

SPECIAL HANDLING ~~SECRET~~

BYE-71084-66

DEPARTMENT OF THE AIR FORCE
MANNED ORBITING LABORATORY, SYSTEMS PROGRAM OFFICE (OSAF)
AF UNIT POST OFFICE, LOS ANGELES, CALIFORNIA 90045



1 DEC 1966

REPLY TO
ATTN OF: SAFSL-1

SUBJECT: Delegation of Authority and Designation as Head of a Procuring
Activity (U)

TO: OSAF (SAFSL/Gen Evans)

1. Procurement authorities are fractionated for two of the major MOL associate contractors. Therefore, the Deputy Director, MOL, does not have authority commensurate with his responsibility for the total program accomplishment. The General Electric MOL effort is divided near equally between Special Projects and the MOL SPO. Although duplication of effort in the procurement working organizations has been minimized by personal working relationships, the task difficulty is magnified by dual technically cognizant management and SE/TD offices, dual reporting channels, and dual management structures. A similar but less perplexing problem exists with the Douglas effort. In this case, the Special Projects effort is about 2% of the total MOL Program effort.

2. The purpose of this letter is to request procurement authority relative to black MOL contracts. Such authority includes the responsibilities of contract writing, review, distribution, administration and audit. It does not pertain in any way to contractual authority or responsibilities concerning Eastman Kodak Company, nor does it anticipate the changing of present security responsibilities. Attached is the necessary delegation of authority which has been prepared for the signature of Secretary Flax (Attachment 1). Approval is needed as soon as possible in order that I may sign those contracts which are presently being negotiated.

3. To operate with adequate security, it will be necessary to obtain certain waivers to ASPR, AFPI and other directives similar to those granted SAFSP. These will be submitted after the requested delegation of procurement authority is received.

4. The following is a brief discussion of the specific operations involved:

a. Preparation and Writing of Contracts. Within the MOL SPO, the contract writing will be accomplished by a fully qualified contract writer with the assistance of a procurement clerk.

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~~SECRET~~

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b. Review of Contracts. It is my intention to establish a Contracts Review Board, utilizing highly qualified and experienced procurement and pricing personnel. Legal assistance will be obtained from cleared personnel within JAG SSD.

c. Distribution of Contracts. After signature, four copies of each contract will be distributed along with all subsequent changes. One to the MOL SPO file, one to the contractor, one to the ACO and one to Gen Evans' office.

d. Administering of Contracts. There presently exists a cleared base of people both at Valley Forge, Pennsylvania and at Huntington Beach, California to handle this activity.

e. Audit of Contracts. To be done by DCAA cleared auditors.

f. Funding. Obligation authority will flow from [REDACTED] to Colonel Clifford Kester, Chief, MOL SPO Program Control Division. Reports will flow from Col Kester to [REDACTED]. These reports are such items as completed obligation authority and monthly fund status.

g. Security. The MOL SPO would handle receipt and transmission of contract and funding documentation, would be responsible for enforcing contractor security discipline and would approve contractor personnel for access to classified information. SAFSP would continue to be responsible for, and operate, the black communications center.

h. Payment of Vouchers. The contractor will send the vouchers to the MOL SPO. After review, the SPO will file all black supporting documentation and forward the unclassified voucher to a cleared SSD Finance Officer with a certificate that supporting documents are on file.

5. The MOL SPO Directorate of Procurement and Production organizational structure and the manning required to perform the total MOL procurement functions including that falling under the black contracting authority is shown in Attachment 2. Within the Directorate of Procurement and Production, members of the Contract Review Committee will be the Deputy Director, Assistant Director (Contracts), and Assistan

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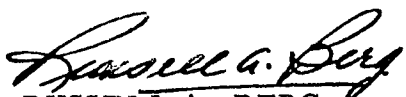
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SPECIAL HANDLING

BYE-71084-66

Director (Pricing). We presently have 22 spaces approved for the Directorate, with 10 additional spaces in process of approval. Another 4 spaces will be required (identified by asterisk on Attachment 2).

6. Request approval of the delegation of authority be obtained along with the approval of the proposed organization and manning.



RUSSELL A. BERG
Brigadier General, USAF
Deputy Director, MOL

- 2 Atch
1. Delegation of Auth Ltr
2. Total Manpower Rqmts,
Dir P&P

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SAFSL

SUBJECT: Delegation of Authority and Designation as Head of a
Procuring Activity

TO: MOL SPO (SAFSL-1/Gen Berg)

1. Pursuant to the National Security Act of 1947, as amended; Chapter 137, Title 10, U.S. Code; Section 8012, Title 10, U.S. Code, and other pertinent statutes, regulations and directives, authority to act for the Secretary of the Air Force or the Assistant Secretary of the Air Force (Installations & Logistics) in the following particulars is hereby delegated to the Deputy Director, Manned Orbiting Laboratory (MOL) in respect to all projects and programs entered into or administered under the authority of the Director, MOL:

a. To enter into, approve, and take other action in respect to contracts, change orders, supplemental agreements, awards, letter contracts, leases, amendments of contracts and other contractual instruments.

b. To approve such deviations from the Armed Services Procurement Regulation (ASPR) as the Director of Procurement Management, Deputy Chief of Staff/Systems and Logistics, Hq USAF, is authorized to approve by Air Force Procurement Instruction (AFPI) 1-109.2 and to approve such deviations from AFPI as the Procurement Committee, Hq AFLC or Hq AFSC, is authorized to approve by AFPI 1-109.50.

2. Pursuant to paragraphs 1-201.7 and 1-201.14 of the ASPR, the Office of Deputy Director, MOL, is designated as a "Procuring Activity" and the Deputy Director, MOL, is designated as a "Head of a Procuring Activity" within the Department of the Air Force. Subject to the ASPR and the AFPI, the Deputy Director, MOL, is hereby vested with necessary authority to take such action as may be necessary to carry out the responsibilities assigned to him, it being the intent hereby to grant to the Deputy Director, MOL, for all projects and programs within his area of responsibility, authority comparable to that delegated to the Commanders, AFLC and AFSC and/or their subordinate offices and agencies.

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ATCH 1 SPECIAL HANDLING

~~SECRET~~

SPECIAL HANDLING ~~SECRET~~

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3. There is specifically excepted from the delegation set forth above all authority to take action under Public Law 85-804 (50 U.S.C. 1431 et seq), to make the determinations required by Section 523 of the Department of Defense Appropriation Act, 1965 (and similar provisions in subsequent acts), and to authorize leases pursuant to 10 U.S.C. 2667.
4. The authorities hereby delegated may be redelegated, in writing, only with the approval of the Secretary of the Air Force and under such terms, conditions and limitations as he considers appropriate.
5. The authorities hereby delegated, and all provisions of the preceding paragraphs, pertain to all MOL contractual arrangements with the exception of that with Eastman Kodak Company.

SPECIAL HANDLING

~~SECRET~~

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BYE-71084-66

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Atch 2

TOTAL MANPOWER REQUIREMENTS

DIRECTORATE OF PROCUREMENT AND PRODUCTION

OFFICE OF THE DIRECTOR:

Director	Col	2916
*Deputy Director	Col	6516
Assistant Director (Contracts)	GS-15	6516
*Assistant Director (Pricing)	GS-14	6516
*Contract Writer	GS-13	6516
Property Administrator	GS-13	6516
Procurement Clerk	GS-6	65170
Secretary	GS-6	70470
*Stenographer	GS-5	70450

INTEGRATION CONTRACT DIVISION:

Chief	Lt Col	6516
Deputy Chief	GS-14	6516
Proc. Mgmt Staff Officer	GS-13	6516
Project Officer	Maj	6516
Contract Negotiator	GS-12	6534
Industrial Specialist	GS-12	6524
Procurement Clerk	GS-5	65150
Stenographer	GS-5	70450
Stenographer	GS-4	70450

GEMINI-B CONTRACT DIVISION:

Chief	Lt Col	6516
Deputy Chief	GS-14	6516
Proc. Mgmt Staff Officer	GS-13	6516
Project Officer	Maj	6516
Contract Negotiator	GS-12	6534
Industrial Specialist	GS-12	6524
Procurement Clerk	GS-5	65150
Stenographer	GS-5	70450
Stenographer	GS-4	70450

Handwritten: *Central Systems*

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MISSION EXPERIMENTS CONTRACT DIVISION:

Chief	Lt Col	6516
Deputy Chief	GS-14	6516
Project Officer	Maj	6516
Contract Negotiator	GS-12	6534
Contract Negotiator	Capt	6534
Industrial Specialist	GS-13	6524
Procurement Clerk	GS-5	65160
Stenographer	GS-5	70450
Stenographer	GS-4	70450

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