

SECRET

CONFIDENTIAL 99029-5

UNCLASSIFIED

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Approved For Release 2004/11/30 : CIA-RDP78B04770A000300050018-6  
CONTRACT INST. REPORT

CONTRACT NO. [redacted] TASK NO. 3

TO:  
CONTRACT ADMINISTRATION & SETTLEMENT  
BRANCH/PD/OL

DATE  
**6 December 1966**  
INSPECTION REPORT NO. (If final, so state)  
**9 (FINAL)**  
ESTIMATED COMPLETION DATE  
**Completed**

NAME OF [redacted]

TYPE OF COMMODITY OR SERVICE  
**Image Perceptibility Study**

THE CONTRACTOR IS ON SCHEDULE  
**Final**  YES  NO  
PER CENT OF WORK COMPLETED - **60%**  
PER CENT OF FUNDS EXPENDED - **100%**

THE CONTRACTOR WILL PROBABLY REMAIN WITHIN ALLOCATED FUNDS  YES  NO IF ANSWER IS "NO" ADVISE RECOMMENDATION AND/OR ACTION OF SPONSORING OFFICE, ON REVERSE HEREOF. IF KNOWN, INDICATE MAGNITUDE OF ADDITIONAL FUNDS INVOLVED.

HAS AN INTERIM REPORT, FINAL REPORT, PROTOTYPE, OR OTHER END ITEM BEEN RECEIVED FROM THE CONTRACTOR DURING THE PERIOD?  YES  NO (If yes, give details on reverse side.)  
HAS GOVERNMENT-OWNED PROPERTY BEEN DELIVERED TO CONTRACTOR DURING THIS PERIOD?  YES  NO (If yes, indicate items, quantity, and cost on reverse side.)

INCENTIVES

IS THIS AN INCENTIVE CONTRACT IF YES, CHECK TYPE  
 YES  NO  
 COST  AWARD FEE  PERFORMANCE  DELIVERY

NOTE: USE REVERSE SIDE FOR COMMENTS. FINAL REPORT MUST CONTAIN INCENTIVE EVALUATION.

OVERALL PERFORMANCE OF CONTRACTOR

1.  OUTSTANDING 4.  ABOVE AVERAGE 7.  UNSATISFACTORY  
2.  EXCELLENT 5.  AVERAGE  
3.  VERY GOOD 6.  MINIMUM ACCEPTABLE  
IF OVERALL PERFORMANCE OF CONTRACTOR IS UNSATISFACTORY OR MINIMUM ACCEPTABLE INDICATE REASONS ON REVERSE SIDE.

RECOMMENDED ACTION

CONTINUE AS PROGRAMMED  WITHHOLD PAYMENT PENDING SATISFACTORY PERFORMANCE  
 TERMINATE  OTHER (Specify) **Close Out**  
IF TERMINATION IS RECOMMENDED OR IF THIS IS A FINAL REPORT PUT COMMENTS ON REVERSE IN NARRATIVE FORM ON CONTRACTOR'S PERFORMANCE AND CERTIFY THAT ALL DELIVERABLE ITEMS UNDER THE CONTRACT HAVE BEEN RECEIVED. THESE INCLUDE, WHERE APPLICABLE, THE FOLLOWING:

ITEM	REC'D	DOES NOT APPLY	ITEM	REC'D	DOES NOT APPLY
PROTOTYPES	No		MANUALS		X
DRAWINGS AND SPECIFICATIONS		X	FINAL REPORT	Yes	
PRODUCTION AND/OR OTHER END ITEMS		X	SPECIAL TOOLING	No	
			OTHER GOVERNMENT PROPERTY	No	

DATE OF LAST CONTACT WITH CONTRACTOR  
**12 October 1966**

SIGN [redacted]  
INSP [redacted]

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NARRATIVE REPORT

 INTERIM FINAL

The contractor's performance is rated as minimum acceptable for the following reasons. The contractor does not have a thorough knowledge of imaging or image processing techniques. Although the contractor proposed some interesting experimental work, the experimenters could not establish the proper procedures for scientific research. The contractor was often side-tracked into performing experimental work which had little bearing on the major problem. The contractor spent much time re-discovering known facts. The contractor spent much time and money developing "special experimental tools" which turned out to be inferior to similar items already commercially available.

If the final report is compared to the contracted work statement, it will be noted that the contractor conducted research in the areas required "to the extent of his abilities", therefore the rating is not unsatisfactory i.e. the contractor performed. The project was not completed because the cost to complete the project would have outweighed the benefits to be obtained. The contractor was therefore refused additional funds.

In contracts of this nature it is impossible to write specific work statements. The government must judge the ability and integrity of the prospective bidders and grant the contract somewhat on faith. In this case we misjudged the contractor.

I recommend final payment be made upon receipt of all government furnished equipment supplied under this contract.



Development Staff, TDS

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