

**Pre-Award Accounting
System Review
TIRNO-99-R-00009**

June 2000

Reference Number: 2000-1C-098

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.



INSPECTOR GENERAL
for TAX
ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 16, 2000

MEMORANDUM FOR JAMES A. WILLIAMS
DIRECTOR OF PROCUREMENT
INTERNAL REVENUE SERVICE

A handwritten signature in cursive script that reads "Pamela J. Gardiner".

FROM: Pamela J. Gardiner
Deputy Inspector General for Audit

SUBJECT: Pre-Award Accounting System Review
TIRNO-99-R-00009

In response to your request, the Defense Contract Audit Agency (DCAA) performed a pre-award accounting system and financial capability survey. A pre-award accounting system survey determines whether the contractor's accounting system is adequate for accumulating costs under prospective Government contracts. A financial capability survey determines whether the contractor is able to perform on government contracts. DCAA performed sufficient audit tests to provide a reasonable basis for their opinion.

In summary, the DCAA found the accounting system is adequate and the contractor is financially capable of performing on government contracts. However, DCCA recommended a follow-up review be performed, if the contractor is awarded a contract, to ensure the new accounting system is fully implemented and functions properly.

The information in this report should not be used for purposes other than that intended without prior consultation with the Treasury Inspector General for Tax Administration regarding its applicability.

If you have any questions, please contact me at (202) 622-6510, or your staff may call Maurice S. Moody, Associate Inspector General for Audit (Headquarters Operations and Exempt Organizations Programs), at (202) 622-8500.

NOTICE:

The Office of Inspector General for Tax Administration has no objection to the release of this report, at the discretion of the contracting officer, to duly authorized representatives of the contractor.

The contractor information contained in this report is proprietary information. The restrictions of 18 USC 1905 must be followed in releasing any information to the public.

This report may not be released without the approval of this office, except to an agency requesting the report for use in negotiating or administering a contract with the contractor.

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