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15 MAY 1968

MOL PROGRAM OFFICE

DIRECTIVE NO. 68-1

MOL PROGRAM PHASE II MANAGEMENT ACTIVITIES

PROGRAM REQUIREMENT DOCUMENT

THIS DOCUMENT IS AN OFFICIAL RELEASE OF THE DIRECTOR,
MOL AND ITS CONTENTS ARE DIRECTIVE OF ALL ELEMENTS
OF THE MOL PROGRAM OFFICE AND THE MOL SYSTEMS OFFICE



JAMES FERGUSON
General, USAF
Director, MOL Program

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MANAGEMENT OF THE MANNED ORBITING LABORATORY (MOL) PROGRAM

I. PURPOSE

This Directive defines the management responsibilities, functions and organizational arrangements for the Phase II development activities of the MOL Program. It also describes the association of the Director of Special Projects (SAFSP) with the MOL Program. It is consistent with specific guidance and direction contained in applicable documents issued by the Secretary of Defense, the Secretary of the Air Force, and the Director, National Reconnaissance Office.

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II. REFERENCES

Memorandum to Secretary of Defense from Secretary of the Air Force, dated August 24, 1965, subject: "MOL Management".

MOL Program Directive 65-1, dated August 25, 1965, subject: "Management of the MOL Program".

Dr. Flax/General Schriever Memorandum, dated November 4, 1965, subject: "MOL Black Financial Procedures".

SAF Memorandum, dated November 9, 1965, subject: "Delegation of Authority to Director, National Reconnaissance Office".

Memorandum from Mr. Marks to VCS, USAF, dated January 18, 1966, subject: "MOL Financial Procedures".

SAF Order #100.1, dated September 1, 1966, subject: "Functions of the Under Secretary, the Assistant Secretaries, and the Deputy Under Secretaries of the Air Force".

Secretary of the Air Force Order No. 117.4, dated September 1, 1966, subject: "Director of the Manned Orbiting Laboratory (MOL) Program".

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DNRO Memorandum to Director, MOL and Director,
Special Projects, dated June 23, 1967, subject: "Manned
Orbiting Laboratory Program Management".

AFSC Operation Order No. 67-21, dated November 14, 1967.

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III. SCOPE

This Directive is applicable to all aspects of the Manned Orbiting Laboratory (MOL) Program. It supersedes conflicting portions of any previously issued MOL management directives or instructions. Compliance with and implementation of its provisions are the responsibility of the Director/Vice Director, MOL, Deputy Director, MOL and the Assistant Director, MOL (Procurement).

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IV. SECURITY

Those portions of the MOL Program which relate to overhead reconnaissance are subject to the same security measures accorded all activities of the National Reconnaissance Program (NRP). To insure uniform and effective security control, the Director, National Reconnaissance Office (DNRO) is responsible for overall MOL security policy and practices. The security control of MOL Program data and information for all classification levels through TOP SECRET/DORIAN are described in Attachment 1 to this Directive.

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V. MANAGEMENT STRUCTURE

A. Introduction

The MOL Program has been established in accordance with direction of the Secretary of Defense to achieve improved satellite reconnaissance capabilities. The primary objective of the MOL Program is to secure [REDACTED] [REDACTED] resolution photography of significant targets in denied areas by developing the necessary high resolution optical technology and associated systems for either manned or unmanned use. An ancillary objective, provided it does not compromise the primary mission or increase total program cost, is to provide an orbital facility for the identification, development, and testing of other potential military applications which may be approved in the future.

The MOL Program will also yield better definition of man's ability to contribute to other military space missions. This general goal, plus the development of experimental hardware for either manned or unmanned use, is the overt objective of the program.

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The currently approved MOL flight program includes two unmanned subsystem qualification launches beginning in late CY 1970, and three manned 30-day plus two unmanned 30-day-or-longer photographic reconnaissance missions beginning in August 1971.

Interaction of the overt program with other Air Force activities and with other elements of the National Space Program is the responsibility of the Secretary of the Air Force. The SAF has assigned appropriate management responsibility and delegated commensurate authority for direction of the approved MOL Program to the Director, MOL, as described in this management plan.

In accordance with previous Secretary of Defense delegation, directive authority for the covert reconnaissance aspects of the MOL Program has been vested in the Director, National Reconnaissance Office (DNRO). The DNRO has assigned appropriate management responsibility and delegated commensurate authority for direction of the covert aspects of the approved MOL Program to the Director, MOL, as described in this management plan.

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Thus, the MOL Program is both an overt and covert undertaking, and program activities are conducted using both covert ("black") and normal ("white") administrative channels and procurement actions. All activities pertaining to the reconnaissance aspects of the program are handled in the BYEMAN security control system using the code word designator DORIAN (BYEMAN-Secret); all other program activities are classified as appropriate in accordance with AFR's 205-1 and 205-23.

The Secretary of Defense has also approved the Secretary of the Air Force's recommendation that simplified, "streamlined", highly efficient management procedures be utilized for the MOL Program, with the Director, MOL reporting directly to the Secretary of the Air Force and the Director, National Reconnaissance Office.

All of the foregoing considerations point to the need for three discrete MOL management levels within the Air Force:

1. program policy, guidance and approval
2. program direction

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3. program implementation

plus unique support and working arrangements with other DoD organizational elements. The general MOL management organization, line of command, and relationships to other organizations and activities is graphically depicted in Figure 1. Each is discussed in the subsections which follow.

B. SAF/DNRO (Program Policy, Guidance and Approval)

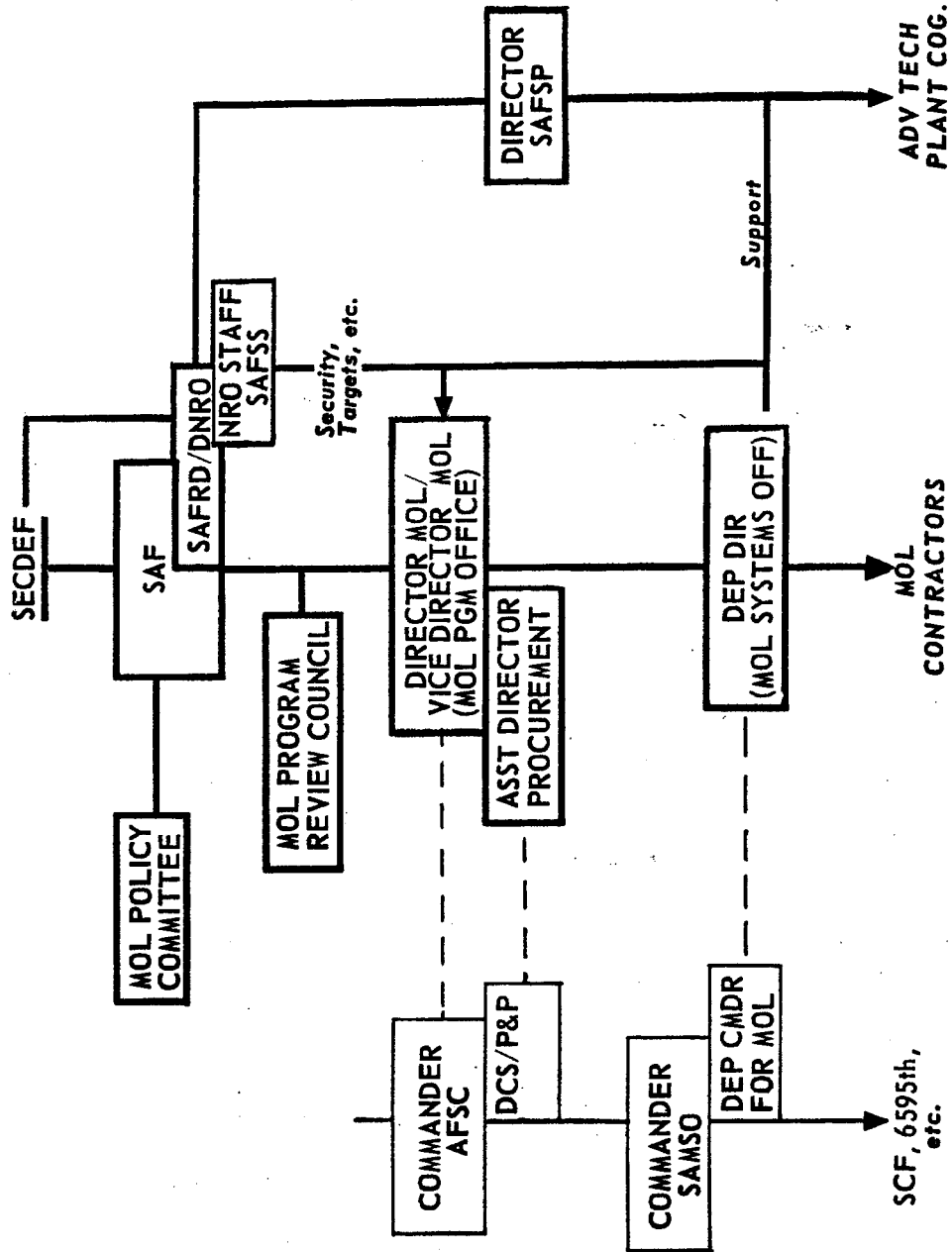
The Secretary of the Air Force is responsible for overall executive management of the MOL Program. He is responsible for all Air Force decisions and directions pertaining to the MOL Program and is the final reviewing and committing authority for the Department of the Air Force on this program. He is supported by the MOL Policy Committee which provides such advice and assistance as is required. The Charter for the MOL Program Policy Committee is included as part of Attachment 2 which describes MOL management groups.

The SAF has delegated to the Assistant Secretary of the Air Force R&D (SAFRD), responsibility and authority for development of Air Force space systems. The SAFRD is

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MOL Management



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also the designated Director, National Reconnaissance Office (DNRO), and as such is responsible for overall security policy, and control and management of all matters relating to the MOL reconnaissance payloads.

C. Director/Vice Director, MOL (Program Direction)

The Director, MOL is responsible directly to the Secretary of the Air Force and the Director, National Reconnaissance Office (DNRO) for the management, development, acquisition and operation of the total approved MOL Program. He is the principal operating agent for directing the MOL Program. He and his Washington Program Office are located in the Pentagon near the office of the SAF and are a staff element of the Office of the Secretary of the Air Force. His Program Office handles Hq USAF, OSD, and all other Washington area staffing of the program, and it provides complete and timely program status information, as required, to the Office of the Secretary of Defense and other interested Government agencies.

A General officer, designated the Vice Director, MOL, assists and advises the Director, MOL and coordinates and supervises the day-to-day activities of all MOL

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organizational elements under the supervision and command of the Director, MOL. He acts with the full authority of the Director, MOL except in those responsibilities specifically reserved to the Director, MOL by higher authority.

The Director, MOL maintains a program implementation office, designated the MOL Systems Office at the Los Angeles Air Force Station. This office is headed by a General officer, designated the Deputy Director, MOL, who reports directly to the Director/Vice Director, MOL.

D. Deputy Director, MOL (Program Implementation)

The Deputy Director, MOL is responsible for implementing the approved program in accordance with direction received from the Director/Vice Director, MOL for system design, development, test and evaluation, studies, and procurement. He is also responsible for over-all mission operations, including astronaut training and safety during all phases of manned flight, proper and safe functioning of the flight vehicle, and planning for and exercising on-orbit control of the vehicle and reconnaissance payload in response to intelligence collection tasks established by the DNRO.

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The Deputy Director, MOL is further responsible for overall systems integration and general systems engineering and technical direction (The overall system includes all hardware, software, service, and training and personnel elements required for launch through recovery). He is responsible for the development, acquisition and integration of the T-IIIM launch vehicle, the Gemini B spacecraft, the laboratory module, mission module, sensor payload, and for technical liaison at the field level with other military organizations and NASA.

He maintains the MOL Systems Office under his direct control and supervision. This office is manned and organized to perform functions peculiar to the MOL program, and directs and controls supporting agencies and contractors in accordance with policies and procedures established by the Director, MOL for this purpose. This office is supported by elements of the Aerospace Corporation who perform general systems engineering and technical direction functions for the MOL Program.

The Deputy Director, MOL is also designated as Deputy Commander, Space and Missile Systems Organization

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(SAMSO), for MOL. His functions in this capacity include management and coordination of SAMSO organizations and activities which participate in or support the MOL Program (principally, the Satellite Control Facility, the 6595th Aerospace Test Wing, and certain elements of Headquarters, SAMSO). As Deputy Commander, SAMSO, for MOL, he is responsible to the Commander, SAMSO, for MOL utilization of SAMSO resources; however, the Commander, SAMSO, has no review or directive authority, per se, with regard to the MOL Program. The responsibilities and authorities of the Deputy Commander, SAMSO, for MOL cannot be delegated by the Deputy Director, MOL. (The overall support responsibilities and relationships of SAMSO to the MOL Program are set forth in AFSC Operations Order No. 67-21, dated 14 November 1967.)

The Deputy Director, MOL, is also responsible for the implementation of established security policies and procedures for all Government and contractor activities under his control.

E. Assistant Director MOL (Procurement)

The Deputy Chief of Staff, Procurement and

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Production, Headquarters, Air Force Systems Command has been assigned additional duties as Assistant Director, MOL (Procurement), and his previously vested authorities broadened to encompass covert DORIAN contracting.

Contracting procedures necessary for the discharge of MOL contractual activities are set forth in Attachment 3 to this directive.

F. Commander, AFSC (Support)

The Commander, AFSC is directly responsible to SAF for providing, on a continuing basis, the personnel, facilities, and equipment resources necessary to support the MOL Program. In the event that MOL requirements exceed normal and/or reasonable AFSC capabilities, the matter shall be referred to SAF via the Director, MOL. (The overall support responsibilities and relationships of AFSC organizations to the MOL Program are set forth in AFSC Operations Order No. 67-21, dated 14 November 1967.)

G. Director, SAFSP

In order to insure the proper balance and utilization of critical optical contractor resources which must be

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applied to both the MOL and other activities of the NRP, the Director, SAFSP, who is also a Deputy Commander, SAMSO, maintains surveillance, for the DNRO, over the utilization of industrial optical resources used jointly by MOL and SAFSP. He is responsible to the Commander, SAMSO only as the DNRO deems appropriate to the accomplishment of NRO activities.

H. DNRO Satellite Operations Center

MOL reconnaissance operations will be conducted in the same manner as other satellite reconnaissance projects in the National Reconnaissance Program. Field command and control of MOL on-orbit operations will be exercised by the Deputy Director, MOL from the Satellite Test Center (STC), using the resources of the SCF, in response to payload tasks and guidance from the DNRO's Satellite Operations Center (SOC).

The Satellite Operations Center is authorized direct communications with appropriate operating activities of the MOL Program and Systems Offices. Detailed operational procedures for MOL manned and unmanned reconnaissance missions

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will be developed and published by the SOC in conjunction
with the MOL Program and MOL Systems Offices.

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VI. FINANCIAL MANAGEMENT

Financial Management of the MOL program involves the contracting and expenditure of both "black" and "white" funds. Funding arrangements have been established to enable the Director, MOL to conduct a program involving both "black" and "white" efforts. Funding procedures necessary for the programming, budgeting, accounting, reporting and disbursing of MOL funds are appended as Attachment 4 to this directive.

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VII. ADVANCED PLANNING, STUDIES AND TECHNOLOGY

A. Director, MOL

The Director, MOL, in addition to his responsibility for developing, managing and conducting the approved MOL program, is also responsible for state-of-the-art technology associated with man-in-space, and for overall system studies leading to approved manned satellite capabilities. Preliminary overall system studies in this vein may be initiated by the Director, MOL; however, further follow-on and more detailed system studies resulting from such preliminary analyses and involving contractual effort require the prior approval of the Secretary of the Air Force and/or the Director, National Reconnaissance Office (DNRO), as appropriate. Any earth reconnaissance sensor studies or technology efforts sponsored by the Director, MOL, other than those now included in the baseline program, require the specific approval of the DNRO.

Planning and studies applicable to follow-on production to the present baseline program (incorporating necessary and/or desirable sensor modifications identified in the development phase) will be the responsibility of the

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Director, MOL. Additionally, any preliminary and approved follow-on studies of sensors and payloads for possible MOL missions of a non-earth reconnaissance nature [REDACTED] [REDACTED] communications, navigation, etc.) will be the responsibility of the Director, MOL. Also, unless specifically excepted by the DNRO, all new technology and/or hardware developments directly applicable to the approved baseline MOL R&D system are the responsibility of the Director, MOL.

B. Director, SAFSP

The Director, SAFSP is responsible for developing, managing, and conducting unmanned satellite reconnaissance projects assigned to him by the DNRO. He is also responsible for studies and state-of-the-art technology in the broad area of unmanned satellite reconnaissance. Studies or technology efforts sponsored by the Director, SAFSP that are primarily or uniquely associated with manned systems will be planned and conducted in coordination with the Director, MOL and will require the specific approval of the DNRO.

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The Director, SAFSP may initially manage certain sensor or sensor related technology contracts intended in whole or in part for later inclusion in the approved MOL Program. Examples of these are large mirror polishing techniques and image velocity sensor technology. However, when an appropriate point in time is reached to select a contractor to develop a specific device or component for MOL, the Director, MOL will normally be responsible, from the onset, for the work under a separate contract.

Design concepts and advanced technology for advanced cameras which may be compatible with present and future MOL subsystems (booster and orbiting vehicles), and which are aimed at achieving photographic resolutions [REDACTED] [REDACTED] generally are the responsibility of the Director, SAFSP; however, such advanced work will be coordinated with the Director, MOL. Additionally, except where specific prior approval has been given to the Director, MOL by the DNRO, all studies, design concepts, and technology for other types of advanced earth reconnaissance sensors (SIGINT, radar, [REDACTED] etc.) which may be applicable to MOL are the responsibility of the Director, SAFSP.

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ATTACHMENT I - SECURITY AND INFORMATION

I. General

A. Purpose

This section describes the security control of MOL data and information for all classification levels through TOP SECRET/DORIAN.

B. References

Special Security Procedures for the Department of Defense, Manned Orbiting Laboratory (undated, TOP SECRET/DORIAN, BYE 36102-65).

Security Policies and Procedures for the Department of Defense, Manned Orbiting Laboratory (February 19, 1965, CONFIDENTIAL).

Air Force Systems Command Security Classification Guide for Program 632A (September 1967), (UNCLASSIFIED).

MOL Program Office Directive 67-1, Policy Relating to MOL Astronauts (TOP SECRET/DORIAN BYE 21277-66).

MOL Program Information Plan (January 1966, (CONFIDENTIAL)).

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MOL Program Directive 67-3, Security and Information, February 20, 1967, (SECRET/DORIAN, BYE 21021-67).

II. Security

A. Security Responsibility

The Director, MOL, is responsible to the DNRO for implementation of security within the MOL Program. The Assistant for Security, NRO Staff, functions as the principal advisor to DNRO and the Director, MOL, on all matters related to security of the MOL Program.

The Director, SAFSP, as the West Coast representative of the DNRO:

- Processes background investigations for the MOL Program through established OSI channels.
- Establishes clearance status of both military and industrial persons.
- Provides BYEMAN-secure TWX service on a common-use basis.
- Provides BYEMAN security assistance to the Deputy Director, MOL, in the form of advice, inspection of facilities, security plan preparation, etc.

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Responsibility for enforcing security requirements follows the same staff channels as does management responsibility described in Figure 1 of the basic management directive.

Within MOL contractor facilities, the Deputy Director, MOL, is responsible for the management of contracts, and is responsible for establishing and enforcing the security requirements of the contract.

B. Level of Information

The MOL Program is involved with handling and control of information protected under AFR 205-1 classified up through TOP SECRET, and Special Access Required data, controlled under provisions of AFR 205-23. The program also uses BYEMAN and other selected information controlled under policies contained in the security manuals in effect to control such information.

C. Security Controls of Work Areas

Both the MOL Program Office (SAFSL) and the MOL Systems Office (SAFSL-1) meet the physical security requirements for handling, storing, receiving and dispatching all levels of classified information associated with the MOL Program.

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D. Special Clearance Actions

Access to BYEMAN projects is obtained after access clearance status and project need-to-know are substantiated. For the MOL Program Office, clearance status is determined by AFNIN and project need-to-know, by the DNRO. For the MOL Systems Office, supporting military activities and its contractors, access clearance status and need-to-know for BYEMAN information other than DORIAN is determined by SAFSP. Authority of the MOL Systems Office for establishing need-to-know for DORIAN is discussed below.

- The Deputy Director, MOL, has authority to establish DORIAN need-to-know for:
 - personnel assigned to the MOL Systems Office;
 - SAMSO and Aerospace personnel, and personnel of 6594th and 6595th Test Wings;
 - Employees of:
 - McDonnell-Douglas Company, Missile and Space Division, Huntington Beach, California
 - Eastman Kodak Company, Rochester, N. Y.

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- McDonnell-Douglas Company,
St. Louis, Missouri
- General Electric Company, MOL
Department, Missile and Space
Division, Valley Forge Missile
Space Technology Center,
Philadelphia, Pennsylvania
- TRW, Redondo Beach, California
- Employees of subcontractors to the
previously mentioned contractors

All assignees to the MOL Program Office and MOL Systems Office must meet eligibility requirements for BYEMAN security access approvals. When feasible, a pre-review of an individual's available investigation and/or personnel record is made in conjunction with the clearing authority prior to accepting him for assignment.

E. Sponsoring BYEMAN Clearances

The Director/Vice Director, or Deputy Director of the MOL Program may sponsor military, civil service, and contractor personnel for access to BYEMAN project information when it is deemed that such access is required for participation in, or is of benefit to, the MOL Program. The Deputy Director sponsorship will be limited to those personnel assigned to SAMSO and MOL

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Program contractors. Clearance requests will be processed through established BYEMAN channels.

F. Product Clearances

Access to product information is limited to incumbents in positions approved for access. An approved position is called a billet. All requests for product billets for the MOL Program are processed by SAFSL, prior to submission through established Air Force channels. Detailed justification will accompany each request. Clearances for personnel occupying approved billets are processed to SAFSL.

G. Special Access Required (SAR)

The MOL Program Office (SAFSL) and the MOL Systems Office are approving authorities for access to SAR information as set forth in AFR 205-23 and the security classification guide for Program 632A.

H. Classification of Information

Classification Authority for the MOL Program rests with the Director, NRO and the Director, MOL. All MOL information will be classified in accordance with the references cited in Part I.

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Recommendations for changes in classification policy will be submitted to SAFSL for approval, and will include justification for the requested change.

New or different types of information not previously considered for classification under policies pertaining to the MOL Program will be submitted to SAFSL for final determination of classification level. Such requests will include the information or type of information of concern, its relationships to the MOL Program and rationale for recommended classification.

I. Release of MOL Classified Information

MOL classified information will only be released to Government agencies, DoD activities and contractor facilities participating directly in, or contributing to, the MOL Program. Care will be taken to insure that the recipient is appropriately cleared for the level of information released. Release of MOL classified information to any source or for any purpose other than specified herein must be approved by SAFSL.

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III. Information

A. Objective and Policy Background

The objective of the MOL information policy is to provide for a carefully planned program of public information which can be released as required. While no special effort is made to justify the MOL Program publicly, enough material is made available to respond to legitimate public interest and to cope with potential international repercussions.

All public information materials on MOL including releases, statements, artwork, photography and advertisements proposed by representatives of any Government department or agency or any MOL contractor are processed through established security and policy review channels for approval prior to release.

The effective implementation of the Manned Orbiting Laboratory (MOL) Information Plan requires the careful assessment of the public affairs implications of all program activity and the constant monitoring of day-to-day operations to insure compliance with, and consistency in, application of policy.

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B. Responsibilities

The Assistant Secretary of Defense (Public Affairs) has made the Director of Information, Office of the Secretary of the Air Force, responsible for the implementation and overall monitorship of the MOL information plan.

SAF-OI has assigned an information officer to the MOL Program Office to serve as a single point of contact on MOL public affairs matters. This officer is assisted by SAF-OI divisions in the development, preparation and coordination of information materials, plans and policy guidance.

The MOL Program Office provides information on program plans and activities that have public affairs implications to SAF-OI so that appropriate information plans can be developed and coordinated with OASD(PA), and guidance issued to the field in advance. The office also assists in the review of proposed information materials relating to MOL primarily for security and accuracy.

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The Air Force Systems Command is responsible for carrying out information actions for SAF-OI as directed in the MOL information plan and annexes. Since AFSC is responsible for providing on a continuing basis the facilities, resources and personnel necessary to support the MOL Program, the command also has the primary responsibility in implementing the information plan.

SAMSO as the lead AFSC organization in supporting MOL will provide information support for the MOL Systems Office. The SAMSO Office of Information has been provided a manpower authorization for an additional officer specifically for MOL. This officer will be assigned to the staff of the Deputy Director, MOL, and function in a manner similar to the SAF-OI-assigned officer in the MOL Program Office. With appropriate assistance from the SAMSO Director of Information, the MOL SPO information officer will:

1. Maintain cognizance of MOL Systems Office initiated program activities and assess them for public affairs implications. Then alert SAF-OI, through AFSC, of those activities likely to require policy decisions concerning information handling.

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2. Maintain MOL pilot public affairs file to include current biographies and pictures; advise SAF-OI of any significant changes in pilot status such as promotion, or of any accomplishments such as special awards and decorations; refer any requests for MOL pilot participation in public affairs activities to SAF-OI.

3. Provide information for and assistance in the preparation of annexes to the MOL Information Plan; provide information for and prepare or assist in the preparation of information materials in support of these annexes.

4. Advise SAF-OI, through AFSC, of the MOL Systems Office interface with other Government agencies and Air Force organizations, and assess the public implications of such joint activities.

5. Advise SAF-OI, through AFSC, of potential community relations problems that might result from program activities -- i.e., movement of personnel into Vandenberg AFB area.

6. Advise MOL contractors of information policy and monitor their compliance with the policy.

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7. Process proposed contractor public information materials, coordinating with the MOL Systems Office personnel and other SAMSO Program Offices as required, and then forward the materials, with recommendations, through AFSC to SAF-OI for final review and determination of releasability.

8. Maintain file of documentary photography -- still and motion picture footage -- of program activities as requested by SAFSL or the Deputy Director, MOL.

9. Refer requests for information not covered in the attachments to the MOL information plan to SAF-OI, through AFSC, with recommended reply when possible. Final determination of releasability of information materials is made by SAF-OI in coordination with SAFSL and OASD(PA).

10. Coordinate all the above activities with the Deputy Director, MOL Program, and/or appropriate members of his staff.

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The MOL SPO Information Officer is authorized direct contact with the SAF-OI MOL Information Officer. However, he will keep the SAMSO Director of Information and the Hq AFSC Director of Information informed on all significant action.

The Deputy Director, MOL Program, provides information and assistance as necessary in accomplishing the tasks outlined above.

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ATTACHMENT II

MOL PROGRAM MANAGEMENT GROUPS

Special streamlined management channels have been established for the MOL Program which provide that the Director, MOL is responsible directly to the Secretary of the Air Force and to the Director, National Reconnaissance Office, for the development and operation of the MOL System. Consequently, the Director, MOL has greater responsibility and broader authority than is usual in an Air Force development program.

As a consequence of the unique MOL management structure, the Program is not included in normal Air Force management review channels. Therefore, to insure application of the best collective judgment and experience available at appropriate Government and contractor management levels, and to insure that the minimum essential coordination and information exchange is accomplished, four formal management/coordination/information-exchange groups have been created. These are:

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- The MOL Policy Committee, which advises the Secretary of the Air Force on major Program objectives, management and fiscal matters, interdepartmental and/or interagency matters, etc.

- The Program Review Council, which assists the Assistant Secretary of the Air Force (R&D)/Director, National Reconnaissance Office in the discharge of his executive management responsibilities for the MOL Program.

- The Internal Management Group, which assists the Director, MOL in the discharge of his development management functions.

- The MOL Executive Council, which provides a forum for discussions among top-level Government and Contractor management of major problem areas, and for the exchange of views and information on overall program matters.

These are each described in detail in this attachment.

THE AIR FORCE MANNED ORBITING LABORATORY (MOL)
PROGRAM POLICY COMMITTEE

1. Purpose. To assist in fulfilling the special management requirements of the Manned Orbiting Laboratory (MOL)

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Program, and to insure the availability and application of the best collective judgment and experience available from highest management levels of the Air Force, the MOL Policy Committee has been established.

2. Organization. The MOL Policy Committee is composed of the following principals:

Secretary of the Air Force, Chairman

Chief of Staff of the Air Force

Under Secretary of the Air Force

Commander, Air Force Systems Command

Assistant Secretary of the Air Force for Research and Development

Assistant Secretary of the Air Force for Financial Management

Assistant Secretary of the Air Force for Installations and Logistics

Deputy Chief of Staff, Research and Development

3. Operation. The Air Force authority for approval of all actions pertaining to the MOL Program will be the Secretary of the Air Force or his designated representative

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for Air Force space activities (the Assistant Secretary of the Air Force for Research and Development). To provide the requisite managerial review and to assist the Secretary of the Air Force in fulfilling his responsibilities, the MOL Policy Committee will review and make recommendations on all matters including, but not limited to, the following program elements and/or areas:

- a. Establishment of major program objectives.
- b. Proposed changes affecting the MOL Program and/or system capability.
- c. The impact of technological developments on, and arising from, the overall program.
- d. Major management and fiscal problems.
- e. Problems with potential interdepartmental or interagency implications.

The Director, MOL Program, will provide the Committee Secretariat and function as the office of record. The Secretariat will process matters for consideration of, and recommended actions as approved by, the Secretary of the Air Force, arising from deliberations of the Committee.

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Attendance or participation in Committee meetings by any other representatives of the Air Staff, field units, or other agencies will be determined by the Chairman, based on the specific agenda and the recommendations of Committee members.

Meetings of the Manned Orbiting Laboratory Program Policy Committee will be convened by the Secretariat as requested by the Chairman based on program requirements and/or recommendations of the Committee members.

THE MANNED ORBITING LABORATORY
PROGRAM REVIEW COUNCIL

1. Purpose. To accommodate the special management requirements of the Manned Orbiting Laboratory (MOL) Program, and to bring to bear on MOL problems and collective judgment and unique experience of the membership, the MOL Program Review Council (PRC) has been established.
2. Organization. The MOL Program Review Council is composed of the following principals:

Assistant Secretary of the Air Force (Research and Development)/Director, National Reconnaissance Office, Chairman

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Director, MOL Program

Vice Director, MOL Program

Deputy Director, MOL Program

Director, SAFSS

Director, SAFSP

The Commander, SAMSO will be invited to participate in PRC meetings when the agenda includes subjects which are of direct interest or pertinent to his responsibilities.

3. Operation. The Assistant Secretary of the Air Force (R&D)/Director, National Reconnaissance Office, exercises directive authority over all aspects of the MOL Program. Acting within the scope of applicable delegations of authority from the Secretary of the Air Force and the Secretary of Defense, the SAFRD/DNRO is responsible for executive management of the MOL Program, and is the final reviewing authority for both the Department of the Air Force and the National Reconnaissance Office in MOL matters. The functions of the MOL Program Review Council are: (1) to provide assistance, support, and advice to the SAFRD/DNRO on matters requiring his personal attention,

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actions, or decisions; and (2) to identify items to be brought to the attention of the MOL Policy Committee.

The MOL Program Office (SAFSLP) will provide Secretariat services for the MOL Program Review Council and function as the office of record.

Meetings of the Council will be convened at the call of the Chairman, or with his concurrence, with such frequency and in such locations as program requirements dictate. Meeting location will normally rotate between the Washington area and Los Angeles Air Force Station.

INTERNAL MANAGEMENT GROUP

1. Purpose. The Internal Management Group meeting is intended to provide a forum for informal discussions between the Director and Deputy Director, MOL and their staffs. Emphasis will be placed on surveying program progress and status, identifying actual and anticipated management and technical problems, and formulating corrective action to minimize or eliminate impact on program schedules and objectives.

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2. Organization. The Internal Management Group includes the following participants:

Director/Vice Director, MOL

Deputy Director, MOL

Appropriate SAFSL Division/Directorate Chiefs
from the Program and Systems Offices

Selected Aerospace and military personnel whose
attendance is desired by the Director, Vice
Director, or Deputy Director

3. Operation. An Internal Management Group meeting will normally be scheduled during those months when the Program Review Council does not meet. The Director, Vice Director or Deputy Director may request a meeting at any other time he deems appropriate. The Vice Director and Deputy Director, respectively, will host the Washington and Los Angeles meetings. Attendance of the Director and/or Vice Director, and Deputy Director is essential to the purpose of the meeting.

Subject matter may vary considerably from one meeting to the next as a result of changing status and shifting emphasis. All meetings, however, will include a presentation, by the Deputy Director, of a summary of the latest program status and the previous month's activities.

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The MOL Program Office will function as the office of record for these meetings.

MOL EXECUTIVE COUNCIL

1. Purpose. The purpose of the MOL Executive Council Management Meetings (MECMM) is to provide a forum for discussion of major problem areas, both current and potential, which have not been resolved by normal management procedures, and for the periodic exchange of views between top-level Government and Contractor management.
2. Organization. The MOL Executive Council will include representation from both the Air Force and Industry. The Air Force members are:

Director, MOL Program, Chairman

Vice Director, MOL Program

Deputy Director, MOL Program

Director, Special Projects

The Commander, SAMSO will be invited, as a member, to those meetings at which the agenda includes subjects which are of direct interest or pertinent to his responsibilities.

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Each of the following MOL contractors has designated a top-level executive as Council Representative:

- McDonnell Douglas Company (two Representatives)
- General Electric Company
- Martin Company
- Eastman Kodak Company
- Aerojet-General Corporation
- United Technology Center
- AC Electronics Division, General Motors Corporation

3. Operation.

a. The MECMM is a management device intended for use by the Director, MOL Program, as he deems necessary and appropriate. Attendance, location, and subject matter for each MECMM may therefore vary, as a result of changing requirements and urgent developments, from the nominal situation herein described.

b. The MECMM will normally be chaired by the Director, MOL Program.

c. Attendance at MECMMs will be limited to the top-level executives who comprise the MOL Executive Council, and such others as the Director, MOL Program may elect to

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invite. An invitation will be extended to the Assistant Secretary of the Air Force (R&D).

d. MECMMs will normally be scheduled on a quarterly basis, with location rotating between Washington, Los Angeles, and Contractors' plants.

e. The MECMM agenda will ordinarily include a brief review of program status to provide a frame of reference. Industry participants will be invited to suggest agenda items appropriate for executive level discussion.

4. Procedures.

a. Approximately six weeks prior to a scheduled MECMM, the MOL Program Office will contact the Council members, advising each of the location and date for the meeting. Members will be invited at this time to suggest agenda items.

b. Approximately three weeks prior to each scheduled MECMM, the MOL Program Office will prepare and forward to each Council member the formal meeting agenda, roster of attendees, and such other information as may be appropriate.

c. No formal minutes of MECMM proceedings will be published.

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ATTACHMENT III

MOL PROCUREMENT PROCEDURES

1. General.

The MOL procurement function has been organized and implemented to parallel the streamlined MOL management structure, and to provide flexible and timely procurement procedures responsive to program needs.

At the Program Policy Guidance, and Approval level, the SAF and/or the DNRO: (1) Delegate procurement authority to subordinate MOL activities; (2) Approve entry into new DORIAN contracts with industry; (3) Authorize, where necessary and appropriate, specific deviations or waivers from the Armed Services Procurement Regulations to accommodate covert procurement of NRP-related items.

At the Program Direction level, the Director and Vice Director, MOL, provide general guidance and direction to the field in procurement matters. The Assistant Director, MOL (Procurement): (1) Exercises the special procurement authorities delegated to him by the SAF; (2) Redelegates to subordinate activities such procurement authorities as

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are redelegable, with appropriate controls and limitations; (3) Manually approves individual contractual actions involving over \$5 million; (4) In his capacity as DCS P&P, Hq AFSC, directs and coordinates Air Force Systems Command procurement support to the MOL Program.

At the Program Implementation level, the Deputy Director, MOL: (1) Exercises delegated special procurement authorities; (2) May redelegate such authorities within the MOL Systems Office with the concurrence of the Assistant Director, MOL (Procurement); (3) Manually approves contractual actions having a value up to \$5 million; (4) Provides overall direction and supervision of the internal procurement activities of the MOL Systems Office; (5) Oversees, in his capacity as Deputy Commander, SAMSO for MOL, the procurement support provided to MOL by SAMSO.

The Director of Procurement and Production, MOL Systems Office: (1) Exercises delegated special procurement authorities; (2) Approves individual contractual actions having a value of \$350,000 or less; (3) Directs the

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activities of the Contracting Officers under his supervision. These authorities are at the discretion of the Deputy Director, MOL.

The procurement concept for MOL recognizes that neither the MOL Program Office nor the MOL Systems Office is manned or equipped to conduct a completely integral procurement operation. Arrangements to secure specialized functional procurement support from AFSC resources have therefore been made. The nature and scope of the AFSC procurement support to be rendered are outlined in AFSC Operations Order 67-21, Support of the Manned Orbiting Laboratory (MOL) Program, 14 November 1967.

II. Procurement Authority

In a memorandum to Major General G. F. Keeling, dated June 20, 1967, the Secretary of the Air Force delegated certain procurement authorities to the Assistant Director, MOL, (Procurement). The broad effects of this delegation were (1) To establish that all procurement authorities vested in the DCS/Procurement and Production, Hq AFSC, pertain to the Assistant Director, MOL (Procurement), and (2) to provide additional special authorities necessary

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to conduct covert (black) contracting associated with the DORIAN aspects of the MOL Program.

In letters to the Deputy Director, MOL dated June 23, 1967, and July 3, 1967, the Assistant Director, MOL (Procurement) re delegated such of these authorities as are redelegable, to the Deputy Director, MOL for individual contractual actions having a value of \$5 million or less.

III. Policy

MOL procurement practices are defined in scope by formal delegations of statutory authority, and by applicable public law, regulations, and directives. In general, there is vested in the MOL management structure a wide and flexible authority to enter into contractual arrangements. This authority is relatively free of the administrative and mechanical constraints normally applied to conventional Air Force procurements. This relative freedom of action is necessary to the efficient prosecution of the MOL Program; however this same freedom of action implies a responsibility to establish and maintain internal discipline and controls which adequately protect the security of the program, and integrity of the MOL management

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structure, and the public interest. As a matter of policy, those who exercise MOL procurement authority will establish controls as may be necessary to insure that:

- Higher management echelons are kept fully informed,
- Any work procured is clearly within the scope of the approved MOL Program, and
- Procurement actions taken are lawful and are consistent with applicable regulations, directives, policy, and delegations.

IV. Procedures

Contracts, Change Notifications, Change Orders, Supplemental Agreements, Letter Contracts, Leases, Amendments of Contracts and other contractual instruments pertaining to the MOL Program will be prepared and signed within the Directorate of Procurement and Production, MOL Systems Office, and will thereafter be forwarded to the appropriate manual approving authority thru the MOL Program Office, and as defined by existing delegations and redelegations of

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procurement authority. Approval authority is apportioned within the MOL organization as follows:

- New DORIAN contracts, of any value, will be approved by the Assistant Director, MOL (Procurement) only after approval by the DNRO.
- Individual contractual actions having a value greater than \$5 million will be approved by the Assistant Director, MOL (Procurement).
- Individual contractual actions, other than those involving new DORIAN work, having a value of less than \$5 million may be approved by the Deputy Director, MOL.
- Individual contractual actions, other than those involving new DORIAN work, having a value of \$350,000 or less may be approved by the Director, Procurement and Production, MOL Systems Office.

Prior to approval of any individual contracting action involving more than \$1 million, the Deputy Director, MOL will advise the Director, MOL or the Vice Director, MOL by

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any convenient means, of his intent to approve such contracting action.

As of the last day of each calendar month, the MOL Systems Office will prepare and forward to the MOL Program Office a narrative summary of contractual actions taken during the month. This summary will include a brief description of each action and the dollar implications thereof. The report should reach the MOL Program Office not later than the tenth working day of the month following the reporting period.

In summary:

A. All contractual actions having a total value of \$1 million or more, will be made known to the Director/Vice Director, MOL, prior to their execution.

B. All contractual actions having a total value of \$5 million or more require the manual approval of the Assistant Director, MOL (Procurement) with the single exception of incremental obligation (quarterly, etc.) of funds, to existing contracts for work previously approved as part of the Financial and Development Plan.

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C. CCNs that result in, or could reasonably result in, changes to program content, performance, milestones, costs, etc., irrespective of dollar value require Director/Vice Director, MOL concurrence and approval.

D. New overt (white) contracts which have a total cost equal to or greater than \$5 million require Director/Vice Director, MOL concurrence and the manual approval of the Assistant Director, MOL (Procurement).

E. All new covert (black) contracts of any amount require prior DNRO approval.

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ATTACHMENT IV

FINANCIAL MANAGEMENT

I. General.

The financial requirements of the MOL Program will be funded through two distinct and separate channels. The white contracts will be funded through normal channels with financial services provided by the AFSC and SAMSO comptroller. The second channel by which MOL funds will be distributed will be through the use of Obligation Authority issued by SAFSL to the Deputy Director, MOL. This channel will be used to fund the DORIAN aspects of the Program.

When funds are released through normal channels, standard procedures for commitment, obligation, and expenditure reporting will apply. However, neither AFSC nor SAMSO will have the authority or responsibility to conduct analyses and reviews of program and financial reporting data.

Starting 1 July 1967, DORIAN Obligation Authority was issued directly to the Deputy Director, MOL (Chief,

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Program Control Directorate). The Deputy Director, MOL is responsible for the establishment and maintenance of internal reports, practices and procedures equivalent to those formerly in use by the Director, SAFSP for the administration of covert funds. Those internal procedures will be reviewed and approved by SAFSL. The Deputy Director, MOL will be responsible for paying covert vouchers of DORIAN contractors.

Advanced technology or advanced development work assigned to SAFSP by the DNRO which is intended either in whole or in part, for present or future manned reconnaissance sensors will be subject to fund sharing as prescribed by the DNRO (NRO Comptroller) in consultation with the Director, MOL. In other areas of advanced technology or advanced development resulting from SAFSP sponsored efforts on approved NRO Programs which produce results beneficial to MOL, no charge normally will be made to MOL unless MOL requirements unduly influence the scope of the project.

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The NRO Comptroller will be responsible for review and coordination on all DORIAN financial management actions.

Inherent in the approval of new DORIAN contracts will be the authority for the Deputy Director, MOL to cite MOL funds available to him and pay vouchers resulting from such citation of funds.

II. Financial Authorities.

Funds made available to the Deputy Director, MOL are provided for the purpose of financing the SAF/DNRO approved program as described in the System Package Program. The concept of the financial management procedures described in this annex is to provide the Deputy Director, MOL maximum possible authority and flexibility to accomplish the MOL Program within normal procurement and financial constraints. These constraints are summarized as follows:

A. Director/Vice Director, MOL approval is required for changes to the approved program which alter basic concepts or mission performance. Examples of the

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type of changes pertinent to this constraint are: alterations of on-orbit life-time capability, basic orbital parameters, planned optical resolution capabilities, system performance specifications, and additions or deletions of major subsystems. Examples of items not requiring approval are: substitution of a like or acceptable item; replacement with a component of equivalent performance characteristics; revision or alteration of software not affecting system performance or interfaces with external agencies.

B. Director/Vice Director, MOL approval is required for any changes to the approved program which alter major milestones or launch schedules, and for any contractual change or combination of changes which increase program costs in a specific fiscal year or total overall program costs.

C. Director/Vice Director, MOL approval is required before funds are cited for new requirements, either black or white, which are not part of the approved program.

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III. Fiscal and Contractual Status Reports.

To keep the Director/Vice Director, MOL informed of past fiscal performance, and current and forecast fiscal position, timely reports are required from the Deputy Director, MOL. These reports can be defined as recurring and nonrecurring. Nonrecurring reports are those requests for special information to meet unforeseen or unexpected circumstances. The level of detail desired in the non-recurring reports is rather gross with detailed information being provided to the MOL Program Office on an "as required basis". Recurring reports are more specific and will include:

A. Phase II Monthly Financial Report - This report is designed to satisfy the basic needs of the Director/Vice Director, MOL and DDR&E for financial management information. Part I, "Fund Release Status", of this report will provide the approved program funding for the current fiscal year, funds released to date to the Air Force, and funds released to date to the Systems Office. Part II, "Contractual Funding", will provide the following data on

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each of the program segments, Aerospace Corporation, and a summation for all other; government obligations by current month, cumulative since the start of Phase II, and estimates by quarter for the next four quarters; contractor expenditures, current month, cumulative since the start of Phase II, and current commitment reserve (non-cancellable commitments). Part III, "Forecast of Future Requirements," will provide total forecasted requirements for expenditures and non-cancellable commitment, by quarter, for the remainder of the current fiscal year. Total forecast requirements will be provided for each fiscal year for the remainder of the program. This report will be due in the Program Office on the 29th of the following month.

B. Phase II Contractor Manpower Report - To supplement the Monthly Financial Report, manpower loadings of the five associate contractors are desired. This report will include for each of the five associates, both direct and indirect, current monthly actuals and forecast by month for the next three months, average by FY/CY

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quarter for the subsequent three quarters, and by year for subsequent fiscal years. Since this manpower information normally is presented at each Contractor Program Review (normally every six weeks), this report will be due in the Program Office on the fifth day following each review held. Should monthly manpower reporting be made a part of the Contract Data Requirement List (CDRL), this report will be due on the 29th of the following month.

C. Available Phase II Cost Information - It is desired that the Systems Office maintain and have available on an "as required basis" the following cost information for each of the associate contractors.

- Current fiscal year financial status by cost elements.
- Major subcontract summary status.
- Major subsystem summary status.
- CCN summary status.

IV. Budget Submission.

The MOL Program Office will issue the requests for estimates directly to the Deputy Director, MOL. The

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Deputy Director, MOL will develop on call such cost estimates and the requirement basis, and submit appropriate estimates and details directly to the MOL Program Office. Assistance from the Air Staff and AFSC may be requested during the analysis and reviews, however, normal command/staff reviews will not be held. The MOL Program Office will discuss any significant changes from his submission with the Deputy Director, MOL, prior to submitting them to higher authority and will subsequently formally advise the Systems Office of any actual submittals.

The MOL Program Office will insure that total fund requirements are included in appropriate AF and OSD fiscal and programming documents. Recognition of standard due dates for submission to higher authorities must apply.

The MOL Program Office will be responsible for justification to appropriate OSD, BOB, and Congressional elements for budget requests, with assistance from the Deputy Director, MOL as required.

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V. Petty Cash.

The Deputy Director, MOL, under the guidelines established by the NRO Comptroller, is authorized to maintain a cash purchasing agent function for covert supplies and non-personal services.

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