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16 August 1963

MEMORANDUM FOR: Director of Security

SUBJECT

Security of Covert Satellite

Reconnaissance Programs

#### PREMISE:

- 1. To have an effective security program in a complicated technical field of ultra sensitivity involving extensive industrial covert contracting it is essential
  - a. That the Security Officer have immediate access to the officers responsible for directing the project from the technical standpoint since the Security Officer requires continuing guidance from these technical people to make possible sound decisions with regard to security matters. (E.g., Is a proposed technical advertisement, speech, brochure, etc., to be released unclassified, in violation of security.)
  - b. That the Security Officer have access to the Contracting Officer since his function is to protect the contract and security must be blended into the dealings with the Contractor from the outset and continue throughout the life of the contract.
  - c. That the Security Officer be in a position to enforce a security program through command lines.
  - d. That there be uniformity in the security program and the Contractor precisely clear in his mind as to whom he is to accept security direction or seek security guidance.

NRO review(s) completed.

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Authority NNO073070

By RF NARA Date 11/1/04

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#### PROBLEM:

- 1. When CIA had technical direction of certain covert satellite programs the requirements for a sound security program as set forth under the PREMISE were met, i.e,, Technical direction, Contracting and Security responsibility vested in CIA as did management responsibility. In addition all Contractors knew "who was the boss" and who, precisely, was running the security program. It was effective.
- 2. In view of recent changes the effectiveness of the security program has shown definite signs of eroding. With the gradual digestion of Technical responsibility by SAFSP (Director, Program A, NRO); the splitting of Contracting responsibility between OSA (East Coast) and the CIA Contracting Officer at SAFSP (West Coast) with the preponderance of security responsibility still vesting in the OSA, the management of the security program has become increasingly difficult. In addition since the OSA Security Staff acts through the Director, Program B, it is apparent that to require elements under the Director, Program A, to respond is at times awkward, to say the least, since there is no command relationship.

#### DISCUSSION:

- 1. Attachment A, "Analysis of Satellite Contracts handled by CIA" reflects that for the programs for which CIA is handling "black" contracting the real technical direction power vests in SAFSP (Director, Program A). On the other hand, Contracting responsibility is split with certain contracts being handled by the CIA Contracting Officer co-located with SAFSP and others, sometimes on the same Project handled by the OSA Headquarters Contracting Officer. With the exception of the ARGON follow-on, the Security responsibility rests with OSA Security.
- 2. From all indications it is abundantly clear that Director, Program A, who has technical direction, desires and intends to have all future "black" contracts handled by the CIA Contracting Officer co-located at SAFSP. Unless

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Security responsibility is similarly delegated in the near future, OSA Security at Headquarters would be divorced from Technical direction, the Contracting Officer and Command. Result - an impossible situation.

3. With Contractors becoming increasingly more aware of the dominant position of the Director, Program A, in the satellite business there are many indications that they are becoming more and more confused as to "who really is the boss" and security has suffered (since Technical direction is with Director, Program A and Security direction is with Director, Program B).

#### CONCLUSION:

- 1. If CIA is to accept responsibility for the security of these covert satellite programs for which we have agreed to support with CIA "black" contracting authority, it would appear imperative that the CIA Security Officer co-located with SAFSP be delegated security responsibility. This will enable the Security Officer to obtain immediate technical guidance, to keep current on command developments, to enforce security through command lines, and to directly support the CIA Contracting Officer who appears will handle the large preponderance of future "black" contracts.
- 2. When implemented and the Contractors made aware of the one point of contact for security matters pertaining to these programs, these requirements under the PREMISE will be met and the most effective security program under the circumstances made possible.

#### RECOMMENDATION:

1. It is recommended that the direct operational and industrial security responsibility for the "black" contracts listed on Attachment B be delegated to the CIA Security Officer co-located at SAFSP except for the Eastman Kodak contract.

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2. The OSA Security Staff manages the covert security of this vital processing center and to inject another point of security contact could well serve to dilute the clear line of security responsibility.

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| Chief, Security Staff<br>OSA | I |                  |

Attachments A and B

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# ASSIGNMENT OF CONTRACTING RESPONSIBILITY (CIA) SATELLITE CONTRACTS

### 16 August 1963

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| PROGRAM                         | ITEM  | CONTRACTOR                        | CONTRACTING<br>OFFICER |
|---------------------------------|---|-----------------------------------|------------------------|
| CORONA/"J" (Dual Recovery)      | - Systems Integration<br>- Camera<br>- Recovery Vehicle   | LOCKHEED<br>ITEK<br>GE            |                        |
| LANYARD                         | <ul> <li>Systems Integration</li> <li>Camera</li> <li>Stellar/Index Camera</li> <li>Recovery Vehicle</li> </ul> | LOCKHEED<br>ITEK<br>ITEK<br>GE    |                        |
| CORONA/MURAL                    | <ul><li>Systems Integration</li><li>Camera</li><li>Recovery Vehicle</li></ul>                                   | LOCKHEED<br>ITEK<br>GE            |                        |
| ARGON                           | - Systems Integration - Camera - Film - Recovery Vehicle  | LOCKHEED<br>FAIRCHILD<br>EK<br>GE | ,                      |
|                                 |   |                                   |                        |
| EASTMAN-KODAK<br>R & D Contract | - R & D of Processing Equipmen  | t EK                              |                        |
| SE/TD<br>Contracts              | - Systems Engineering and<br>Test Direction for CORONA,   | LOCKHEED                          |                        |

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ARGON and LANYARD Programs