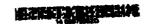
## TOP STORET



## Chronology on the Unsigned CORONA Contracts

30 June 1964

Dr. McMillan advised General Carter of his intent to establish a contract with Aerospace for the comprehensive SE and TD of CORONA. Dr. McMillan also indicated that he would, at the same time, continue the work at LMSC (then covered by CIA control 28) under an Air Force black contract with a modified work statement which would reflect the SETD responsibilities of Aerospace and which would define LMSC's role as an integrating contractor.

30 June 1964

General Carter replied and recommended on behalf of Mr. McCone that CIA control of 28 be extended by the CIA Contracting Officer at SAFSP on an indefinite basis by an appropriate letter of intent pending settlement of the entire matter.

li August 1964

At a meeting among Mr. Vance, Mr. McCone, Dr. Fubini, and Dr. McMillan the CORONA situation was discussed. Mr. McCone stated his view that to introduce Aerospace as general systems engineer and source of technical direction of the CORONA program would be most undesirable at such a critical time. Mr. McCone felt that it could be a serious disturbance to a situation which, at that moment, appeared to be in a satisfactory state. Mr. Vance voiced his view that the services of Aerospace would be valuable to the program. Dr. McMillan stated that if Aerospace were introduced, full continuity of all activities would be maintained and that he would continue to review and approve personally any technical changes proposed for introduction into the system. After further discussion, it was agreed that Dr. McMillan could make the necessary contractual changes and install Aerospace as proposed.

14 August 1964

Dr. McMillan issued instructions to:

1. Authorize General Greer to take necessary actions with



**CORONA** 

14 August 1964 (Continued)

- 2. Authorize Colonel Ledford to incorporate the appropriate enabling clauses for the Aerospace function in contracts held with ITEK, GE and LMSC A/P.
- 3. Authorize Colonel Ledford to allow the systems engineering contract \$228) with LMSC to expire.
- 4. Authorize General Greer to initiate a contract with LMSC to perform a systems integration effort in view of the employment of Aerospace in a systems engineering capacity.

17 August 1964

The Program B Contracting Officer notified ITEK, GE and LMSC A/P that the enabling clauses would be incorporated. Only the ITEK contract was amended to include the Aerospace clause. No such clause was inserted in either the GE or LMSC A/P contract.

18 August 1964

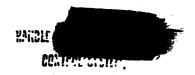
CIA compared to E928 (LMSC systems engineering) was allowed to expire. SAFSP negotiated contract 2710 to cover systems integration by LMSC for advanced project activities under CORONA-cost: period of performance: 18 Aug 64 through 30 Junes. SAFSP also negotiated contract 2702 to cover planning, design, development and quantication of equipment required to integrate the ISIC subsystem into the CORONA program - cost: period of performance: 18 Aug 64 through 30 Junes.

2 September 1964

LMSC received unsigned copies of the contracts for execution.

15 September 1964

CIA (McDonald) called LMSC (Clelland) and informed him that high level discussions were in progress in connection with the signing of the contracts and that if LMSC signed the contracts the work might be forced out of the A/P facility.



16 September 1964

LMSC advised SAFSP that the contracts had not been signed; that certain administrative problems existed which still required resolution. LMSC implied that these were principally security administrative problems.

17 September 1964

The Program B Contracting Officer indicated the following as the reasons he had directed LMSC not to sign the contracts:

1. General Greer had not submitted a formal request to the Director, Program B for authorization to apply "methods, materials, or equipment being generated under the contract" between LMSC and the Program B Contracting Officer.

Note: General Greer did, in fact, discuss the use of "methods, materials, or equipment being generated under the contract" with Mr. Leach (Program B Contracting Officer responsible for administering the systems engineering contract). Mr. Leach stated that he could see no objections to General Greer consummating the contract with LMSC. Further the instructions issued by Dr. McMillan authorized General Greer to proceed. It was not considered within the prerogative of a contracting officer to take unilateral action to the contrary without prior consultation with Dr. McMillan.

 Security procedures contained in the contract between General Greer and LMSC were more restrictive than those in contracts held by the Program B Contracting Officer.

Note: At the request of Mr. Vance a team composed of Colonel Buzard, Colonel Ford and Mr. (CAR), were sent to the LMSC to arrive at a recommendation as to disposition of the differences in security practices and procedures in existing contracts and in the contract

TOP SECRET

17 September 1964 (Continued)

proposed by General Greer. The recommendation unanimously agreed to was that the security practices proposed by General Greer were an exact interpretation of the Security Guide and that these more requirements should be adopted and standardized within LMSC.

31 December 1964

LMSC reported that it was continuing to work on CORONA systems integration (formerly covered by CIA contract 1928) and that it had started work on ISIC integration. No contracts had been signed. Without legal contract coverage, LMSC's pre-contractual accumulated costs on both contracts were in excess

31 March 1965

The status of the two negotiated but unsigned contracts between SAFSP and LMSC A/P remained unchanged.

LMSC's pre-contractual costs were in excess of

April-June 1965

CIA forwarded to LMSC its proposed contraction (for CORONA systems integration) (1997) 1440 (for ISIC integration).

30 June 1965

Neither the SAFSP or CIA proposed contracts had been signed by LMSC. LMSC advised that its pre-contractual exposure was

30 September 1965

SAFSP and CIA proposed contracts remained unsigned.

LMSC advised that its pre-contractual exposure was

31 December 1965

hd CIA proposed contracts remained unsigned.

LMSC advised that its pre-contractual exposure was

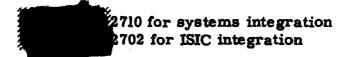
Situation Today:

 Aerospace is not performing the general systems engineering function because the enabling clauses have not been formally incorporated in the GE and LMSC contracts.



## Situation Today (Continued)

- 2. Security practices have not been standardized at the LMSC A/P.
- 3. Neither the SAFSP proposed contracts

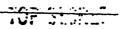


nor the CIA proposed contracts

965 for systems integration 5440 for ISIC integration

have been signed by LMSC.

LMSC is pre-contractually exposed at level.



## CORONA CONTRACTS

Number	Contractor	Contracting Officer	Description
436	Douglas	SSD	Thrust Augmented THOR/THORADS
94 451 -722	LMSC	SSD	AGENA D Vehicles
25 43 -700 -816	LMSC	SAFSP	AGENA Peculiarization (AGENA mods to make vehicle compatible with orbital timer, lifeboat system and payload)
550 550	ITEK	McDonald	Payload Cameras and S/I Cameras (J1-J20) (Includes 1 QCR (J21-J47) & 12 CR cameras
616 517	LMSC .	McDonald	Structures (Includes testing of entire payload as mounted in structure and equipment, e.g., clock)
00 42	GE	McDonald	R/V's (13 M's plus J1-J24) (61) (J25-J47) (46)
702	LMSC	(SAFSP)	ISIC Integration (Unsigned)
2710	LMSC	(SAFSP)	System Integration (Unsigned)
5440	LMSC	(CIA)	ISIC Integration (Unsigned)
965	LMSC	(CIA)	System Integration (Unsigned)

tilb crtiff.

CORONA

MARBLE TIA