



PRECONTRACT APPROVAL RECORD (PART ONE)	CONTRACTOR Itek Corporation		CONTROL NO. FUL-0010
	CONTRACT NO. MB-1957	AMENDMENT NO. -	Copy <u>1</u> of 3 9 July 1964

THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT.

TYPE OF CONTRACT			
<input type="checkbox"/> L.I.	<input type="checkbox"/> F.P. REDETERM	<input type="checkbox"/> CPIF	<input type="checkbox"/> TECH REP
<input type="checkbox"/> DEFINITIZED	<input type="checkbox"/> FPIP	<input type="checkbox"/> T&M	<input type="checkbox"/> FISCAL YEAR
<input type="checkbox"/> F.P.	<input checked="" type="checkbox"/> CPFF/letter contract		<input type="checkbox"/> CALL TYPE

FINANCIAL DATA		
CONTRACT VALUE \$ 850,000	PREVIOUS OBLIGATION - PRIOR FY \$ - 0 -	PREVIOUS OBLIGATION - CURRENT FY \$ - 0 -

OBLIGATION BY THIS DOCUMENT			
DESCRIPTION, PROGRAM OR LINE ITEM	FISCAL YEAR	PROJECT	AMOUNT
FULCRUM (Transferred from ORD)	1965	FULCRUM	\$ 850,000 ✓

TOTAL THIS OBLIGATION	\$ 850,000
CONTINGENT UPON AVAILABILITY OF FUNDS	
EXPOSURE LIABILITY	

RATE	DATE	RATE	DATE
CPFF O/H RATES FIXED THRU			
T&M RATES FIXED THRU			
NEGOTIATOR APPROVAL		DATE	
<i>J. H. McDonald</i>		8-7-64	
PRECONTRACT		DATE	

UNIT	TYPED NAME	DATE
CONTRACTING OFFICER		19 Aug
BUDGET & FINANCE		19 AUG 1964
GENERAL COUNSEL		19 Aug.
TECHNICAL REPRESENTATIVE	John McMahon	18 Aug 64
TECHNICAL REPRESENTATIVE	Jackson Maxey	18 Aug 64

CONTRACT SIGNATURE (Contracting Officer)	DATE	DATE MAILED	DATE DISTRIBUTED
		19 AUG 1964	

~~SECRET~~

PRECONTRACT APPROVAL RECORD
(PART TWO)

CONTRACT

MB-1957

The services and equipment being procured by this Contract No. MB-1957 are in furtherance of the FULCRUM Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

Letter Contract No. MB-1957 is being issued to implement the design feasibility and preliminary design of the FULCRUM System, including ~~boards~~ boards of the film transport System, a full-scale mock-up and optical design work. The work is expected to take approximately six months at an estimated cost of 2.4 million. Contractor is submitting a firm quotation. Negotiations are expected to be considered prior to 30 September. A CPFF definitive contract is contemplated, and if the studies prove fruitful, we anticipate a CPIF type of contract for the development of the System. At the present time \$850,000 is being obligated to complete the work.

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