

ARMY PEARL HARBOR BOARD EXHIBIT No. 27

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HEADQUARTERS HAWAIIAN DEPARTMENT,
OFFICE OF THE INSPECTOR,
Fort Shafter, T. H., 2 September 1941.

IG 333.1—Dist. Engr., Honolulu, T. H., F. Y. 1941

Subject: Special Report on the Organization of the Office of the District Engineer, Honolulu, T. H.

Thru: District Engineer, Honolulu, T. H.

To: Commanding General, Hawaiian Department, Fort Shafter, T. H.

I. DATE OF INSPECTION

1. This inspection was conducted by Lieutenant Colonel E. B. Whisner, Infantry, Assistant Department Inspector General, during the period 13-20 August 1941.

2. This is the initial inspection report on the District Engineer's Office. The inspection was made as the result of a directive from the Commanding General, Hawaiian Department, in accordance with the provisions of letter AG 600.12 (2-13-41) M-IG, W. D., A. G. O., 17 February 1941, subject: "Inspection of Cost-Plus-A-Fixed-Fee construction Projects."

II. ORGANIZATION

3. *General.*—*a.* This report, on the organization of the office of the District Engineer in Honolulu, deals with the administrative framework which has been set up by that government agency for the supervision of the construction projects that are under its control. This report is informative in nature and is intended to serve as a background for a better understanding of the subsequent reports that will be submitted on the more detailed phases of the inspections of the cost-plus-a-fixed-fee construction projects in the Hawaiian Department.

b. The District Engineer (Lieutenant Colonel Theodore Wyman, Jr. (O-7925), C. E.) operates directly under the South Pacific Division Engineer in San Francisco, who in turn operates directly under the Chief of Engineers in Washington, D. C. Lieutenant Colonel Wyman has been in charge of the Honolulu district since 15 July 1939.

c. The main offices of the District Engineer are on the fifth and sixth floors of the Young Hotel Building in Honolulu. In addition to this, other portions of the organization are scattered in the following locations in Honolulu:

First Floor, Young Hotel Building—Fiscal section (Adm. Div.)

Pier 2-A—Transportation and Supply section (Oper. Div.)

Hickam Field—Storage yard for materials

Wheeler Field—Storage yard for materials

[2] *d.* The executive function of the District Engineer's office is divided into three parts—engineering division, operations division, and administrative division. See copy of organization chart attached and marked Exhibit "A". Since this chart was published, the fourth part (shown as the transportation-and-supply division) has been absorbed by the operations division.

e. This organization is based upon instructions issued by the Chief of Engineers. These directives state that the District Engineer shall provide an adequate inspection, cost accounting, and auditing force prior to the start of actual construction on projects under cost-plus-a-fixed-fee contracts. The amount of personnel required to satisfy these control objectives is left to the judgment of the District Engineer.

f. In order to facilitate administration, the District Engineer has divided the Hawaiian Islands into seven field areas, each of which is in charge of an engineer who is directly responsible to the District Engineer. Each of the construction projects is placed under the direct supervision of these area engineers.

g. The civilian organization, which furnished the skilled technicians and actually performs the construction work for the District Engineer, is a corporation known as the Hawaiian Constructors, and it consists of a combination of the following construction firms:

W. E. Callahan Construction Company of Nebraska

Gunther and Shirley Company of Nebraska

Rohl-Connally Company of Nevada

Ralph E. Woolley Company of Honolulu

These four organizations have pooled their resources of plant and personnel to complete the projects assigned to the District Engineer in the Hawaiian Islands. A separate report is being prepared, which will describe the organization of the Hawaiian Constructors and explain more fully its relationship to the District Engineer.

h. In order to establish policies and to effect control of the efforts of this large force, the District Engineer issues his instructions from time to time in the form of district orders and district circulars, which are distributed to the various office divisions, the field area engineers, and the Hawaiian Constructors. These directives settle local problems and disseminate the decisions of the higher engineer echelons.

4. Engineering Division.—a. The duties of this branch of the District Engineer's office are to prepare all engineering designs, specifications, and original estimates for construction projects. In addition, it plans all future work in connection with the Honolulu district.

b. After the request for a certain local defense project has been approved by the War Department, the job is assigned to the District Engineer in Honolulu through the South Pacific Engineer Division in San Francisco.

c. The job is in turn assigned by the District Engineer to the chief of his engineering division for study. If it is of a military nature, the job is given to the military-engineering section. There the designs are prepared to determine the most economical and feasible type of construction. If surveys are necessary, parties are sent out to prepare a report upon which designs and estimates will be based. These [3] are then submitted to the District Engineer for approval and later, forwarded to the station commander who sponsored the project, for his comment as to general design features. Following this, the work is then transmitted through channels to the Chief of Engineers for approval.

d. When these plans are approved in Washington, they are returned to the local engineering division for final design, estimates, and specifications, so that construction work can start.

e. The military-engineering subdivision prepares all designs relating to such projects as underground storage magazines, tunnel construction, highways, railway-gun positions, fire-control stations, searchlight towers, demountable towers, air-warning stations, and all major reinforced concrete structures in the Honolulu district.

f. The function of the civil-engineering subdivision is to prepare the designs, specifications, and estimates on all work of a civil nature. In addition, it prepares the plans and specifications for dredging, as well as for work on all runways for airports for the Army Air Corps, the Civil Aeronautics Authority, and other agencies.

g. The principal duties of the building-and-utilities subdivision is to prepare plans, specifications, and bills of material for all military camp buildings, and the utilities in connection with them. It also designs all gasoline installations at all air fields.

h. The drafting-and-survey subdivision operates principally as a supply agency. After the designs and details have been prepared by another group, they are sent here for the final drafting. In addition, it handles all reproduction work such as blue printing, photostating, lithographing, and various other types.

i. The materials-testing subdivision is entrusted with the testing of all materials entering into the final construction of any project. Samples of concrete are taken from the batches as they are being placed into a structure, and the strength is determined. Tests are conducted on all mineral aggregate in order to determine their strength, characteristics, and suitability for construction purposes. Chemical tests are prepared in order to determine the existence of harmful ingredients which would tend to cause deterioration to the finished concrete structure. Soils are tested for their physical properties in order to determine their bearing capacities, fineness, modulus, moisture content, and other necessary features required for the proper design of a structure. Asphalt used in the construction of roads and pavements is also tested in this subdivision.

j. In brief, the duties of the engineering division are to design sound engineering structures which meet the requirements of standard practice, and to produce a structure at a minimum cost for the service it is intended to perform.

5. Operations Division.—a. The function of the operations division is to carry into effect the work as designed by the engineering division, in accordance with the plans and specifications. The work to be done is accomplished by one of

several methods—by construction contract (lump sum), or by hired labor (purchase & hire), or by cost-plus-a-fixed-fee contract.

b. To accomplish the work to be done by a construction [4] contract, it is necessary to advertise the work, receive bids, and enter into a contract with the lowest responsible bidder who guarantees to the government that he will perform the work as specified within the time allotted and at the price fixed in his proposal. This is the common form of contract, which has been accepted as standard by most government agencies.

c. The work to be done by hired labor usually comprises minor jobs, which for obvious reasons can be performed more effectively by government plant (owned or leased) with hired labor, under the direction of a representative of the District Engineer. Hired-labor jobs are initiated by work orders which are prepared by the operations division, and the work is performed under the direction of an area engineer.

d. The method of performing work by a cost-plus-a-fixed-fee contract was authorized by Congress to meet the conditions which exist during a period of national emergency. This type of contract is entered into only after approval by the Under Secretary of War, who has been designated as the authority to fix the terms and conditions of such contracts. These agreements are referred to as "negotiated contracts", because the formality of advertising, publicly opening bids, and awarding the work to low bidders has all been eliminated. The contract is concluded after informal negotiation between the authorized government agency and a reputable contractor.

e. In order to qualify for work under a cost-plus-a-fixed-fee contract, it is necessary for a firm to establish the fact of proven ability and of financial capacity to perform the work to be done. This type of contract was designed (1) to speed up the work, (2) to remove some of the causes for delays in the construction, (3) to remove some of the hazards of construction which are inherent in the more formal contract procedure, and (4) to secure savings to the government in the cost of the work to be done.

f. Before a contract can be entered into by any method, it is necessary to determine the money value of the work to be done; this takes the form of an estimate. These are prepared by the estimating section, which is composed of engineers who have had experience in construction and who are proficient in determining in advance the cost of the work to be done. These estimators must have a knowledge of the cost of materials which are to be included in the construction, of the value of machinery rental which must be charged to the work, and of the labor requirements which will be necessary to accomplish the work.

g. All of these costs are assembled and tabulated to determine the "field cost" of the construction. To this must be added the "engineering cost" for both field and office, together with the "overhead cost" of administration. This latter includes a flat 8% of the construction cost to cover the expenses of the area office, the district office, the division office, and the Chief of Engineer's office. After all of these costs have been assembled, the resulting document is the estimated cost for doing the work and it is presented to the District Engineer for approval. It is then used as a basis for making the award of the contract.

h. The operations section handles the administrative details of the operations division, such as the correspondence to the field [5] agencies concerning the purchase of plant and the rental rates on these items of equipment, employment, and the increases in rates of pay. This section gathers the necessary data from other sections for the preparation of correspondence.

i. The transportation-and-supply section is responsible for all engineer motor transportation which is not under the supervision of the field area engineers. The transportation subsection moves materials from the piers to the base yards, where it is turned over to the supply subsection for storage. The Hawaiian Constructors are responsible for the delivery of material to the various projects, and they dispatch their trucks to the base yards where they are loaded by employees of the District Engineer. The supply subsection handles the records on the receipt, warehousing, and issue of materials and plant.

j. The construction-contract section is responsible for the administration of the processes of construction by contract. It advertises the work to be done by contract, receives bids, assists at the opening of bids, tabulates them, and prepares an abstract of the bids to form a permanent record of the procedure. This section advises the bidders of the award of the contract, prepares the contract form, issues notices to proceed with the work, and exercises the custodianship of all contract documents. It also negotiates change orders and supple-

mental agreements that may become necessary after the original contract has been signed.

k. The inspection-and-safety section sends out personnel to visit the site of the various jobs during the construction period, to inspect the quality of the work being done, and to report any deviations from the plans and specifications. It is responsible for the acceptance or rejection of material and equipment which is to be incorporated into the work. After the completion of the project, personnel from this subdivision make the final inspections and recommendations, which (if favorable) result in the acceptance of and payment for the work under the contract. After the final acceptance of the finished project, this group prepares and forwards a completion report covering the construction.

l. The inspection-and-safety section is also charged with the daily inspection of all construction work in the furtherance of a safety program. It trains personnel in first aid to the injured, and it investigates and reports on all claims for compensation or liability which arise out of the construction activities of the projects.

m. The cost section assembles the cost data, breaking down expenditures into cost items covering the various elements of the construction of each job. This type of work begins when notice is received that construction on a certain project can start and it continues throughout the period of construction. It is not until after the structure has been finished and the final payment has been made that a complete analysis of the cost of the finished structure can be made. In order that cost records may be maintained in an orderly fashion, forms are prepared at the beginning of each job with symbols for identifying each of the various elements of the work for which costs are to be kept. These symbols are used throughout the duration of the job. The data furnished by this cost subdivision are used by the estimating subdivision in arriving at their figures as to the money value of new proposed work of a comparable nature.

[6] n. The right-of-way section is charged with investigating records of title of the real estate affected by the construction projects. Whenever necessary, it procures the permits that are essential before work can proceed.

o. The procurement-and-property section is organized under two subexecutives, one of whom is responsible for procurement and the other for control of property. The procurement subsection functions as the purchasing agent for both the District Engineer and the contracting organization known as the Hawaiian Constructors. Purchase requisitions, in most instances, are instigated by these constructors and after proper approval, are routed through the procurement subsection, where they are acted upon in accordance with a purchasing procedure which has been set up by the District Engineer. This subdivision has jurisdiction over all purchases of plant, property, and materials, with the exception of those involving proper purchase contracts and certain mainland purchases on which delivery can be expedited by side-tracking the regular purchase procedure. The property subsection records all items of property which are purchased for use on projects supervised by the District Engineer. Property items are recorded in relation to field areas in such a way that a personal responsibility is established for each item.

p. The works-progress-administration section handles the details pertaining to the construction projects to be paid for from WPA appropriations, none of which are on a cost-plus-a-fixed-fee contract.

q. In brief, it is the responsibility of the operations division (1) to provide a well-regulated flow of material, supplies, and equipment to the field, and (2) to aid the forces in the field in all matters essential to the orderly prosecution of the construction activities in the district.

6. *Administrative Division.*—a. This division is charged with the administration of all matters pertaining to personnel, finances, and miscellaneous office services. It also coordinates all administrative activities in the district office and in the area offices.

b. The payroll-and-personnel subdivision is responsible (1) for the enforcement and the administration of civil service rules and regulations, (2) for the maintenance of proper personnel and payroll records, (3) for the preparation of recommendations for changes in the status of employees, (4) for the employment of personnel, and (5) for the miscellaneous work pertaining thereto.

c. The finance subdivision is charged (1) with the proper disbursement of and accounting for all funds allotted to the District Engineer, (2) for the maintenance of the records of financial budget and encumbrances, and (3) for the preparation of all financial reports required by law and regulation.

d. The office-service subdivision prepares all correspondence not specifically assigned to stenographers employed in other divisions of the District Engineer's office. It maintains a file of correspondence, reports, and other papers pertaining to the district except those papers which are filed in the personal records of civilian employees. It furnishes data from the office files upon receipt of proper requests and authority. It is responsible for the delivery and dispatch of all [?] incoming and outgoing mail, and for the maintenance of messenger service for the delivery of inter-office communications. It also furnishes the telephone switchboard, the information desk, the district supply room, and other miscellaneous office services.

III. ADMINISTRATIVE CONTROLS

7. *General.*—The District Engineer has based the organization of his office on instructions issued to him by the Chief of Engineers at Washington. These instructions direct that provisions be made for adequate inspection, cost accounting, and auditing before actual construction is started on a cost-plus-a-fixed-fee contract. The District Engineer has accomplished these objectives by creating the departmental controls within his organization which are described below.

8. *Fiscal Audit.*—For the protection of the disbursing officer (who is also the District Engineer's executive assistant), an audit section has been established in the finance subdivision of the administrative division. This audit section accumulates for the disbursing officer sufficient evidence which is intended to substantiate the payments that will encumber the funds allotted to the District Engineer. In order to accomplish this objective, the audit section is required to keep in close touch with timekeeping and with the preparation of payrolls; and it must correlate purchase orders with receiving reports before approving payment of purchase invoices. The audit section records and approves payments for the rental of contractor's plant, and it is instrumental in checking and approving all invoices of a miscellaneous nature before they are presented to the disbursing officer.

9. *Procurement.*—The procurement subdivision is organized under the operations division. Requisitions for purchases must be approved by the executive in charge of operations before the procurement subdivision is authorized to make purchases. In this manner all purchases, regardless of origin of the request, will clear through one individual who is responsible directly to the District Engineer. By following this procedure, besides creating an automatic purchasing control, the District Engineer is conscious of fund expenditures prior to the time the money is actually spent.

10. *Storage and Issue.*—The warehousing controls are also exercised by the operations division in the property and procurement section. Through this agency, the District Engineer is assured that his organization has constant supervision of purchased items until such time as they are issued for delivery to specific projects. From the standpoint of control, the protection this system offers is adequate—the contractor may designate the articles he needs; but the purchasing and storage operation is the responsibility of the District Engineer, while the contractor functions only as a receiving agent.

11. *Cost Section.*—The cost section is organized under the operations division and serves as an instrument for accumulating cost [8] data based upon units of work, for the purpose of justifying operating methods and for the accumulation of historical data to be used for future reference.

12. *Control of Property.*—Property records are established in the office of the District Engineer as each unexpendable item is purchased. When these items of property are turned over to the contractor for use in construction, he is held accountable until such time as they are returned. The property records are verified by a physical inventory which is made at regular intervals.

13. *Control of Plant.*—Plant is purchased by the contractor and rented to the District Engineer on an agreed contract basis. The District Engineer's audit section keeps a plant-control record which lists each piece of equipment, as well as the rental payments which have been made to the contractor. The rental rate is prorated monthly through the cost section to the projects on which each piece of equipment was utilized. The plant records are verified by a physical inventory which is made at regular intervals.

IV. ENGINEER FIELD AREAS

14. *General.*—In order to facilitate the inspection and control of the projects under construction, the Territory of Hawaii has been divided into seven field areas, each of which is in charge of an area engineer who is directly responsible to the District Engineer. As each new project is assigned to the contractors, the responsibility for the close supervision of that new job is delegated to the area engineer in whose zone the project is to be located. The first area is the only one in which there are no projects being constructed under a cost-plus-a-fixed-fee contract.

15. *Organization.*—The organization of each area is similar to that of the District Engineer's office except that it is on a smaller scale. The area engineer has two executive subordinates, one in charge of administration, the other in charge of engineering. The administrative head is the chief clerk who controls the personnel and stenographic clerks. Operating through a cost accountant, he is also in charge of cost clerks and timekeepers. The engineering section controls the project inspectors and draftsmen who are the area engineer's direct contact with project construction.

16. *Cost Accounting.*—Area cost sections are organized to accumulate direct labor and material charges by projects, as a control for the area engineer to use in checking project estimates against actual construction schedules. In order to verify the correctness of his figures, the accountant in charge controls the timekeepers and account-distribution clerks by verifying a daily balance between payrolls and account charges to the respective job orders. In order to verify his material charges, he exercises control over receiving clerks. Periodically, he submits cost reports to the District Engineer's office where they are accumulated on a monthly basis and combined with project [9] overhead for presentation as final cost figures.

17. *First Area.*—The office for this area is on the second floor of the Engineer Building at Pier 2-A in Honolulu. The work at present being done in this area consists of the following:

- Dredging in Pearl Harbor for the Navy Department.
- Dredging in Kaneohe Bay for the Navy Department.
- Maintenance and repair of fortification work.
- Surveys in connection with Keehi Lagoon project.
- Harbor patrol to enforce pollution laws.

None of the work that is being performed in this area is under a cost-plus-a-fixed-fee contract.

18. *Second Area.*—The office for this area is at Hickman Field, Oahu, and the majority of the projects assigned to it are under cost-plus-a-fixed-fee contracts. This is the second largest area, from the view point of number of projects and the amount of funds involved. The jobs are all located on the air field and include a miscellaneous assortment of various types, many of which were transferred from the Constructing Quartermaster. They include such projects as:

- Bomb-storage magazines.
- Buildings of various types.
- Utilities for buildings.
- Access roads to buildings.
- Hospital.
- Air Corps hangars.
- Reservation fence.

19. *Third Area.*—The office of this area is at Wheeler Field, Oahu, and the majority of the projects assigned to it are under cost-plus-a-fixed-fee contracts. It is the largest area, both as to the number of individual projects and the amount of appropriations involved. The work includes:

- Bombproof ammunition storage magazine.
- Fire control stations.
- Office buildings.
- Mobilization buildings.
- Warm-up aprons.
- Railway gun positions.
- Grading of airport.
- Searchlight shelters.
- Underground gasoline storage.

20. *Fourth Area.*—The office of this area is located at Waimea on the island of Kauai, and the projects are being constructed under cost-plus-a-fixed-fee contracts. They include such work as:

- Gasoline storage tanks.
- Air-warning-station roads.
- Utilities and fences.

21. *Fifth Area.*—The office for this area is located at Bellows Field, Oahu, and the projects are being constructed on cost-plus-a-fixed-fee contracts [10] They include such work as:

- Mobilization buildings
- Gasoline storage tanks
- Utilities and storehouses.

22. *Sixth Area.*—The Engineer in charge of this area has his office at Wailuku, Maui, and he will supervise the projects on the islands of Molokai, Maui, and Niihau. At the present time, work is proceeding on Maui on an air-warning station and access road thereto. Other projects are in the survey stages.

23. *Seventh Area.*—The office for this area is in Hilo on the island of Hawaii. The cost-plus-a-fixed-fee construction projects include:

- Gasoline storage tanks
- Air-warning station
- Utilities.

V. DISCUSSION

24. *Contract and Supplements.*—On 20 December 1940, the District Engineer entered into the original contract with the Hawaiian Constructors for the construction of assigned defense projects on a cost-plus-a-fixed-fee basis. This contract was issued under standard government stipulations common to this type of agreement. The contractor was instructed to function as a separate contracting unit and was held responsible for various constructing and administrative operations. The District Engineer established inspection and audit controls to check the contractor's operations, and had his executive officer designated as a government finance disbursing agent for the purpose of satisfying obligations entered into by the contractor in connection with fulfilling the terms of the contract. Supplemental agreements have been added to the original contract since the date of its issue and subsequent additions will be made as appropriations for new projects are received. These agreements assign additional defense projects to the Hawaiian Constructors and adjust the fixed-fee stipulation to compensate for this increased responsibility.

25. *Contract Modifications.*—*a.* On 19 May 1941, the District Engineer modified the original contract stipulations by transferring, from the office of the contractor to the office of the District Engineer, the responsibility for procurement, timekeeping, preparation of payrolls, and the actual payment of all salaries and purchase invoices. These changes were made for several reasons:

- (1) To afford greater protection of government funds.
- (2) To eliminate duplication of data being accumulated by the District Engineer.
- (3) To eliminate inaccurate data being presented by the contractor.
- (4) To increase employee efficiency, because it would no longer be necessary to provide an auditing team to control the contractor's method of handling these operations.

[11] *b.* The installation of these changes had, in effect, changed a true cost-plus-a-fixed-fee contract to represent in large measure the purchase-and-hire contract used in many instances by government construction agencies. The fixed-fee stipulation is the only contractual requirement which basically makes one type of contract differ from the other. From the standpoint of the District Engineer, these changes in the application of the cost-plus-a-fixed-fee contract are sound and can be substantiated as the best solution for most efficiently completing assigned projects under conditions as they exist in the Territory of Hawaii.

26. *Deficiencies.*—A study of the District Engineer's organization, and of the checks installed for controlling and protecting the expenditures of government funds, shows the executive direction to be generally efficient and logical. However, the execution of the directives and checks fails to achieve the objectives sought in some instances, because subordinates have not given sufficient stress to these control factors. These deficiencies are apparently the result (1) of insufficient experience on the part of some subordinates and (2) of the necessity to complete assigned projects in the shortest possible time, in a locality which

does not possess an available supply of skilled clerical technicians. These conditions have allowed project construction to draw away from intended internal audit checks.

VI. CONCLUSIONS

27. After a study of the organization of the office of the District Engineer in Honolulu, and preliminary visits to various construction projects under the supervision of that government agency, the following conclusions have been drawn:

a. That the system of safeguards, for the protection of government funds, property, and plant (inspection, cost accounting, and auditing), as directed by the Chief of Engineers, have been established by the District Engineer.

b. That deficiencies do exist within the organization, apparently caused by inadequate inter-office coordination and a lack of sufficiently-skilled clerical employees. These deficiencies have generally allowed clerical controls to lag behind the progression of actual construction, resulting in partial failures in the system of cost accounting, procurement, and storage-and-issue.

c. That conscientious efforts, on the part of the District Engineer and his key assistants, are apparently being made to correct these deficiencies, as soon as they manifest themselves.

d. That skilled clerical technicians for administrative duties are difficult to obtain because of the large number needed by other competing government agencies and because of higher wages offered by civilian firms for similar services.

e. That the field areas, established for the prosecution of the construction projects under contract, appear to be well organized and to be working generally in an efficient manner.

f. That progress on the construction of many projects has been delayed by the shortage of material, which in turn has been caused [12] by (1) the shortage of transportation facilities from the mainland, (2) the inability of local firms to deliver materials on schedule, and (3) the status of defense priorities established for the District Engineer's office.

VII. RECOMMENDATIONS

28. Based upon this initial survey and inspection of the office of the District Engineer in Honolulu, the following recommendation is submitted:

a. That the District Engineer institute adequate measures to correct the deficiencies noted in paragraph 26 and in subparagraph 27b above.

E. B. WHISNER,
Lieut Colonel, Infantry,
Asst Dept Inspector General.

1 Incl—
Exhibit "A" (Organization Chart)

ARMY PEARL HARBOR BOARD DIVISION No. 25

HEADQUARTERS HAWAIIAN DEPARTMENT,
OFFICE OF THE DEPARTMENT INSPECTOR GENERAL,
4 November 1941.

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10 3381 Dist Engr
Honolulu, HI, 2 Y 1942

Subject: Special Report on the Organization of the Office of the Hawaiian Constructors, Honolulu, T. H.

Thru: Hawaiian Constructors and District Engineers, Honolulu, T. H.

To: Commanding General, Hawaiian Department, Fort Shafter, T. H.

1. DATE OF INSPECTION AND BY WHOM MADE

1. This is the initial inspection report on the organization of the Hawaiian Constructors, the civilian organization which furnishes the skilled technicians and actually performs the construction work for the District Engineer in the Hawaiian Department under Cost-Plus-A-Fixed-Fee contract W 414-Eng-602. The inspection was made by Lieutenant Colonel E. B. Whisner, Infantry, Assistant Department Inspector General, during the period 4 to 11 September 1941, pursuant to a