

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



REPLY TO
ATTN OF:

OSA-0425-66
#A-9-66

SUBJECT:

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

TO:

24 January 1966

SUBJECT: Report on Evaluation of Proposed T&M Hourly Rates
Lockheed California Corporation
(Lockheed-California Company)
Burbank, California
Contract No. SP-1923
Period: 1 July to 31 December 1965

*Amend 21
SP-1923*

TO : Contracting Officer

REF : 14 December 1965 Proposal

1. We have reviewed the contractor's records and our audit files to determine the reasonableness of the final rates proposed for the subject period.

2. The basic direct-labor hourly rates are concurred in by the auditor, and the overhead and G&A rates, as shown in the proposals, are those negotiated about 8 September 1965 for use only on service contracts.

3. As a result of our examination, the proposed rates are recommended for acceptance, subject to approval by the contracting officer of the 9.5% profit factor included.

Arthur G. Hanley

ARTHUR G. HANLEY
Acting Auditor General Representative (APL)

USAF review completed