MEMORANDUM FOR: Secretary Vance
Dr. McMillan:

1. After dictating the attached memorandum, I received a telephone call from Mr. McCone on the West Coast who, independently and without knowledge of Dr. McMillan's memorandum of this date, had arrived at the conclusion that the actions proposed by Dr. McMillan should not be taken at this time.

2. Upon being apprised of my reply to Dr. McMillan, Mr. McCone expressed his complete approval.

Marshall S. Carter
Lieutenant General, USA
Acting Director

Attachment
MEMORANDUM FOR: Dr. Brockway McMillan
National Reconnaissance Office

1. This refers to your Memorandum for General Carter, CIA, dated June 30th, 1964, in which you state that there are certain actions which you must take today since contract SE 1928 for systems engineering of part of the CORONA system by Lockheed Missiles and Space Company expires today. These actions are:

   a. As of 1 July 1964 you intend to establish a contract with AeroSpace Corporation for comprehensive systems engineering and technical direction of this project.

   b. At the same time, you will continue the work at LMSC, now conducted under SE 1928, under an Air Force "black" contract. This work will continue under a modified work statement that will reflect the SETD responsibilities of AeroSpace Corporation and will define LMSC's role as an integrating contractor.

2. You will recall that in our meeting last Thursday morning, 25 June, I informed you that the Director of Central Intelligence had stated that he desired no changes in contracts, management concepts, or NRO current operating procedures for the CORONA program until the matter presently before the President's Foreign Intelligence Advisory Board had been settled, or except with his own personal approval in each case. During my absence from the city on Saturday, 27 June, the Director discussed this matter with you on the telephone, and expressed his concern at your proposal and suggested that you discuss it with Dr. Wheelon and myself. I understand that a cable from your office directing these changes and indicating that the decision had been coordinated with the DCI was subsequently suspended at the direction of the DCI.
had yesterday afternoon with Dr. Wheelon and me was most constructive in that we were apprised of your total plans for the management and operation of the CORONA program. At that time I informed you that I would take this matter up with the Director. The first opportunity I will have to do this will be about 6 July.

3. This confirms my telephone conversations with Secretary Vance and you indicating that for the foregoing reasons I do not concur in the action that you propose. I recommend instead that the current SE 1928 contract with Lockheed be extended by the CIA contracting officer at SASFP on an indefinite basis by an appropriate letter of intent, pending settlement of this matter.

Lieutenant General, USA
Acting Director