INFORMATION IN SUPPORT OF MR. PLUMMER'S CONFIRMATION HEARINGS

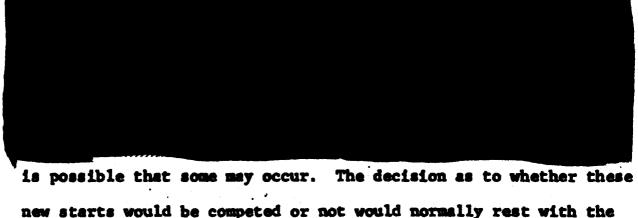
BACKGROUND

The NRO operates its programs with streamlined management procedures with as much suthority as possible being delegated to the field Program Directors. Approvals and guidance for new starts and significant changes are provided to the Program Directors. Normally Program Directors make the determinations on sole source vs competitive, establish the procedures, and make necessary decisions relative to the procurement, including contractor selection in the case of competitive procurements. The procurement procedure, type of contract and results as well as supporting facts and rationale are then briefed to the DNRO.

Generally the initial contract for a new item is competed. Subsequent procurement of essentially the same or an upgraded version of the item is sole source. Several years ago, while there was limited experience in space there was a tendency to lean toward sole source procurements. In the last few years more competive procurements have been employed, although sole

source procurement for existing launch or space vehicles will continue.

ANTICIPATED NEW STARTS



Program Director at CIA or SAFSP. These procurement procedures and results will normally be briefed to the DNRO.

CHECKS AND BALANCES

The process of selecting a contractor and conducting the procurement contains several checks and balances. These occur at every level of the selection process and procurement. Major program decisions and approvals come from the NRP Executive Committee. After being staffed and placed in the proper format the decisions/approvals and guidence and an authority to proceed are provided to the field Program Directors. In the field,

DNRO INVOLVEMENT

The DNRO does maintain a close involvement in all aspects of managing the program but seldom is directly involved in procurement. Procurement decisions are made in the field and reviewed at the field level as well as the NRO Staff and Comptroller level prior to being briefed to the DNRO. CIA contract reviews have been primarily internal to the CIA. We expect that this general procedure will continue. There is no known instance of the DNRO reversing a field procurement in the future decision in any procurement involving LMSC. There is the field's, this will be referred to the Secretary of the Air Force.