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PRECONTRACT APPROVAL RECORD (PART ONE)	CONTRACTOR Watkins-Johnson, Inc.	CONTROL NO. OSA-4690-66 Copy 2 of 3
	CONTRACT NO. AM-6000 AMENDMENT NO. FINAL SETTLEMENT	13 Dec 1966

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 | <input type="checkbox"/> CALL TYPE | |

FINANCIAL DATA

CONTRACT VALUE \$ 48,720.08 Final	PREVIOUS OBLIGATION - PRIOR FY \$ 49,942.00	PREVIOUS OBLIGATION - CURRENT FY \$ 0
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OBLIGATION BY THIS DOCUMENT

DESCRIPTION, PROGRAM OR LINE ITEM	FISCAL YEAR	PROJECT	AMOUNT
Micro-wave Receiver (ELR-269-65) Allot No. 5163-6000 MOR #97	1965	OEL	(1,221.92) Cr.
TOTAL THIS OBLIGATION \longrightarrow			\$ (1,221.92) Cr.
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		TECH REP RATES FIXED THRU	
NEGOTIATOR APPROVAL		CD RECORDATION	
SIGNED	DATE 12-13-66	SIGNED	DATE 12-13-66

PRECONTRACT CONCURRENCES

UNIT	TYPED NAME	SIGNATURE	DATE
CONTRACTING OFFICER		SIGNED	12-21
BUDGET & FINANCE		SIGNED	12-22
GENERAL COUNSEL		SIGNED	12-19
TECHNICAL REPRESENTATIVE OEL		SIGNED	1-3-67
TECHNICAL REPRESENTATIVE			
CONTRACT SIGNATURE (Contracting Officer)	DATE	DATE MAILED	DATE DISTRIBUTED 4 JAN 1967

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PRECONTRACT APPROVAL RECORD
(PART TWO)

CONTRACT

Watkins-Johnson, Inc.

AM-6000 The services and equipment being procured by this Contract No. National Defense are in furtherance of the

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. AM-6000 covered a study and development of a miniaturized solid state integrated circuit channelized microwave receiver for OEL.

The final cost and property audit of the contract has been completed and a report thereon has been submitted to the undersigned. The Auditor has recommended for acceptance total cost in the amount of \$44,725.08. This cost together with the approved fixed-fee of \$3,995.00 results in a final approved contract price of \$48,720.08.

In connection with this settlement there are attached the following documents:

Audit Report OSA-4368-66

Contractor's Release

Contractor's Assignment of Refunds, Rebates, Credits and Other Amounts

All deliverable items of the contract have been received. The contractor's technical performance has been satisfactory throughout the term of the contract. (Memo OEL-467-66, 13 May 1966). All residual inventory has been properly accounted for. The Contractor has submitted a report of Inventions in accordance with Article 20, Patent Rights, of the contract.

Proj: OEL / DP-SAT

Code: 5163-6000

MOR: MOR # 000097

Amt: (61,221.92)

OSA-4368-66
#A-287-66

REPLY TO:
Audit Liaison Office
P.O. Box 8155
S.W. Station
Washington, D.C.

15 November 1966

SUBJECT: Report on Final Audit
Watkins-Johnson Company
Palo Alto, California
Contract No. AM-6000

TO: Contracting Officer

1. A final audit was performed of charges incurred under this contract for an engineering design study and development of a solid state integrated-circuit channelized microwave receiver. Work commenced July 1965 and was completed February 1966.

The contract estimated cost was \$45,947 plus fixed fee of \$3,995, or a CPFF total of \$49,942. At the time of audit, the contractor's records indicated that reimbursements totaled \$45,567.78 cost and \$3,395.75 fixed fee.

2. The results of audit, detailed in Exhibit A, follow:

Costs approved by auditor and concurred in by contractor	\$44,725.08 ✓
Fixed fee	3,995.00
Final price	<u>\$48,720.08</u> ✓

3. There are no outstanding checks or unclaimed deposits, or known potential credits or refunds. The contract has been properly credited for.

4. The acquisition cost of residual inventory was listed and submitted by contractor in their 28 March 1966 letter (file OSA-1555-66). According to the contractor, the material was transferred to a fixed price project.

5. The necessary contract closing documents will be forwarded directly to your office by the contractor.


DCAA Representative - APL

Hatke & Johnson Company
Measured Costs for Credits, Contract No. A116000

Exhibit A

	1	2	3	4	5	6	7
				Rate	CY 1965	CY 1966	Total
1	Direct Labor				\$ 12,190.46	\$ 20,119.72	15,740.18
2							
3	Overhead			137.05%	17,524.33	30,832.4	20,612.57
4							
5	Direct Materials				28,711.26	(53,751)	23,237.5
6							
7	Other Direct Charges				33,177	-	33,177
8							
9	Sub-total				33,522.82	17,954.5	38,318.77
10							
11	General & Admin. Expense			16.72%	56,050.2	80,177	64,028.1
12							
13	Total Costs				39,127.54	55,972.4	44,725.08
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Includes \$1823 credit for residual material per [redacted] workpapers

[redacted]

*NO SA / EAD
2/7/68*

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CONTRACTOR'S RELEASE

Contract No. AM 6000

Pursuant to the terms of Contract No. AM 6000
and in consideration of the sum of Forty-eight thousand seven hundred twenty and 08/100
Dollars (\$ 48,720.08) which has been or is to be paid under the said contract to

Watkins-Johnson Company, 3333 Hillview Avenue, Palo Alto, California

(Contractor's name and address)

(hereinafter call the Contractor) or to its assignees, if any, the Contractor, upon payment of the said sum by the UNITED STATES OF AMERICA (hereinafter called the Government), does remise, release, and discharge the Government, its officers, agents and employees, of and from all liabilities, obligations, claims, and demands whatsoever under or arising from the said contract, except:

1. Specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor, as follows:

None

2. Claims, together with reasonable expenses incidental thereto, based upon the liabilities of the Contractor to third parties arising out of the performance of the said contract, which are not known to the Contractor on the date of the execution of this release and of which the Contractor gives notice in writing to the Contracting Officer within the period specified in the said contract.

3. Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability), including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of the said contract relating to patents.

The Contractor agrees, in connection with patent matters and with claims which are not released as set forth above, that it will comply with all of the provisions of the said contract, including without limitation those provisions relating to notification to the Contracting Officer and relating to the defense or prosecution of litigation.

IN WITNESS WHEREOF, this release has been executed this 29th
day of November, 1966.

Watkins-Johnson Company
(Contractor)

WITNESSES

BY

[Redacted Signature]

TITLE President

(NOTE: In the case of a corporation, witnesses are not required, but the certificate below must be completed)

CERTIFICATE

I, [Redacted], certify that I am the Secretary
(Official title)

of the corporation named as Contractor in the foregoing release; that [Redacted]
who signed said release on behalf of the Contractor was then President
(Official title)

of said corporation; that said release was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(CORPORATE SEAL)

[Redacted Corporate Seal]

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CONTRACTOR'S ASSIGNMENT OF REFUNDS, REBATES,
AND CREDITS

Contract No. Am 6000

Pursuant to the terms of Contract No. Am 6000 and in consideration of the reimbursement of costs and payment of fee, as provided in the said contract and any assignment thereunder, the Watkins-Johnson Company 3333 Hillview Ave., Palo Alto, Calif. (hereinafter called the Contractor) does hereby:

1. Assign, transfer, set over and release to the UNITED STATES OF AMERICA (hereinafter called the Government), all right, title and interest to all refunds, rebates, credits or other amounts (including any interest thereon) arising out of the performance of the said contract, together with all the rights of action accrued or which may hereafter accrue thereunder, (except those for refunds, rebates, or credits for taxes paid to the State of California or any political subdivision thereof.)

2. Agree to take whatever action may be necessary to effect prompt collection of all refunds, rebates credits or other amounts (including any interest thereon) due or which may become due, and to promptly forward to the Contracting Officer checks (made payable to the Treasurer of the United States) for any proceeds so collected. The reasonable costs of any such action to effect collection shall constitute allowable costs when approved by the Contracting Officer as stated in the said contract and may be applied to reduce any amounts otherwise payable to the Government under the terms hereof.

3. Agree to cooperate fully with the Government as to any claim or suit in connection with refunds, rebates, credits or other amounts due (including any interest thereon); to execute any protest, pleading, application, power of attorney or other papers in connection therewith; and to permit the Government to represent it at any hearing, trial or other proceeding arising out of such claim or suit.

4. In the event the contractor obtains or receives any refund, rebate, or credit for taxes paid to the State of California or any political subdivision thereof, in connection with the performance of this contract, and for which the contractor is paid or reimbursed by the Government, the contractor agrees to pay over to the Government an amount equal to such refund or rebate (including interest paid or credited to the contractor incident to such refund or credit to the extent such interest was earned after the contractor was paid or reimbursed by the Government for such taxes.) In the event the contractor receives any benefit in lieu of or in addition to such refund, rebate, or credit, the contractor agrees to pay over to the Government an amount equal to such benefit.

IN WITNESS WHEREOF, this assignment has been executed this 29th day of November 1966.

WATKINS-JOHNSON COMPANY

(Contractor)

WITNESSES

BY

TITLE President

(NOTE: In the case of a corporation, witnesses are not required, but the following certificate must be completed.)

CERTIFICATE

I, [Redacted], certify that I am the Secretary (Official Title) of the corporation named as Contractor in the foregoing assignment; that [Redacted] who signed said assignment on behalf of the Contractor was then President (Official Title) of said corporation; that said

assignment was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(CORPORATE SEAL)

