

FULCRUM REF A CORN 716

ATTENTION: FRANK MADDEN

- 1. CONTRACT APPROVAL HEREBY GRANTED TO ACCEPT
 OVERRUN ON CONTRACT MB-1957 NOT TO EXCEED SEVENTY-FIVE
 THOUSAND DOLLARS.
- 2. HEADQUARTERS WILLING TO NEGOTIATE UP TO EIGHTY
 THOUSAND DOLLARS UPON JUSTIFICATION BY ACORN AS TO OVERHEAD
 RATES. SUCH NEGOTIATION CAN TAKE PLACE DURING CONTRACTING
 OFFICERS NEXT VISIT WITHIN NEXT TWO WEEKS.

END OF MESSAGE

John N. McMahon EO/SPS/DDS&T

RELEASING OFFICER

COORDINATING OFFICERS

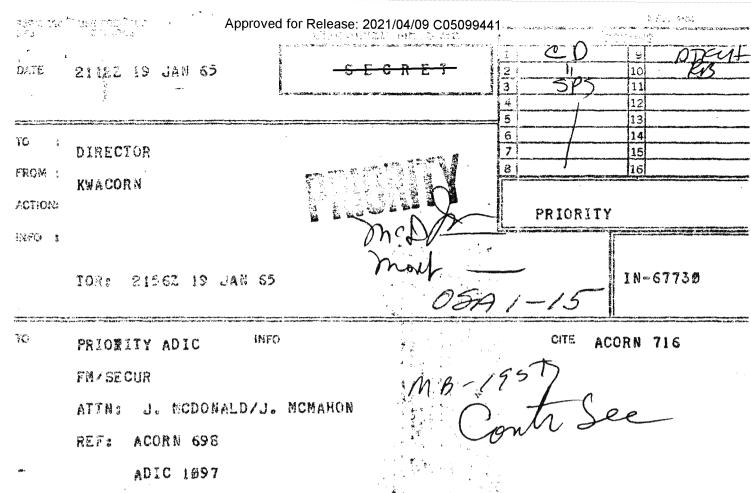
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AUTHENTICATING OFFICER

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COLUMN NBR. I BELOW INDICATES ELEMENTAL BREAKDOWN OF ANTICIPATED \$68,555 OVERRUN UNDER CONTRACT MB-1957.

	COLUMN - 1	COLUMN 4. 2	TOTAL
DIRECT LABOR	\$10,02	\$ 4,563	\$14,584
OVERHEAD	39,550	6,388	45,888
MATERIAL	5,900	a	5,000
0.D.C.	4,413	75	4,488
SUB-TOTAL	\$58,934	\$11,026	\$69,960
G& A	8,546	1,598	10,144
TOTAL\$67,480		\$12,624	\$85,194

THE OVERHEAD AMOUNT UNDER COLUMN NBR. I INCLUDES THE ADJUSTMENT OF FY64 OVERHEAD TO 133 PERCENT AND FY65 OVERHEAD TO 140 PERCENT WHICH REFLECT THE CURRENT ESTIMATED RECOVERABLE RATES FOR THE YEARS

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ACORN 716 (IN -67730)

PAGE TWO

INVOLVED.

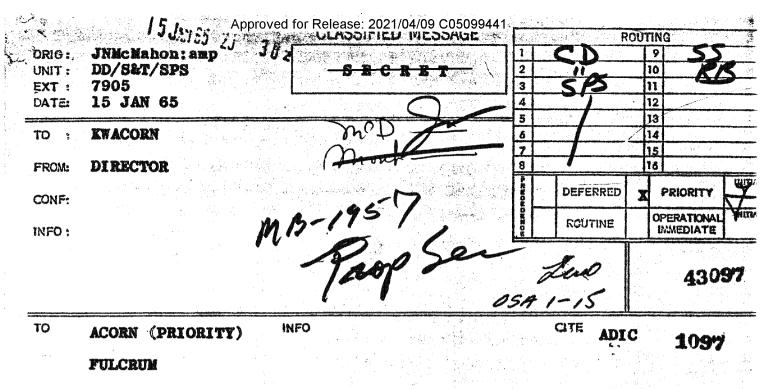
COLUMN NBR. 2 REPRESENTS ADDITIONAL ANTICIPATED OVERRUN CAUSED BY EFFORT EXPENDED AND TIME LOST IN PREPARING FOR AND CARRYING OUT THE BRIEFING WHICH TOOK PLACE AT THIS FACILITY ON 18 JANUARY 1965. COST EXPENDITURES (INCLUDING O/S/C TOTAL 2,615,000 FOR WEEK ENDING 1/8/65. ALTHOUGH COST DETAIL IS NOT AVAILABLE FOR WEEK ENDING 1/15/65. EXPENDITURES WERE VERY HEAVY.

PLEASE FORWARD INSTRUCTIONS IMMEDIATELY REGARDING THIS MATTER.

END OF MESSAGE

-SECRET

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REF: ACORN 698 (IN 66843)

D/S&T/SPS RELEASING OFFICER

REFERENCE ADVICE DOES NOT SUFFICE. PLEASE PROVIDE DETAILED COMPOSITION OF \$68,000 OVERRUN.

END OF MESSAGE

CROWLEY John Jomly

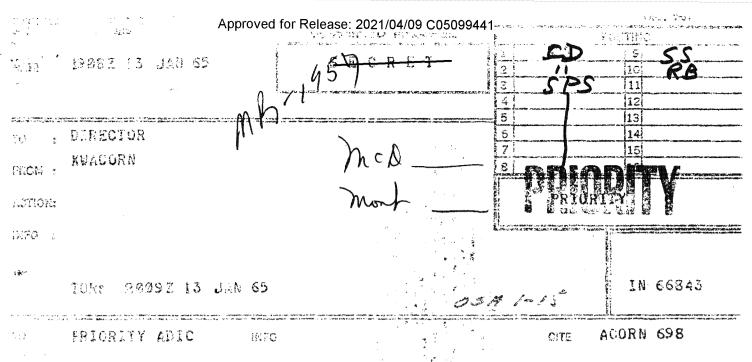
COORDINATING OFFICERS

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ATTR: J. MCDONALD

PLS BE ADVISED THAT HE WILL REQUIRE SER, 000 FUNDING IN ADDITION TO THE NEGOTIATED COST OF \$2,851,106 IN ORDER TO COMPLETE CONTRACT HB-1057.

END OF MSG

S D C R D T S PROHEETED, CONT