MEMORANDUM FOR RECORD

SUBJECT: NRO Organization and Functions

On 29 April, Dr. Fubini asked me to prepare a spread sheet which would show on a comparative basis the key points regarding NRO organization and functions as they exist in the FLAB memorandum of 2 May 1964, the Fubini memorandum of 22 April 1965, and the CIA proposed agreement of 26 April 1965.

Attachment 1 was delivered to Dr. Fubini on the evening of 29 April. He found it somewhat one-way. Many of the points he made concerning it were relatively minor; however, he was concerned about our statement that the CIA was not to participate in engineering or operational developments.

Major Yost and I prepared Attachment 2 in an effort to be responsive to Dr. Fubini's comments. Attachment 2A was prepared to justify statement we made with a specific reference in a specific document. Attachment 2 was shown to Dr. Fubini on the morning of 30 April. He insisted that his document did not mean to exclude the CIA from engineering or operational development. What he really "meant" was that the CIA's research and development organization (see par. 4.d. of his proposal) should not be allowed to do engineering or operational development. Dr. Fubini also took the occasion to amplify the outline slightly as shown by the notes which are in his own handwriting.

Attachment 3, the final version, was delivered to Dr. Fubini on the morning of 30 April. He found it satisfactory and took a copy to Mr. Vance. It is Dr. Fubini's hope that Mr. Vance will use this paper as a basis for negotiation with the CIA. He makes the point that the Fubini proposal is less stringent than that of the FIAB.

4 Atchs
as listed abv

PAUL E. WORTHMAN
Colonel, USAF

Handle via Control System
FIAB Memorandum for the President
2 May 1964

1. Single, national program
2. Centralized direction, management and conduct
3. Original concept of 13 March 63 Agreement is sound

1. Sec/Def - sole executive agent
2. Manage total program
3. Tasks any agency, as required for NRP

1. Establish NRO - separate DOD operating agency
2. Director, NRO - responsible solely to Sec/Def
   - complete delegation of Sec/Def responsibilities

   is the Under Secretary of the Air Force

   - not addressed
   - jointly staffed by DOD/CIA; DNRO controls assigned personnel

1. CIA participates in advance planning and research - emphasis on photographic films, processing and exploitation

2. Satellite system development: DOD handles over-all system engineering, procurement, and operation
3. Aircraft system development: Present aircraft management arrangements continue for time being
4. Management review: Strong, centralized control
5. Satellite operations: Assigned in toto to DOD
6. Aircraft operations: Determined by 303 Committee

1. One coordinated, comprehensive budget
2. Establish fiscal control and accounting procedures

1. Periodic reporting by Sec/Def to FIAB and President's Special Assistant for National Security Affairs

1. Continue as CIA function
Fubini Memorandum for the Sec/Def
22 April 1965

1. Single, national program
2. Centralized development, control, management, and operation

- Sec/Def - sole executive agent
- Manage total program
- Tasks other agencies to cooperate in NRP

1. Establish NRO - separate DOD operating agency
2. Director, NRO - responsible solely to Sec/Def
   - discharge Sec/Def responsibility as executive agent

   - not addressed
   - not addressed
   - jointly staffed by DOD/CIA; DNRO controls assigned personnel.

- CIA participates by carrying on research, exploratory development, and advanced development -- normally expected to approximate half of the total budget for such items. Solely responsive to DNRO tasking. If full utilization of CIA resources cannot be made, Sec/Def will examine situation and authorize re-programming as appropriate. No engineering or operational development is authorized.

2. Satellite system development: CIA will not conduct engineering or operational development.

3. Aircraft system development: CIA shall continue management of OXCART through the development stage, under direction DNRO, as interim measure.


5. Satellite operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO).
6. Aircraft operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO).

1. One coordinated, comprehensive budget
2. Establish a fiscal control and accounting procedure

1. Not addressed

1. Continue as CIA function
1. Joint, national endeavor

1. Executive Committee: DCI and Deputy Sec/Def
2. Executive Committee: Formulate, guide, and regulate the NRP
3. Executive Committee: Budget; allocate research, preliminary design study, development, and operational responsibilities with corresponding resources for each; review program

1. No NRO
2. Director, NR - responsible to Executive Committee
   - "Carry out the directives of the Ex Com." Goes to operating head of CIA on "all matters of policy, coordination or guidance."
   - selected from any agency by Sec/Def; DCI concurrence;
     four-year term
   - has Deputy/NR
   - no staff; four independent Assistant Deputies

1. CIA participates in research, preliminary design, system development, and operational employment
2. Satellite system development: Ex Com assigns on a program-by-program basis lump sum funding -- development through procurement
3. Aircraft system development: Ex Com assigns on a program-by-program basis lump sum funding -- development through procurement
4. Management review: Only Ex Comm
5. Satellite operations: DOD retains responsibility for launching, command, tracking, and recovery. DOD's present Satellite Operations Center is transferred to become CIA function, providing final orbit choice, camera programming, etc.
6. Aircraft operations: DOD supports. Overt manned overflights generally executed by DOD. Definition of covert or overt is made by Ex Com and 303 Committee

1. Separate funding agreement to be worked out later
2. Lump sum funding, program-by-program

1. Periodic review by Ex Com

1. Continue as a CIA function
I. Management Concept

II. Executive Management

III. Organisational Concept

IV. Functional Concepts

V. Budget

VI. Program Review

VII. Security Policy
FIAB Memorandum for the President
2 May 1964

1. Single, national program
2. Centralized direction, management and conduct
3. Original concept of 13 March 63 Agreement is sound

1. Sec/Def - sole executive agent
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3. Tasks any agency, as required for NRP

1. Establish NRO - separate DOD operating agency
2. Director, NRO - responsible solely to Sec/Def
3. - complete delegation of Sec/Def responsibilities
   - is the Under Secretary of the Air Force
4. - not addressed
   - jointly staffed by DOD/CIA; DNRO controls assigned personnel

1. CIA participates in advance planning and research - emphasis on photographic films, processing and exploitation

2. Satellite system development: DOD handles over-all system engineering, procurement, and operation
3. Aircraft system development: Present aircraft management arrangements continue for time being
4. Management review: Strong, centralized control
5. Satellite operations: Assigned in toto to DOD
6. Aircraft operations: Determined by 303 Committee

1. One coordinated, comprehensive budget
2. Establish fiscal control and accounting procedures

1. Periodic reporting by Sec/Def to FIAB and President's Special Assistant for National Security Affairs

1. Continue as CIA function
Fubini Memorandum for the Sec/Def
22 April 1965

1. Single, national program
2. Centralized development, control, management, and operation

1. Sec/Def - sole executive agent
2. Manage total program
3. Tasks other agencies to cooperate in NRP

1. Establish NRO - separate DOD operating agency
2. Director, NRO - responsible solely to Sec/Def
3. - discharge Sec/Def responsibility as executive agent

- not addressed
- not addressed

4. CIA participates by carrying on research, exploratory development, and advanced development - normally expected to approximate half of the total budget for such items. Solely responsive to DNRO tasking. If full utilization of CIA resources cannot be made, Sec/Def will examine situation and authorize re-programming as appropriate. No engineering or operational development is authorized.

Satellite system development: CIA will not conduct engineering or operational development.

Aircraft system development: CIA shall continue management of OXCART through the development stage, under direction DNRO, as interim measure.

Management review: Strong, centralized control.

Satellite operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO).

Aircraft operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO).

One coordinated, comprehensive budget

Establish a fiscal control and accounting procedure

1. Not addressed

Continue as CIA function
CIA Proposed Agreement
26. April 1965

Joint, national endeavor

Executive Committee: DCI and Deputy Sec/Def
Executive Committee: Formulate, guide, and regulate the NRP
Executive Committee: Budget; allocate research, preliminary design study, development, and operational responsibilities with corresponding resources for each; review program

No NRO (Attachment A for more details p.3)
Director, NR - responsible to Executive Committee

- "Carry out the directives of the Ex Com." Goes to operating head of CIA on "all matters of policy, coordination or guidance."

- selected from any agency by Sec/Def; DCI concurrence; four-year term

- has Deputy NR
- no staff; four independent Assistant Deputies

CIA participates in research, preliminary design, system development, and operational employment
Satellite system development: Ex Com assigns on a program-by-program basis lump sum funding -- development through procurement
Aircraft system development: Ex Com assigns on a program-by-program basis lump sum funding — development through procurement
Management review: Only Ex Com

Satellite operations: DOD retains responsibility for launching, command tracking, and recovery. DOD's present Satellite Operations Center is transferred to become CIA function, providing final orbit choice, camera programming, etc.
Aircraft operations: DOD supports. Overt manned overflights generally executed by DOD. Definition of covert or overt is made by Ex Com and 303 Committee

Separate funding agreement to be worked out later
Lump sum funding, program-by-program
Periodic review by Ex Com
Continue as a CIA function
I. Management Concept

II. Executive Management

III. Organizational Concept

IV. Functional Concepts

V. Budget

VI. Program Review

VII. Security Policy
FIAB Memorandum for the President
2 May 1964

1. Single, national program
2. Centralized direction, management and conduct
3. Original concept of 13 March 63 Agreement is sound

1. Sec/Def - sole executive agent
2. Manage total program
3. Tasks any agency, as required for NRP

1. Establish NRO - separate DOD operating agency
2. Director, NRO - responsible solely to Sec/Def
   - complete delegation of Sec/Def responsibilities
   - is the Under Secretary of the Air Force
   - not addressed
   - jointly staffed by DOD/CIA; DNRO controls assigned personnel

1. CIA participates in advance planning and research - emphasis on photographic films, processing and exploitation

2. Satellite system development: DOD handles over-all system engineering, procurement, and operation
3. Aircraft system development: Present aircraft management arrangements continue for time being
4. Management review: Strong, centralized control
5. Satellite operations: Assigned in toto to DOD
6. Aircraft operations: Determined by 303 Committee

1. One coordinated, comprehensive budget
2. Establish fiscal control and accounting procedures

1. Periodic reporting by Sec/Def to FIAB and President's Special Assistant for National Security Affairs

1. Continue as CIA function
Fubini Memorandum for the Sec/Def  
22 April 1965

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| 2. | Director, NRO - responsible solely to Sec/Def  
- discharge Sec/Def responsibility as executive agent |
| 3. | CIA participates by carrying on research, exploratory development, and advanced development -- normally expected to approximate half of the total budget for such items. Solely responsive to DNRO tasking. If full utilization of CIA resources cannot be made, Sec/Def will examine situation and authorize re-programming as appropriate. No-engineering or operational development is authorized. |
| 4. | Satellite system development: CIA will not conduct engineering or operational development. CIA will participate to extent required by DNRO. |
| 5. | Aircraft system development: CIA shall continue management of OXCART through the development stage, under direction DNRO, as interim measure |
| 6. | Management review: Strong, centralized control |
| 7. | Satellite operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO). |
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CIA Proposed Agreement
26 April 1965

1. Joint, national endeavor
2. Executive Committee: DCI and Deputy Sec/Def
3. Executive Committee: Formulate, guide, and regulate the NRP
4. Executive Committee: Budget; allocate research, preliminary design study, development, and operational responsibilities with corresponding resources for each; review program

1. No NRO
2. Director, NR - responsible to Executive Committee - no management funds toward CIA
3. Executive Committee: formulate, guide, and regulate the NRP
4. Executive Committee: Budget; allocate research, preliminary design study, development, and operational responsibilities with corresponding resources for each; review program

1. CIA responsible for research, preliminary design, system development, and operational employment of programs assigned by Ex Com.
2. Satellite system development: Ex Com assigns on a program-by-program basis
3. Aircraft system development: Ex Com assigns on a program-by-program basis
4. Management review: Only Ex Com
5. Satellite operations: DOD retains responsibility for launching, command, and recovery. DOD's present Satellite Operations Center
6. Aircraft operations: DOD supports. Overt manned overflights generally executed by DOD. Definition of covert or overt is made by Ex Com and 303 Committee.

1. Separate funding agreement to be worked out later
2. Lump sum funding, program-by-program
3. Periodic review by Ex Com
4. Continue as a CIA function

Annex 2
I. Management Concept

II. Executive Management

III. Organizational Concept

IV. Functional Concepts

V. Budget

VI. Program Review

VII. Security Policy
FIAB Memorandum for the President
2 May 1964

1. Single, national program
2. Centralized direction, management and conduct
3. Original concept of 13 March 63 Agreement is sound

1. Sec/Def - sole executive agent
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1. Establish NRO - separate DOD operating agency
2. Director, NRO - responsible solely to Sec/Def
   - complete delegation of Sec/Def responsibilities
   - is the Under Secretary of the Air Force
   - jointly staffed by DOD/CIA; DNRO controls assigned personnel

1. CIA participates in advance planning and research - emphasis on photographic films, processing and exploitation.
2. Satellite system development: DOD handles over-all system engineering, procurement, and operations.
3. Aircraft system development: Present aircraft management continues for time being.
4. Management review: Strong, centralized control
5. Satellite operations: Assigned in toto to DOD.
6. Aircraft operations: Determined by 303 Group.

1. One coordinated, comprehensive budget.
2. Establish a fiscal control and accounting procedure.

1. Periodic reporting by Sec/Def to FIAB and President's Special Assistant for National Security Affairs

1. Continue as CIA function.
Fubini Memorandum for the Sec/Def
22 April 1965

1. Single, national program

2. Sec/Def - sole executive agent
   Manage total program
   Tasks any agency, as required for NRP

3. Establish NRO - separate DOD operating agency
   Director, NRO - responsible solely to Sec/Def
   - discharges Sec/Def responsibilities
     - appointed by Sec/Def
     - no Deputy
     - jointly staffed by DOD/CIA; DNRO controls assigned personnel

4. CIA participates in basic and applied research; no engineering or operational development. Responsive solely to DNRO tasking.

5. Satellite system development: OXCART continue with CIA under direction of DNRO through development.

6. Aircraft system development: Aircraft system development: All engineering and operational development to the DOD.

7. Management review: Strong, centralized control.

8. Satellite operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO).

9. Aircraft operations: Assigned to NRO Deputy for Operations, combining present JRC (JCS) and SOC (NRO).

10. One coordinated, comprehensive budget.

11. Not addressed.

12. Continue as CIA function.
CIA Proposed Agreement
26 April 1965

1. Joint, national endeavor

1. Executive Committee: DCI/Deputy Sec/Def
   p. 2, 1, 3
2. Executive Committee: Negotiate, formulate, guide, regulate
   NRP. p. 2, 1
3. Executive Committee: Budget; allocate resources; program.

1. No NRO ex-attachment
   p. 2
2. Director, N/R - responsible to Ex Com
   "Carry out the directives of the Ex Comm." Goes to Sec/Def; DCI concurrence;
   four-year term. p. 3, B
3. Director, N/R - responsible to Ex Com
   - selected from any agency by Sec/Def; DCI concurrence;
   - has Deputy N/R Sec/Def
   - no staff; four independent Assistant Deputies

1. CIA participates in research, preliminary design, system development,
   and operational employment. Funding: lump sum. p. 5, A, B
2. Satellite system development: Ex Com assigns on a program-by-program basis.
3. Aircraft system development: Ex Com assigns on a program-by-program basis.
4. Management review: Ex Com; Ex Com.
5. Satellite operations: Remove from DOD and assign to CIA with complete
   mission responsibility.
6. Aircraft operations: Assigned to CIA. All aircraft maintained over flight.

1. Separate funding agreement to be worked out later.
2. Lump sum funding, program-by-program.

1. Periodic review by Ex Com.
2. Continue as a CIA function

March 1