection of labor data and automatically transmitting it to an ERP system. Workforce AutoTime helps capture accurate data, supporting better business decisions.
<b>Labor Cost Accounting</b>	Reconciling payroll and labor charges for exempt employees makes achieving DCAA compliance more complex. Kronos Workforce AutoTime addresses this problem with its configurable total time accounting module, ensuring that every labor charge for the pay period will receive a prorated portion of payroll charges. This prevents projects from going without cost allocation.
<b>Payroll Preparation and Payment</b>	With a robust rules engine that accurately calculates total hours and premium classifications earned by each employee, as well as a seamless integration that transmits payroll information to the payroll provider, Kronos Workforce AutoTime supports the payroll process from start to finish.
<b>Labor Transfers and Adjustments</b>	Employees are expected to track their labor as they perform it in real time, but often an employee works on several different jobs in the same day. This introduces the possibility of timekeeping mistakes, so it's essential to have a software audit trail of all labor adjustments. Kronos Workforce AutoTime provides this information by recording who made the change, when it was made, and why.

*The content of this datasheet is not intended as legal advice. Kronos makes no representation concerning the accuracy or completeness of the discussion concerning any law or regulation referenced herein. You should consult with your own attorney if you have questions about the content or applicability of these laws and regulations.*

Put Kronos Workforce AutoTime to work for you:  
**+1 800 225 1561 | [kronos.com/industry-solutions/aerospace-and-defense](https://kronos.com/industry-solutions/aerospace-and-defense)**