



TRICARE  
MANAGEMENT  
ACTIVITY

**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE  
HEALTH AFFAIRS  
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**TRICARE ACQUISITION DIRECTIVE**

**TAD 42-03, Rev 000  
June 28, 2012**

**SUBJECT: CONTRACT AUDIT FOLLOW-UP**

- References:
- (a) TRICARE Acquisition Practice 15-05, "Contract Audit Follow Up," July 9, 2007 (hereby rescinded).
  - (b) [Department of Defense Instruction 7640.02, "Policy for Follow-up on Contract Audit Reports," August 22, 2008.](#)
  - (c) [Defense Contract Management Agency "Contract Audit Follow-up eTool Guide and Manual," current edition.](#)
  - (d) [Federal Acquisition Regulation Part 42, "Contract Administration and Audit Services," current edition.](#)

1. PURPOSE. The purpose of this TRICARE Acquisition Directive (Directive) is to establish policy and mandatory procedures for conducting Contract Audit Follow-up (CAFU) in accordance with References (b) through (d). Reference (a) is hereby rescinded.

2. APPLICABILITY. This Directive applies to all members of the TRICARE Management Activity (TMA) acquisition workforce that participate in the procurement of supplies and services awarded by a TMA contracting office.

3. DEFINITIONS.

3.1. CAFU Monitor. A TMA Cost/Price Analyst who serves as the TMA point of contact for contract audit reporting.

3.2. Other terms used in this Directive are defined in Reference (b).

4. POLICY. It is TMA policy that:

4.1. The Contracting Officer (CO) shall ensure the timely disposition and resolution of reportable audits (Enclosure 5 of Reference b) issued by the Defense Contract Audit Agency (DCAA) for which he/she is responsible.

4.2. The CO shall track and report the status of all outstanding reportable audits, from receipt through disposition, in accordance with the requirement in Enclosure 3 of Reference (b). The CO shall use the Defense Contract Management Agency (DCMA) electronic CAFU system described in Reference (c) to track and report status.

4.3. The CO shall resolve all audits within six (6) months of the audit report date and accomplish disposition of the audit within twelve (12) months, in accordance with Reference (b).

4.3.1 The CO shall coordinate the final resolution or disposition with the responsible Contracting Office Division Chief/Director, or designee, prior to placing information in the DCMA electronic CAFU system.

4.3.2 When the audit is resolved or dispositioned, the CO shall notify the CAFU Monitor.

4.3.3 For audit resolution or disposition exceeding the time requirements, the CO shall document actions taken to achieve resolution or disposition on a monthly basis and coordinate the documentation with the responsible Contracting Office Division Chief/Director.

4.4. The Chief, Contract Policy and Pricing Branch shall designate a TMA CAFU Monitor.

4.5. The CAFU Monitor shall verify that the required information for TMA reportable audits has been entered into the DCMA electronic CAFU system. The verification shall be completed prior to the semi-annual CAFU report submission required by Reference (b). The semi-annual CAFU report is generated by the DCMA electronic CAFU system and automatically submitted to the Department of Defense Inspector General the end of each 6-month period ending March 31 and September 30.

## 5. RESPONSIBILITIES.

5.1 CAFU Monitor. The CAFU Monitor shall:

5.1.1. Monitor all assigned reportable TMA audits subject to this Directive; and

5.1.2. Ensure the information in the DCMA electronic CAFU system is current and is reflected in the semi-annual report.

5.2 CO. The CO shall:

5.2.1. Track and report the status on reportable audits from receipt through disposition;

5.2.2. Ensure the accuracy of information in the DCMA electronic CAFU system; and

5.2.3. Notify the CAFU Monitor when an audit is resolved or dispositioned.

6. EFFECTIVE DATE. This Directive is effective immediately.

*Michael W. O'Bar*

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and Support