March 22, 2007

Raymond Glass
Senior Principal Contracts Administrator
Computer Sciences Corporation
7700 Hubble Drive
Lanham, MD 20706

Reference: Closure of Audit to Determine the Accuracy of Amounts Billed to the U.S. Department of Education Under the Education Network Contract (GS-35F-4381G) by Computer Sciences Corporation
Control Number: ED-OIG/A19-H0003

Dear Mr. Glass:

This letter advises you of the results of the survey phase of our audit of the amounts billed under the Department of Education (Department) Network (EDNet) contract. The objective of our review was to determine the accuracy of amounts billed to the Department under the EDNet contract by Computer Sciences Corporation (CSC). The scope of our review included Category C billings from May 1, 2005 to September 30, 2006.

During our survey, we obtained an understanding of CSC’s billing process, sources of billing data, and the related flow of data between applicable timekeeping systems, accounting systems and invoices. We reviewed Defense Contract Audit Agency audit reports regarding CSC’s internal controls related to applicable timekeeping and accounting systems. We reviewed a sample of employees billed under Category C of the EDNet contract and verified that labor hours billed reconciled to data in CSC’s systems. We verified that labor rates applied on invoices for the employees in our sample agreed to the rates specified in the EDNet contract. We also reviewed supporting documentation related to all other direct costs billed on Category C invoices. Our work was performed in accordance with generally accepted government auditing standards appropriate to the scope of the review described above.

During the course of our review, nothing came to our attention that would lead us to believe that amounts billed under Category C of the EDNet contract were inaccurate. Consequently, we are terminating our audit.

Our review was made for the limited purpose described above and would not necessarily disclose all material weaknesses pertaining to amounts billed to the Department under the EDNet contract.

The termination of this audit does not preclude further reviews of this or similar areas by the OIG in the future, nor is our review to be construed as a substitute for any other reviews required by law, license, or accreditation. Also, the termination of this review does not preclude the Department from taking action concerning any aspect of the processes reviewed.

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.
We wish to express appreciation for the cooperation and assistance extended by your staff during the review. Should you have any questions regarding this review, please contact me at (202) 245-6941. No response to this letter is required.

Sincerely,

Michele Weaver-Dugan, Director /s/
Operations Internal Audit Team

cc: William Vajda, Chief Information Officer, U.S. Department of Education
Glenn Perry, Director, Contracts and Acquisition Management, U.S. Department of Education
Sally Budd, Audit Liaison Officer, Office of the Chief Information Officer, U.S. Department of Education
Cynthia Bond-Butler, Audit Liaison Officer, Office of the Chief Financial Officer, U.S. Department of Education
Charles Miller, Supervisor, Post Audit Group, U.S. Department of Education