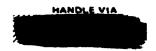
TOP SECRET



(S) NATIONAL RECONNAISSANCE OFFICE WASHINGTON, D.C.

THE NRO STAFF

28 March 1977

MEMORANDUM FOR DIRECTOR, PROGRAM A DIRECTOR, PROGRAM B DIRECTOR, PROGRAM C

SUBJECT: NRO Policy on Consultants

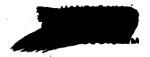
Attached is a proposed policy for the employment of consultants on NRO programs. It is becoming apparent that we need such a policy to assure that the NRO remains sensitive to and is in compliance with the various conflict of interest statutes. Also we must assure that consultants are being used in the most effective manner. I would appreciate your reviewing this policy and providing comments back to the Staff by 11 April. Please have your reply directed to Majana who is the Project officer on this effort.

WIEDIAM L. SHIELDS, JR.
Brigadier General, USAF
Director

1 Attachment
Proposed Policy
2714-77)







NRO POLICY ON EMPLOYMENT OF CONSULTANTS

Purpose

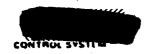
The purpose of this paper is to outline procedures and establish policy guidelines for the use of consultants to the NRO. The term consultant used in this paper will apply to a single individual entering into a personal service contract for the purpose of consultation to any element of the NRO.

Background

Over the past few years relatively few persons have been employed as consultants to the NRO. Program A has entered into contracts with three individuals for various efforts. Program B has employed three or four people as consultants, some on a "without compensation" basis. Program C has not employed consultants and at this time does not contemplate using persons in a consultant role.

Three consultants which Program A has used in the past have assisted the various project offices in evaluating proposals, concepts, and new techniques for optical, camera, and SIGINT systems. They have also recommended advanced technology and exploratory research projects for study. They have participated in various boards and committees both internal and external to the NRO structure. Their outside contacts have sometimes benefited the NRO by identifying applicable R&D activities being conducted outside the NRO. The NRO Staff has occasionally used Program A consultants to review the NRP R&D program. Also in some cases consultants under contract to Program A have been used under separate contracting arrangements by Program B.

Program B consultants are employed in accordance with internal CIA regulations regarding the employment of consultants. CIA policy is not to employ consultants unless the following provisions can be met: specialized services cannot be provided by any other agency resource; the consultant service is beneficial to the CIA: the consultant services are not obtainable under other employment procedures, and the consultants' services will not violate conflict of interest statutes. DCI approval is required prior to entering into any contractual arrangement with a consultant. Program B has only used about three or four people on a consultant basis.







TOP SECRET



They are used on specific jobs requiring only a few days per year of their time. They are not used in an advisory capacity on any Source Selection Boards.

Financial Aspects

Costs to the NRO for consultant services have been low.

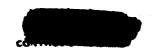
Program A contracts for consultant services vary between

a figural year. Program B costs for consultants are about year.

Discussion

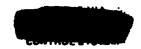
There are situations where it would be desirable to have a consultant providing a program office with particular expertise in an area in which a program office or the Staff knowledge is lacking. In this situation the consultant would evaluate concepts and proposals and even advise a Source Sclection Board on matters involving his area of expertise. For the situation where the program office does not have expertise available, the use of consultant services should not be discouraged. Care should be exercised, however, to preclude the consultant being put into a potential conflict of interest situation particularly if the consultant also has a contractual relationship or a financial interest with other contractors involved in the satellite reconnaissance field. Prior to signing a contract with a consultant, a list of his financial interests and other contracts must be obtained and reviewed for potential conflicts of interest. The NRO program office involved would decide whether a conflict of interest exists and whether a contract could be consummated with the consultant.

Another service which has been provided by consultants has been to provide the NRO with information on technical innovations and status of other Intelligence Community studies and efforts which are of interest to the NRO. Also consultants have, at the request of the NRO, interfaced with other Intelligence Community activities on matters which affect the NRO. This type of service benefits the NRO by providing information and insight on these activities which the Staff does not have the manpower to cover. This service is of value to the NRO by bringing in an outside viewpoint on Community activities and their impact on NRO R&D projects and other studies during internal NRO program review. Again, there must be a close examination of the consultant's other contracts and financial interests to avoid conflict of interest.









Regardless of the type of activity engaged upon by the consultant, there should be adequate reports written to document the consultant's efforts. Reports could be either task-oriented or cover more general activities over a period of time. In any case, there should be at least quarterly reports written by the consultant on his activities under the contract. At the end of each year, an evaluation of the consultant's contributions should be made to assist in the determination of whether to continue the contract. This evaluation should be made by the project officer. Final decision regarding continuation of the consultant's contract should be made by the NRO Program Director or the NRO Staff Director (for consultant contracts supporting the NRO Staff).

NRO Policy on Consultants

The NRO Staff and program offices are allowed to use consultants who either have expertise in special technical areas which are not covered by in-house experience or have wide ranging experience and contacts throughout the Intelligence Community in areas of technology similar to NRO areas of technology.

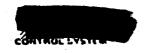
Care must be exercised to preclude involving consultants in situations which might lead to conflict of interest problems. Consultants will execute the confidential statement of employment and financial interest form and keep it current. The program office has responsibility to adjudicate any conflict of interest situations.

consultant for non-NRO offices which contain information derived from NRO sources will be submitted to the program office for security and policy review prior to further dissemination.

Consultants will not support source selection activities.

Consultants will not have access to budget planning data on NRP systems or technology except in situations specifically approved by the appropriate NRO Program or Staff Director.

Consultants will submit written reports on each task or at least quarterly to the NRO project officer having cognizance over the consultant's activities. Yearly evaluation reports will be written by the NRO project officer. These reports will be used to evaluate the consultant's contributions and to determine whether the consultant's contract should be renewed for another year.







TOP SECRET



Yearly Determination and Findings documents will be prepared by the organization having the contract visitation consultant. The D&F package will be sent through channels to the NRO Staff for staffing to obtain the necessary secretarial approvals.

