March 2, 1965

Dear General Corter,

I am very concerned about the lack of progress in implementing the 12 August agreement between Mr. Vance and Mr. McCone to employ Aerospice in a general systems engineering role in the CORONA program. On 14 August, instructions were issued to: (a) authorize General Greer to take necessary actions with Aerospace; (b) authorize Colonel Ledford to incorporate the appropriate enabling clauses for the Aerospace function in contracts held with ITEK, GE(R/V) and LESC (A/P); (c) authorize Colonel Ledford to allow the System Engineering contract with LESC to expire, and (d) authorize General Greer to initiate a contract with LESC to perform a Systems Integration effort in view of the employment of Aerospace in a Systems Engineering capacity.

On 17 August, the Director of Program B Contracting Officer notified ITEK, GE, and IMSC that the enabling clauses would be incorporated. To date, only the ITEK contract has been smended to include the Aerospace clause:

In accordance with my instructions, the Systems Engineering contract was allowed to expire. However, when General Green attempted to sign the Systems Integration contract with IMSC, the Director, Program B Contracting Officer verbally directed the IMSC Contracting Officer not to sign because of two reasons:

(1) General Green had not submitted a formal request to Director, Program B, for authorization to apply "methods, materials, or equipment being generated under the contract" between IMSC and Director, Program B Contracting Officer; (2) security procedures contained in the contract between General Green and IMSC were more restrictive than those in contracts held by the Director, Program B Contracting Officer.

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1. Gen Carter

2. Dr. Fubini

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The circumstances behind these two reasons have been looked into and the following is an explanation of the facts now available to me.

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a. General Greer did, in fact, discuss the use of "methods, materials, or equipment being generated under the contract" with the precious officer who was responsible for administering the Systems Engineering contract. It is stated that he could see no objections to General Greer consummating the contract with IMSG. Further, the instructions issued by my office authorized General Greer to proceed and I do not consider it within the prerogative of a contracting officer to take unilateral action to the contrary without prior consultation with my staff or my immediate office.

b. At the request of Mr. Vance, a term composed of an NEO Staff representative, a security officer from Director, Program A, and one from Director, Program B, were sent to the DESC to arrive at a recommendation as to disposition of the differences in security practices and procedures in emisting contracts and in the contract proposed by General Greer. The recommendation unanimously agreed to was that the security practices proposed by General Greer were an exact interpretation of the BYEMAN Security Guide and that these more stringent security requirements should be adopted and standardized within DESC. The report was forwarded to you, and in your 16 November memorandum you agreed with the recommendations.

The result of all of the above is that Aerospace is not performing the general systems engineering function because the enabling clauses have not been formally incorporated in the GE and IMSC contracts, the security practices have not been standardized at IMSC, and the System Integration contract with IMSC has not been signed.

I would appreciate your immediate support in issuing necessary directives to correct the situations outlined above

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so that we may comply with the agreements reached between Mr. Vance and Mr. McCone. If you have any questions, I suggest we get together at the earliest opportunity.

Sincerely,

Brocksy McMillan Director National Recommissance Office

General Marshall S. Carter Deputy Director Central Intelligence Agency

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