

CONFIDENTIAL

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6 October 1959

Dear Dan:

1. Reference is made to your verbal request of 3 August 1959 for verification of statements made by contractor in DPD-4470-59 dated 23 June 1959.

2. Walt replied that he did not recommend that the contractor bill for additional progress payments on 1958 overhead. Further comments from Walt's reply are:



"2. ...The contractor requested additional payments and supported this request with schedules showing overhead incurred, overhead billed, and additional progress payments requested on each contract. Vouchers were submitted for the additional progress payments. The resident auditor took no exception to vouchers submitted on contracts under the cognizance of the resident office.

"3. The contractor's schedule indicated underbilling of  on overhead applicable to Contract A-101, and requested additional progress payments of  on this contract.

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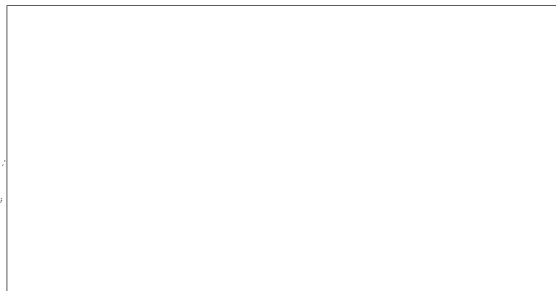
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"4. The amount of  is in agreement with overhead shown as underbilled in the contractor's overhead claims before any audit adjustment. However, the overhead claims indicate an over-billing of general and administrative expenses in the amount of , which was not deducted from the amount claimed as overhead underbilling."

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*Cops given to
Finance 19-10-59
Amur*

*File A-101
DH Sect.*

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