



DCAA Compliance



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The table below summarizes the DCAA requirements and how Core addresses them. The requirements are based on the DCAA publication, Information for Contractors.

 For more information about the DCAA related publications, please check [DCAA website](#) and [DCAA Blog](#).

Area	DCAA Requirements	Core Solution
EMPLOYEE AWARENESS PROGRAM	1. Make employees aware of their responsibilities and train them in accurate time card preparation.	1. Core training programs, consulting and documentation for managers and employees
SEPARATION OF RESPONSIBILITIES	1. Supervisors responsible for project budgets and contracts cannot initiate employee time charges. 2. Separate responsibilities for labor-related activities and payroll accounting. Persons independent of timekeeping must prepare payrolls.	1. Set security profiles for employees to segregate responsibilities. 2. Core does not have built-in payroll capabilities. It integrates data with other accounting systems that can handle payroll. Internal procedures enhance this natural separation.
TIME CARD PREPARATION	1. Provide detailed instructions for time card preparation through a timekeeping manual or company procedure. 2. Record time on a daily basis by the employee who performs the task. 3. Use a remote data entry terminal for an automated timekeeping system, if appropriate. 4. Record all timekeeper hours, whether paid or not. 5. If shared, split resource time charges across multiple projects.	1. Has detailed instructions and videos for time and expense entry. 2. Can record and submit time entries on a daily basis. 3. Core is a web application that can be used on any device, anywhere and also has a mobile app for remote data entry. 4. Track all hours worked – billable, non-billable, overtime, extra time and personal time. 5. Charge time to one or multiple projects or phases.



Area	DCAA Requirements	Core Solution
LABOR DISTRIBUTION	<ol style="list-style-type: none">1. Charge direct and indirect labor to appropriate cost objectives. Allocate costs to appropriate cost objectives.2. Track employee time by work activity. Correct distribution of time by project or contract number or name, labor hours, rates and cost by category, or other identifiers.3. Provide a list of projects and their descriptions to employees for accurate time tracking.	<ol style="list-style-type: none">1. By design, charge hours to specific tasks, projects, contracts and clients with direct allocation of costs to projects, contract and expense types.2. Track employee time by activity (task). Captured time includes date, project ID and name, activity description, hours worked, cost and bill rates, cost and bill amount, and billable or non-billable status. Support for detailed memos.3. Drop-downs with pre-defined Project and Activity IDs and descriptions. Project lists available as a report and PDF file. Project Assignments and Employee Control assign projects, activities and expenses to employees to ensure accurate and faster time entry.
LABOR AUTHORIZATION AND APPROVAL	<ol style="list-style-type: none">1. Supervisory approval of employee time sheets. Multi-level approval process. Reportable audit trail of changes and approvals.2. Corrections to time sheets by employees only, then documented, authorized, and approved by supervisor.	<ol style="list-style-type: none">1. Requires approval of time sheets for billing. Support for multi-level and automated submission-approval workflow. Audit Trail feature coming up soon!2. Option to set disclaimer for employees, which they have to certify before submitting time and expenses for approval.3. Who can add and edit entries is controlled by security. Employees record and edit time entries, and supervisors approve or reject them. After being approved, entries cannot be changed.
RATES	<ol style="list-style-type: none">1. Define rates for employees and override with specific task-based rates. Capture changes in an audit trail.	<ol style="list-style-type: none">1. Support for standard bill and cost rates for employees and activity items as well as special rates defined in a fee schedule. Rates can also be set up on employee classification, title or labor category. Audit Trail feature coming up soon!



Area	DCAA Requirements	Core Solution
COST ACCOUNTING	<ol style="list-style-type: none">1. <i>Comply with Cost Accounting Standards, accounting principles, and contract terms and clauses.</i>2. <i>Segregate direct/project costs from indirect/overhead costs.</i>3. <i>Substantiate costs by retaining records for 3 years after final contract billing.</i>4. <i>Exclude unallowable costs.</i>	<ol style="list-style-type: none">1. Captures required cost accounting details and allows you to define administrative settings at company, project and individual levels.2. Segregates project and overhead costs based on contract type and identifies them by item or unit. Set up Chart of Accounts and cost pools to segregate direct and indirect costs.3. Stores data on a safe and secure cloud server.4. Exclude expenses from the contract amount or make unallowable time and expense non-billable.
SECURITY	<ol style="list-style-type: none">1. <i>Monitor overall integrity of timekeeping system—password security, audit trail of logins and logouts, documentation and approval of labor transfers, adjustments of labor distribution, review and correction of labor errors, edits to time sheet, and so on.</i>	<ol style="list-style-type: none">1. Security monitors overall integrity of timekeeping system—secure login, strong passwords, role-based security permissions for screens and reports, confidentiality of sensitive information with Employee Control, documentation of actions or decisions using project notes, messages and memos, submission-approval workflow for time, authorized review and editing of time data, and adjustments to time sheets using negative hours. Audit Trail feature coming up soon!

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