



PDANN 097/18
ISN 31343

Contract Audit of
PRICE, WILLIAMS AND ASSOCIATES, INC.
Contract No. AID/DSAN-C-0266

Audit Report No. 0-000-83-92

July 26, 1983

Contract Audit Of
PRICE, WILLIAMS AND ASSOCIATES, INCORPORATED
Contract No. AID/DSAN-C-0266

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Introduction

The Office of the Regional Inspector General for Audit/Washington (RIG/A/W) reviewed a report issued by the Defense Contract Audit Agency (DCAA) on an examination of the above contract with Price, Williams and Associates, Inc.

The purposes of the audit were to determine the acceptability of the direct costs and to determine the acceptable indirect expense rates for Fiscal Year ended February 28, 1982.

Contract Information

A summary of contract data is shown in Exhibit A, the status of contract funds is shown in Exhibit B, and a summary of costs claimed, questioned, and accepted is shown in Exhibit C.

Contract Costs

The Defense Contract Audit Agency audited costs and fixed fee totaling \$28,499 claimed by Price, Williams and Associates, Inc., during the period February 23, 1981 through February 28, 1982. Based on this examination, we have accepted costs and fixed fee in the amount of \$28,758. The balance of \$259 represents an upward audit adjustment, comprised as follows:

Overhead Expense Questioned	\$198
Additional G&A Expense Due Contractor	<u>(457)</u>
Additional Cost Due Contractor	<u>\$(259)</u>

Recommendation No. 1

The Office of Contract Management (M/SER/CM) should review the above finding and take appropriate action to resolve the \$259 in costs due the contractor.

Indirect Expense Rates

Based on the contractor's overhead and G&A submissions for Fiscal Year ended February 28, 1982, DCAA recommends acceptance of the following rates:

Overhead Rate	36.12%
G&A Rate	7.9%

Recommendation No. 2

The Office of Contract Management (M/SER/CM) should take appropriate action to finalize the recommended indirect cost rates for Fiscal Year ended February 28, 1982.

**Contract Audit of
PRICE, WILLIAMS AND ASSOCIATES, INC.**

**Exhibit A
Summary of Contract Data**

Contract Number :	AID/DSAN-C-0266
Contract Ceiling:	\$93,058
Expiration Date :	June 30, 1983
Project Number :	360-0008
Project Title :	Social Sciences Analysis
Audit Period :	Fiscal Year Ended 2/28/82
Type of Audit :	Interim

**Exhibit B
Status of Contract Funds**

Contract Ceiling		\$93,058
Amount Reimbursed:		
Costs Audited-		
Approved Prior Audit	\$ -0-	
Approved Current Audit	26,647	
Unaudited Costs	-0-	
Fee	<u>2,111</u>	
Subtotal	\$28,758	<u>28,758</u>
Amount Due Contractor	<u>(259)</u>	
Total Reimbursed	<u>\$28,499</u>	
Contract Balance		<u>\$64,300</u>

EXHIBIT C

Contract Audit of
PRICE, WILLIAMS AND ASSOCIATES, INC.
Summary of Costs Claimed, Questioned, and Accepted
For the Period February 23, 1981 Through February 28, 1982

<u>Categories</u>	<u>Current Period</u>		
	<u>Claimed</u>	<u>Questioned</u>	<u>Accepted</u>
Direct Labor	\$18,143	\$-0-	\$18,143
Overhead	<u>6,751</u>	<u>198</u> 1/	<u>6,553</u>
Subtotal	\$24,894	\$198	\$24,696
G&A	<u>1,494</u>	<u>(457)</u> 2/	<u>1,951</u>
Total Costs	\$26,388	\$(259)	\$26,647
Fixed Fee	<u>2,111</u>	<u>-0-</u>	<u>2,111</u>
Total Costs & Fee	<u>\$28,499</u>	<u>\$(259)</u>	<u>\$28,758</u>

1/ Overhead expenses are adjusted as follows:

Overhead Expenses Claimed		\$6,751
Overhead Expenses Accepted:		
Direct Labor Accepted	\$18,143	
Audited Overhead Rate	<u>x36.12%</u>	<u>6,553</u>
Amount Questioned		<u>\$198</u>

2/ General and Administrative expenses are adjusted as follows:

G&A Expenses Claimed		\$1,494
G&A Expenses Accepted:		
Direct Labor and Overhead Accepted	\$24,696	
Audited G&A Rate	<u>x7.9%</u>	<u>1,951</u>
Amount Questioned		<u>\$(457)</u>

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ADVISORY AUDIT REPORT OF
INCURRED COSTS FOR FISCAL YEAR 1982
PRICE, WILLIAMS & ASSOCIATES INCORPORATED
SILVER SPRING, MARYLAND

The Defense Contract Audit Agency has no objection to the release of this report, at the discretion of the Contracting Officer, to the duly authorized representatives of Price, Williams & Associates Incorporated.

Under the provisions of Title 32, Code of Federal Regulations, Part 290.26(b)(2) (as amended August 10, 1977), all Freedom of Information Act requests for audit reports received by DCAA will be referred to the cognizant contracting officer for determination as to the releasability and a direct response to the requestor.

Contractor information contained in this audit report may be confidential. The restrictions of 18 USC 1905 should be considered before this information is released to the public.

This report may not be released to any Federal agency outside the Department of Defense without the approval of Headquarters, DCAA, except to an agency requesting the report in negotiating or administering its contract.

DEFENSE CONTRACT AUDIT AGENCY
PHILADELPHIA REGION
SILVER SPRING BRANCH OFFICE
SILVER SPRING, MARYLAND

AUDIT REPORT NO. 6221-3C160.018

DATE OF REPORT: 25 February 1983

DECLASSIFIED
Per GC Memo
of 11/21/67
Initial *[Signature]*

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DEFENSE CONTRACT AUDIT AGENCY

PHILADELPHIA REGION
SILVER SPRING BRANCH OFFICE
8757 GEORGIA AVENUE, ROOM 1416
SILVER SPRING, MARYLAND 20910

IN REPLY REFER TO

6221-3C160.018

25 February 1983

SUBJECT: Advisory Audit Report of Incurred Costs
For Fiscal Year Ended
28 February 1982
Price, Williams & Associates Incorporated (PWA)
962 Wayne Avenue
Silver Spring, Maryland 20910
Audit Report No. 6221-3C160.018

TO: Administrative Contracting Officer
DCASMA Baltimore
300 East Joppa Road, Room 200
Towson, Maryland 21204

1. Purpose of Audit. We have examined the books and records of the Price, Williams & Associates Incorporated, for the fiscal year ended 28 February 1982.

The audit was performed to determine the acceptability of the direct costs submitted under Government cost-type contracts (refer to Exhibit A of this report for a listing of contracts) and to determine the acceptable indirect expense rate(s) for the year(s) under review.

The examination was performed in accordance with generally accepted auditing standards and included such tests of the contractor's data and records and such other auditing procedures we considered necessary in the circumstances. The cost principles contained in DAR, NASAPR and FPR, Section 15, Part 2 and contract provisions were used as criteria in the determination of acceptable costs.

2. Conclusions. The results of our evaluation are as follows:

a. Direct Costs. Our review disclosed no direct contract costs questioned for the year under review.

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25 February 1983

b. Indirect Costs. Our results of audit are as follows:

Overhead

We take no exception to the following overhead rates as submitted by the contractor for fiscal year 1982:

On-Site Overhead	36.12%
Off-Site Overhead	80.97%

G&A

Contractor's Submitted G&A Expenses	\$139,307
Less: Questioned Costs	<u>1,912</u>
Recommended G&A Expenses	<u>\$137,395</u>

Contractor's Submitted and DCAA Accepted Base	<u>\$1,741,240</u>
--------------------------------------------------	--------------------

G&A Rates:

Submitted	8.0%
Recommended	<u>7.9</u>
Questioned	<u>.1%</u>

Note that the allocation base for overhead expenses is direct labor while total cost input is the base for G&A expenses.

The results of audit were discussed with Mr. Delvin Serrin, Vice President of PWA who concurred with our audit findings. For this reason, we have eliminated from this report the details regarding these exceptions. However, they are contained in our files and are available upon request.

6221-3C160.018
Price, Williams & Assoc., Inc.

25 February 1983

The information in this report should not be used for purposes other than that intended without prior consultation with the auditor.

Inquiries regarding this report should be directed to Mr. John Ames, Supervisory Auditor at (202) 427-5544.

Defense Contract Audit Agency

Original signed by

RICHARD C. METZGER, Branch Manager

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Price, Williams & Associates Incorporated
Silver Spring, Maryland

LISTING OF FLEXIBLY PRICED GOVERNMENT CONTRACTS
IN EFFECT DURING FISCAL YEAR 1982

Department of Transportation

DOT-TSC-1600
DOT-UT-90060
DOT-TSC-1676
DOT-FR-9053
DTFR53-80-C-00079
DTFR53-80-C-00248
CC 77-013 (Prime DT-FR-76048)
DTFR53-81-C-00160
FR 53-81-C-00200

Agency for International Development

AID/DSAN-C-0266

Department of the Navy

PRC-09692 (Prime Contract #N0060-78-C-0787)
PRC-09692 (Prime Contract #N0060-80-C-0342)

NASA

PRC-1410 (Prime Contract #NASW-3330)
PRC-NSN-3014 (Prime Contract #NASW-3014)

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Price, Williams & Associates Incorporated
Silver Spring, Maryland

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Major Systems Division, UAD-71
2100 Second Street, S.W., Rm. 6416
Washington, D.C. 20590

Department of Transportation
Transportation Support Center
Kendall Square
Cambridge, MA 02142

Federal Railroad Administration
Financial Services Division, RAD-43
2100 Second Street, S.W., Rm. 2110
Washington, D.C. 20590

Department of Transportation
Accounting Division, RAD-43
400 7th Street, S.W., Rm. 8205
Washington, D.C. 20590

Central Operations Division
Agency for International Development
Office of Contract Management
1875 Connecticut Avenue, N.W.
Washington, D.C. 20523
Attn: Mr. Richard Billig

Department of Transportation
Federal Railway Administration
Office of Procurement, RAD-32
400 7th Street, S.W., Rm. 8210
Washington, D.C. 20590

Department of the Navy
Naval Military Personnel Command
Naval Regional Contracting Office
Washington, D.C.

Department of Transportation
Office of Inspector General
Office of Policy & Standards
400 Seventh Street, S.W., Rm. 7420, JP-30
Washington, D.C. 20590
Attn: Mr. J. Sandler

NASA Headquarters
Washington, D.C.

DCAA, Capital Branch Office

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