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GovCon Insights April 2026

Featured Articles

DCAA Audit Readiness Series

As we continue our 8-part series, April focuses on two of the most critical audit areas: labor and indirect costs.

DCAA Audit Readiness Series #3: Common DCAA Findings (and How to Avoid Them)

A breakdown of the most frequent audit findings, including unsupported costs, weak internal controls, and documentation gaps, and how contractors can proactively prevent them.

DCAA Audit Readiness Series #4: Timekeeping & Labor Compliance Red Flags

An in-depth look at labor risks such as late time entry, improper corrections, and lack of supervisor review, along with best practices to ensure compliance.



Welcome Message

from VSINGH CPA!

Welcome to the April edition of GovCon Insights from VSINGH CPA.

As we move into Q2, April is a critical time for government contractors to shift from evaluation to execution. The first quarter often reveals gaps in timekeeping, cost tracking, and internal controls—but now is when those insights must turn into action. Addressing these areas early in Q2 allows contractors to strengthen processes before mid-year pressure builds and audit risks increase.

This month, we continue our DCAA Audit Readiness Series, focusing on areas that frequently create challenges during audits particularly labor compliance and indirect rate structures. These are two of the most scrutinized areas by auditors and often the root cause of findings when not managed properly.

At VSINGH CPA, our goal is to provide practical, real-world guidance that helps government contractors stay compliant, organized, and prepared. We hope this month's newsletter helps you move from awareness to implementation as you build stronger systems throughout the year.

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Why Q2 Is the Time to Strengthen Internal Controls

A practical shift from review to execution.

By April, most government contractors have already identified areas where processes may not be operating as intended. The challenge now is not identifying issues but correcting them before they become audit findings.

Q2 is the ideal time to formalize internal controls around labor, cost tracking, and documentation. This includes reinforcing daily timekeeping practices, ensuring costs are properly classified, and maintaining clear audit trails for all transactions.

It is also important to revisit indirect rate structures and confirm that pools and bases are being applied consistently. Small inconsistencies early in the year can compound into larger issues during incurred cost submissions or audits.

Strong internal controls are not built overnight they are developed through consistency, accountability, and ongoing review. Contractors who take action in Q2 are far better positioned to avoid surprises later in the year and approach audits with confidence.



Quick GovCon Tips

Reinforce daily timekeeping and require timely supervisor approvals

Ensure all labor corrections include proper documentation and audit trails

Review indirect cost pools and confirm consistent allocation methods

Identify any unallowable costs early and remove them from billings

Reconcile billed costs to the general ledger on a monthly basis

Assign clear ownership for compliance and audit preparation tasks

Events

Where We've Been

March

March 11, 2026 — Training Academy and DC Engagement March Dinner (NVSBC)

March 13, 2026 — GovCon Networking Event (Virginia APEX Accelerator)

Where We're Going

April

April 20-23, 2026 — Unanet Champions Conference (San Diego, CA)

Vikram Singh will be speaking at the conference:
April 21, 2026 1:30 PM - 2:20 PM (PST)

Session: From Compliance to Confidence: Achieving DCAA Audit Readiness with Unanet

This session will focus on how government contractors can strengthen their accounting systems, improve internal controls, and move beyond compliance challenges to achieve audit readiness with confidence.

Learn more about the conference:
<https://unanet.com/champions-conference-2026>



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