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(When Filled In)



<b>PRECONTRACT APPROVAL RECORD (PART ONE)</b>	CONTRACTOR <b>Itek Corporation</b>	CONTROL NO. <b>FUL-0002</b>
	CONTRACT NO. <b>MB-1956</b>	AMENDMENT NO. <b>Copy 1 of 3 6 March 1964</b>

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"/> FPIF	<input type="checkbox"/> T&M	<input type="checkbox"/> FISCAL YEAR
<input type="checkbox"/> F.P.	<input checked="" type="checkbox"/> CPFF	<input type="checkbox"/> CALL TYPE	

FINANCIAL DATA		
CONTRACT VALUE <b>\$ 138,228</b>	PREVIOUS OBLIGATION - PRIOR FY <b>\$ - 0 -</b>	PREVIOUS OBLIGATION - CURRENT FY <b>\$ - 0 -</b>

OBLIGATION BY THIS DOCUMENT			
DESCRIPTION, PROGRAM OR LINE ITEM	FISCAL YEAR	PROJECT	AMOUNT
<b>FULCRUM (Transferred from ORD-DD/S&amp;T)</b>	<b>FY-64</b>	<b>FULCRUM</b>	<b>\$ 138,228</b>
TOTAL THIS OBLIGATION <span style="font-size: 2em;">→</span>			<b>\$ 138,228</b>
CONTINGENT UPON AVAILABILITY OF FUNDS			
EXPOSURE LIABILITY			

RATE	DATE	RATE	DATE
CPFF O/H RATES FIXED THRU		PRICING FORMULA FIXED THRU	
T&M RATES FIXED THRU			
NEGOTIATOR APPROVAL		DATE	
<i>S.H. McDonald</i>		<i>6 Mar 64</i>	
		DATE	
		<i>5-7-64</i>	

PRECONTRACT CONCURRENCES			
UNIT	TYPED NAME	SIGNATURE	DATE
CONTRACTING OFFICER			<i>5/6</i>
BUDGET & FINANCE			<b>20 APR 1964</b>
GENERAL COUNSEL			<i>20 APR 64</i>
TECHNICAL REPRESENTATIVE	<b>JOHN MCMAHON</b>	<i>John W. McMahon</i>	<b>20 APR 1964</b>
TECHNICAL REPRESENTATIVE			
CONTRACT SIGNATURE (Contracting Officer)		DATE	DATE DISTRIBUTED
		<i>5/6</i>	<i>5/7</i>

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<p>PRECONTRACT APPROVAL RECORD (PART TWO)</p>	<p>CONTRACT  MB-1956</p>
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The services and equipment being procured by this Contract No. MB-1956 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:

Contract No. MB-1956 covers the procurement of a study program from Itek Corporation of an advanced sensor system applicable to satellites. The detailed statement of work is as set forth in Appendix I attached to the contract. The contract has been issued on a CPFF level of effort basis which contemplates an estimated cost and fixed fee of \$127,989 and \$10,239, respectively. This amount should provide for some 4,900 sensor engineering hours of analysis and study over the period of 4 February through 31 May 1964. The fixed fee is based on an eight per cent (8%) factor which is considered fair and reasonable for the type of effort being expended.

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