



BYE-0107-64

Copy 3 of 4

21 April 1964

MEMORANDUM FOR: Deputy Director for Science and Technology
SUBJECT : Funding for Phase II of KWFULCRUM

1. As you know, \$145,000 has been allocated for Phase I of KWFULCRUM. Actual contract negotiations probably will be in the neighborhood of \$138,000. Phase I will be completed on 25 May, if not before, at which time we should be prepared to launch into Phase II, which will consist of a system design study to implement the conceptual definitions reached during Phase I. Phase II, which is now programmed for completion by 31 July, will define the engineering parameters of the new search system in sufficient detail to make possible the development and fabrication of such a system during the next two years.

2. In their original contract proposal, ITEK estimated slightly over \$110,000 necessary to perform the engineering study and design. I would submit that we be prepared to expend between \$125,000 and \$130,000 for this work.

3. As you are well aware, monies for the completion of Phase II have not been programmed within DD/S&T. This memorandum calls this fact to your attention. If you so desire, I will consult with Jack Blake for the identification of DD/S&T funds necessary for the completion of Phase II of this program.

JOHN N. McMAHON

Distribution:

- Copy 1 - DD/S&T
- 2 - ExO/DDS&T
- 3 - Chrono (JNMcMahon)
- 4 - File (KWFULCRUM)

~~SECRET~~