

*BEST COPY*

*Available*

*THROUGHOUT  
FOLDER*

25X1A

*Per Mr. Faccis was accepted from then on. He is just acceptable in plant "to" billed under BC-450.*

EE  
STATINTL

20 January 1959

*No fault on their part or his assistant showed their telephone conversation. We will have an instrument to work.*

DPD-0603-59  
COPY 1 OF 2

*See Cable with [unclear]*

Subject: Case of [redacted]

Dear Bill:

STATINTL

We refer you to our recent telephone conversation regarding the fact that [redacted] has been billed as [redacted] under Contract OS-100. On investigating this matter we find that there are the following relevant facts which explain this procedure.

STATINTL

STATINTL

When project requested that [redacted] be returned to the plant from the field, [redacted] was informed that he was being transferred to the position of [redacted]. The matter was presented to him in this light for security reasons and it is our understanding that headquarters personnel were cognizant of and in agreement with this procedure. [redacted] remained under a field service contract though on an in-plant status and this title was a convenient one to account for this status. [redacted] work has been largely in support of the field service program and therefore the billings were consistent with his title and contractual status. Under this arrangement his cost to the project has been substantially the same as it would have been had he been maintained on an in-plant status as a part of M & O. Under these circumstances we do not recommend a reversal of our previous billings since it would involve a large amount of administrative expense in order to effect what would be essentially only a change in title. Since the billing rate would be higher if [redacted] were billed under the M & O contract his cost to the project if present billings were reversed would be slightly higher.

STATINTL

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Very truly yours,

HYCON MFG. COMPANY

STATINTL

[redacted signature block]

KEH/pe

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