

DEPARTMENT OF THE AIR FORCE
WASHINGTON

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OFFICE OF THE UNDER SECRETARY

February 12, 1965

MEMORANDUM FOR MR. VANCE

Cy,

The attached letter to you from Mr. McCone is characteristically misleading.

The first two sentences of the letter set into opposition a citation from the XRO Agreement referring to inclusion by the CIA of XRO funds in its budget presentation, and substantiation of the XRO budget by the DNRO. In fact, by the XRO Agreement, these actions are not in opposition. The following is the full text of the applicable provision, which establishes as a responsibility of the DNRO the

"Preparation of budget requests for all XRO programs, and presentation and substantiation of such budget requests to the Secretary of Defense and the Director of Central Intelligence, the Bureau of the Budget and Congressional Committees. CIA will include in its budget presentation to the Bureau of the Budget and Congressional Committees the funds for those XRP tasks which are assigned to CIA and which are to be financed from XRO resources."

The first paragraph of the letter also states "Last year there was a general discussion of reconnaissance and other sensitive programs with Senator Russell, in which Mr. Hitch and others representing the Defense Department and I and members of the CIA staff participated." Both Dr. Brown and Dr. Hitch, who participated in such a discussion with Senator Russell, affirm that Mr. McCone was not present. Mr. Kirkpatrick and two other representatives of the CIA were present but they did not discuss the XRO budget. Your secretary took the notes and the transcript is available.

Unsubstantiated

There was such a discussion w/ McCone but not with reference to appropriations and audits. The b

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Mr. McCone says, "I saw this budget for the first time only recently." On 5 January 1965, in response to a written request from Mr. Clarke of the CIA Comptroller's office citing Mr. McCone's desire to see it, a copy of the budget was sent to Mr. Clarke.

Mr. McCone states, "the budget, as submitted to me, reflects a lack of understanding concerning the proper allocation of responsibilities, as between the CIA and the Defense Department for individual projects." In fact, the budget as submitted to Mr. McCone does not address the assignment of responsibilities for projects. Attached is a copy of the format sent to Mr. Mc

As to Mr. McCone's proposal for a joint presentation to Congress: it seems to me that the DoD, as Executive Agent for the XRP, has the responsibility to present and to substantiate the budget as necessary; this is provided for in the NRO Agreement. Last year, Dr. Brown and Dr. Hitch carried the burden for me, with my agreement. Dr. Brown felt that if I did not appear, the depth and detail of the questioning might be limited and easier to control. I would like to participate this year, not to the exclusion of Dr. Brown and Dr. Hitch. CIA participation should be as needed, based on the types of questions expected. There should be no question that the presentation is by the DoD.

Incidentally, the inquiries by General Stewart to which Mr. McCone refers were made because we need to know the background of knowledge of the many Congressmen who may be questioning Air Force witnesses, for the first time, about SR-71, YF-12A, J-58, and Program 417. The CIA has not responded to Gen Stewart's inquiries; as yet they have not given us up-to-date information about the clearance status of members of Congress.

Attached for your consideration is a proposed reply to Mr. McCone. This has been coordinated with Dr. Fubini.

[REDACTED]
Brockway Morrison

Attachments

Letter from Mr. McCone
Proposed Letter to Mr. McCone
Budget info

Handle via [REDACTED]
Control System