



DCAA SuiteBundle Datasheet



The government contracting industry is one of the largest in the world. It is currently worth 600-700 billion dollars and is growing each and every day. The Defense Contract Audit Agency (DCAA), is responsible for monitoring and auditing such government contracts to ensure that taxpayer money is spent properly and ethically.

The base NetSuite product is a GAAP compliant accounting system and has the capability to record project-specific GL transactions for timekeeping and accounts payable. However, there are key regulations where NetSuite does not comply. Our DCAA Compliance SuiteBundle is built directly into NetSuite to supplement the functionality needed to remain DCAA compliant. Implementation of our DCAA SuiteBundle can occur during or post NetSuite base implementation.

Variable Control

It is to be expected that each company conducts business in a different fashion often with their own unique policies. Our DCAA Compliance SuiteBundle functions to control common variables across businesses. During application implementation, company-specific preferences and details will be configured and retained. Doing so will allow for the application to handle multiple compliant practices without a need for restructuring accounts or reimplementing projects for a simpler implementation.



Timekeeping



Cost Accounting
(Indirect vs.
Direct Costing)



Reporting

Timekeeping

Timekeeping is one of the most prominent requirement areas for DCAA compliance and best practice would be a fully integrated time and accounting system, cue NetSuite.

The following data elements are important to be available for tracking:

- Project Code
- Task
- Expense Account (Cost Pool)
- Hours per Task



The native NetSuite timesheet contains this information, but the base time tracking module does not support all time tracking DCAA requirements.

The below additional requirements are supported in our DCAA SuiteBundle:

Time tracking is essential for DCAA compliance, as the data entered on timesheets will be the base for DCAA-compliant reporting.

REQUIREMENT	NET SUITE SOLUTION
Time Reporting	NetSuite native reporting features will be utilized to list delinquent time entries that violate DCAA policy. The frequency and recipients are flexible and will be configured during implementation.
Daily Time Entry	Restrictions will be applied to the timesheet records to prevent invalid time entries that violate DCAA user entry and timesheet date policies.
Time Approval	The application will include a timesheet approval workflow that will route timesheets in a DCAA compliant manner.
Time Entry Updates	When a time entry is updated: <ol style="list-style-type: none">1. The time entry will be re-routed through the approval process.2. The user will be required to enter details to be compliant with audit regulations.
Cost Pool Association	Base SuiteBundle setup will associate tasks, items, and accounts to cost pools. This information will trickle down to timesheets for simplified reporting.
Employee Training	Time entry training materials will be stored within the NetSuite file cabinet and will be easily accessible on relevant time pages.

Cost Pools

To qualify as DCAA compliant, a company must classify their costs as direct or indirect. The direct costs will be grouped into a Direct Cost Pool and the indirect costs will be grouped into multiple Indirect Cost Pools.

The standard indirect cost pool types are:

- Fringe
- Overhead
- G&A



A majority of the DCAA compliant reports include organization and grouping by cost pool.

To accommodate this need, our DCAA Compliance SuiteBundle creates cost pool linkage for accounts in NetSuite. Doing so allows for proper segmentation when generating reports.

Labor Distribution

The Labor Distribution report will display the hours worked and the cost for each employee. The information is segmented by project and by cost pool, as shown in the sample below.

Executed on: Wed Mar 18 2020 16:56:53 PDT							
Criteria							
Start: Sun Mar 01 2020 00:00:00 PDT							
End: Tue Mar 31 2020 00:00:00 PDT							
Labor Distribution Report							
Direct Labor							
	Account	Type	Date	Item	Labor Cost	Hours	Amount
32 DCAA Direct Labor							
	6112 Direct Labor DCAA	Paycheck	3/15/20	Engineer	21.77	48	1045.15
	6113 Employee Overtime	Paycheck	3/31/20	Engineer	21.77	36	783.86
32 DCAA Direct Labor Total						84	1829.02
34 Financial Installment							
	6112 Direct Labor DCAA	Paycheck	3/1/20	Business Analyst	12.5	40	500
	6112 Direct Labor DCAA	Paycheck	3/15/20	Business Analyst	12.5	40	500
	6112 Direct Labor DCAA	Paycheck	3/15/20	Engineer	25	30	750
	6112 Direct Labor DCAA	Paycheck	3/31/20	Engineer	25	10	250
34 Financial Installment Total						120	2000
Total Direct Labor						204	3829.02
Fringe							
	Account	Type	Date	Item	Labor Cost	Hours	Amount
33 Internal Fringe							
	6130 Sick and Vacation	Paycheck	3/15/20	Engineer	125	8	1000
	6130 Sick and Vacation	Paycheck	3/15/20	Engineer	21.77	32	696.77
	6130 Sick and Vacation	Paycheck	3/31/20	Engineer	21.77	8	174.19
33 Internal Fringe Total						48	1870.96
Fringe Total						48	2045.15
Total						252	5874.17



To comply with historical report policies, we have configured employee payroll details in a manner to support back dating the Labor Distribution report.

On-Demand Reporting

Our DCAA Compliance SuiteBundle contains an on-demand reporting tool, which provides flexibility to produce reports with specified criteria.

The user will be able to meet prompt reporting deadlines during audits on standard and non-standard date ranges. Reports will be generated in either CSV or PDF format and the type will be restricted based on DCAA compliance rules.

The following report types will be available in Version 1 of our DCAA Compliance SuiteBundle:

- Labor Distribution
- Indirect Cost Rate (incl. of Cost Pool Rates & Allocations)
- Contract Costs
- Contract Status Report





Our cost reporting is fully compliant with both the government accounting system requirements and with DCAA audit expectations.

Run On Demand Report

INSTRUCTIONS
Navigate to a tab, select criteria and then click the submission button to retrieve a report with your desired criteria

Indirect Cost | **Labor Distribution**

Labor Distribution Criteria

START DATE *	END DATE *	GROUP BY
3/1/2020	3/14/2020	Project

Quick Solutions

“Caravel helps clients make the most out of every dollar spent. Our team has spent two decades building an efficient, templated model letting our clients arrive at the right answers quickly and in the most cost-effective manner so they can spend most of their time adopting the actual solutions versus over analyzing a problem that ahas already been solved for other companies.”

Scott P. Curry, Managing Partner, Caravel

About Caravel

Caravel has served more than 500 clients over the past decade, providing a comprehensive range of services, including accounting, strategy, business processes and technology selection. Our commitment to excellence drives us to continually improve and refine our approach, helping our clients solve complex problems with modern tools.

Caravel is proud to be a part of the technology services group of BPM LLP, a top 40 accounting and advisory firm. With our team by your side, you can unlock your business's true potential and drive success in an ever-evolving marketplace.