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27 August 1964

MEMORANDUM FOR: Deputy Director for Science & Technology

SUBJECT : Conduct of the FULCRUM Program

1. On 14 August you received from the Director a memorandum providing guidance on the manner in which he desires you to establish contracting procedures for the FULCRUM Program.

2. On 21 August the DCI approved the following additional guidelines for the overall organization and direction of the FULCRUM Program:

a. The FULCRUM Program is a CIA Program under NRO aegis. Command, control, supervision, and direction of the entire FULCRUM Phase I Program is assigned to DD/S&T.

b. Coordination, liaison, project integration and engineering support will be provided to DD/S&T by the systems engineering contractor, who will have direct access to all other contractors.

c. DD/S&T will keep NRO fully and completely informed of its progress through regular monthly progress reports and/or briefings, and will provide information copies of contractor work statements to NRO.

d. DD/S&T will act as the sole point of contact and direction in the government for the FULCRUM contractors.

e. Additional funds up to \$4.5 million may be committed against the DD/S&T plan, as approved by the DDCL. As in any such program, the contractors will be reimbursed by CIA as the work progresses, subject to the satisfaction of the CIA as to its quality. The NRO will reimburse the CIA for funds expended in the FULCRUM program in accordance with previous agreements between Mr. Vance and the Director.

*D. Vance*

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f. A specific unit will be established in DD/S&T reporting directly to the DD/S&T to manage the FULCRUM and other satellite programs. In consonance with the Director's discussions with the PFIAB and Secretary McNamara, it should be no larger than 20 or 30 technical people depending on the impact of other programs, but may utilize covert support capabilities elsewhere in DD/S&T to accomplish its assigned mission.

3. On the basis of this memorandum and the DCI memorandum of 14 August, it is desired that you develop for my approval a concept of your organization for the FULCRUM Program, a schedule of contracts and contractual structure, and a concept for Systems Engineering.

**Marshall S. Carter**  
**Lieutenant General, USA**  
**Acting Director**

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