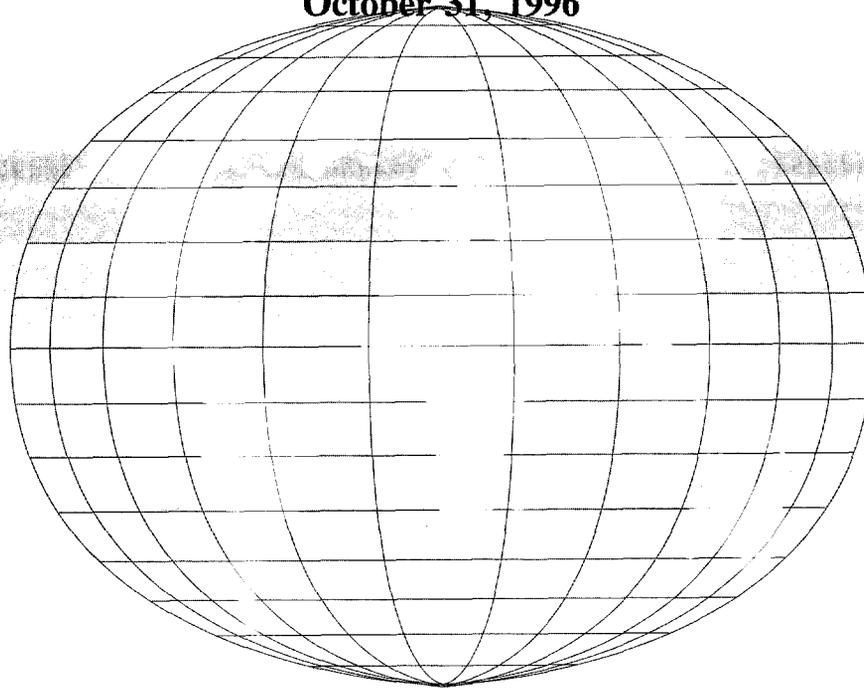


Report of Audit

**Report on the Application of
Agreed-Upon Procedures to Evaluate
Claims Submitted to USAID/West Bank & Gaza
By the Ramli Company
(Under Contract No. 294-0006-C-00-4151)**

**Regional Inspector General for Audit
Cairo, Egypt**

**Report No. 6-294-97-05-N
October 31, 1996**



**FINANCIAL INFORMATION CONTAINED IN THIS
REPORT MAY BE PRIVILEGED. THE RESTRICTION
OF 18 USC 1905 SHOULD BE CONSIDERED BEFORE
ANY INFORMATION IS RELEASED TO THE PUBLIC.**

**OFFICE OF INSPECTOR GENERAL
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

USAID



**UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF THE REGIONAL INSPECTOR GENERAL/AUDIT**

CAIRO, EGYPT

October 31, 1996

MEMORANDUM

TO : DIRECTOR USAID/West Bank and Gaza, Christopher D. Crowley

FROM: RIG/A/C, Lou Mundy *Lou Mundy*

SUBJECT: Report on the Application of Agreed-Upon Procedures to Evaluate Claims Submitted to USAID/West Bank & Gaza By the Ramli Company (Under Contract No. 294-0006-C-00-4151)

The attached report, transmitted on October 8, 1996, by Shawki & Company, presents the results of the application of agreed-upon procedures to assist in the evaluation of claims submitted by the Ramli Company (under fixed price contract number 294-0006-C-00-4151) for work performed on the Gaza Housing Project (No. 294-0006). The Ramli Company is a construction contractor operating in Gaza. The purpose of the contract was to build apartment buildings in the Gaza strip. The claims are based in large part on border closings which caused increased costs not anticipated in the original work proposals.

We engaged Shawki & Company to perform agreed-upon procedures on the Ramli Company claim of \$937,263 for non-design claims. The purpose of these procedures was to determine the validity of the claims which the contractor had made against USAID. In performing these procedures, it was agreed that Shawki & Company would not review any claims for design changes (such claims were reviewed by an engineer working independently). These procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, and accordingly the attached report does not express any opinion on contract expenditures.

The report recommends that of the \$937,263 in non-design claims made by the Ramli Company, \$252,968 be considered for payment. Claims recommended for payment relate

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largely to unanticipated increases in the cost of materials and to other general costs precipitated by border closures.

The following recommendation is included in the Office of the Inspector General's recommendation follow-up system.

Recommendation No. 1: We recommend that USAID/West Bank and Gaza consider for payment to the Ramli Company non-design claims totaling \$252,968.

As a result of the work done by Shawki & Company and analyses performed by the Mission itself, the Mission was able to arrive at a negotiated settlement of \$300,000 with the Ramli Company (for non-design claims), before issuance of this final report. Based on the Mission's management decision and final action in this regard, Recommendation No. 1 is closed upon issuance of this report.

Thank you for the cooperation and assistance extended to the staff on this engagement.

Attachment: a/s

Shawki & Co



REVIEW OF RAMLI COMPANY CLAIMS

**By Shawki & Co.
October 8, 1996**

**Deloitte Touche
Tohmatsu
International**

Shawki & Co



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October 8, 1996

Mr. Lou Mundy
Regional Inspector General for Audit/Cairo
United States Agency for International Development
Cairo, Egypt

Dear Mr. Mundy:

This report presents the results of our review of \$ 937,263 of a total of \$ 1,707,269 in claims submitted by Ramli Company under fixed price contract number 294-0006-C-00-4151 for work performed on the Rapid Start Gaza Housing Project. The work was performed by Shawki & Co. at the request of the USAID West Bank and Gaza Mission. We determined the validity of the claims by applying the standards in OMB Circular A-122, which requires that all costs are allowable, allocable, reasonable and properly supported.

INTRODUCTION

AU Section 622 of the Codification of Statements on Auditing Standards allows accountants to accept engagements in which the scope of the engagement is limited to reviewing one or more specified elements, accounts, or items of a financial statement provided that the procedures are agreed upon by the parties involved and the distribution of the report is restricted to the named parties. Shawki & Co. entered into an agreement with USAID to review claims made against USAID, by Ramli Company, a construction contractor operating in Gaza. The following schedule shows the claims made against USAID.

<u>Claim No.</u>	<u>Description</u>	<u>Amount</u>	<u>Tested</u>
1	Design changes without adequate compensation	\$770,006	
2	Unanticipated material cost increases	393,376	\$245,645
3	Extra general requirements due to closure	196,587	196,587
4	Payment delay losses	25,469	25,469
5	Losses due to bank commissions	11,831	11,831
6	Losses due to incorrect inflation rate projection	310,000	310,000
TOTAL		\$1,707,269	\$789,532

The amounts tested for claims number 2 do not include \$17,077.53 in transactions that were not eligible due to incorrect price quotes and another \$66,751 made by the contractor due to errors in multiplication and addition.

SCOPE OF THE WORK

Shawki & Co. agreed with USAID that such claims would be reviewed to determine if the claims were allowable, allocable, reasonable and properly supported. It was agreed that Shawki & Co. auditors would not review any claims for design changes, unless asked to do so. This would be done by an engineer, working independently. Shawki & Co. auditors would review all other claims submitted by Ramli Company. Specifically, Shawki & Co. would review at least 50 percent of the transactions and/or 80 percent of the costs claimed by Ramli Company for material cost increases (claim number 2). For other claims, all costs associated with the claim, would be reviewed and a determination made as to whether such costs were allowable, allocable, reasonable and properly supported.

When conducting the audit work Shawki & Co. auditors would consider as primary evidence when making their evaluation such evidence as "invoices" and "original books of record". Other evidences that would be taken into account, but to a lesser extent, would be price quotes from suppliers, studies conducted by the Palestinian Contractors Union and pertinent comments from company representatives.

RESULTS OF WORK

Shawki & Co. did not review any claims for design changes, but focused their attention on the remaining claims. Shawki & Co. auditors, for the unanticipated material costs increase (claim number 2) in the amount of \$393,376 reviewed 51 percent of the transactions representing 80 percent of the total dollar amount to determine if the claim was allowable, allocable, reasonable and properly supported. We are recommending that the amount of the claim be reduced to \$309,547 due to \$83,829 errors in multiplication and addition and incorrect price quotes.

Further, we are recommending that consideration only be given to \$136,472 of the total amount tested of \$245,645. For the claim number 3 (extra general requirements due to border closure), in the amount of \$196,587, Shawki & Co. auditors reviewed all the costs to determine if the claim was allowable, allocable, reasonable and properly supported. We are recommending that consideration only be given to \$106,260 of the total amount of \$196,587.

Relative to claim number 4, for payment delay losses, in the amount of \$25,469 we contacted the banks and obtained information relative to interest rates at the time of the claim and evaluated other input provided by the contractor. We are recommending that \$25,469 claim not be considered because we found no evidence that damages were suffered by the contractor for the purposes stated.

Under claim number 5 the contractor claimed \$11,831 in losses due to bank commissions. We received the actual amount charged by the banks and determined it was lower than the rate used to compute the claim. We are recommending that the actual rate charged by the bank be the basis of the claim, thereby, reducing the claim to \$10,236.

Finally, the contractor also claimed \$310,000 in losses due to the failure in the expectation of the inflation rate (number 6). We see no basis for this claim and are recommending that the full amount of \$310,000 not be considered.

In conclusion, for claim numbers 2, 3, 4, 5 and 6 (totalling \$937,263) we tested \$789,532 and recommend that amounts totalling \$252,968 be considered for payment.

This report is intended solely for the use of the specified users and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Shawki & Co.



October 8, 1996.



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Office of the Regional Inspector General and USAID Mission, solely to assist in the evaluation of claims submitted by Ramli Company under fixed price contract number 294-0006-C-00-4151 for work performed on the Rapid Start Gaza Housing project. At the request of the USAID West Bank and Gaza Mission, Shawki & Co. determined the validity of the claims by applying standards in Office of Management and Budget (OMB) Circular A-122, which requires that all costs are allowable, allocable, reasonable and properly supported. This engagement to apply agreed upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

From a discussion with a Ramli Company representative and a review of some documents it became evident, that contract costs and revenues were not accounted for in the manner that would comply with standards established by accounting and auditing organizations in the United States. In many cases invoices were not available nor had revenues or expenses been entered into a double entry bookkeeping system. According to the Ramli Company representative it was a common practice in this part of the world often not to provide invoices. Further, record keeping of the types referred to by Shawki & Co. auditors was not commonly done by the companies in Gaza. Due to the limited availability of primary evidence to support costs, Shawki & Co. reviewed other evidence provided by Ramli Company supporting the claims. The following are the results of our work, for each type of claim, as well as an explanation as to what evidence was considered when making the assessment.

1. *Material Cost Increase* - Ramli Company claimed \$ 393,376 for material cost increases during the period between May 6, 1995 to February 26, 1996. Prior to gathering and reviewing evidence provided by Ramli Company a computation for the figures used to arrive at the total amount was made to see if the quantities used were correctly extended and all amounts were correctly added. Errors in multiplication and addition, amounting to \$66,751 were identified by Shawki & Co. auditors, bringing the total value of the claim to \$326,625.

As was mentioned earlier, seldom was Ramli Company able to provide "primary" evidence that supported material price increases. "Primary" evidence being an invoice that showed the price of the item at the start of the contract, in August 1994, and another invoice that showed the price of the item, when the purchase was made. Consequently, after selecting the items for our sample, alternative methods were used to validate the increases in the cost of the materials. Attachment I is a schedule that shows the transactions selected, a description of the item, quantity claimed by Ramli Company and any differences identified by Shawki & Co. between the amount of the claim and that which we considered to be correct based on the information provided. The schedule also shows the type of evidence provided to support the claim made by Ramli Company. For purposes of our report, evidence supporting the claims has been broken out into the following categories:

<u>Category</u>	<u>Description of Evidence</u>
I	Invoices showing the price of the material before escalation and at the time of purchase and/or entries, in books of record at the beginning of the contract and at the time of purchase.
II	Amounts shown in the proposal and/or documented quotes from the suppliers of the material at the beginning of the contract and at the time of purchase.
III	Quotes taken from studies such as the Palestinian Contractors Union, for the periods covering the life of the contract.
IV	Combination of evidence, one of which would partially satisfy the evidence requirements in one of the above categories.
V	No documentation available to support the expense.

Of equal concern, was that the quantities claimed as having increased in price were the correct quantities. The company representative stated that the quantities claimed were based on the progress that had been made at the time the claim had been made and shown in the progress report sent to the Chief Manager of Construction (CMC). For this reason, we reviewed and recorded the price shown in the original proposal, for the transactions selected by us, and compared such price and quantities to that shown in the claims. It was generally not possible to make such a direct comparison because the price for the items shown in the proposal included material, labor, profit and overhead. We asked the Ramli Company representative to identify, for many of the transactions, the percent of each of the components. By breaking out the four components we would be able to determine (1) if the quantities included in the claim were reasonable and (2) if the price claimed for the items was in-line with that which was shown in the proposal. Ramli Company did not have any

information that supported the percentages that were provided to us and the accuracy of such percentages would have to be verified by the engineering consultant.

Using the procedures described, we reviewed \$ 262,722 or 51 percent of the transactions representing 80.43 percent of the total corrected dollar amount to determine if the claim was allowable, allocable, reasonable and properly supported. In turn, we determined that another \$17,077.53 was not eligible to be claimed by the contractor, bringing the balance to \$245,644.51 (see attachment I).

<u>Category</u>	<u>Amount</u>
I	29,866.77
II	6,336.00
III	100,268.80
IV & V	109,172.94
	<u>245,644.51</u>

Since some of the material price increases were supported by a lower level of evidence (Category IV and V) we are recommending that consideration only be given to transactions supported by Category I, II, III evidence in the amount of \$136,471.57, which is the projected amount for the entire universe.

- 2. Extra General Requirements due to Closure* - Ramli Company claimed \$196,587 in additional costs incurred because the life of the contract was extended an additional six months due to the closure of the borders to Gaza by Israel. According to the Ramli Company representative materials needed for construction could not be brought into the country and subcontractors responsible for the labor would come to work in the morning and then have to be sent home without performing their intended tasks. The Ramli Company representative provided us with invoices, in the amount of \$88,800, that specifically stated that laborers were being paid for work that was not being performed. While we did not use this information when evaluating the amount of the claim, we believe that it is information that could be used in the settlement of the claim.

As was the case on the material cost increases, our primary objective on this claim was to determine if the costs incurred over the six month period of time were allowable, allocable, reasonable and properly supported. Consequently, Ramli Company was required to provide us with a detailed schedule of costs that were incurred over the six month extension (See attachment II). The schedule of cost provided to us showed that Ramli Company, over the six month period, had incurred \$129,779 in costs, which now becomes the new basis for the claim.

Again, as on the prior claim, the same procedures were applied relative to evidence. We determined that only three categories of evidence would be applicable, as follows:

<u>Category</u>	<u>Description of Evidence</u>
I	Invoices, receipts or checks that showed the price of the activity.
II	Bank statements that showed the expenses for the activity had been incurred.
III	No documentation available to support the expense.

We were able to determine the expenses included in the claim were allowable, appeared reasonable and supported with adequate documentation. Unfortunately, we were not able to determine if the costs were allocable because we could not verify what other activities the contractor was engaged in during the six month period. However, according to the Ramli Company representative over the six month period the only activity being undertaken by the company was the USAID construction project.

After applying the procedures described we determined that the actual value of the claim should be a figure slightly higher than the \$129,242 base claim mentioned on the prior page. The amount should be \$ 129,779, which is supported by the following categories of evidence:

Category I	\$ 106,260
Category II	-
Category III	23,519
Total	<u>\$ 129,779</u>

Since some of the overhead costs were not supported we are recommending that consideration only be given to those expenses that are supported by category I and II evidence in the amount of \$106,260.

- 3. Payment Delay Losses** - Ramli Company claimed \$ 25,469 to cover costs that were incurred because USAID did not make their payments to the contractor within the designated time frame. Ramli Company computed the amount of the claim by identifying the date the request for payment was submitted to the CMC and then determining the number of days that elapsed before the payment from USAID was received by the contractor. In no case were we able to verify when Ramli Company submitted the request for payment to the CMC, but we were able to verify in all but one case, when the CMC received the request. Based on this information we compared the CMC date to the date in the claim and found that the dates were generally in agreement. In addition, we compared

the dates the payments were received, according to the claim, to the dates in the bank statements that showed when the deposit was made. In all but one case, the dates were in agreement.

After Ramli Company determined the number of days that the payments were delayed, the following was considered in determining the total value of the claims:

- **Yearly Investment Rate** - According to the Ramli Company representative if the USAID payments had been received as scheduled the money could have been put into an account at the bank that would have paid an interest rate of 6 percent. The Ramli Company representative could provide no information, as to why a 6 percent yearly investment rate was used nor was an attempt made by the Shawki & Co. team to validate a rate at the local bank, because, in our opinion, the contractor suffered no damages.
- **Market and Morale Loss** - According to the Ramli Company representative, because USAID payments were not made on time, the company suffered losses in goodwill which should be considered and compensation should be paid by USAID. The representative could provide no information as to how he determined that a 30 percent factor should be included in the calculation nor did the Shawki & Co. team make an effort to validate the percent, because, in our opinion, losses of this type are part of the risk taken by contractors.
- **Yearly bank interest** - According to the Ramli Company representative banks charge customers 22 percent interest on loans that are made in New Israeli Sheikels (NIS) and for this reason the 22 percent was used to compute the loss on each payment. We determined after consulting banks in Gaza both US dollar and NIS loans were available and the rates of interest charged by the banks were considerably different for the two denominations. The rate of interest on the US. dollar loans was only 9 percent, whereas, the NIS loans was 22 percent, as stated by the Ramli Company representative in the claim.

Combining all three of the factors Ramli Company multiplied the percentages times the number of days elapsed between the time the request for payment was made and the time the check was actually received.

We verified the accuracy of the computations and found that no errors had been made. In addition, we determined the approximate date when the check was issued and the date the contractor indicated the check was received by the office. Information reviewed at USAID disclosed that all checks had been sent within the 30 day period, but checks may not have been delivered to the contractor until a much later date, due to postal addresses that were not clear. OMB Circular No. A-125 states that the U.S. Government has a 30 day period of time to issue the check.

We are recommending that this claim not be considered because we found that the contractor could not provide any evidence that damages were suffered by the contractor for the purposes stated.

4. **Bank Commissions** - Ramli claimed \$ 11,831 to cover the costs of commissions that the bank charged to cash USAID checks. The value of the claim on bank commissions was determined by Ramli Company by multiplying 0.5 percent times the total value of the checks received from USAID ($\$2,366,325 \times 0.5\% = \$11,831$). In order to determine the validity of the claim we reviewed all the bank statements on which the bank commissions should have been entered and we were able to identify \$ 8,436.97 in bank commissions that were charged the company. We could find no evidence that the bank charged commissions on 3 of the 19 checks that were sent to the company. The bank commissions charged for cashing the 16 checks amounted to \$8,436.97. Assuming that bank commissions were, in fact, charged on the remaining 3 checks we also computed the amount of the commission using a rate of 0.45 percent rather than the 0.5 percent used by Ramli Company. The 0.45 rate was used because this was the actual rate used by the bank. Based on such a rate the commission charged by the bank for the 3 checks would have been \$1,799.19 or a total claim of \$10,236.16.

We are recommending that the actual rate charged by the bank be the basis for the claim, thereby, reducing the amount of the claim from \$ 11,831 to \$ 10,236.16.

5. **Losses Due To Incorrect Inflation Rate Projection** - Ramli Company claimed \$ 310,000 due to an anticipated reduction in prices of labor and materials. According to the Ramli Company representative such a reduction was calculated into the fixed price contract because free and open borders with Israel should have resulted in lower prices for material and labor. While the representative may have computed his contract in such a fashion, the representative could provide no reasonable basis for the claim. For this reason no work was performed by the Shawki & Co. team to validate the 10 percent deflation figure used to compute the claim nor, the 5 percent inflation rate used by the contractor. Further, it was brought to the attention of the contractor that this was a fixed price contract and making decisions at that time, that never materialized, was not a good basis for making a claim, just because the anticipated conditions did not materialize.

We are recommending that this claim not be considered because we found that the contractor could not provide any evidence that damages were suffered by the contractor for the purposes stated.

* * * * *

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the specified users listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Shawki & Co.



September 17, 1996.

**RAMLI CONTRACTING
SCHEDULE OF MATERIAL COST
INCREASES BY TRANSACTION
PERIOD MAY 95 TO FEBRUARY 96**

ITEM /DESCRIPTION	CLAIMED QUANTITY	PRICE IN DOLLARS		ESCALATION	DOLLAR VALUE	EVIDENCE CATEGORY
		BEFORE	AFTER			
<u>DIVISION # 2 - SITE WORK</u>						
MANHOLE COVERS (7.02 -7.05)	20NO	500.00	600.00	100.00	2,000.00	V
<u>DIVISION # 3</u>						
BAR REINFORCEMENT (2.02 TO 2.46)	75,973KG	0.456	0.585	0.129	9,800.52	IV
CONCRETE (FOR 3.03 TO 3.18)	890 M ³	50.00	65.00	15.00	13,350.00	IV
<u>DIVISION #4 - MASONARY</u>						
MORTAR TO 40X20 BLOCKS, B1 (1.02)	3,860 M ²	1.10	1.17	0.07	270.20	I
MORTAR TO 40X20X10 BLOCK (1.03)	3,316 M ²	1.10	1.17	0.07	232.12	I
MASONARY 20X20X40 (2.01, 2.04, 2.06)	3,714 M ²	4.80	4.80	0.00	0.00	I
MASONARY 20X10X40 (2.05-2.07)	3,315 M ²	2.90	3.33	0.43	1,425.45	I
H BLOCKS 20X17X40 (2.08)	1,464M ²	5.00	5.50	0.50	732.00	I
METAL STAIRS (.3.01-3.12)	53 TON	533.00	640.00	107.00	5,671.00	III
CHECKER PLATES (3.14-3.16)	19 TON	533.00	740.00	207.00	3,933.00	III
HANDRAILS (3.018 -3.19)	460M	15.00	21.00	6.00	2,760.00	III
HANDRAILS (4.01-4.03)	522M	32.00	44.00	12.00	6,264.00	III
<u>DIVISION # 6 WOOD & PLASTIC</u>						
KITCHEN CABINET (1.01)	64 NO	850.00	1,300.00	450.00	28,800.00	III
<u>DIVISION # 8 DOORS AND WINDOWS</u>						
STANDER STEEL DOORS (1.01-2.08)	12.5 TON	533.00	740.00	207.00	2,587.50	V
DOOR TYPE D4 (3.01)	178 NO	150.00	180.00	30.00	5,340.00	III
DOOR TYPE D1 (4.01)	64 NO	200.00	250.00	50.00	3,200.00	III
DOOR TYPE D2 (4.02)	306 NO	150.00	180.00	30.00	9,180.00	III

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RAMLI CONTRACTING
SCHEDULE OF MATERIAL COST
INCREASES BY TRANSACTION
PERIOD MAY 95 TO FEBRUARY 96

ITEM /DESCRIPTION	CLAIMED QUANTITY	PRICE IN DOLLARS		ESCALATION	DOLLAR VALUE	EVIDENCE CATEGORY
		BEFORE	AFTER			
<u>DIVISION # 9 - FINISHES</u>						
13MM THICK PLASTER TO WALLS (1.01)	24,852 M ²	1.10	1.90	0.80	19,881.60	III
20MM THICK EXTERNAL RENDER (2.01)	8,876 M ²	1.50	2.50	1.00	8,876.00	III
NON-SLIP CERAMIC (3.02)	874 M ²	12.50	17.50	5.00	4,370.00	III
CERAMIC WALL TILES (3.03)	2,288 M ²	11.50	16.50	5.00	11,440.00	V
TERRAZZO FLOOR TILES (4.02)	5,296 M ²	10.00	14.00	4.00	21,184.00	V
TERRAZZO SKIRTING SIZE 3X10CM (4.03)	7,362 M ²	1.40	2.40	1.00	7,362.00	V
TERRAZZO STAIR (4.04- 4.06)	200M ²	50.00	70.00	20.00	4,000.00	V
MARBLE (5.05-5.12)	240 M ²	15.00	22.00	7.00	1,680.00	V
PREPARE & PAINT WALLS (6.02)	22,572 M ²	1.80	2.41	0.61	13,768.92	IV
<u>DIVISION # 14 - CONVEYING SYSTEM</u>						
ELECT. PASSENGER ELECTS (1.01)	4 NO	24,000.00	29,500.00	5,500.00	22,000.00	IV
<u>DIVISION # 15 MECHANICAL</u>						
2" DIAM, GALV. IRON PIPE IND FITTING (2.01)	1,510 M	6.00	7.32	1.32	1,993.20	III
2500L PLASTIC WATER TANK IND.(3.01)	80 NO	370.00	435.00	65.00	5,200.00	I
HOUSE PUMPS 4HP (7.02)	16 NO	360.00	906.00	546.00	8,736.00	I
FIRE PUMPS 20 HP (7.04)	4 NO	2,340.00	4,854.00	2,514.00	10,056.00	I
WASH HAND BASIN INC MIXER (7.09)	130 NO	60.00	80.00	20.00	2,600.00	I

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**RAMLI CONTRACTING
SCHEDULE OF MATERIAL COST
INCREASES BY TRANSACTION
PERIOD MAY 95 TO FEBRUARY 96**

ITEM / DESCRIPTION	CLAIMED QUANTITY	PRICE IN DOLLARS		ESCALATION	DOLLAR VALUE	EVIDENCE CATEGORY
		BEFORE	AFTER			
DIVISION # 15 MECHANICAL						
SHOWER TRAY (7.12)	64 NO	85.00	114.00	29.00	1,856.00	II
SOLAR COLLECTOR (7.15)	64 NO	400.00	470.00	70.00	4,480.00	II
4" DIAM PVC PIPE IND. SUPP. & JOINT (9.01)	282 M	3.00	4.50	1.50	423.00	I
4" DIAM PVC ELBOW (10.02 - 10.05)	128 NO	2.00	3.50	1.50	192.00	I
LUMBER FOR FORM WORK	150M ³	0.00	0.00	0.00	0.00	V
TOTAL					245,644.51	
INCORRECT PPRICE QUOTES					17,077.53	
GRAND TOTAL					262,722.04	

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ATTACHMENT II

RAMLI CONTRACTING CO.
 EXTRA GENERAL REQUIREMENTS
 FOR THE PERIOD
 FROM OCTOBER 1994 THROUGH MAY 1995

DESCRIPTION	DOLLAR VALUE	EVIDENCE CATEGORY
Project Manager Salary	15,000.00	III
Civil Engineer Salary	2,600.00	I
Planning Engineer Salary	2,400.00	I
General Foremen Salary	6,000.00	I
Guard Wages	1,320.00	III
Telephone Expenses	254.15	I
Fax Expenses	306.00	I
Electricity and Water Expense	989.00	I
Office Rent Expense	1,800.00	III
Site Electricity Expense	1,800.00	III
Mobile Expense	1,200.00	III
Labour Insurance	1,575.00	I
Performance Bond	3,335.00	I
Transportation Expense	2,400.00	III
Extra Wages Paid	88,800.00	I
Total Claim	129,779.15	