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Adm 106

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28 JUL 1966

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MEMORANDUM FOR: Deputy Director for Science and Technology

THROUGH: Executive Officer, DD/S&T

SUBJECT: Comments on DCI Program Memoranda

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REFERENCES: (a) [REDACTED] 4811-66/a, Intelligence Collection Program Memorandum, dated 8 June 1966

(b) PPB-66-0338, Intelligence Production Program Memorandum, dated 8 June 1966

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(c) [REDACTED] 4809-66, Information Processing Exploitation Program Memorandum, dated 8 June 1966

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(d) [REDACTED] 814-66, Series B, Research, Development and Engineering Program Memorandum, dated 24 June 1966

1. We have reviewed the referenced program memoranda, prepared by OPPB and now approved by the DCI, which were sent to the Bureau of the Budget as Agency position papers in response to BOB's request for 5-year program plans. Comments on significant points are contained in the following paragraphs according to major programming categories:

a. Intelligence Collection

(1) In the OEL area, the program memorandum (PM) will allow us the funds and positions we requested throughout the 68-72 planning period. The funds and positions relate primarily to operation of [REDACTED]

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[REDACTED] 0172-66
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SUBJECT: Comments on DCI Program Memoranda

[REDACTED] 0172-66
Page 2

25X1A

25X1A

(2) In Manned Aircraft Reconnaissance, the cuts are far-reaching and the PM contains several important policy shifts which will have serious effects on DD/S&T's responsibilities over the period FY-68-72. The major policy and funding shifts arise particularly in the treatment of Projects [REDACTED] and ISINGLASS.

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The policy shifts, in particular, are inconsistent with NRO Budget projections for [REDACTED] OXCART and ISINGLASS. [REDACTED] is a case by itself in that we should perhaps recognize the probability of its becoming an Air Force asset in the operational phase.

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(3) On [REDACTED], no Agency funds or positions are projected beyond the development work required in FY-66 and FY-67. The intention is to hand it over to the military for funding and operations beyond FY-67.

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(4) On ISINGLASS, the PM has allowed an Agency [REDACTED]

[REDACTED]
Agency's position is tempered by the fact that, if an NRO go-ahead decision is reached on the program, these support levels could climb to the range that we submitted. There is an added hedge, however, that these funds may be made available in that eventuality by an offsetting reduction in the OXCART program in the FY-1969/FY-1970 period. The memorandum further makes the very far-reaching recommendation that, while the Agency should be given the R&D responsibility for ISINGLASS, the operational responsibility be handed over to the Air Force.

(5) The NRO Budget projections for ISINGLASS propose and plan for Agency operation starting in FY-72. Long before that, the supporting elements; operations, communications, materiel, and ADP must get aboard and grow along with the development of the vehicle. This will require money and positions not proposed in the PM. It is also unlikely that a system as complex as ISINGLASS could be developed by one agency and operated by another without duplication of cost and effort.

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SUBJECT: Comments on DCI Program Memoranda

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Page 3

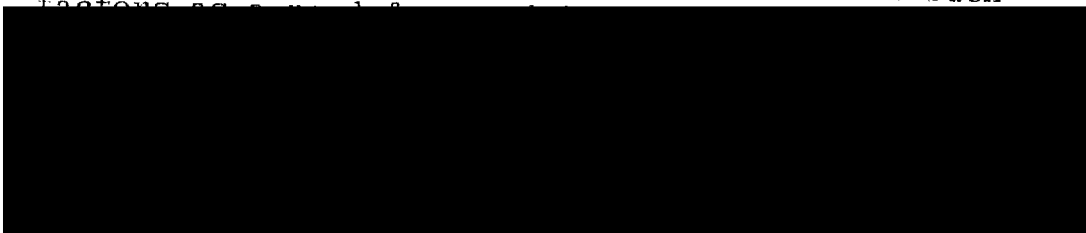
(6) Projects OXCART and IDEALIST. The memorandum provides substantially the funds and position support levels for these programs as submitted by DD/S&T. Minor cuts, which should not seriously impact on future plans, were made in funds and positions for the period FY-70-72.

(7) The memorandum makes a recommendation concerning the OXCART program which warrants our careful consideration. This is the point on page 25 which recommends that a study be made of possible savings resulting from a merger of the OXCART and SR-71 assets.

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(8) Project ██████████ In view of DD/S&T's possible acquisition of this project, it should be noted that the DCI's program memorandum recommends a phase-out of this project in FY-69 because of such factors as ██████████

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(9) In Satellite Collection Operations conducted by OSP, there are only relatively minor divergencies in funds from our submission. The personnel levels approved by O/PPB for all programs reflect the revised OSP estimate on needs for the five-year period.

b. Production of Intelligence

(1) The program memorandum reflects all the budgetary and position increases we requested for the period FY-68-72. It further used our program descriptions in great part as we forwarded them in our DD/S&T Narrative Summary.

c. Information Processing and Exploitation

(1) Our submission covered three areas of activity, namely

(a) Signal Processing and Analysis,

(b) Other Information Processing, and

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SUBJECT: Comments on DCI Program Memoranda

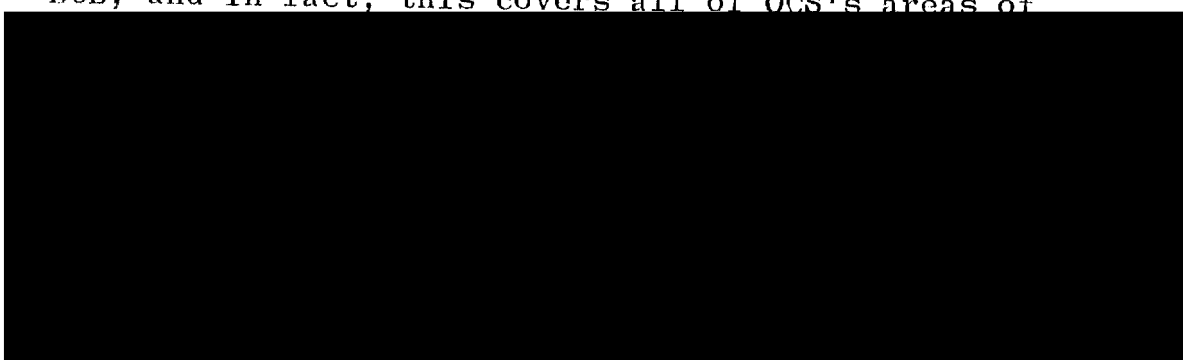
0172-66
Page 4

(c) ADP Systems.

(2) The program memorandum approved our submission for Signal Processing substantially as we forwarded it. Minor cuts were imposed in funds, viz., \$100K each in 1969 and 1970. Also, position cuts were made as follows: three in FY-1968, two each in FY's 1969 and 1970, and one each in FY's 1971 and 1972.

(3) The other elements of our DD/S&T submission in this category were concerned with Other Information Processing and ADP Systems. These were lumped together as ADP Systems in the DCI's memorandum as it went to BOB, and in fact, this covers all of OCS's areas of

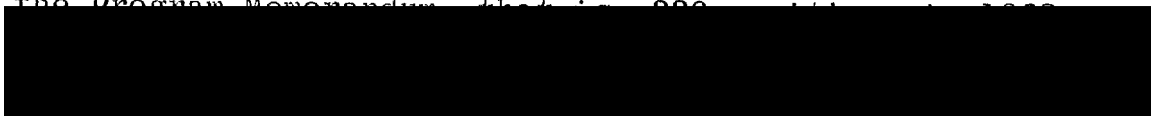
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impact on OCS's plans for the 68-72 time frame. Director, OCS, points out, for example, that there are current efforts to obtain [redacted] for increased support to DD/S&T groups such as OSA and OEL, and to the DD/S management information system. The PM cuts will seriously degrade their capability to accomplish these planned tasks. The level contained in the Program Memorandum [redacted]

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positions presently approved for FY-67 and the 80 positions to be requested.

d. Research, Development and Engineering.

(1) To get any kind of handle on cuts in the R,D,&E area, it was necessary to go to O/PPB and solicit their assistance in identifying the cuts.

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SUBJECT: Comments on DCI Program Memoranda

[redacted] 172-66
Page 5

25X1A

This was necessary, as you know, because we submitted our five-year plan using detailed DD/S&T planning sub-categories and elements and the DCI's program memorandum has presented them in substantially different terms. Moreover, cuts were generally made in fairly broad areas of activities so that detailed identification is usually not possible.

(2) Based on an analysis of O/PPB's spread sheets for FY-68, the PM cuts in Research and Development will have an impact in the following programs, which are listed by Office:

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OSA: [redacted] -- no funding -- 1968 and beyond.
(See explanation above in Intelligence Collection.)

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R&D: For ISINGLASS -- the cuts range from 0 in [redacted]

PPB uses language in their discussion to the effect that a go-ahead decision on ISINGLASS would make it necessary to reinstate sufficient funding and position support levels to run the program.

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[redacted]
per year; the result is a slight decrease from FY-1969 onward below the approved 1967 budget for this area of activity.

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[redacted]
cut across the whole sub-category, not further identifiable. Similar cuts apply through the planning period.

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[redacted]

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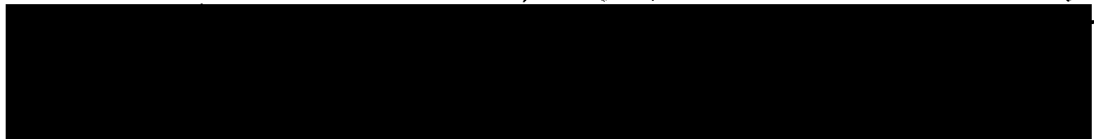
SUBJECT: Comments on DCI Program Memoranda

172-66

Page 6

25X1A

Other: Cuts in this area cover Security, Human Factors, and Commo Data Link. Security (Audio Countermeasures)



FY-68 was disallowed in toto.

2. To focus on FY-68 and summarize, the largest project and R&D cuts were as follows:

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[Redacted] - no funding after FY-67.

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ORD Special Technical

Production/Information

Human Factors - from \$

Commo Data Link - [Redacted] disallowed in toto.

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3. Looking at the whole R&D picture, for FY-68, DD/S&T

This in fact allows us an

On an Agency-wide basis, the

allowing an increase

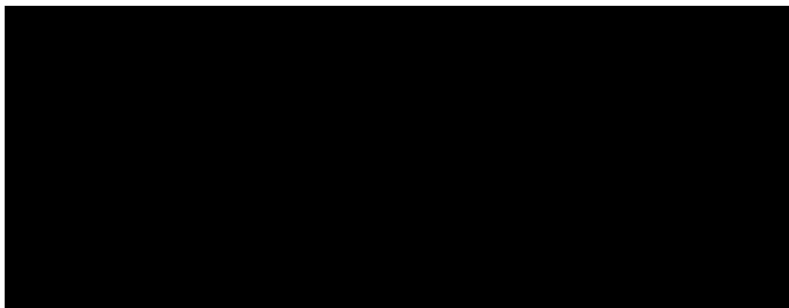
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FY-68 R&D [Redacted] over FY-67 of \$11.0M.

4. In terms of the total budgets and positions proposed by the Agency program memoranda, DD/S&T looks as follows for the FY-68/72 period:

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FY
1967
1968
1969
1970
1971
1972



While this would allow for a very significant build-up in personnel and budget support, it will fall short of meeting the planning

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SUBJECT: Comments on DCI Program Memoranda

0172-66
Page 7

targets we had established. However, if we consider the difficulties we are experiencing in obtaining qualified personnel, the build-up authorized by the Agency memoranda may not be a serious handicap. Also, the budgetary levels may better reflect our ability to commit R&D funds in an orderly and effective way than the very high levels we submitted.

5. According to O/PPB, the seventh floor has made no provision for Directorate reklamas on the Agency program memoranda which now have been approved by the DCI as firm Agency position papers. We are further advised that some of the planning levels covering the entire Agency may be trimmed by the DCI as the latter apparently believes our over-all Agency budget planning levels are still too high. Bureau of the Budget certainly will feel this way. PPB believes, on the other hand, that the present R,D,&E levels may possibly hold as they now exist.

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Comptroller
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Attachment:

Summary of Combined
Program Call

Distribution:

- Cy 1 - Addressee, w/Att
- 2 - Addressee, w/Att
- 25X1A 3 - D/Recce/CIA, w/Att
- 4 - Col. [redacted] w/Att
- 5 - D/OSA, w/Att
- 6 - D/OSP, w/Att
- 7 - D/OEL, w/Att
- 8 - D/OCS, w/Att
- 9 - D/OSI, w/Att
- 10 - D/ORD, w/Att
- 11 - D/FMSAC, w/Att
- 12 - Comptroller, DD/S&T, w/Att
- 13 - DD/S&T Registry, w/Att
- 25X1A 14 - DD/S&T Registry, w/Att

O/DD/S&T [redacted] (28 July 66)

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