Navigating the risks of government contracting with knowledge, insight and experience


Companies that seek to successfully contract with the US government must comply with complex and changing government contracting rules and regulations. For new or prospective market entrants, initial challenges may include establishing compliant cost accounting practices and pricing, as well as demonstrating eligibility for contract award. For existing contractors, challenges include demonstrating ongoing compliance with contract requirements, defending against adverse government audit findings, and—where necessary—pursuing equitable contract changes or claims.

Deloitte Risk and Financial Advisory’s Government Contract Advisory Services team has a demonstrated track record of helping government contractors navigate risks and opportunities and lead within this highly regulated environment.

Services and solutions

Advice on contract requirements: Interpretation of government contract requirements, including the federal acquisition regulation (FAR); cost accounting standards (CAS); agency FAR supplements, such as the defense federal acquisition supplement (DFARS); and other contract requirements.

Proposal and pricing support: Assistance in preparing proposals, including evaluation of solicitation requirements, forward pricing rates development, proposal pricing, proposal review team support, proposal compliance analysis, proposal audit support, and contract negotiations advice.
Who is protecting you from government contracting risks?

**Contract cost accounting and compliance support:** Advice related to accounting for contractor costs in compliance with applicable CAS and regulations, such as evaluating cost accounting practice compliance, preparing or validating contractor-incurred cost proposals, and quantifying contract cost impacts of cost accounting practice changes.

**Compliance capabilities development:** Assistance in developing contract compliance capabilities needed to support contractor business strategy, including identifying contract compliance and bid eligibility requirements; conducting capabilities gap analyses and preparing capabilities development project plans; assisting in the identification and evaluation of permissible cost accounting practices; preparing Cost Accounting Standards Board (CASB) disclosure statements; and developing compliance processes, policies, and procedures.

**Audit readiness evaluation:** Evaluation of audit readiness and support in preparing for government audits or reviews, such as pre-award accounting system surveys, proposal audits, incurred cost submission adequacy evaluations and audits, DFARS contractor business systems compliance audits and reviews, and CASB disclosure statement audits.

**Government audit support:** Assistance in managing risks of government audits, such as providing strategic guidance in responding to auditor requests and preparing responses, evaluating audit report findings, developing positions and responses to adverse audit findings, and providing advice on contractor strategies for settling or resolving adverse audit finding issues.

**Compliance risk management and governance:** Support in establishing government contract compliance risk management and controls practices that provide timely identification, intervention, monitoring, and resolution of emerging contract compliance risks and threats.

**Contract claims and dispute support:** Assistance in protecting contractor entitlements to equitable compensation for contract changes and in-contract disputes, such as identification of contract change fact patterns, cost or price impact analyses, request for equitable adjustment preparation, claim preparation support, and expert witness report preparation and testimony.

**Transaction support:** Pre- and post-close government contractor acquisition and divestiture transaction support, such as acquisition target contract compliance risk due diligence, quantification and estimation of contracts-related financial risks, evaluation of balance sheet risk reserves, providing guidance on purchase agreement terms, integration and carve-out transition support, and Department of Defense external restructuring proposal development.

**Training:** Compliance training from fundamentals of government contracting for executive management to detailed training on topics, such as cost accounting standards, contractor business systems, and recent regulatory changes.

**Contacts:**

Mark Burroughs  
Managing Director  
Deloitte Risk and Financial Advisory  
Deloitte & Touche LLP  
+1 571 766 7062  
Mobile: + 1 571 239 5081  
mburroughs@deloitte.com

Jason Popovic  
Senior Manager  
Deloitte Risk and Financial Advisory  
Deloitte & Touche LLP  
+1 571 766 7486  
jpopovic@deloitte.com

David King  
Senior Manager  
Deloitte Risk and Financial Advisory  
Deloitte & Touche LLP  
+1 571 766 7006  
davking@deloitte.com

*About Deloitte*

As used in this document, “Deloitte Risk and Financial Advisory” means Deloitte & Touche LLP, which provides audit and risk advisory services; Deloitte Financial Advisory Services LLP, which provides forensic, dispute, and other consulting services; and its affiliate, Deloitte Transactions and Business Analytics LLP, which provides a wide range of advisory and analytics services. These entities are separate subsidiaries of Deloitte LLP. Please see www.deloitte.com/us/about for a detailed description of our legal structure. Certain services may not be available to attest clients under the rules and regulations of public accounting.

This document contains general information only and Deloitte Risk and Financial Advisory is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte Risk and Financial Advisory shall not be responsible for any loss sustained by any person who relies on this document.

Copyright © 2017 Deloitte Development LLC. All rights reserved.