



DEPARTMENT OF DEFENSE  
INSPECTOR GENERAL  
WASHINGTON, D.C. 20301

12 SEP 1984

Honorable Jim Sasser  
United States Senate  
Washington, DC 20510

Dear Senator Sasser:

We received your letter dated August 20, 1984 which expressed your constituent's, Mr. Glenn E. McDuffie, continued concern about overcharging on a contract awarded to the Westinghouse Electric Corporation. In response to Mr. McDuffie's previous letter, a contract audit and investigation was performed. Mr. Sherick informed you on July 13, 1984 that an audit by the Defense Contract Audit Agency (DCAA) did disclose overcharging; however, the investigation failed to disclose any evidence of criminal conduct.

In response to your letter, we obtained a status on the overcharging reported by the DCAA which indicated that they have withdrawn their determination of overcharging. At this time we do not know the reason for withdrawing the report. Because of this additional information, I have tasked the Office of the Assistant Inspector General for Contract Audit Policy and Oversight to review the entire matter.

As a result of Mr. McDuffie's recent letter and the withdrawal of the audit report on the overcharging, we plan to:

1. Contact Mr. McDuffie to identify his exact concerns and to obtain any additional facts he has on this procurement.
2. Obtain DCAA's audit report on the overpricing and discuss with them the scope of their review.
3. Discuss with the investigators their review of the contract.

After analyzing these factors, we will decide if any additional action is necessary on this contract. If you have any questions or need any further assistance, please do not hesitate to get in touch with me.

A handwritten signature in black ink, appearing to read "Derek J. Vander Schaaf", is written over the typed name and title.

Derek J. Vander Schaaf  
Deputy Inspector General