

**DEPARTMENT OF THE AIR FORCE**  
**HEADQUARTERS UNITED STATES AIR FORCE**  
**WASHINGTON 25, D.C.**



REPLY TO  
ATTN OF:

OSA-1737-66  
#A-1713 - Supp. #1

SUBJECT:

REPLY TO:  
Audit Liaison Office  
P. O. Box 8155  
S. W. Station  
Washington, D. C.

TO:

11 May 1966

SUBJECT: Supplementary Report on Audit of Costs  
Lockheed Aircraft Corporation  
(Lockheed-California Company)  
Burbank, California  
Contract No. SP-1927

TO : Contracting Officer

REF : (a) Contractor's letter and 16 Mar 66 Final Cost Statement  
(b) 5 Nov 65 Advisory Report #1713 OSA-4292-65

1. A limited audit was made of the contractor's revised final cost statement, reference (a).

2. As a result of the findings stated in reference (b) paragraph 3, the contractor made several adjustments, as stated in its revised proposal transmittal letter. They applied the 1964 overhead and G & A rates, as negotiated in October 1965, to 972.1 direct labor hours incurred during the year ended 31 December 1964.

3. As a result of our examination, the revised proposed costs of [redacted] was incurred subsequent to 31 August 1964), are recommended for acceptance. This acceptance is subject to the clarification of the points commented upon in paragraphs 4, 5, and 6 of reference (b) report.

[redacted]

Auditor General Representative (APL)

STAT