United States General Accounting Office

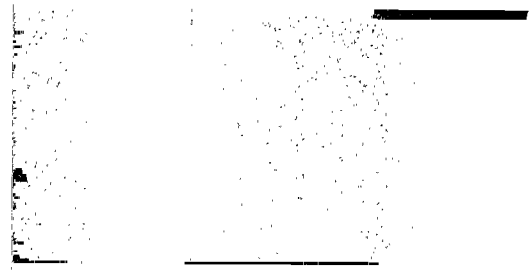
GAO

High-Risk Series

December 1992

Defense Contract Pricing

GAO/HR-93-8



GAO **United States**
General Accounting Office
Washington, D.C. 20548

Comptroller General
of the United States

December 1992

The President of the Senate
The Speaker of the House of Representatives

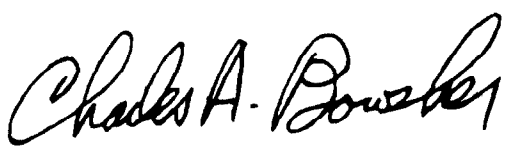
In January 1990, in the aftermath of scandals at the Departments of Defense and Housing and Urban Development, the General Accounting Office began a special effort to review and report on federal government program areas that we considered "high risk."

After consulting with congressional leaders, GAO sought, first, to identify areas that are especially vulnerable to waste, fraud, abuse, and mismanagement. We then began work to see whether we could find the fundamental causes of problems in these high-risk areas and recommend solutions to the Congress and executive branch administrators.

We identified 17 federal program areas as the focus of our project. These program areas were selected because they had weaknesses in internal controls (procedures necessary to guard against fraud and abuse) or in financial management systems (which are essential to promoting good management, preventing waste, and ensuring accountability). Correcting these problems is essential to safeguarding scarce resources and ensuring their efficient and effective use on behalf of the American taxpayer.

This report is one of the high-risk series reports, which summarize our findings and recommendations. It describes our concerns over the significant risks the Department of Defense (DOD) faces as a result of overpriced contracts. The report concludes that, despite the existence of laws and regulations designed to protect the government, the overpricing of defense contracts remains both significant and widespread and costs the taxpayer billions of dollars. While DOD has taken steps to address some problems with overpricing, other serious problems remain. Unless these problems are resolved, DOD can expect continued contract overpricing—something it cannot afford.

Copies of this report are being sent to the President-elect, the Democratic and Republican leadership of the Congress, congressional committee and subcommittee chairs and ranking minority members, the Director-designate of the Office of Management and Budget, and the Secretary-designate of Defense.



Charles A. Bowsher

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Overview

In fiscal year 1991, the Department of Defense (DOD) reported spending almost $150 billion contracting for goods and services—nearly two and a half times the combined purchases of all federal civilian agencies. Even though defense spending is expected to decrease, contracting costs are not expected to fall below $100 billion over the next several years.

A substantial share of these expenditures involve negotiations between DOD and contractors. In an attempt to ensure that contractors offer fair and reasonable prices, the law requires that they provide the government with cost or pricing data to support their proposed prices and to certify that this information is accurate, complete, and current. DOD regulations also require major contractors to employ sound cost-estimating systems. DOD has the tools to enforce contractors' compliance with these and other legislative and regulatory requirements and in some overpricing cases can adjust contract prices. Additional tools include imposing monetary penalties, reducing or withholding progress payments, or deciding not to contract further with contractors who break the rules.

The Problem

Despite the laws and regulations, overpricing of defense contracts remains significant and widespread, costing the taxpayer billions of dollars more than necessary for the goods and services purchased. Overpricing practices include (1) failing to provide DOD with accurate, complete, and current cost or pricing data at the time of negotiations (producing what is called "defective" pricing) and (2) using inadequate methods to estimate costs.

While the government is at risk for overpricing in prime contracts, it is particularly at risk in subcontracts, where DOD relies heavily on the prime contractor and the quality of its cost-estimating system to ensure reasonable subcontract prices. Subcontracts frequently account for more than 50 percent of a contract's costs.

A limited number of contractors account for the majority of reported defective pricing. For example, for fiscal years 1987-91, about 6 percent of the contractors audited accounted for about 80 percent of the defective pricing dollars reported by the Defense Contract Audit Agency (DCAA).

The Causes

DOD has taken some steps to address contract overpricing problems, but serious shortcomings remain. Specifically, (1) contractors' cost-estimating systems are often inadequate, (2) oversight by DOD is too little and too late, and (3) the application of monetary and other penalties is insufficient to change contractors' behavior in any meaningful way.

GAO's Suggestions for Improvement

While we have suggested legislative and regulatory improvements in DOD contracting practices, reducing overpricing problems is less a matter of creating new laws and regulations than of better enforcing those already in place. Without effective enforcement, contractors have a strong incentive to avoid compliance. If negotiated costs are inflated, so too are contractor profits. The following steps would strengthen contractors' incentives to follow the rules.

First, when defense contractors do not provide accurate, complete, and current data to the government or when they do not apply the internal controls that would enable them to do so, the government should use the full range of available tools to enforce compliance. When contractors repeatedly

overcharge the government or fail to act aggressively to correct contract pricing deficiencies, DOD should reduce or suspend their progress payments or decline to award them additional business.

Second, contracting officers and other government officials involved in the contracting process have a responsibility to protect the government's interests. They should be provided with the resources to do their jobs effectively and should be held fully accountable for the results.

Third, although contractors should be allowed to make fair and reasonable profits, they should not receive excessive profits, especially through overpricing. To monitor contractor profits on defense contracts, the Congress should enact legislation requiring the government's contractors to annually report financial data to DOD. If effectively employed, the monitoring of contractors' return on capital and the efficiency of their operations could be used as an alternative to reduce the amount of audit and oversight by DOD on a contract-by-contract or cost-by-cost basis.

Background

Historically, a principal concern in noncompetitive procurements has been how to ensure that the prices proposed by contractors are fair and reasonable. Because of the nature of the contracting process in a noncompetitive environment, both parties—the contractor and the government—attempt to protect their own constituents' interest. The contractors support the shareholder by attempting to maximize profits, while the government protects the taxpayer by trying to ensure that contractors provide quality products at fair and reasonable prices.

Contract overpricing results (1) when contractors do not provide accurate, complete, and current cost or pricing data, as required by the Truth in Negotiations Act, and (2) when contractor cost-estimating systems do not produce reliable contract pricing estimates.

As a result of documented overcharging by defense contractors, the Congress passed the Truth in Negotiations Act in 1962. The act requires contractors and subcontractors to provide the government with cost or pricing data supporting their proposed prices and to certify that the data submitted is accurate, complete, and current. The law

and its added provisions over the years also provided the tools to get contractors to comply by requiring the recovery of amounts determined to be defectively priced plus interest on overpayments and penalties when a contractor knowingly submits defective data. These were major steps forward in achieving a more level negotiating table.

The Department of Defense, after prodding from us and others, also recognized that if contractors were required to provide accurate, complete, and current cost or pricing data, they had to have sound cost-estimating systems to produce this data. At the time, many did not. Thus, in March 1988, DOD changed its regulations to require that major contractors have sound cost-estimating systems.

Even though overpricing resulting from poor estimating may not be recoverable, the regulations did provide for the necessary tools to get contractors to comply. These tools include reducing or withholding progress payments or deciding not to contract with contractors that do not adhere to existing laws and regulations.

Defective Pricing Totals $3.67 Billion for 5 Years

Despite the existence of laws and regulations designed to protect the government, overpricing of defense contracts remains significant and widespread. Overpricing costs the government billions of dollars, with roughly one of every three audited contracts being identified as defectively priced.[1] During fiscal years 1987-91, the Defense Contract Audit Agency identified defective pricing totaling $3.67 billion.

While the government is at risk for overpricing in prime contracts, it is particularly at risk for overpricing in subcontracts—subcontract costs frequently represent over 50 percent of a contract's cost. For example, in fiscal year 1991, subcontract defective pricing accounted for $484 million, or 66 percent, of the defective pricing found by DCAA. Although subcontracts accounted for only 16 percent of the total dollars DCAA examined in fiscal years 1987-91, subcontract defective pricing accounted for 37 percent of the defective pricing found by DCAA during that period.

[1]"Defective pricing" occurs when a contract price is increased because the contractor does not provide complete, accurate, and current cost or pricing data. If this happens, the government can reduce the contract price.

Overpricing is especially high for a limited number of defense contractors and subcontractors. For fiscal years 1987-91, about 6 percent of the contractors audited accounted for about 80 percent of the defective pricing dollars reported by DCAA. A listing of contractors accounting for large amounts of defective pricing in fiscal years 1990 and 1991 can be found in our report Contract Pricing: A Low Percentage of Contractors Are Responsible for Most Defective Pricing (GAO/NSIAD-93-1).

Poor Cost Estimating by Contractors Adds Millions to Contract Costs

If the government is to achieve fair and reasonable contract prices, it is essential that a contractor have a sound cost-estimating system. Such a system is the principal means by which a contractor develops its proposed contract prices, which form the foundation for contract negotiations. In March 1988, in response to our reports and others, DOD revised its regulations to require major contractors to establish adequate cost-estimating systems. In addition, the revised regulations authorized the contracting officer to take whatever action is determined necessary to ensure that contractors correct identified estimating deficiencies. Such actions include reducing or suspending progress payments and recommending that contracts not be awarded. DOD regulations also require contractors to evaluate subcontract prices and include the results of these evaluations as part of their contract proposals to the government. Such evaluations assist DOD contracting officers in ensuring that only fair and reasonable subcontract estimates are included in contracts.

Despite DOD's efforts to prevent contract overpricing by strengthening its regulations on cost-estimating systems and by increasing its management emphasis on subcontract

pricing, DOD contract prices continue to be overstated because of inflated subcontract estimates. Too often, the real "scrubbing" (detailed review) of subcontract proposals by the prime contractor takes place after the contractor has negotiated with the government. At that point, the prime contractor is frequently able to significantly reduce the subcontract price and retain all or part of the price reduction as windfall profits.

Prime Contractors Obtain Price Reductions on Competitive Subcontracts After Negotiating With DOD

The DOD requirement for contractors to obtain cost or pricing data supporting subcontractor proposals, to evaluate the data, and to provide the evaluation results to the government as part of their proposals does not apply to subcontracts awarded on the basis of adequate price competition because competition, in large measure, is presumed to produce fair and reasonable prices.

We found, however, that the government did not always receive the full benefits of competition. Contractors, after informing DOD that subcontract estimates were competitively obtained and agreeing on contract prices, obtained lower prices from their prospective subcontractors. For

example, we reviewed 66 subcontracts worth $44 million whose estimates were identified by a contractor as having been competitively obtained. We found that after "competitively" soliciting subcontract prices to support its proposals to the government, the contractor had resolicited prices and, on 55 of the subcontracts, obtained prices that were $10.4 million lower than what was proposed and included in the prime contracts. Conversely, the contractor awarded 10 subcontracts at prices that were about $1.5 million more than what was proposed and negotiated in the prime contracts. Thus, the prime contractor's actions subsequent to negotiating with the government resulted in a net amount of $8.9 million less than agreed to with the government. This is not a new issue, and the practice appears widespread.

Prime Contractors Award Noncompetitive Subcontracts at Lower Costs

In addition to negotiating lower prices on competitive subcontracts, some prime contractors negotiate substantial price reductions on noncompetitive subcontract proposals after completing negotiations with the government. For example, we examined 12 noncompetitive subcontract estimates, each in excess of $1 million. We found that in the aggregate, prime contractors had

made awards on these estimates for about $8.8 million less than the prices negotiated in the contracts with DOD.

As mentioned earlier, overpricing resulting from poor estimating may not be recoverable by the government. So it is absolutely essential that contracting officers' actions to correct contractors' deficient cost-estimating systems are effective and timely.

Inadequate Government Oversight Increases the Risk of Contract Overpricing

In addition to requiring sound contractor cost-estimating systems, DOD must have an effective oversight program that (1) identifies and audits contractors that are considered at risk for overpricing and (2) ensures effective and timely action when problems are found. Our reviews have shown that

- DCAA's audit coverage of known high-risk contractors is limited,
- many subcontracts that are subject to being audited for defective pricing are not known to DCAA and thus not evaluated for risk or for overpricing,
- action by some contracting officers to correct contractors' deficient cost-estimating

systems are insufficient, and

- DOD's management information on problem contractors is inaccurate and incomplete.

Increased Coverage of Known High Risk Contracts and Subcontracts Is Needed

DCAA is the principal agency for auditing defense contracts. It is responsible for conducting defective pricing audits to determine whether contractors have complied with the Truth in Negotiations Act. DCAA, along with government contract administration personnel, also evaluates the adequacy of contractors' cost-estimating systems.

Because of the large number of contracts and subcontracts that are subject to DCAA audits for defective pricing and the competing demands on its resources, DCAA cannot audit all contracts and subcontracts subject to the Truth in Negotiations Act. As a result, DCAA allocates its audit resources based on its assessment of risk. In assessing risk, DCAA considers, among other factors, the adequacy of contractors' cost-estimating systems and their histories of defective pricing. For example, for high-risk, fixed-price contracts worth under $10 million each, DCAA's selection criteria for fiscal year 1992 called for it to audit 1 in 15

contracts. For medium-high risk, fixed-price contracts, its selection plan calls for it to audit 1 in 30 contracts worth under $10 million each. In the past, DCAA has not been able to complete all the audits that its plans call for.

Contract overpricing remains a high-risk area, vulnerable to fraud, waste, and mismanagement. Even though contracting for goods and services will continue to consume over one-third of the defense budget in the near term, we recognize that the post Cold-War reductions will result in fewer contracting actions requiring audits by DCAA. However, in previous reports and testimonies we have cautioned that, because of the significant amount of audit backlog and the constrained coverage in areas such as operational audits and defective pricing, DCAA must have sufficient audit resources and adequate information to ensure that the government's interests are adequately protected. We believe that any reduction in DCAA work load resulting from reduced numbers of contracting actions offers an opportunity to redirect DCAA's staff resources to these other areas of risk.

Many Subcontracts Are Not Identified for Audit Consideration

In order to allocate its resources to contracts with the highest risk, DCAA must be aware of the universe of both prime contracts and subcontracts subject to audit under the Truth in Negotiations Act. In reviewing a sample of 211 negotiated subcontracts having a dollar value of about $337 million, we found that DCAA was not aware of 186, or 88 percent, of the subcontracts. The 186 subcontracts were worth about $189 million, or 56 percent of the total value of subcontracts in our sample.

Unless DCAA knows of all subcontracts subject to audit and assesses the risk of defective pricing on each, it cannot ensure that its audit resources are being appropriately applied to subcontracts with the greatest risk of defective pricing. Also, by not being aware of all subcontracts, DCAA will understate the resources it needs for its defective pricing program. Accurately estimating DCAA's work load and staffing needs is particularly important in today's environment, where DCAA may be required to reduce staffing.

The principal reason that DCAA auditors are not aware of subcontracts is that prime contractors are not required to provide DCAA with lists of subcontracts that are subject to

the Truth in Negotiations Act. The regulations should be changed to require contractors to report this information. We recently recommended that the Secretary of Defense examine the costs and benefits of changing the Defense Federal Acquisition Regulation Supplement to require prime contractors to notify the government of all subcontracts subject to the Truth in Negotiations Act. As an interim measure, we also recommended that the Secretary direct DCAA to require that when offices auditing prime contracts identify subcontract information, they share that information with the DCAA office responsible for auditing the subcontract. DOD is currently taking action to address these recommendations.

Actions by Contracting Officers to Obtain Contractor Improvements Are Mixed

Government contracting officers, with DCAA's help, are responsible for determining the adequacy of contractors' cost-estimating systems. When DCAA reports an estimating deficiency, DOD regulations establish procedures and time frames for its correction. If a contractor does not make adequate progress in correcting the deficiency, administrative contracting officers are authorized to take actions to obtain correction, such as reducing or suspending progress payments,

recommending that new contracts not be awarded, or bringing the issue to the attention of higher-level DOD management.

In 1991, we reported that many cost-estimating deficiencies had remained uncorrected for long periods of time despite (1) the 1988 revision in DOD's regulation requiring major contractors to establish adequate cost-estimating systems and (2) DCAA audit reports identifying estimating deficiencies. Some problems remain.

One reason for the slow correction of deficiencies was that DOD administrative contracting officers had taken inadequate actions or had not followed established procedures. For example, some contracting officers considered deficiencies to have been corrected when contractors simply promised to do so. We found that too often, the promised actions had either not been taken or proved inadequate. If DOD is to reduce the risks of overpriced contracts, its contracting officers need to more thoroughly review contractors' actions. When contractors do not act, contracting officers need to use the tools available to them to ensure compliance.

DOD's Follow-Up System Is Inaccurate and Incomplete

DOD's audit follow-up system is a key component of its oversight of contractors with cost-estimating problems. In May 1991, DOD testified that its audit follow-up system provided DOD management with the necessary insight into pricing problems with both prime contractors and subcontractors.

We reviewed DOD's audit follow-up system and found that the system did not provide accurate and complete information on the condition of cost-estimating systems for many high risk contractors. The follow-up system data was inadequate in three areas. The system (1) was missing reports on contractors; (2) understated the length of time cost-estimating deficiencies remained uncorrected; and (3) showed contractors had corrected deficiencies, when our review showed they had not.

DOD has proposed changes or recently taken action to improve its audit follow-up system. While we believe these actions will improve the follow-up system, DOD's administrative contracting officers still need to verify that contractors have corrected all deficiencies cited in DCAA audits of cost-estimating systems before reporting that corrective actions have been completed.

Deterrents Offered by the Truth in Negotiations Act Are Not Used Effectively

For the Truth in Negotiations Act to be a successful deterrent, DOD's implementation of the sanctions provided by the act must sufficiently compel contractors to comply with its requirements. The basic sanction provided by the act is that if defective pricing is found, the contract is to be reduced by the amount of defective pricing. In November 1985, the Congress added provisions to the act requiring contractors to pay (1) the interest on overpayments and (2) a penalty equal to the amount of defective pricing, when they knowingly submit defective data.

Our ongoing review is showing that DOD's enforcement of the act has not served as an effective deterrent because (1) the amount of DCAA-identified defective pricing sustained by DOD is low, (2) the interest on overpayments is not fully collected, and (3) the penalty provision of the law is not used.

Low Sustention Rates

The DOD Inspector General reported that the defective pricing sustention rate for the first half of fiscal year 1992 was 34 percent, down 7 percentage points from fiscal year 1991. Primary reasons for the low sustention rate are that (1) contracting officers negotiate

with contractors to resolve DCAA-identified defective pricing and settle for significantly reduced amounts rather than assume the litigative risk associated with defending a settlement decision before an independent board of contract appeals and (2) DCAA audits were in error or the facts did not sufficiently support their determinations of overpricing. Further, the bases for many of the settlements were not adequately documented, preventing determinations as to why the reductions from audit findings had occurred. While contracting officers are required to fully consider DCAA's audit findings and to document the disposition of recommendations, they exercise wide latitude in settling audit findings with contractors. We are in the process of more fully identifying the reasons for low sustention rates and pursuing whether there are problems in need of corrective action.

Interest Not Fully Collected

More interest could be recovered on overpayments. The law provides that interest shall be charged from the date of overpayment to the date of repayment by the contractor. The procurement regulations, however, limit the interest charged to the period from the date a product or service is delivered until the date of repayment—a

shorter time period because contractors are paid before delivery. In addition, in some cases, contracting officers are inappropriately waiving interest in the negotiation of a settlement with the contractor. With $731 million of DCAA-identified defective pricing in fiscal year 1991, interest on overpayments can amount to tens of millions of dollars annually.

Penalty Provisions Not Exercised

According to DOD, the penalty provision of the act, one of the more significant enforcement tools available to contracting officers, has not been exercised. The act states that a penalty equal to the amount of the defective pricing may be assessed the contractor if the contractor knowingly submitted defective data. However, the penalty provision has not been exercised because contracting officers, as well as other DOD officials, equate the "knowing" determination with civil and criminal fraud. Cases of defective pricing with civil or criminal fraud implications are beyond the contracting officers' authority to settle and are prosecuted by the Department of Justice under the False Claims Act. We noted several cases in which contractors would have avoided submitting the defective data if

established procedures had been followed or the contractors had corrected long-standing problems with their cost-estimating systems. Such cases appear to warrant penalties even if fraud cannot be proven. While the effective use of the penalty provision would result in more dollars being collected, the more significant effect is the enhanced deterrence against future overpricing that would likely be achieved.

Lack of a Financial Reporting System to Ensure Fair and Reasonable Profits

About 10 years ago, segment-level financial data was collected for a DOD study comparing defense contractors' profitability with that of nondefense manufacturers. The study showed that defense firms were earning excessive profits on government contracts. In response, defense contractors stated that doing business with the government was riskier than doing business with nondefense companies, thereby warranting higher profits. Defense contractors pointed out that their stock price/earnings ratios were below market averages, resulting in a higher cost of capital, thereby making it more costly to do business with the government.

Tracking the cost of capital, when compared with the return on that capital, could provide the information needed to determine whether defense contractors are making excessive profits over time. Monitoring this measure, along with other financial measures, would eliminate the controversy over whether defense contractors' profitability should be compared with that of other companies, thereby reducing concerns about whether firms are comparable.

Financial data specific to the segments of a company that perform defense work is

generally not publicly available. A financial reporting system requiring defense contractors to annually report segment-level financial data, contained in their income statements and balance sheets, could identify whether excessive profits were being made on defense contracts. This reporting system could alert policymakers that adjustments are needed in government policies to ensure profits earned on government contracts are fair and reasonable. This process could reduce the amount of audit and oversight by DOD on a contract-by-contract or cost-by-cost basis.

Conclusions and Action Needed

Contract overpricing amounting to billions of dollars continues to plague DOD's procurement system despite the existence of laws and regulations designed to prevent such overpricing. While DOD has taken steps to address some overpricing problems, other serious problems remain. Specifically, (1) contractors' cost-estimating systems are too often inadequate, (2) government oversight is too little and too late, and (3) the application of "penalties" is insufficient to change contractors' behavior in any meaningful way.

Unless more aggressive steps are taken, overpriced contracts will continue to plague the Department of Defense. Some of the steps that need to be taken are basic.

First, when defense contractors do not provide accurate, complete, and current data to the government or when they do not have the internal control systems to support this requirement, the government should use the full range of legislative and regulatory tools available to it to achieve compliance. If contractors continually overcharge the government or in some other substantive way fail to comply with government laws and regulations, progress payments should

be reduced or suspended, or the contractor should not be awarded future contracts.

Second, contracting officers and others involved in the contracting process have a responsibility to protect the government's interests. They should be provided the resources to do their jobs well, and they should be held fully accountable for the results. A significant step would be to change the procurement regulations to require prime contractors to report all subcontracts subject to audit under the Truth in Negotiations Act. Also, as DCAA's work load is reduced as a result of fewer contract actions, the Secretary of Defense should consider redirecting DCAA resources to other areas of contract risk that are now being inadequately covered.

Third, contractors should be allowed to make fair and reasonable profits, but they should not receive excessive profits from government contracts. To monitor contractor profits on defense contracts, the Congress should enact legislation requiring the government's contractors to annually report financial data specific to the segment doing defense work in each company. If effectively employed, the monitoring of contractors' return on capital and the

efficiency of their operations could be used as an alternative to reduce the amount of DOD audit and oversight on a contract-by-contract or cost-by-cost basis.

Related GAO Products

Contract Pricing: A Low Percentage of Contractors Are Responsible for Most Reported Defective Pricing (GAO/NSIAD-93-1, Nov. 24, 1992).

Contract Pricing: DCAA's Methodology Change in Identifying "High Risk" Contractors (GAO/NSIAD-92-183, June 2, 1992).

Contract Pricing: DCAA's Audit Coverage Lowered by Lack of Subcontract Information (GAO/NSIAD-92-173, May 29, 1992).

Contract Pricing: Estimating Deficiencies Resolved Slowly, but Recent DOD Actions Should Help (GAO/NSIAD-92-187, May 28, 1992).

Contract Pricing: DOD's Audit Follow-up System Is Inaccurate and Incomplete (GAO/NSIAD-92-138, May 28, 1992).

Contract Pricing: Subcontracts Are Significant in Prime Contract Defective Pricing (GAO/NSIAD-92-131, May 28, 1992).

Contract Pricing: Status of Defective Pricing (GAO/NSIAD-92-184FS, May 21, 1992).

Contract Pricing: Issues Related to the Defense Contract Audit Agency (GAO/NSIAD-92-188, May 6, 1992).

Contract Pricing: Threshold for Analysis of Subcontract Proposals Not Clear (GAO/NSIAD-92-69, Mar. 20, 1992).

Contract Pricing: Economy and Efficiency Audits Can Help Reduce Overhead Costs (GAO/NSIAD-92-16, Oct. 30, 1991).

Government Contracting: Using Cost of Capital to Assess Profitability (GAO/NSIAD-91-163, Aug. 16, 1991).

Contract Pricing: Defense Contract Audit Agency's Estimating Reports Can Be Improved (GAO/NSIAD-91-241, Aug. 1, 1991).

Contract Pricing: Inadequate Subcontract Evaluations Often Lead to Higher Government Costs (GAO/NSIAD-91-161, Apr. 5, 1991).

Contract Pricing: Defense Subcontract Cost-Estimating Problems Are Chronic and Widespread (GAO/NSIAD-91-157, Mar. 28, 1991).

Contract Pricing: Opportunities to Reduce Dual-Source Contract Prices (GAO/NSIAD-91-159, Mar. 28, 1991).

Contract Pricing: Competitive Subcontract Price Estimates Often Overstated (GAO/NSIAD-91-149, Mar. 20, 1991).

Contract Pricing: Subcontractor Defective Pricing Audits (GAO/NSIAD-91-148FS, Mar. 21, 1991).

Contract Pricing: Status of DOD Defective Pricing (GAO/NSIAD-91-33FS, Jan. 15, 1991).

Government Contracting: Financial Measures for Evaluating Contractor Profitability (GAO/NSIAD-90-200BR, Sept. 12, 1990).

Government Contracting: Effect of Changes in Procurement and Tax Policy on the Defense Industry (GAO/NSIAD-89-121, May 17, 1989).

Government Contracting: A Proposal for a Program to Study the Profitability of Government Contractors (GAO/NSIAD-87-175, Sept. 17, 1987).

Government Contracting: Assessment of the Study of Defense Contractor Profitability (GAO/NSIAD-87-50, Dec. 23, 1986).

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