



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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PROCUREMENT AND SYSTEMS
ACQUISITION DIVISION

JANUARY 26, 1979

B-168450

See form #115 in title

The Honorable Harold Brown
The Secretary of Defense



Attention: Assistant Secretary of Defense
(Comptroller)

Dear Mr. Secretary:

We reviewed production raw material costs proposed by the McDonnell-Douglas Corporation, St. Louis, Missouri, for Air Force contract F33657-76-C-0100. This fixed-price incentive contract, awarded by the Air Force Aeronautical Systems Division on June 18, 1976, provides for the production of 132 F-15 and TF-15 aircraft, aerospace ground equipment, and data at an initial target price of \$954,240,000.

The review was made as a part of our continuing effort to examine the reasonableness of negotiated noncompetitive contract prices. Our objective was to determine whether production raw material costs proposed were reasonable on the basis of current, accurate, and complete cost or pricing data available to the contractor at the time of negotiations, as required by Public Law 87-653.

We believe that the target price of the contract is overstated by about \$5.2 million because the contractor did not use current, accurate, and complete cost or pricing data to propose production raw material cost. We believe that this will result in an approximate \$1.7 million excess cost to the Government.

BACKGROUND

Contract negotiations were held in February, March, and April 1976, with McDonnell-Douglas certifying cost or pricing data to be accurate, current, and complete as of April 6, 1976. The negotiated target values and other pertinent pricing factors negotiated are:

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ref

PSAD-79-23
(950467)

| | |
|-------------------------|-------------------------|
| Initial target cost | \$ 852,000,000 |
| Initial target profit | <u>a</u> /102,240,000 |
| Initial target price | 954,240,000 |
| Initial ceiling price | <u>b</u> /1,047,960,000 |
| Incentive sharing ratio | 80/20 |

a/12% of cost.

b/123% of cost.

PRODUCTION RAW MATERIAL

Production material, which comprises 97 percent of raw materials, is required for fabrication of the aircraft. McDonnell-Douglas groups this material in six classes as explained below:

| | |
|---------------|---|
| Class 1 | Raw material, sheet, plate, bar, rod, billet wire, cable, etc. |
| Class 2 | Standard purchased parts. |
| Class 3 | Designed purchased parts. |
| Class 7 | Forgings, castings, extrusions, and special alloys, including titanium and boron composites. |
| Class 0 | Pan stock, includes various types of fasteners and other materials of small unit value, which are not controlled by inventory code. |
| Miscellaneous | Inter-Component Work Order overload material, shipping material, and material required for miscellaneous job allocations. |

For this contract, McDonnell-Douglas proposed \$118,990,080 for production raw material. This was based on historical cost data escalated for inflation. The table below shows how McDonnell-Douglas arrived at the proposed production raw material cost.

McDonnell-Douglas Proposed Production Raw Material Cost

| | <u>Classes of raw material</u> | | | <u>Total</u> |
|--|--------------------------------|----------------------------|------------------|----------------------|
| | <u>Class 1</u> | <u>Classes 2 and 3</u> | <u>Class 7</u> | |
| Cost based on cost of prior production aircraft | \$36,000 | \$ 90,500 | \$345,000 | |
| Economic adjust- ment factor | <u>1.464</u> | <u>1.202</u> | <u>1.660</u> | |
| Raw material cost | <u>\$52,704</u> | <u>\$108,781</u> | <u>\$572,700</u> | |
| Production raw material cost (97% of raw materials) | \$51,123 | \$105,518 | \$555,519 | |
| Usage factors (note a) | <u>1.266</u> | <u>1.072</u> | <u>1.127</u> | |
| Subtotals | <u>\$64,722</u> | <u>\$113,115</u> | <u>\$626,070</u> | \$ 803,907 |
| Pan stock at 13% | <u>8,414</u> | <u>-</u> | <u>81,389</u> | <u>89,803</u> |
| Subtotals | \$73,136 | \$113,115 | \$707,459 | 893,710 |
| Miscellaneous material | | | | <u>7,730</u> |
| Production raw material re- quirements per aircraft | | | | 901,440 |
| Aircraft quantity | | | | <u>132</u> |
| Total production raw material proposed FY 1976 | | | | <u>\$118,990,080</u> |

a/A manufacturing allowance for items, such as scrap, which result from converting material required based on engineering drawings to material required to manufacture a usable item.

MCDONNELL-DOUGLAS COMPUTATION OF
ECONOMIC ADJUSTMENT FACTOR

Because raw material cost was based on prior aircraft production cost, McDonnell-Douglas adjusted this cost to reflect economic changes. To do this, McDonnell-Douglas officials said that they updated the cost of a sample of 128 high dollar value items from a representative aircraft, aircraft number 51. From the updated cost of the 128 sample items, economic adjustment factors were computed and applied to all pertinent costs as shown above.

Current data not used to update
the cost of the 128 sample items

McDonnell-Douglas did not use current data to update the cost of all sample items; therefore, incorrect economic adjustment factors were used to compute the estimated cost of production material. We updated the cost of the 128 sample items (see exhibit A) and computed the economic escalation factors. Our analysis showed that factors of 1.380, 1.053, and 1.550 (see exhibit B) should have been used instead of 1.464, 1.202, and 1.660. Had the appropriate factors been used, there would have been a reasonable basis to reduce the contract price by \$5,210,304. See table below for the computations:

GAO's Computation of Production Raw Material Cost

| | <u>Classes of raw material</u> | | | <u>Total</u> |
|---|--------------------------------|----------------------------|----------------|---------------------|
| | <u>Class 1</u> | <u>Classes 2 and 3</u> | <u>Class 7</u> | |
| Cost based on cost of prior production aircraft | \$36,000 | \$ 90,500 | \$345,000 | |
| Economic adjust- ment factors (from exhibit B) | <u>1.380</u> | <u>1.053</u> | <u>1.550</u> | |
| Raw material cost | \$49,680 | \$ 95,297 | \$534,750 | |
| Usage factors | <u>1.266</u> | <u>1.072</u> | <u>1.127</u> | |
| Subtotals | \$62,895 | \$102,158 | \$602,663 | \$ 67,716 |
| Pan stock at 13% | <u>8,176</u> | <u>-</u> | <u>78,346</u> | <u>86,522</u> |
| Subtotals | \$71,071 | \$102,158 | \$681,009 | 854,238 |
| Miscellaneous material | | | | <u>7,730</u> |
| Production material per aircraft | | | | \$ 861,968 |
| Aircraft quantity | | | | <u>132</u> |
| Total production material per GAO | | | | \$113,779,776 |
| Total production material proposed by McDonnell- Douglas | | | | <u>118,990,080</u> |
| Difference (produc- tion material overstated) | | | | <u>\$ 5,210,304</u> |

This overstatement will result in excess cost to the Government of about \$1,667,297 as shown below:

Excess cost to
the Government

| | | | |
|------------------|---|----------------------|---------------------------|
| Target profit | : | 12% of \$5,210,304 | \$ 625,236 |
| Incentive profit | : | a/20% of \$5,210,304 | <u>1,042,061</u> |
| Total | | | <u><u>\$1,667,297</u></u> |

a/This computation assumes that the negotiated firm target cost will exceed the initial target cost by more than \$5.2 million. As of March 31, 1978, McDonnell-Douglas estimated an initial target cost overrun of about \$20.4 million.

CONTRACTOR AND AGENCY COMMENTS

McDonnell-Douglas officials chose not to comment on our findings. These officials advised us that the 27 days allowed were not sufficient to develop a positive statement.

The Air Force Aeronautical Systems Division officials agreed with our findings, and stated that actions would be taken to recover any overpricing.

RECOMMENDATION

We recommend that you take action to assure that the Aeronautical Systems Division considers the information presented herein, along with any other information, and determine if the Government is entitled to a price reduction as agreed.

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We are sending copies of this letter to the McDonnell-Douglas Corporation; the Director, Office of Management and Budget; the Secretary of the Air Force; the Commander, Aeronautical Systems Division, Air Force Systems Command; and the Director, Defense Contract Audit Agency. We are also sending copies to the Chairmen, House and Senate Committees on Appropriations and Armed Services, the House Committee on Government Operations, and the Senate Committee on Governmental Affairs.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than

60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We would appreciate receiving your comments on the matter discussed in this report and be happy to discuss any questions that you may have.

Sincerely yours,

A handwritten signature in cursive script, reading "J. H. Stolarow".

J. H. Stolarow
Director

GAO COMPUTED PRICES FOR MATERIAL CODE 1 ITEMS

| Inventory Code | Source and Data of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit ^{1/} | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|------------------------------|-----------------|-----------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>111-33102</u> | R601882 | - | 2/3/76 | 840 SF | \$63.525 | FF | \$ 53,361.00 |
| | Testing | - | - | - | - | - | 1,800.00 |
| | R601862 | - | 2/3/76 | 840 | 63.525 | FF | 53,361.00 |
| | Testing | - | - | - | - | - | 1,800.00 |
| | R601822 | - | 2/5/76 | 840 | 63.53 | FF | 53,361.00 |
| | Testing | 3 | 3/5/76 | - | - | - | <u>1,200.00</u> |
| | Totals | | | 2520 SF | | | \$164,883.00 |
| | Weighted Average Unit Price: \$65.43 | | | | | | |
| <u>111-33118</u> | R600932 | - | 1/22/76 | 666.67 SF | \$49.58 | FF | \$ 33,050.40 |
| | Weighted Average Unit Price: \$49.58 | | | | | | |

^{1/} Due to rounding, some of the unit prices will not calculate the exact total cost of purchase orders shown.
Explanation of abbreviations in column headed nature of price:

- FF Represents that the unit prices shown are firm fixed prices from the purchase orders indicated and that firm prices were established as of the purchase order or change order date shown. Certificate of current cost or pricing data was certified to as of April 6, 1976.
- Maximum Represents that prices shown were maximum prices subject to downward revision only.
- FF-CO Represents the unit prices shown were considered firm-fixed prices since all items on the orders were delivered and the purchase orders were closed and sent to storage.
- Open Represents the purchase orders with clauses which establish prices at time of delivery. Most items on these orders had been delivered by the certification date and prices for the items delivered (prices shown) had been escalated. The quantities of items delivered after the certification date were generally minimal and even though the prices for these quantities were higher than the prices for quantities delivered earlier, they had minimal impact on the weighted average prices. We believe we were conservative in estimating weighted average prices for these items as we considered the total quantity on all purchase orders even though the entire quantities on latter purchase orders were not needed for the fiscal year 1976 contract. These latter orders contained the highest prices and thus skewed the weighted average prices upward.

GAO COMPUTED PRICES FOR MATERIAL CODE 1 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|---|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>111-33121</u> | R60185Z | 2 | 3/16/76 | 2592 SF | \$30.36 | FF | \$ 78,694.00 |
| | Testing | - | 2/5/76 | - | - | - | 2,250.00 |
| | R60180Z | - | 2/5/76 | 2112 | 29.10 | FF | 61,463.50 |
| | Testing | - | 2/5/76 | - | - | - | 1,800.00 |
| | R60176Z | - | 2/5/76 | 2112 | 29.10 | FF | 61,463.50 |
| | Testing | - | 2/5/76 | - | - | - | 2,250.00 |
| | R60174Z | - | 2/13/76 | 2112 | 29.10 | FF | 61,463.50 |
| | Testing | - | 2/13/76 | - | - | - | 2,250.00 |
| | Totals | | | 8928 SF | | | \$271,634.50 |
| | Weighted Average Unit Price: \$30.43 | | | | | | |
| <u>111-33125</u> | Weighted Average Unit Price: \$11.14 (Price provided by MDC as there had been no recent purchases) | | | | | | |
| <u>111-33134</u> | R60471Z | - | 3/12/76 | 912 SF | \$16.60 | FF | \$ 15,138.00 |
| | Weighted Average Unit Price: \$16.60 | | | | | | |
| <u>111-74183</u> | R50993Z | - | 1/30/76 | 25,500 SF | \$ 2.67 | Open | \$ 68,162.78 |
| | Weighted Average Unit Price: \$ 2.67 | | | | | | |
| <u>111-74617</u> | R60142Z | - | 2/5/76 | 1008 SF | \$45.95 | FF | \$ 46,316.94 |
| | R60312Z | - | 2/22/76 | 672 | 45.95 | FF | 30,877.96 |
| | Totals | | | 1680 SF | | | \$ 77,194.90 |
| | Weighted Average Unit Price: \$45.95 | | | | | | |

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GMO COMPUTED PRICES FOR MATERIAL CODE 1 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>111-74619</u> | R60281Z | - | 2/22/76 | 816 SF | \$ 36.62 | FF | \$ 29,877.86 |
| | R60279Z | 1 | 2/25/76 | 1,008 | 36.56 | FF | 36,854.80 |
| | R60280Z | - | 2/22/76 | 816 | 36.62 | FF | 29,877.86 |
| | R60363 | - | 2/27/76 | 624 | 39.63 | FF | 24,731.15 |
| | Totals | | | 3,264 SF | | | \$121,341.67 |
| | Weighted Average Unit Price: \$37.18 | | | | | | |
| <u>181-28317</u> | R57264 | - | 11/22/75 | 2,500,000 FT | \$.05595 | FF | \$139,875.00 |
| | R66693 | - | a/ | 1,200,000 | .047 | FF | 56,400.00 |
| | Totals | | | 3,700,000 FT | | | \$196,275.00 |
| | Weighted Average Unit Price: \$.053 | | | | | | |
| <u>181-28341</u> | R57263Z | - | 11/22/75 | 600,000 FT | \$.20993 | FF | \$125,958.00 |
| | R66657 | - | b/ | 50,000 | .17885 | FF | 8,942.50 |
| | Totals | | | 650,000 FT | | | \$134,900.50 |
| | Weighted Average Unit Price: \$.208 | | | | | | |
| <u>181-28358</u> | R57266Z | - | 11/22/75 | 2,250,000 FT | \$.04995 | FF | \$112,387.50 |
| | R66781 | - | c/ | 2,000,000 | .04985 | FF | 99,700.00 |
| | Totals | | | 4,250,000 FT | | | \$212,087.50 |
| | Weighted Average Unit Price: \$.050 | | | | | | |
| <u>181-46352</u> | R57056Z | - | 10/15/75 | 7,000 FT | \$.265 | FF | \$ 1,855.00 |
| | Weighted Average Unit Price: \$.265 | | | | | | |

a/ Price based on vendor's quotation received on March 29, 1976.

b/ Price based on vendor's quotation received on April 2, 1976.

c/ Price based on vendor's quotation received on March 23, 1976.

GAO COMPUTED PRICES FOR MATERIAL CODE 2 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>212-05148</u> | P60054Z | - | 1/9/76 | 270 | 2.60 | FF | \$ 702.00 |
| | Weighted Average Unit Price: \$ 2.60 | | | | | | |
| <u>212-05247</u> | P60146Z | - | 1/22/76 | 1,450 | 37.00 | FF | \$ 53,650.00 |
| | Weighted Average Unit Price: \$ 37.00 | | | | | | |
| <u>212-05583</u> | P60218Z | 1 | 3/11/76 | 425 | 94.00 | FF | \$ 39,950.00 |
| | P60649Z | - | 3/10/76 | 150 | 95.00 | FF | 14,250.00 |
| | P60295Z | - | 2/3/76 | 25 | 94.00 | FF | 2,350.00 |
| | Totals | | | 600 | | | \$ 56,550.00 |
| | Weighted Average Unit Price: \$ 94.25 | | | | | | |
| <u>212-28988</u> | P52782Z | - | 12/31/75 | 18,800 | 6.38 | FF | \$119,944.00 |
| | P60397Z | - | 2/13/76 | 400 | 6.38 | FF | 2,552.00 |
| | Totals | | | 19,200 | | | \$122,496.00 |
| | Weighted Average Unit Price: \$ 6.38 | | | | | | |
| <u>212-29388</u> | P60127Z | - | 1/22/76 | 1,550 | 11.63 | FF | \$ 18,026.50 |
| | Weighted Average Unit Price: \$ 11.63 | | | | | | |
| <u>212-31118</u> | P52219Z | - | 10/29/75 | 273 | 184.00 | FF | \$ 50,232.00 |
| | Weighted Average Unit Price: \$184.00 | | | | | | |
| <u>212-45295</u> | P60036Z | - | 1/13/76 | 135 | 377.10 | FF | \$ 50,908.50 |
| | Weighted Average Unit Price: \$377.10 | | | | | | |
| <u>214-28031</u> | P52828Z | - | 1/5/76 | 4,890 | 12.34 | FF | \$ 60,342.60 |
| | Weighted Average Unit Price: \$ 12.34 | | | | | | |
| <u>214-28032</u> | P52827Z | - | 12/31/75 | 3,075 | 17.09 | FF | \$ 52,551.75 |
| | P52850Z | - | 1/7/76 | 3,075 | 17.09 | FF | 52,551.75 |
| | Totals | | | 6,150 | | | \$105,103.50 |
| | Weighted Average Unit Price: \$ 17.09 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 2 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|-------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>214-28050</u> | P52495Z | - | 11/22/75 | 124 | \$300.00 | FF | \$37,200.00 |
| | Weighted Average Unit Price: \$300.00 | | | | | | |
| <u>214-43575</u> | P52338Z | - | 11/5/75 | 524 | \$ 94.50 | FF | \$49,612.50 |
| | Weighted Average Unit Price: \$ 94.50 | | | | | | |
| <u>214-43666</u> | P51226Z | 2 | 2/1/76 | 1,100 | \$ 4.45 | FF | \$ 4,895.00 |
| | Weighted Average Unit Price: \$ 4.45 | | | | | | |
| <u>214-43862</u> | P52484Z | - | 11/22/75 | 280 | \$ 43.79 | FF | \$12,261.20 |
| | Weighted Average Unit Price: \$ 43.79 | | | | | | |
| <u>214-45089</u> | P52600Z | - | 12/4/75 | 600 | \$ 20.70 | FF | \$12,420.00 |
| | Weighted Average Unit Price: \$ 20.70 | | | | | | |
| <u>214-45092</u> | P52600Z | - | 12/4/75 | 520 | \$ 8.80 | FF | \$ 4,576.00 |
| | Weighted Average Unit Price: \$ 8.80 | | | | | | |
| <u>214-45275</u> | P52592Z | 1 | 2/1/76 | 2,240 | \$ 13.86 | FF | \$31,046.40 |
| | Weighted Average Unit Price: \$ 13.86 | | | | | | |
| <u>214-45277</u> | P52062Z | - | 10/27/75 | 3,050 | \$ 16.11 | FF | \$49,135.50 |
| | Weighted Average Unit Price: \$ 16.11 | | | | | | |
| <u>214-45425</u> | P51802Z | 2 | 11/11/75 | 9,050 | \$ 8.07 | FF | \$73,033.50 |
| | Weighted Average Unit Price: \$ 8.07 | | | | | | |
| <u>214-45534</u> | P52098Z | - | 10/22/75 | 2,090 | \$ 11.60 | FF | \$24,244.00 |
| | Weighted Average Unit Price: \$ 11.60 | | | | | | |

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GAO COMPUTED PRICES FOR MATERIAL CODE 2 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>215-02560</u> | P50844Z | - | 5/7/75 | 1,100 | \$ 7.34 | FF | \$ 8,074.00 |
| | P50867Z | 1 | 11/3/75 | 1,100 | \$ 8.55 | FF | 9,405.00 |
| | P60487Z | - | 2/25/76 | 1,700 | \$ 7.52 | FF | 12,784.00 |
| | P60525 | - | 2/27/76 | 1,700 | \$ 8.95 | FF | 15,215.00 |
| | Totals | | | 5,600 | | | \$ 45,478.00 |
| | Weighted Average Unit Price: \$ 8.12 | | | | | | |
| <u>215-24766</u> | P52822Z | - | 12/31/75 | 2,000 | \$ 26.01 | FF | \$ 52,020.00 |
| | P52823Z | - | 12/31/75 | 2,000 | \$ 26.01 | FF | 52,020.00 |
| | Totals | | | 4,000 | | | \$104,040.00 |
| | Weighted Average Unit Price: \$ 26.01 | | | | | | |
| <u>215-24767</u> | P52824Z | - | 12/31/75 | 2,200 | \$ 32.74 | FF | \$ 72,028.00 |
| | P52825Z | - | 12/31/75 | 2,700 | \$ 32.74 | FF | 88,398.00 |
| | P52826Z | - | 12/31/75 | 1,400 | \$ 32.74 | FF | 45,836.00 |
| | Totals | | | 6,300 | | | \$206,262.00 |
| | Weighted Average Unit Price: \$ 32.74 | | | | | | |
| <u>215-27646</u> | P52354Z | - | 11/15/75 | 2,300 | \$ 16.81 | FF | \$ 38,663.00 |
| | Weighted Average Unit Price: \$ 16.81 | | | | | | |
| <u>215-27653</u> | P52312Z | - | 11/13/75 | 1,600 | \$ 15.84 | FF | \$ 25,344.00 |
| | Weighted Average Unit Price: \$ 15.84 | | | | | | |
| <u>216-02425</u> | P50242Z | - | 1/30/75 | 52 | \$ 93.45 | FF | \$ 4,859.40 |
| | P52207Z | - | 10/29/75 | 130 | \$ 94.95 | FF | 12,343.50 |
| | Totals | | | 182 | | | \$ 17,202.90 |
| | Weighted Average Unit Price: \$ 94.52 | | | | | | |
| <u>216-02504</u> | P60165Z | - | 1/23/76 | 120 | \$225.63 | FF | \$ 27,075.60 |
| | Weighted Average Unit Price: \$225.63 | | | | | | |
| <u>216-02530</u> | P60164Z | - | 1/23/76 | 140 | \$ 82.30 | FF | \$ 11,522.00 |
| | Weighted Average Unit Price: \$ 82.30 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 2 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit ^{1/} | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|------------------------------|-----------------|-------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>216-03794</u> | P52412Z | - | 11/22/75 | 140 | \$107.52 | FF | \$15,052.80 |
| | Weighted Average Unit Price: \$107.52 | | | | | | |
| <u>238-21309</u> | P5F750Z | - | 7/31/75 | 1,036 | \$ 19.27 | FF | \$62,729.80 |
| | | | | 2,064 | 20.72 | FF | - |
| | P5H015Z | - | 10/6/75 | 760 | 19.27 | FF | 14,645.20 |
| | Totals | | | 3,860 | | | \$77,375.00 |
| | Weighted Average Unit Price: \$ 20.05 | | | | | | |
| <u>238-22360</u> | P5F803Z | - | 7/26/75 | 3,600 | \$ 20.34 | Open | \$73,224.00 |
| | P5F960 | - | 9/20/75 | 940 | 20.34 | Open | 19,119.60 |
| | Totals | | | 4,540 | | | \$92,343.60 |
| | Weighted Average Unit Price: \$ 20.34 | | | | | | |
| <u>238-22361</u> | P5F736Z | - | 7/31/75 | 700 | \$ 23.40 | FF | \$51,604.00 |
| | | | | 1,400 | 25.16 | FF | - |
| | P5H008Z | - | 10/2/75 | 490 | 23.40 | FF | 11,466.00 |
| | Totals | | | 2,590 | | | \$63,070.00 |
| | Weighted Average Unit Price: \$ 24.35 | | | | | | |
| <u>238-26496</u> | P5F734Z | 3 | 3/19/76 | 1,751 | \$ 13.01 | Open | \$47,371.45 |
| | | | | 1,749 | 14.06 | " | - |
| | P5H004Z | 1 | 3/22/76 | 1,000 | 13.01 | Open | 13,010.00 |
| | Totals | | | 4,500 | | | \$60,381.45 |
| | Weighted Average Unit Price: \$ 13.42 | | | | | | |
| <u>238-77346</u> | P5H161Z | - | 11/6/75 | 6,000 | \$ 4.37 | FF | \$26,204.40 |
| | Weighted Average Unit Price: \$ 4.37 | | | | | | |
| <u>238-77347</u> | P5H161Z | - | 11/6/75 | 6,700 | \$ 4.68 | FF | \$31,360.02 |
| | Weighted Average Unit Price: \$ 4.68 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 2 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|--|---------------------------------------|-------------------------------|---------------------------|-------------------|-----------------|---------------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>239-11904</u> | P5F746Z | 1 | 3/19/76 | 9,250 | \$ 8.87 | Open | \$296,315.00 |
| | | | | 22,250 | 9.63 | " | - |
| | P5F995Z | 1 | 3/19/76 | 9,500 | 8.87 | Open | 84,265.00 |
| | Totals | | | 41,000 | | | \$380,580.00 |
| | Weighted Average Unit Price: \$ 9.28 | | | | | | |
| <u>239-11905</u> | P5F747Z | 1 | 3/19/76 | 11,700 | \$ 8.15 | Open | \$301,560.00 |
| | | | | 23,300 | 8.85 | " | - |
| | P5F996Z | - | 10/2/75 | 7,700 | 9.36 | FF | 72,072.00 |
| | Totals | | | 42,700 | | | \$373,632.00 |
| | Weighted Average Unit Price: \$ 8.75 | | | | | | |
| <u>239-11908</u> | P5F749Z | - | 7/31/75 | 3,100 | \$ 16.84 | FF | \$184,334.00 |
| | | | | 7,300 | 18.10 | " | - |
| | Totals | | | 10,400 | | | \$184,334.00 |
| | | Weighted Average Unit Price: \$ 17.72 | | | | | |
| <u>239-11909</u> | P5F749Z | - | 7/31/75 | 600 | \$ 22.40 | FF | \$131,432.00 |
| | | | | 4,900 | 24.08 | " | - |
| | Totals | | | 5,500 | | | \$131,432.00 |
| | | Weighted Average Unit Price: \$ 23.90 | | | | | |
| <u>239-12652</u> | P5H267Z | - | 12/1/75 | 820 | \$ 95.85 | FF | \$ 78,597.00 |
| | Weighted Average Unit Price: \$ 95.85 | | | | | | |
| <u>239-12740</u> | P5H131Z | 2 | 3/4/75 | 2,300 | \$ 20.21 | FF | \$ 46,483.00 |
| | Weighted Average Unit Price: \$ 20.21 | | | | | | |
| <u>239-38220</u> | P6F251Z | - | 2/24/76 | 275 | \$ 62.67 | FF | \$ 17,234.25 |
| | P6F252Z | - | 2/24/76 | 275 | 58.27 | FF | 16,024.25 |
| | Totals | | | 550 | | | \$ 33,258.50 |
| | | Weighted Average Unit Price: \$ 60.47 | | | | | |
| <u>239-45498</u> | P5H141Z | - | 10/30/75 | 275 | \$140.60 | FF | \$ 38,665.00 |
| | Weighted Average Unit Price: \$140.60 | | | | | | |

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GAO COMPUTED PRICES FOR MATERIAL CODE 3 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|-------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|-------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 300-07125 | P4M794Z | - | 11/18/74 | 1,800 | \$ 2.70 | d/ | \$ 4,860.00 |
| | Weighted Average Unit Price: \$ 2.70 | | | | | | |
| 339-08211 | P6F2J7Z | - | 2/6/76 | 540 | \$ 26.99 | FF | \$14,574.60 |
| | Weighted Average Unit Price: \$ 26.99 | | | | | | |
| 339-25019 | P5F810Z | 1 | 1/13/76 | 405 | \$ 69.95 | FF | \$28,329.75 |
| | Weighted Average Unit Price: \$ 69.95 | | | | | | |
| 339-47969 (47979) | P5F414Z | 1 | 11/17/75 | 285 | \$ 69.71 | FF | \$19,867.35 |
| | Weighted Average Unit Price: \$ 69.71 | | | | | | |
| 339-48008 | P5F414Z | 1 | 11/17/75 | 261 | \$ 90.47 | FF | \$23,612.67 |
| | Weighted Average Unit Price: \$ 90.47 | | | | | | |
| 349-05232 | P5F135Z | 1 | 10/27/75 | 117 | \$119.34 | FF | \$15,132.38 |
| | | | | 10 | 116.96 | " | - |
| | Totals | | | 127 | | | \$15,132.38 |
| | Weighted Average Unit Price: \$119.15 | | | | | | |
| 349-05233 | P5F135Z | 1 | 10/27/75 | 117 | \$119.34 | FF | \$15,132.38 |
| | | | | 10 | 116.96 | " | - |
| | Totals | | | 127 | | | \$15,132.38 |
| | Weighted Average Unit Price: \$119.15 | | | | | | |
| 349-89148 | P5F2J6Z | 1 | 11/11/75 | 234 | \$171.55 | FF | \$45,766.85 |
| | | | | 35 | 160.69 | FF | - |
| | Totals | | | 269 | | | \$45,766.85 |
| | Weighted Average Unit Price: \$170.14 | | | | | | |
| 377-05013 | P5H383Z | - | 12/29/75 | 600 | \$ 22.20 | FF | \$13,320.00 |
| | Weighted Average Unit Price: \$ 22.20 | | | | | | |
| 377-98910 | P5H332Z | - | 12/16/75 | 150 | \$ 85.97 | FF | \$12,895.50 |
| | Weighted Average Unit Price: \$ 85.97 | | | | | | |

d/ Contractor was unable to locate purchase order. The unit price shown was obtained from price history.

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

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| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit ¹ / Unit ¹ | Nature of Price | Total Cost |
|------------------|---|---|-------------------------------|---------------------------|--|-----------------|----------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>753-11015</u> | C40826Z | 11 | 1/21/76 | 16 | \$6,312.60 | Open | 101,001.60 |
| | | | | 15 | 6,722.92 | " | 100,843.80 |
| | C41500Z | 9 | 2/20/76 | 30 | 6,722.92 | Open | 201,687.60 |
| | | | | 41 | 6,975.42 | " | 285,992.22 |
| | | | | 16 | 6,722.92 | " | 107,566.72 |
| | | | | 21 | 6,975.42 | " | 146,483.02 |
| | Stamping Chg. | 10 | 3/16/76 | - | - | - | 195.00 |
| | C50513Z | - | 7/22/75 | 27 | 7,810.00 | Maximum | 210,870.00 |
| Totals | | | 166 | | | \$1,154,640.76 | |
| | Weighted Average Unit Price: \$6,955.67 | | | | | | |
| <u>753-11016</u> | Inventory | - | - | 2 | \$4,533.00 | - | \$ 9,066.00 |
| | C40826Z | 12 | 4/1/76 | 16 | 6,312.60 | Open | 101,001.60 |
| | | | | 15 | 6,722.92 | " | 100,843.80 |
| | C41500Z | 9 | 2/20/76 | 45 | 6,722.92 | Open | 302,531.40 |
| | | | | 63 | 6,975.42 | " | 439,451.46 |
| | C50513Z | - | 7/22/75 | 27 | 7,810.00 | Maximum | 210,870.00 |
| | Stamping Chg. | | | - | - | - | 195.00 |
| | Totals | | | 168 | | | \$1,163,959.26 |
| | Weighted Average Unit Price: \$6,928.33 | | | | | | |
| <u>753-11017</u> | C40827Z | 10 | 11/29/75 | 29 | \$4,730.40 | Open | \$ 137,181.60 |
| | | | | 2 | 5,037.88 | " | 10,075.76 |
| | C41501Z | 7 | 12/12/75 | 55 | 5,037.88 | Open | 277,083.40 |
| | | | | 63 | 5,227.09 | " | 329,306.67 |
| | Stamping Chg. | 9 | 3/17/76 | - | - | - | 195.00 |
| | C50514Z | 3 | 12/15/75 | 27 | 7,445.00 | Maximum | 201,015.00 |
| | Totals | | | 176 | | | \$ 954,857.43 |
| | | Weighted Average Unit Price: \$5,425.33 | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit | Nature of Price | Total Cost |
|-------------------|---|--------------------------------|-------------------------------|---------------------------|----------------|-----------------|---------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 753-11018 | Inventory | - | - | 13 | \$1,936.00 | - | \$ 51,168.00 |
| | C40827Z | 10 | 11/29/75 | 26 | 4,730.40 | Open | 122,990.40 |
| | | | | 5 | 5,037.00 | " | 25,189.40 |
| | C41501Z | 7 | 12/12/75 | 56 | 5,037.00 | Open | 282,121.28 |
| | | | | 57 | 5,227.09 | " | 297,944.13 |
| | Stamping Chg. | 9 | 3/17/76 | - | - | " | 195.00 |
| | C50514Z | 3 | 12/15/75 | 27 | 7,445.00 | Maximum | 201,015.00 |
| | Totals | | | 184 | | | \$ 980,623.21 |
| | Weighted Average Unit Price: \$5,429.47 | | | | | | |
| 753-11019 (11023) | Inventory | - | - | 1 | \$4,192.00 | - | \$ 4,192.00 |
| | C40828Z | 10 | 12/12/75 | 27 | 4,880.52 | Open | 131,774.04 |
| | | | | 4 | 5,197.75 | " | 20,791.00 |
| | C41502Z | 8 | 12/4/75 | 55 | 5,197.75 | Open | 285,876.25 |
| | | | | 58 | 5,392.97 | " | 312,792.26 |
| | Stamping Chg. | 10 | 3/17/76 | - | - | " | 195.00 |
| | C50515Z | 2 | 1/13/76 | 27 | 7,400.00 | Maximum | 199,800.00 |
| | Totals | | | 172 | | | \$ 955,420.55 |
| | Weighted Average Unit Price: \$5,554.77 | | | | | | |
| 753-11020 (11024) | Inventory | - | - | 5 | \$4,192.00 | - | \$ 20,960.00 |
| | C40828Z | 10 | 12/12/75 | 26 | 4,880.52 | Open | 126,893.52 |
| | | | | 5 | 5,197.75 | " | 25,988.75 |
| | C41502Z | 8 | 12/4/75 | 53 | 5,197.75 | Open | 275,480.75 |
| | | | | 60 | 5,392.97 | " | 323,578.20 |
| | Stamping Chg. | 10 | 3/17/76 | - | - | " | 195.00 |
| | C50515Z | 2 | 1/13/76 | 27 | 7,400.00 | Maximum | 199,800.00 |
| | Totals | | | 176 | | | \$ 972,896.22 |
| | Weighted Average Unit Price: \$5,527.82 | | | | | | |
| 753-21006 | C50115Z | - | 3/29/75 | 82 | \$ 924.00 | Open | \$ 75,768.00 |
| | C50117Z | 2 | 2/20/76 | 67 | 1,310.86 | Open | 87,828.00 |
| | C41657Z | - | 12/7/74 | 52 | 1,040.00 | Open | 54,080.00 |
| | Totals | | | 201 | | | \$ 217,676.00 |
| | Weighted Average Unit Price: \$1,082.97 | | | | | | |

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GAO COMPUTED PRICES FOR MATERIAL CODE / ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|--|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|----------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 753-21104 | C40793Z | - | 5/8/74 | 62 | \$ 357.69 | Open | \$ 22,176.78 |
| | C41352Z | 5 | 3/9/76 | 216 | 337.21 | Open | 72,837.36 |
| | Totals | | | 278 | | | \$ 95,014.14 |
| | Weighted Average Unit Price: \$ 341.78 | | | | | | |
| 753-23001 | Inventory | - | - | 10 | \$ 1,932.00 | - | \$ 19,320.00 |
| | C40809Z | 8 | 12/10/75 | 62 | 2,431.00 | FF | 150,722.00 |
| | C41040Z | 7 | 12/10/75 | 72 | 2,565.00 | FF | 184,680.00 |
| | C41059Z | 6 | 12/10/75 | 72 | 2,421.00 | FF | 174,312.00 |
| | C41078Z | 4 | 1/13/76 | 12 | 2,571.00 | FF | 185,112.00 |
| | Totals | | | 288 | | | \$ 714,146.00 |
| Weighted Average Unit Price: \$ 2,479.67 | | | | | | | |
| 753-23005 | Inventory | - | - | 10 | \$ 1,941.00 | FF | \$ 19,410.00 |
| | C40808Z | 7 | 12/10/75 | 62 | 2,188.00 | FF | 135,656.00 |
| | C41039Z | 5 | 12/10/75 | 72 | 2,439.00 | FF | 175,608.00 |
| | C41058Z | 5 | 12/10/75 | 72 | 2,726.00 | FF | 196,272.00 |
| | C41077Z | 5 | 1/13/76 | 72 | 2,690.50 | FF | 193,716.00 |
| | Totals | | | 288 | | | \$ 720,662.00 |
| Weighted Average Unit Price: \$ 2,502.30 | | | | | | | |
| 753-32011 | C40831Z | 10 | 3/11/76 | 31 | \$18,153.00 | Open | \$ 562,743.00 |
| | C41179Z | 9 | 2/27/76 | 6 | 19,636.25 | Open | 117,817.48 |
| | | | | 25 | 19,876.08 | " | 496,902.00 |
| | C41383Z | - | 8/27/74 | 40 | 17,770.00 | FF | 710,800.00 |
| | C41386Z | 5 | 12/10/75 | 16 | 18,876.00 | FF | 302,016.00 |
| | C42038Z | 5 | 12/10/75 | 24 | 19,371.00 | FF | 464,904.00 |
| | Totals | | | 142 | | | \$2,655,182.48 |
| Weighted Average Unit Price: \$18,698.47 | | | | | | | |
| 753-32012 (32030) | C41041Z | 9 | 12/10/75 | 36 | \$ 7,400.00 | FF | \$ 266,400.00 |
| | C41060Z | 9 | 12/10/75 | 36 | 8,028.00 | FF | 289,008.00 |
| | C41079Z | 9 | 12/10/75 | 36 | 7,882.00 | FF | 283,752.00 |
| | C50539Z | 2 | 11/12/75 | 27 | 10,473.00 | Maximum | 282,771.00 |
| | Stamping Chg. | 3 | 3/31/76 | - | - | - | 395.00 |
| | C40810Z | 11 | 12/16/75 | 31 | 6,631.00 | FF | 205,561.00 |
| | Totals | | | 166 | | | \$1,327,887.00 |
| | Weighted Average Unit Price: \$ 7,999.32 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|----------------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 753-32013(32029) | C40812Z | 11 | 12/10/75 | 31 | \$ 7,850.00 | FF | \$ 243,350.00 |
| | C41043Z | 8 | 12/10/75 | 36 | 8,777.00 | FF | 315,972.00 |
| | C41062Z | 7 | 12/10/75 | 36 | 9,363.00 | FF | 337,068.00 |
| | C41081Z | 7 | 1/13/76 | 36 | 8,997.00 | FF | 323,892.00 |
| | C50541Z | 2 | 11/11/75 | 27 | 11,262.00 | Maximum | 304,074.00 |
| | Stamping Chg. | 3 | 3/31/75 | - | - | - | 395.00 |
| | Totals | | | | 166 | | |
| | Weighted Average Unit Price: \$ 9,185.25 | | | | | | |
| 753-32014(32028) | C40811Z | 10 | 12/10/75 | 31 | \$ 7,473.00 | FF | \$ 231,663.00 |
| | C41042Z | 9 | 12/10/75 | 36 | 8,106.00 | FF | 291,816.00 |
| | C41061Z | 9 | 12/10/75 | 36 | 8,652.00 | FF | 311,472.00 |
| | C41080Z | 9 | 1/13/76 | 36 | 8,551.00 | FF | 307,836.00 |
| | C50540Z | 2 | 10/23/75 | 27 | 10,701.00 | Maximum | 288,927.00 |
| | Stamping Chg. | 3 | 3/23/76 | - | - | - | 395.00 |
| | Totals | | | | 166 | | |
| | Weighted Average Unit Price: \$ 8,627.16 | | | | | | |
| 753-32015 | C40833Z | 9 | 7/22/75 | 31 | \$18,172.00 | Open | \$ 563,332.00 |
| | C41181Z | 8 | 7/22/75 | 14 | 19,176.13 | Open | 606,703.94 |
| | | | | 17 | 19,896.36 | " | - |
| | C41385Z | 7 | 1/27/76 | 48 | 17,213.00 | Open | 826,224.00 |
| | C41388Z | 5 | 12/10/75 | 8 | 19,872.00 | FF | 158,976.00 |
| | C42042Z | 5 | 12/10/75 | 24 | 20,386.00 | FF | 489,264.00 |
| | C40249Z | 9 | 7/12/75 | 30 | 17,000.00 | Open | 510,000.00 |
| | Totals | | | | 172 | | |
| | Weighted Average Unit Price: \$18,340.12 | | | | | | |
| 753-33000 | C40835Z | 4 | 7/10/75 | 62 | \$ 861.45 | Open | \$ 53,409.90 |
| | C41504Z | 6 | 1/16/76 | 216 | 904.88 | Open | 195,454.71 |
| | Totals | | | 278 | | | \$ 248,864.61 |
| | Weighted Average Unit Price: \$ 895.20 | | | | | | |

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GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------------------|---|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>753-33010 & 33011</u> | C40815Z | 4 | 12/10/75 | 25 | \$1,084.00 | FF | \$ 27,100.00 |
| | C41046Z | 4 | 12/10/75 | 36 | 1,043.00 | FF | 37,548.00 |
| | C41065Z | 4 | 12/10/75 | 36 | 1,237.00 | FF | 44,532.00 |
| | C41084Z | 4 | 1/13/76 | 36 | 1,163.00 | FF | 41,868.00 |
| | Totals | | | 133 | | | \$151,048.00 |
| | Weighted Average Unit Price: \$1,135.70 | | | | | | |
| <u>753-33012</u> | C40816Z | 2 | 7/12/75 | 20 | \$1,148.00 | FF | \$ 22,960.00 |
| | C41047Z | 5 | 12/10/75 | 36 | 1,082.00 | FF | 38,952.00 |
| | C41066Z | 5 | 12/15/75 | 36 | 1,275.00 | FF | 45,900.00 |
| | C41085Z | 4 | 1/13/76 | 36 | 1,197.00 | FF | 43,092.00 |
| | Totals | | | 128 | | | \$150,904.00 |
| | Weighted Average Unit Price: \$1,178.94 | | | | | | |
| <u>753-33013</u> | C40816Z | 7 | 12/10/75 | 27 | \$1,137.00 | FF | \$ 30,699.00 |
| | C41047Z | 5 | 12/10/75 | 36 | 1,082.00 | FF | 38,952.00 |
| | C41066Z | 5 | 12/15/75 | 36 | 1,275.00 | FF | 45,900.00 |
| | C41085Z | 4 | 1/13/76 | 36 | 1,197.00 | FF | 43,092.00 |
| | Totals | | | 135 | | | \$158,643.00 |
| | Weighted Average Unit Price: \$1,175.13 | | | | | | |
| <u>753-33015</u> | Inventory | - | - | 24 | \$1,003.00 | - | \$ 24,072.00 |
| | C40817Z | 5 | 12/10/75 | 62 | 1,539.00 | FF | 95,418.00 |
| | C41048Z | 3 | 12/10/75 | 75 | 1,467.00 | FF | 110,025.00 |
| | C41086Z | 4 | 1/15/76 | 75 | 1,564.00 | FF | 117,300.00 |
| | Totals | | | 236 | | | \$346,815.00 |
| | Weighted Average Unit Price: \$1,469.56 | | | | | | |
| <u>753-33019</u> | Inventory | - | - | 1 | \$1,375.00 | - | \$ 1,375.00 |
| | Inventory | - | - | 12 | 1,673.00 | - | 20,076.00 |
| | C40836Z | 7 | 3/24/76 | 62 | 1,673.36 | Open | 103,748.32 |
| | C41505Z | 8 | 1/30/76 | 216 | 1,673.36 | Open | 361,445.76 |
| | Totals | | | 291 | | | \$486,645.08 |
| | Weighted Average Unit Price: \$1,672.32 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 753-33020 | C41012Z | 5 | 10/27/75 | 164 | \$ 55.07 | Open | \$ 9,032.24 |
| | C41440Z | 2 | 4/17/75 | 322 | 51.74 | " | 16,658.94 |
| | Totals | | | 486 | | | \$ 25,691.18 |
| | Weighted Average Unit Price: | \$ | 52.86 | | | | |
| 753-33021 | C40839Z | 6 | 10/9/75 | 31 | \$1,258.30 | Open | \$ 39,007.30 |
| | C41348Z | 6 | 10/9/75 | 108 | 1,131.10 | Open | 122,158.80 |
| | Totals | | | 139 | | | \$161,166.10 |
| | Weighted Average Unit Price: | \$1,159.47 | | | | | |
| 753-33024 | Inventory | - | - | 10 | \$2,011.00 | - | \$ 20,110.00 |
| | C40837Z | 8 | 12/16/75 | 62 | 2,010.55 | Open | 124,654.10 |
| | C41491Z | 9 | 3/10/76 | 216 | 1,686.70 | Open | 364,327.20 |
| | Totals | | | 288 | | | \$509,091.30 |
| Weighted Average Unit Price: | \$1,767.68 | | | | | | |
| 753-33030 | C41009Z | 3 | 4/26/75 | 62 | \$ 486.91 | Open | \$ 30,188.42 |
| | C41347Z | 3 | 4/26/75 | 216 | 475.46 | Open | 102,699.36 |
| | Totals | | | 278 | | | \$132,887.78 |
| | Weighted Average Unit Price: | \$ | 478.01 | | | | |
| 753-33032 | C40814Z | 4 | 12/10/75 | 62 | \$ 634.00 | FF | \$ 39,308.00 |
| | C41045Z | 3 | 12/12/75 | 75 | 692.00 | FF | 51,900.00 |
| | C41064Z | 3 | 12/10/75 | 75 | 801.00 | FF | 60,075.00 |
| | C41083Z | 4 | 1/13/76 | 75 | 715.00 | FF | 53,625.00 |
| | Totals | | | 287 | | | \$204,908.00 |
| Weighted Average Unit Price: | \$ | 713.97 | | | | | |
| 753-33034 | Inventory | - | - | 9 | \$1,027.00 | - | \$ 9,243.00 |
| | C40824Z | 4 | 12/16/75 | 62 | 984.00 | FF | 61,008.00 |
| | C41055Z | 3 | 12/10/75 | 75 | 1,228.00 | FF | 92,100.00 |
| | C41074Z | 3 | 12/10/75 | 75 | 1,320.00 | FF | 99,000.00 |
| | C41093Z | 4 | 1/13/76 | 75 | 1,314.00 | FF | 98,550.00 |
| | Totals | | | 296 | | | \$359,901.00 |
| Weighted Average Unit Price: | \$1,215.88 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit ^{1/} | Nature of Price | Total Cost |
|---|---|--------------------------------|-------------------------------|---------------------------|------------------------------|-----------------|----------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 753-33037 | Inventory | - | - | 9 | \$2,451.00 | - | \$ 22,059.00 |
| | C41007Z | 2 | 7/14/75 | 31 | 3,717.00 | Open | 115,227.00 |
| | C41363Z | 4 | 3/18/76 | 108 | 3,717.00 | Open | 401,436.00 |
| | Totals | | | 148 | | | \$ 538,722.00 |
| | Weighted Average Unit Price: \$3,640.01 | | | | | | |
| 753-33042 | Inventory | - | - | 6 | \$1,276.00 | - | \$ 7,656.00 |
| | C40821Z | 7 | 12/10/75 | 31 | 1,726.00 | FF | 53,506.00 |
| | C41052Z | 7 | 1/13/76 | 36 | 1,633.00 | FF | 58,788.00 |
| | C41071Z | 5 | 12/10/75 | 36 | 2,015.00 | FF | 72,540.00 |
| | C41090Z | 7 | 1/13/76 | 36 | 1,897.00 | FF | 68,292.00 |
| | Totals | | | 145 | | | \$ 260,782.00 |
| Weighted Average Unit Price: \$1,798.50 | | | | | | | |
| 753-33044 | Inventory | - | - | 3 | \$5,662.00 | - | \$ 16,986.00 |
| | C40818Z | 10 | 12/10/75 | 62 | 7,263.00 | FF | 450,306.00 |
| | C41049Z | 8 | 12/10/75 | 72 | 8,211.00 | FF | 591,192.00 |
| | C41068Z | 8 | 12/10/75 | 72 | 8,932.00 | FF | 643,104.00 |
| | C41087Z | 7 | 1/13/76 | 72 | 8,991.00 | FF | 647,352.00 |
| | C50542Z | 3 | 2/17/76 | 54 | 9,743.00 | Maximum | 511,542.00 |
| | Totals | | | 335 | | | \$2,860,482.00 |
| Weighted Average Unit Price: \$8,538.75 | | | | | | | |
| 753-33045 | Inventory | - | - | 12 | \$5,061.89 | - | \$ 60,742.68 |
| | C40838Z | 5 | 7/10/75 | 62 | 5,786.64 | Open | 358,771.68 |
| | C41506Z | 6 | 12/29/75 | 92 | 6,162.77 | Open | 1,359,860.60 |
| | Totals | | | 124 | 6,394.24 | Open | - |
| Weighted Average Unit Price: \$6,135.78 | | | | | | | |
| 753-33046 | Inventory | - | - | 1 | \$2,087.79 | - | \$ 2,087.79 |
| | C41375Z | 3 | 11/19/75 | 216 | 2,087.79 | Maximum | 450,962.64 |
| | C50436Z | 2 | 1/8/76 | 72 | 2,894.00 | FF | 208,368.00 |
| | Totals | | | 289 | | | \$ 661,418.43 |
| Weighted Average Unit Price: \$2,288.65 | | | | | | | |

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GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|--|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 753-33048 | Inventory | - | - | 46 | \$651.00 | - | \$ 29,946.00 |
| | C41006Z | 3 | 1/22/76 | 62 | 950.00 | Open | 58,900.00 |
| | C41356Z | 5 | 1/15/76 | 216 | 950.00 | Open | 205,200.00 |
| | Totals | | | 324 | | | \$294,046.00 |
| | Weighted Average Unit Price: \$907.55 | | | | | | |
| 753-33052 | C41096Z | 2 | 9/15/75 | 62 | \$336.31 | FF | \$ 20,851.22 |
| | C41376 | 3 | 12/31/75 | 216 | 330.00 | FF | 71,280.00 |
| | Totals | | | 278 | | | \$ 92,131.22 |
| | Weighted Average Unit Price: \$331.41 | | | | | | |
| 753-41003 | C41013Z | 4 | 4/17/75 | 190 | \$ 23.21 | Open | \$ 4,409.90 |
| | C41441Z | 2 | 4/16/75 | 236 | 23.21 | Open | 5,477.56 |
| | Set-up Charges | - | - | - | - | - | 300.00 |
| | Totals | | | 426 | | | \$ 10,187.46 |
| | Weighted Average Unit Price: \$ 23.91 | | | | | | |
| 753-41006 | C41203Z | - | 7/2/74 | 170 | \$ 43.00 | FF-CO | \$ 7,310.00 |
| | Set-up Charges | - | - | - | - | - | 200.00 |
| | C41366Z | - | 7/18/74 | 251 | 42.00 | FF-CO | 10,542.00 |
| | Set-up Charges | - | - | - | - | - | 200.00 |
| | Totals | | | 421 | | | \$ 18,252.00 |
| Weighted Average Unit Price: \$ 43.35 | | | | | | | |
| 753-41010(41011) | C41202Z | - | 7/2/74 | 90 | \$ 26.50 | FF-CO | \$ 2,385.00 |
| | Set-up Charges | - | - | - | - | - | 200.00 |
| | C41342Z | - | 7/15/74 | 125 | 25.00 | FF-CO | 3,125.00 |
| | Set-up Charges | - | - | - | - | - | 200.00 |
| | Totals | | | 215 | | | \$ 5,910.00 |
| Weighted Average Unit Price: \$ 27.49 each | | | | | | | |
| 753-50000(50001) | C41107Z | - | 6/20/74 | 90 | \$ 79.45 | FF-CO | \$ 7,150.50 |
| | Set-up Charges | - | - | - | - | - | 300.00 |
| | C41374Z | - | 6/26/74 | 108 | 76.18 | Open | 8,227.44 |
| | Set-up Charges | - | - | - | - | - | 300.00 |
| | Totals | | | 198 | | | \$ 15,977.94 |
| Weighted Average Unit Price: \$ 80.70 each | | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit ^{1/} | Nature of Price | Total Cost |
|---|--|--------------------------------|-------------------------------|---------------------------|------------------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>760-80125</u> | R42716Z | 3 | 7/28/75 | 80 | \$ 711.48 | Open | \$ 56,918.40 |
| | Stress Test | - | 12/5/74 | - | - | - | 2,700.00 |
| | R50815Z | - | 8/14/75 | 115 | 739.97 | FF | 85,096.55 |
| | Stress Test | - | 8/14/75 | - | - | - | 3,750.00 |
| | R60587Z | - | e/ | 137 | 606.39 | FF | 94,036.05 |
| | Stress Test | - | e/ | - | - | - | 2,550.00 |
| | R60726Z | - | e/ | 160 | 699.57 | FF | 111,930.56 |
| | Stress Test | - | e/ | - | - | - | 5,700.00 |
| Totals | | | 492 | | | \$362,681.56 | |
| Weighted Average Unit Price: \$ 737.16 | | | | | | | |
| <u>760-80130</u> | R42733Z | 1 | 9/20/75 | 80 | \$1,018.71 | FF | \$ 81,497.04 |
| | Stress Test | 3 | 12/9/75 | - | - | - | 5,100.00 |
| | R51133Z | - | 9/27/75 | 90 | 999.01 | FF | 89,910.54 |
| | Stress Test | - | 9/27/75 | - | - | - | 2,850.00 |
| | R51134Z | - | 9/29/75 | 90 | 999.01 | FF | 89,910.54 |
| | Stress Test | - | 9/29/75 | - | - | - | 2,850.00 |
| Totals | | | 260 | | | \$272,118.12 | |
| Weighted Average Unit Price: \$1,046.61 | | | | | | | |
| <u>760-80146</u> (80221 & 80223) | R42730Z | 3 | 9/20/75 | 36 | \$2,278.65 | FF | \$ 82,031.40 |
| | Testing | 1 | 4/3/75 | - | - | - | 3,600.00 |
| | R50922Z | - | 9/2/75 | 65 | 2,754.23 | FF | 179,025.00 |
| | Testing | - | 9/2/75 | - | - | - | 4,500.00 |
| | R60727Z | - | e/ | 180 | 2,305.67 | FF | 415,020.24 |
| | Testing | - | e/ | - | - | - | 13,500.00 |
| | Totals | | | 281 | | | \$697,676.64 |
| Weighted Average Unit Price: \$2,482.84 | | | | | | | |

^{1/} Prices based on vendors quotation received in December 1975

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|------------------|---|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| 760-80164(80229) | R42995E | 1 | 7/24/75 | 36 | \$4,463.48 | Open | \$160,685.28 |
| | Testing | 2 | 12/3/75 | - | - | - | 5,400.00 |
| | R51283E | 1 | 12/8/75 | 22 | 4,320.68 | FF | 95,054.92 |
| | Testing | - | 10/27/75 | - | - | - | 3,300.00 |
| | R51292E | 1 | 12/8/75 | 27 | 4,320.68 | FF | 116,658.31 |
| | Testing | - | 10/22/75 | - | - | - | 4,050.00 |
| | R51291E | 1 | 12/8/75 | 33 | 4,320.68 | FF | 142,582.37 |
| | Testing | - | 10/27/75 | - | - | - | 4,950.00 |
| | R60946 | - | f/ | 25 | 3,713.58 | FF | 92,839.50 |
| | Testing | - | f/ | - | - | - | 3,750.00 |
| | Totals | | | 143 | | | \$629,270.38 |
| | Weighted Average Unit Price: \$4,400.49 | | | | | | |

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1/ Price based on vendors' quotation received in December 1975.

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Mature of Price | Total Cost | |
|---------------------------------------|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|---------------|-----------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | | |
| 760-80199(80230) | R42007Z | 4 | 1/23/76 | 239 | \$899.71 | Open | \$ 215,029.99 | |
| | Inspection | - | 9/24/74 | - | - | - | 3,105.00 | |
| | R50888Z | - | 9/2/75 | 98 | 792.00 | FF | 77,616.00 | |
| | Testing | - | 9/2/75 | - | - | - | 3,450.00 | |
| | R60751Z | - | g/ | 355 | 706.67 | FF | 250,868.24 | |
| | Testing | - | g/ | - | - | - | 9,000.00 | |
| Totals | | | | 692 | | | \$ 559,069.23 | |
| Weighted Average Unit Price: \$807.90 | | | | | | | | |
| 760-80202 | MDC has dropped this material code; however, because it was included in MDC's original proposal at \$200 we also included \$200.00 as a constant or an offset. | | | | | | | |
| 790-67509(67514) | R56278Z | 2 | 2/24/76 | 102,972 ^{h/} | \$ 3.225 | Open | \$ 332,084.70 | |
| | | 2 | 2/24/76 | 21,528 | 3.175 | Open | 68,351.40 | |
| | | - | 11/5/75 | 373,000 | 3.475 | Open | 1,296,175.00 | |
| | R57124Z | 1 | 3/9/76 | 503,600 | 2.35 | Open | 1,183,460.00 | |
| | | 1 | 3/9/76 | 734,400 | 2.45 | Open | 1,799,280.00 | |
| | R66602Z | - | 3/26/76 | 1,540,000 | 2.61 | Open | 4,019,400.00 | |
| | R66821Z | - | 4/1/76 | 375,200 | 2.61 | Maximum | 979,272.00 | |
| | Totals | | | | 3,650,700 FT | | | \$ 9,678,023.10 |
| | GAO estimated escalation of 20¢ per foot; (\$.20 x 3,650,700 ft.) | | | | | | | 730,140.00 |
| | Total | | | | | | | \$10,408,163.10 |
| Weighted Average Unit Price: \$ 2.85 | | | | | | | | |

g/ Price based on vendors' quotation received in December 1975.
h/ Represent 3" strips (all 6" and 48" strips were converted to 3").

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit ^{1/} | Nature of Price | Total Cost |
|---------------------------------------|--|--------------------------------|-------------------------------|---------------------------|------------------------------|-----------------|--------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>791-87655</u> | R51213Z | - | 10/16/75 | 9,360 SF | \$ 17.58 | FF | \$164,548.80 |
| | R51481Z | - | 11/20/75 | 360 | 17.58 | FF | 6,328.80 |
| | Totals | | | 9,720 SF | | | \$170,877.60 |
| | Weighted Average Unit Price: \$17.58 | | | | | | |
| <u>791-87660</u> | R51148Z | - | 9/29/75 | 8,712 SF | \$ 19.90 | FF | \$173,368.80 |
| | Weighted Average Unit Price: \$19.90 | | | | | | |
| <u>791-87673</u> | R51282Z | - | 10/27/75 | 18,888 SF | \$ 24.06 | FF | \$454,445.28 |
| | Weighted Average Unit Price: \$24.06 | | | | | | |
| <u>791-87747</u> | R51394Z | - | 7/10/75 | 8,622 SF | \$ 28.59 | FF | \$246,502.98 |
| Weighted Average Unit Price: \$28.59 | | | | | | | |
| <u>791-87804</u> | R50702Z | - | 7/23/75 | 8,064 SF | \$ 26.34 | FF | \$212,405.76 |
| | Testing | - | 7/23/75 | - | - | - | 1,680.00 |
| | Totals | | | 8,064 SF | | | \$214,085.76 |
| | Weighted Average Unit Price: \$26.55 | | | | | | |
| <u>791-87959</u> | R51036Z | - | 9/20/75 | 1,512 SF | \$ 255.61 | FF | \$386,482.32 |
| | R60540Z | - | 3/17/76 | 864 | 194.70 | FF | 168,220.80 |
| | Totals | | | 2,376 SF | | | \$554,703.12 |
| Weighted Average Unit Price: \$233.46 | | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | Date of Purchase/ Change Order | Number of Units Purchased | Price Per Unit 1/ | Mature of Price | Total Cost |
|----------------|--|-----------------------------------|-----------------------------------|------------------------------|----------------------|--------------------|---------------|
| | Purchase Order Number | Applicable Change Order Number | | | | | |
| 794-13472 | R42669Z | 4 | 9/30/75 | 6480 FT | \$ 43.02 | FF | \$283,976.64 |
| | Weighted Average Unit Price: \$ 43.02 | | | | | | |
| 794-13541 | R41441X | 2 | 7/1/75 | 990 FT | \$ 45.03 | FF-CO | \$ 45,374.60 |
| | R50227Z | 3 | 10/25/75 | 1529 | 49.04 | FF | 74,998.84 |
| | R50267Z | - | 3/26/75 | 1144 | 46.54 | Open | 53,238.00 |
| | Totals | | | 3663 FT | | | \$173,601.44 |
| | Weighted Average Unit Price: \$ 47.39 | | | | | | |
| 794-13542 | R50218Z | - | 3/29/75 | 1627 FT | \$197.67 | FF | \$321,616.68 |
| | Weighted Average Unit Price: \$197.67 | | | | | | |
| 794-13543 | R50230Z | 2 | 11/29/75 | 1724 FT | \$234.48 | Open | \$404,249.44 |
| | Weighted Average Unit Price: \$234.48 | | | | | | |
| 794-13544 | R50235Z | 1 | 3/29/75 | 714 FT | \$125.02 | FF-CO | \$ 89,266.40 |
| | Weighted Average Unit Price: \$125.02 | | | | | | |

GAO COMPUTED PRICES FOR MATERIAL CODE 7 ITEMS

| Inventory Code | Source and Date of Most Recent Pricing | | | Number of Units Purchased | Price Per Unit 1/ | Nature of Price | Total Cost |
|--|--|--------------------------------|-------------------------------|---------------------------|-------------------|-----------------|----------------|
| | Purchase Order Number | Applicable Change Order Number | Date of Purchase/Change Order | | | | |
| <u>798-10957 (10989 & 10990) (11005 & 11006)</u> | R43157Z | 2 | 5/12/75 | 78 | \$21,659.00 | Open | \$1,689,402.00 |
| | R50211Z | 2 | 9/11/75 | 78 | 15,533.10 | FF | 1,211,581.80 |
| | R50208Z | 4 | 11/22/75 | 78 | 15,500.00 | FF | 1,209,000.00 |
| | Totals | | | 234 | | | \$4,109,983.80 |
| | Weighted Average Unit Price: \$17,564.03 | | | | | | |
| <u>798-10958 (10991 & 10992) (11003 & 11004)</u> | R41940Z | 2 | 6/9/75 | 68 | \$10,508.00 | Open | \$ 714,544.00 |
| | R50209Z | 4 | 12/10/75 | 160 | 7,889.00 | Open | 1,262,240.00 |
| | R51116Z | 1 | 12/8/75 | 66 | 7,791.01 | FF | 514,206.66 |
| | Totals | | | 294 | | | \$2,490,990.66 |
| | Weighted Average Unit Price: \$ 8,472.76 | | | | | | |
| <u>798-10979</u> | R41859Z | 4 | 7/26/75 | 62 | \$ 1,191.83 | FF-CO | \$ 73,893.46 |
| | R41867Z | 3 | 5/8/75 | 62 | 1,196.00 | FF-CO | 74,152.00 |
| | R50448Z | - | 6/14/75 | 190 | 1,191.83 | Open | 226,447.70 |
| | Totals | | | 314 | | | \$ 374,493.16 |
| | Weighted Average Unit Price: \$ 1,192.65 | | | | | | |
| <u>798-10983</u> | R42321Z | 4 | 5/8/75 | 146 | \$ 914.00 | FF-CO | \$ 133,444.00 |
| | R50197Z | - | 3/26/75 | 144 | 910.00 | FF | 131,040.00 |
| | R51066Z | - | 9/23/75 | 72 | 905.49 | FF | 65,195.28 |
| | Totals | | | 362 | | | \$ 329,679.28 |
| | Weighted Average Unit Price: \$ 910.72 | | | | | | |
| <u>798-10984</u> | R41675Z | 3 | 10/22/75 | 105 | \$ 1,041.50 | Open | \$ 109,357.50 |
| | R41676Z | 4 | 2/15/75 | 92 | 1,046.00 | FF-CO | 96,232.00 |
| | R50450Z | 2 | 7/30/75 | 181 | 1,041.49 | Open | 188,509.69 |
| | Totals | | | 378 | | | \$ 394,099.19 |
| | Weighted Average Unit Price: \$ 1,042.59 | | | | | | |

**Determination of Pricing Adjustments Resulting from Expiration
of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7**

Contractor's Sample Class 1 Items to Calculate Cost Adjustment Factor

GAO Analysis Using Most Current Pricing
Data for Calculation of Cost Adj. Factors

| Inventory Item Code | Qty. Required A/C #51 Base | Unit of Measure | A/C #51 Requirements Priced | | FY 1976 Anticipated | | FY 1976 Anticipated | |
|------------------------|-------------------------------|--------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| | | | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C |
| 111-33102 | 31.74 | SF | \$38.32 | \$1,216.28 | \$58.01 | \$1,841.24 | \$65.43 | \$2,076.75 |
| 111-33118 | 16.20 | SF | 29.69 | 480.98 | 45.53 | 737.59 | 49.58 | 803.20 |
| 111-33121 | 50.03 | SF | 21.04 | 1,052.63 | 29.36 | 1,468.88 | 30.43 | 1,522.41 |
| * 111-33125 | 2.97 | SF | 11.14 | 33.09 | 18.42 | 54.71 | 11.14 | 33.09 |
| 111-33134 | 13.98 | SF | 9.97 | 139.38 | 16.54 | 231.23 | 16.60 | 232.07 |
| 111-74183 | 119.99 | SF | 2.57 | 308.37 | 3.20 | 383.97 | 2.67 | 320.37 |
| 111-74617 | 10.20 | SF | 24.71 | 252.04 | 44.95 | 458.49 | 45.95 | 468.69 |
| 111-74619 | 24.49 | SF | 19.81 | 485.15 | 35.17 | 861.31 | 37.18 | 910.54 |
| Total | | | | <u>\$3,967.92</u> | | <u>\$6,037.42</u> | | <u>\$6,367.12</u> |
| Weighted adjustment | | | | | | <u>152.18</u> | | <u>160.58</u> |
| 181-28317 | 20131.52 | FT | \$.051 | \$1,026.71 | \$.065 | \$1,308.55 | \$.053 | \$1,066.97 |
| 181-28341 | 5416.93 | FT | .203 | 1,099.64 | .287 | 1,554.66 | .208 | 1,126.72 |
| 181-28358 | 18092.70 | FT | .057 | 1,031.28 | .080 | 1,447.42 | .050 | 904.64 |
| 181-46352 | 25.58 | FT | .369 | 9.44 | .359 | 9.18 | .265 | 6.78 |
| Total | | | | <u>\$3,167.07</u> | | <u>\$4,319.81</u> | | <u>\$3,105.11</u> |
| Weighted adjustment | | | | | | <u>136.48</u> | | <u>98.08</u> |

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Class 1 Summary

| Code Group | % of Total Class | Percent Group Adjustment | Percent Weighted Adjustment |
|---------------|---------------------|--------------------------------|-----------------------------------|
| 111 | 45.3 | 152.1 | 68.9 |
| 181 | 25.4 | 136.4 | 34.6 |
| Subtotal | 70.7 | | 103.5 |
| Other codes | 29.3 | 146.4 | 42.9 |
| Total | 100.0 | | <u>146.4</u> Class Adj. |

Class 1 Summary

| Code Group | % of Total Class | Percent Group Adjustment | Percent Weighted Adjustment |
|---------------|---------------------|--------------------------------|-----------------------------------|
| 111 | 45.3 | 160.5 | 72.7 |
| 181 | 25.4 | 98.0 | 24.9 |
| Subtotal | 70.7 | | 97.6 |
| Other codes | 29.3 | 138.0 | 40.4 |
| Total | 100.0 | | <u>138.0</u> |

* Mr. Dale Jacobs, Manager Purchasing General said this item has not been purchased since 1974. He said that the quantity of this item used per aircraft was reduced and that the inventory quantity on hand has been more than sufficient to satisfy needs, therefore, there had been no recent procurement of the item and the inventory balance was adequate to satisfy contract F33657-76-C-0100 requirements.

**Determination of Pricing Adjustments Resulting from Expiration
of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7**

Contractor's Sample Class 2 Items to Calculate Cost Adjustment Factor

**GAO Analysis Using Most Current Pricing
Data for Calculation of Cost Adj. Factors**

| Inventory Item Code | Qty. Required A/C #51 Base | Unit of Measure | A/C #51 Requirements Priced | | FY 1976 Anticipated | | FY 1976 Anticipated | |
|----------------------------|-------------------------------|--------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| | | | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C |
| 212-05148 | 1 | PC | \$ 1.97 | \$ 1.97 | \$ 2.43 | \$ 2.43 | \$ 2.60 | \$ 2.60 |
| 212-05247 | 10 | PC | 35.54 | 355.40 | 39.00 | 390.00 | 37.00 | 370.00 |
| 212-05583 | 3 | PC | 93.92 | 281.76 | 96.00 | 288.00 | 94.25 | 282.75 |
| 212-28988 | 130 | PC | 6.38 | 829.40 | 7.10 | 923.00 | 6.38 | 829.40 |
| 212-29388 | 11 | PC | 13.60 | 149.60 | 20.87 | 229.57 | 11.63 | 127.93 |
| 212-31118 | 2 | PC | 174.24 | 348.48 | 191.66 | 383.32 | 184.00 | 368.00 |
| 212-45295 | 1 | PC | 225.81 | 225.81 | 372.80 | 372.80 | 377.10 | 377.10 |
| Total Code 212 | | | | \$2,192.42 | | \$2,589.12 | | \$2,357.78 |
| Weighted adjustment | | | | | | 118.18 | | 107.58 |
| 214-28031 | 45 | PC | \$ 12.34 | \$ 555.30 | \$ 12.34 | \$ 555.30 | \$ 12.34 | \$ 555.30 |
| 214-28032 | 57 | PC | 17.06 | 972.42 | 17.09 | 974.13 | 17.09 | 974.13 |
| 214-28050 | 1 | PC | 273.24 | 273.24 | 346.50 | 346.50 | 300.00 | 300.00 |
| 214-43575 | 4 | PC | 83.07 | 332.28 | 115.34 | 461.36 | 94.50 | 378.00 |
| 214-43666 | 1 | PC | 16.47 | 16.47 | 18.30 | 18.30 | 4.45 | 4.45 |
| 214-43862 | 2 | PC | 37.23 | 74.46 | 50.67 | 101.34 | 43.79 | 87.58 |
| 214-45089 | 5 | PC | 22.12 | 110.60 | 33.08 | 165.40 | 20.70 | 103.50 |
| 214-45092 | 4 | PC | 10.56 | 42.24 | 12.69 | 50.76 | 8.80 | 35.20 |
| 214-45275 | 15 | PC | 13.97 | 209.55 | 23.88 | 358.20 | 13.86 | 207.90 |
| 214-45277 | 22 | PC | 16.06 | 253.32 | 28.53 | 627.66 | 16.11 | 354.42 |
| 214-45425 | 67 | PC | 8.78 | 588.26 | 10.55 | 706.85 | 8.07 | 540.69 |
| 214-45534 | 13 | PC | 11.39 | 148.07 | 18.22 | 236.86 | 11.60 | 150.80 |
| Total Code 214 | | | | \$3,676.21 | | \$4,602.66 | | \$3,691.97 |
| Weighted adjustment | | | | | | 125.28 | | 100.48 |
| 215-02560 | 29 | PC | \$ 5.79 | \$ 167.91 | \$ 8.31 | \$ 240.99 | \$ 8.12 | \$ 235.48 |
| 215-24766 | 41 | PC | 26.00 | 1,066.00 | 26.01 | 1,066.41 | 26.01 | 1,066.41 |
| 215-24767 | 55 | PC | 32.74 | 1,800.70 | 32.74 | 1,800.70 | 32.74 | 1,800.70 |
| 215-27646 | 2 | PC | 16.56 | 33.12 | 22.60 | 45.20 | 16.81 | 33.62 |
| 215-27653 | 1 | PC | 17.23 | 17.23 | 29.29 | 29.29 | 15.84 | 15.84 |
| Total Code 215 | | | | \$3,084.96 | | \$3,182.59 | | \$3,152.05 |
| Weighted adjustment | | | | | | 103.28 | | 102.28 |
| 216-02425 | 1 | PC | \$ 83.84 | \$ 83.84 | \$135.72 | \$ 135.72 | \$ 94.52 | \$ 94.52 |
| 216-02504 | 1 | PC | 167.21 | 167.21 | 206.55 | 206.55 | 225.63 | 225.63 |
| 216-02530 | 1 | PC | 61.20 | 61.20 | 107.09 | 107.09 | 82.30 | 82.30 |
| 216-03794 | 1 | PC | 118.17 | 118.17 | 109.52 | 109.52 | 107.52 | 107.52 |
| Total Code 216 | | | | \$ 430.42 | | \$ 558.88 | | \$ 509.97 |
| Weighted adjustment | | | | | | 129.88 | | 118.58 |

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EXHIBIT B

EXHIBIT B

**Determination of Pricing Adjustments Resulting from Expiration
of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7**

GAO Analysis Using Most Current Pricing
Data for Calculation of Cost Adj. Factors

Contractor's Sample Class 2 Items to Calculate Cost Adjustment Factor

| Inventory Item Code | Qty. Required | Unit of Measure | A/C #51 Requirements Priced | | FY 1976 Anticipated | | FY 1976 Anticipated | |
|---------------------|---------------|-----------------|-----------------------------|-----------------------------|---------------------|-----------------------------|---------------------|-----------------------------|
| | | | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C |
| 238-21309 | 28 | PC | \$ 16.27 | \$ 455.56 | \$ 21.49 | \$ 601.72 | \$ 20.05 | \$ 561.40 |
| 238-22360 | 34 | PC | 18.68 | 635.12 | 20.81 | 707.54 | 20.34 | 691.56 |
| 238-22361 | 18 | PC | 20.55 | 369.90 | 26.33 | 473.94 | 24.35 | 438.30 |
| 238-26496 | 37 | PC | 11.70 | 432.90 | 15.70 | 580.90 | 13.42 | 496.54 |
| 238-77346 | 45 | PC | 7.21 | 324.45 | 7.55 | 339.75 | 4.37 | 196.65 |
| 238-77347 | 47 | PC | 6.88 | 323.36 | 8.14 | 382.58 | 4.68 | 219.96 |
| Total Code 238 | | | | <u>\$2,541.29</u> | | <u>\$ 3,086.43</u> | | <u>\$ 2,604.41</u> |
| Weighted adjustment | | | | | | <u>121.5%</u> | | <u>102.5%</u> |
| 239-11904 | 308 | PC | \$ 8.44 | \$2,599.52 | \$ 11.33 | \$ 3,489.64 | \$ 9.28 | \$ 2,858.24 |
| 239-11905 | 313 | PC | 7.88 | 2,466.44 | 10.48 | 3,280.24 | 8.75 | 2,738.75 |
| 239-11908 | 102 | PC | 14.21 | 1,449.42 | 18.74 | 1,911.48 | 17.72 | 1,807.44 |
| 239-11909 | 69 | PC | 18.77 | 1,295.13 | 24.93 | 1,720.17 | 23.90 | 1,649.10 |
| 239-12652 | 6 | PC | 117.10 | 702.60 | 116.95 | 701.70 | 95.85 | 575.10 |
| 239-12740 | 16 | PC | 18.56 | 296.96 | 21.68 | 346.88 | 20.21 | 323.36 |
| 239-38220 | 4 | PC | 66.33 | 265.32 | 68.11 | 272.44 | 60.47 | 241.88 |
| 239-45498 | 2 | PC | 140.35 | 280.70 | 153.95 | 307.90 | 140.60 | 281.20 |
| Total Code 239 | | | | <u>\$9,356.09</u> | | <u>\$12,030.45</u> | | <u>\$10,475.07</u> |
| Weighted adjustment | | | | | | <u>128.6%</u> | | <u>112.0%</u> |

Class 2 Summary

| Code Group | % of Total Class | Percent group Adjustment | Percent Weighted Adjustment |
|-------------|------------------|--------------------------|-----------------------------|
| 212 | 6.2 | 118.1 | 7.3 |
| 214 | 15.3 | 125.2 | 19.2 |
| 215 | 15.8 | 103.2 | 16.3 |
| 216 | 8.9 | 129.8 | 11.5 |
| 238 | 19.4 | 121.5 | 23.6 |
| 239 | 24.9 | 128.6 | 32.0 |
| Subtotal | <u>90.5</u> | | <u>109.9</u> |
| Other codes | 9.5 | 121.4 | 11.5 |
| Total | <u>100.0</u> | | <u>121.4</u> |

Class 2 Summary

| Code Group | % of Total Class | Percent group Adjustment | Percent Weighted Adjustment |
|-------------|------------------|--------------------------|-----------------------------|
| 212 | 6.2 | 107.5 | 6.7 |
| 214 | 15.3 | 100.4 | 15.4 |
| 215 | 15.8 | 102.2 | 16.1 |
| 216 | 8.9 | 118.5 | 10.5 |
| 238 | 19.4 | 102.5 | 19.9 |
| 239 | 24.9 | 112.0 | 27.9 |
| Subtotal | <u>90.5</u> | | <u>96.5</u> |
| Other codes | 9.5 | 106.6 | 10.1 |
| Total | <u>100.0</u> | | <u>106.6</u> |

**Determination of Pricing Adjustments Resulting from Expiration
of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7**

GAO Analysis Using Most Current Pricing
Data for Calculation of Cost Adj. Factors

Contractor's Sample Class 3 Items to Calculate Cost Adjustment Factor

| Inventory Item Code | Qty. Required | Unit of Measure | A/C #51 Requirements Priced | | FY 1976 Anticipated | | FY 1976 Anticipated | |
|---------------------|---------------|-----------------|-----------------------------|-----------------------------|---------------------|-----------------------------|---------------------|-----------------------------|
| | | | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C |
| 300-07125 | 12 | PC | \$ 3.04 | \$ 97.28 | \$ 2.35 | \$ 75.20 | \$ 2.70 | \$ 86.40 |
| Weighted adjustment | | | | | | 77.3% | | 88.8% |
| 339-08211 | 8 | PC | \$ 25.46 | \$203.68 | \$ 36.59 | \$292.72 | \$ 26.99 | \$215.92 |
| 339-25019 | 3 | PC | 69.00 | 207.00 | 77.28 | 231.84 | 69.95 | 209.85 |
| 339-47969 | 2 | PC | 77.83 | 155.66 | 90.47 | 180.94 | 69.71 | 139.42 |
| 339-48008 | 2 | PC | 75.96 | 151.92 | 90.47 | 180.94 | 90.47 | 180.94 |
| Total Code 339 | | | | \$718.26 | | \$886.44 | | \$746.13 |
| Weighted adjustment | | | | | | 123.4% | | 103.9% |
| 349-05232 | 1 | PC | \$144.72 | \$144.72 | \$123.92 | \$123.92 | \$119.15 | \$119.15 |
| 349-05233 | 1 | PC | 143.59 | 143.59 | 123.92 | 123.92 | 119.15 | 119.15 |
| 349-89148 | 2 | PC | 114.69 | 229.38 | 241.71 | 481.42 | 170.14 | 340.28 |
| Total Code 349 | | | | \$517.69 | | \$729.26 | | \$578.58 |
| Weighted adjustment | | | | | | 140.9% | | 111.8% |
| 377-05013 | 4 | PC | \$ 27.12 | \$108.48 | \$ 34.20 | \$136.80 | \$ 22.20 | \$ 88.80 |
| 377-98910 | 1 | PC | 105.79 | 105.79 | 123.94 | 123.94 | 85.97 | 85.97 |
| Total Code 377 | | | | \$214.27 | | \$260.74 | | \$174.77 |
| Weighted adjustment | | | | | | 121.7% | | 81.6% |

Class 3 Summary

| Code Group | % of Total Class | Percent Group Adjustment | Percent Weighted Adjustment |
|------------|------------------|--------------------------|-----------------------------|
| 300 | 19.5 | 77.3 | 15.1 |
| 339 | 34.8 | 123.4 | 42.9 |
| 349 | 16.5 | 140.9 | 23.2 |
| 377 | 6.5 | 121.7 | 7.9 |
| Subtotal | 77.3 | | 89.1 |
| Other | 22.7 | 115.3 | 26.2 |
| Total | 100.0 | | 115.3 |

Total Classes 2, 3 Summary

| Class | % of Total Class | Percent Class Adjustment | Percent Weighted Adjustment |
|-------|------------------|--------------------------|-----------------------------|
| 2 | 80.8 | 121.4 | 98.1 |
| 3 | 19.2 | 115.3 | 22.1 |
| Total | 100.0 | | 120.2 |

Class 3 Summary

| Code Group | % of Total Class | Percent Group Adjustment | Percent Weighted Adjustment |
|------------|------------------|--------------------------|-----------------------------|
| 300 | 19.5 | 88.8 | 17.3 |
| 339 | 34.8 | 103.9 | 36.2 |
| 349 | 16.5 | 111.8 | 18.4 |
| 377 | 6.5 | 81.6 | 5.3 |
| Subtotal | 77.3 | | 77.2 |
| Other | 22.7 | 99.9 | 22.7 |
| Total | 100.0 | | 99.9 |

Total Classes 2, 3 Summary

| Class | % of Total Class | Percent Class Adjustment | Percent Weighted Adjustment |
|-------|------------------|--------------------------|-----------------------------|
| 2 | 80.8 | 106.6 | 86.1 |
| 3 | 19.2 | 99.9 | 19.2 |
| Total | 100.0 | | 105.3 |

EXHIBIT B

EXHIBIT B

**Determination of Pricing Adjustments Resulting from Expiration
of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7**

EXHIBIT B

Contractor's Sample Class 7 Items to Calculate Cost Adjustment Factor

**GAO Analysis Using Most Current Pricing
Data for Calculation of Cost Adj. Factors**

| Inventory Item Code | Qty. Required A/C #51 Base | Unit of Measure | A/C #51 Requirements Priced | | FY 1976 Anticipated | | FY 1976 Anticipated | |
|------------------------|-------------------------------|--------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| | | | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C |
| 753-11015 | 1 | PC | \$4,358.58 | \$ 4,358.58 | \$ 6,889.50 | \$ 6,889.50 | \$ 6,955.67 | \$ 6,955.67 |
| 753-11016 | 1 | PC | 4,358.58 | 4,358.58 | 6,889.50 | 6,889.50 | 6,928.33 | 6,928.33 |
| 753-11017 | 1 | PC | 3,576.92 | 3,576.92 | 7,449.30 | 7,449.30 | 5,425.33 | 5,425.33 |
| 753-11018 | 1 | PC | 3,784.52 | 3,784.52 | 7,449.30 | 7,449.30 | 5,329.47 | 5,329.47 |
| 753-11019 | 1 | PC | 3,353.58 | 3,353.58 | 7,576.20 | 7,576.20 | 5,554.77 | 5,554.77 |
| 753-11020 | 1 | PC | 3,811.00 | 3,811.00 | 7,602.30 | 7,602.30 | 5,527.82 | 5,527.82 |
| 753-21006 | 2 | PC | 47.00 | 94.00 | 841.50 | 1,683.00 | 1,082.97 | 2,165.94 |
| 753-21104 | 2 | PC | 330.70 | 661.40 | 309.03 | 618.06 | 341.78 | 683.56 |
| 753-23001 | 2 | PC | 1,598.23 | 3,196.46 | 1,895.40 | 3,790.80 | 2,479.67 | 4,959.34 |
| 753-23005 | 2 | PC | 1,663.57 | 3,327.14 | 1,878.30 | 3,756.60 | 2,502.30 | 5,004.60 |
| 753-32011 | 1 | PC | 8,788.24 | 8,788.24 | 17,741.70 | 17,741.70 | 18,698.47 | 18,698.47 |
| 753-32012 | 1 | PC | 5,237.57 | 5,237.57 | 7,443.90 | 7,443.90 | 7,999.32 | 7,999.32 |
| 753-32013 | 1 | PC | 5,770.22 | 5,770.22 | 7,527.60 | 7,527.60 | 9,185.25 | 9,185.25 |
| 753-32014 | 1 | PC | 5,260.44 | 5,260.44 | 7,985.70 | 7,985.70 | 8,627.16 | 8,627.16 |
| 753-32015 | 1 | PC | 8,104.10 | 8,104.10 | 17,776.80 | 17,776.80 | 18,340.12 | 18,340.12 |
| 753-33000 | 2 | PC | 426.58 | 853.16 | 886.50 | 1,773.00 | 895.20 | 1,790.40 |
| 753-33010 | 1 | PC | 661.00 | 661.00 | 1,049.40 | 1,049.40 | 1,135.70 | 1,135.70 |
| 753-33011 | 1 | PC | 665.29 | 665.29 | 1,049.40 | 1,049.40 | 1,135.70 | 1,135.70 |
| 753-33012 | 1 | PC | 977.45 | 977.45 | 1,064.70 | 1,064.70 | 1,178.94 | 1,178.94 |
| 753-33013 | 1 | PC | 672.00 | 672.00 | 1,062.90 | 1,062.90 | 1,175.13 | 1,175.13 |
| 753-33015 | 2 | PC | 1,398.70 | 2,797.40 | 1,486.80 | 2,973.60 | 1,469.56 | 2,939.12 |
| 753-33019 | 2 | PC | 1,375.44 | 2,750.88 | 1,929.60 | 3,859.20 | 1,672.32 | 3,344.64 |
| 753-33020 | 4 | PC | 50.10 | 200.40 | 49.26 | 197.04 | 52.86 | 211.44 |
| 753-33021 | 1 | PC | 798.61 | 798.61 | 1,022.40 | 1,022.40 | 1,159.47 | 1,159.47 |
| 753-33024 | 2 | PC | 1,252.47 | 2,504.94 | 1,913.40 | 3,826.80 | 1,767.68 | 3,535.36 |
| 753-33030 | 2 | PC | 476.77 | 953.54 | 1,016.10 | 2,032.20 | 478.01 | 956.02 |
| 753-33032 | 2 | PC | 406.00 | 812.00 | 612.00 | 1,224.00 | 713.97 | 1,427.94 |
| 753-33034 | 2 | PC | 961.37 | 1,922.74 | 950.40 | 1,900.80 | 1,215.88 | 2,431.76 |
| 753-33037 | 1 | PC | 2,326.88 | 2,326.88 | 3,357.00 | 3,357.00 | 3,640.01 | 3,640.01 |
| 753-33042 | 1 | PC | 1,046.00 | 1,046.00 | 1,667.70 | 1,667.70 | 1,798.50 | 1,798.50 |
| 753-33044 | 2 | PC | 4,817.01 | 9,634.02 | 7,668.00 | 15,336.00 | 8,538.75 | 17,077.50 |
| 753-33045 | 2 | PC | 4,867.20 | 9,734.40 | 7,596.00 | 15,192.00 | 6,135.78 | 12,271.56 |
| 753-33046 | 2 | PC | 1,431.20 | 2,862.40 | 3,684.60 | 7,369.20 | 2,288.65 | 4,577.30 |
| 753-33048 | 2 | PC | 629.00 | 1,258.00 | 561.60 | 1,123.20 | 907.55 | 1,815.10 |
| 753-33052 | 2 | PC | 326.51 | 653.02 | 298.71 | 597.42 | 331.41 | 662.82 |
| 753-41003 | 2 | PC | 22.32 | 44.64 | 22.41 | 44.82 | 23.91 | 47.82 |
| 753-41006 | 2 | PC | 43.02 | 86.04 | 39.74 | 79.48 | 43.35 | 86.70 |
| 753-41010 | 1 | PC | 26.50 | 26.50 | 25.73 | 25.73 | 27.49 | 27.49 |
| 753-41011 | 1 | PC | 26.50 | 26.50 | 25.73 | 25.73 | 27.49 | 27.49 |
| 753-50000 | 1 | PC | 79.45 | 79.45 | 76.50 | 76.50 | 80.70 | 80.70 |
| 753-50001 | 1 | PC | 79.53 | 79.53 | 76.50 | 76.50 | 80.70 | 80.70 |
| Total Code 753 | | | | <u>\$108,109.54</u> | | <u>\$180,186.98</u> | | <u>\$176,000.46</u> |
| Weighted adjustment | | | | | | <u>166.7%</u> | | <u>162.8%</u> |

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EXHIBIT B

Determination of Pricing Adjustments Resulting from Expiration
of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7

Contractor's Sample Class 7 Items to Calculate Cost Adjustment Factor

GAO Analysis Using Most Current Pricing
Data for Calculation of Cost Adj. Factors

| Inventory Item Code | Qty. Required A/C #51 Base | Unit of Measure | A/C #51 Requirements Priced | | FY 1976 Anticipated | | FY 1976 Anticipated | |
|------------------------|-------------------------------|--------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| | | | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C | Unit Price | Total Weighted Cost Per A/C |
| 760-80125 | 2 | PC | \$ 485.70 | \$ 971.40 | \$ 783.87 | \$ 1,567.74 | \$ 737.16 | \$ 1,474.32 |
| 760-80130 | 2 | PC | 577.96 | 1,155.92 | 1,022.80 | 2,045.60 | 1,046.61 | 2,093.22 |
| 760-80146 | 1 | PC | 1,528.88 | 1,528.88 | 2,511.80 | 2,511.80 | 2,482.84 | 2,482.84 |
| (80221) | | | | | | | | |
| (80223) | | | | | | | | |
| 760-80164 | 1 | PC | 2,637.12 | 2,637.12 | 4,564.60 | 4,564.60 | 4,400.49 | 4,400.49 |
| (80229) | | | | | | | | |
| 760-80199 | 2 | PC | 496.01 | 992.02 | 947.66 | 1,895.32 | 807.90 | 1,615.80 |
| (80230) | | | | | | | | |
| 760-80202 | 1 | PC | 104.96 | 104.96 | 200.00 | 200.00 | 200.00 | 200.00 |
| Total Code 760 | | | | <u>\$ 7,390.30</u> | | <u>\$12,785.06</u> | | <u>\$12,266.67</u> |
| Weighted adjustment | | | | | | <u>173.04</u> | | <u>166.04</u> |
| 790-67509 | 19,099.73 | 3 in. x ft. | \$ 1.49 | \$28,458.60 | \$ 3.20 | \$61,119.14 | \$ 2.85 | \$54,434.23 |
| Weighted adjustment | | | | | | <u>215.44</u> (1) | | <u>191.34</u> |
| 791-87655 | 75.30 | SF | \$ 19.50 | \$ 1,468.35 | \$ 24.98 | \$ 1,880.99 | \$ 17.58 | \$ 1,323.77 |
| 791-87660 | 84.42 | SF | 16.69 | 1,408.97 | 26.46 | 2,233.75 | 19.90 | 1,679.96 |
| 791-87673 | 89.58 | SF | 21.54 | 1,929.55 | 31.93 | 2,860.29 | 24.06 | 2,155.29 |
| 791-87747 | 62.65 | SF | 23.33 | 1,461.62 | 33.39 | 2,091.88 | 28.59 | 1,791.16 |
| 791-87804 | 47.07 | SF | 21.12 | 994.12 | 31.00 | 1,459.17 | 26.55 | 1,249.71 |
| 791-87959 | 12.41 | SF | 166.22 | 2,062.79 | 288.78 | 3,583.76 | 233.46 | 2,897.24 |
| Total Code 791 | | | | <u>\$ 9,325.40</u> | | <u>\$14,109.84</u> | | <u>\$11,097.13</u> |
| Weighted adjustment | | | | | | <u>151.34</u> | | <u>119.04</u> |
| 794-13472 | 58.41 | FT | \$ 28.02 | \$ 1,636.65 | \$ 43.82 | \$ 2,559.53 | \$ 43.82 | \$ 2,559.53 |
| 794-13541 | 21.41 | FT | 29.74 | 636.73 | 46.14 | 987.86 | 47.39 | 1,014.62 |
| 794-13542 | 20.33 | FT | 121.56 | 2,471.31 | 197.67 | 4,018.63 | 197.67 | 4,018.63 |
| 794-13543 | 22.83 | FT | 137.37 | 3,136.16 | 235.28 | 5,371.44 | 234.48 | 5,353.18 |
| 794-13544 | 8.16 | FT | 73.47 | 599.52 | 116.90 | 953.90 | 125.02 | 1,020.16 |
| Total Code 794 | | | | <u>\$ 8,480.37</u> | | <u>\$13,891.36</u> | | <u>\$13,966.12</u> |
| Weighted adjustment | | | | | | <u>163.84</u> | | <u>164.74</u> |

(1) Should be 214.84

Determination of Pricing Adjustments Resulting from Expiration of Buying Agreements and Economics for Material Classes 1, 2, 3 and 7

GAO Analysis Using Most Current Pricing Data for Calculation of Cost Adj. Factors

Contractor's Sample Class 7 Items to Calculate Cost Adjustment Factor

| Inventory | Qty. Required | A/C #51 Base | Measure | Unit of | Requirements Priced | Total Weighted | Unit Price | Cost Per A/C |
|----------------|---------------|--------------|---------|---------|---------------------|----------------|------------|--------------|
| 798-10957 | 1 | PC | | | \$13,030.00 | \$18,097.00 | | |
| 798-10958 | 1 | PC | | | 6,270.27 | 9,386.00 | | |
| 798-10979 | 2 | PC | | | 886.34 | 1,772.68 | | |
| 798-10983 | 2 | PC | | | 1,652.00 | 2,044.00 | | |
| 798-10984 | 2 | PC | | | 1,523.96 | 2,394.00 | | |
| Total Code 798 | | | | | \$24,249.91 | \$34,657.00 | | |
| | | | | | | | | 142.98 |

Weighted adjustment

Class 7 Summary

| Code | Group | % of Total Class | Percent Group Adjustment | Percent Weighted Adjustment |
|----------|-------|------------------|--------------------------|-----------------------------|
| 753 | | 38.6 | 162.8 | 62.8 |
| 760 | | 5.5 | 166.0 | 9.1 |
| 790 | | 8.9 | 191.3 | 17.0 |
| 791 | | 12.9 | 119.0 | 15.4 |
| 794 | | 6.7 | 164.7 | 11.0 |
| 798 | | 12.7 | 133.3 | 16.9 |
| Subtotal | | 85.3 | | 132.2 |
| Other | | 14.7 | 155.0 | 22.8 |
| Total | | 100.0% | | 155.0% |

Class 7 Summary

| Code | Group | % of Total Class | Percent Group Adjustment | Percent Weighted Adjustment |
|----------|-------|------------------|--------------------------|-----------------------------|
| 753 | | 38.6 | 166.7 | 64.3 |
| 760 | | 5.5 | 173.0 | 9.5 |
| 790 | | 8.9 | 215.4 | 19.2 |
| 791 | | 12.9 | 151.3 | 19.5 |
| 794 | | 6.7 | 163.8 | 11.0 |
| 798 | | 12.7 | 142.9 | 18.1 |
| Subtotal | | 141.6 | | 141.6 |
| Other | | 24.4 | 166.0 | 24.4 |
| Total | | 166.0% | | 166.0% |