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**Agreed-Upon Procedures on PAE Government Services, Inc., Invoices  
Under Contract No. SLM-AQM-03-C0033,  
September 14, 2004 through November 14, 2005**

The Office of Inspector General (OIG) contracted with Harper, Rains, Knight & Company, P.A., to perform agreed-upon procedures on invoices submitted by PAE Government Services, Inc. (PAE), under Department of State (Department) Contract No. SLM-AQM-03-C0033, for the period of September 14, 2004 through November 14, 2005. The objective was to assist the Department in evaluating the invoices under the contract's terms and conditions and applicable federal procurement regulations. Although we noted addition errors in the cumulative totals on some invoices, these errors did not result in underbillings or overbillings on individual invoices. Nonetheless, these errors could result in the availability of contract funds being misstated. Also, we found that the contractor over-billed for one position on an invoice; however, the amount was not material.

OIG recommended that the cognizant Department contracting officer's representative notify the contractor about the errors identified in the invoices submitted under the contract and direct the contractor to make the appropriate changes in its billing process to prevent similar errors on future invoices.

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The work for OIG Report AUD/CG-07-14 was conducted by Harper, Rains, Knight & Company, P.A.. This is an unclassified summary of a full report, which may receive limited official distribution.

**Office of Inspector General**

The Office of Inspector General conducts independent audits, inspections, and investigations to promote effective management, accountability, and positive change in the Department of State, the Broadcasting Board of Governors, and the foreign affairs community.