TRANSMITTAL SLIP	DATE

TO:
Chief, DD/S-SOS

ROOM NO.	BUILDING

REMARKS:

Bob -

Please review the attached and give me your comments by Wednesday morning - 8 December 1971.

Robert S. Wattles

Att

FROM:
Acting DD/S

ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 55

REPLACES FORM 36-8
WHICH MAY BE USED.

(47)

SECRET

4 December 1971

MEMORANDUM FOR: Deputy Director for Intelligence
Deputy Director for Plans
Deputy Director for Science & Technology
Deputy Director for Support
General Counsel
Inspector General

SUBJECT   :   Agenda Item for Deputies Meeting on
8 December 1971

    You will recall that last spring the Director asked that we again consider the possibility of changes in our "Information Processing" activities. On 6 August 1971, I forwarded a draft memorandum for your consideration and comment. I have read and considered your comments with care and I am enclosing herewith a draft memorandum which I want to send to the Director, in its present or modified form, sometime very soon.

    I think we should get together and discuss this one more time before the memorandum is finalized. I would appreciate it if you would be prepared to do so on Wednesday, 8 December, 2:30 p.m., in the Director's Conference Room.

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L. K. White
Executive Director-Comptroller

Attachment
    Draft memorandum
    "Information Processing"

cc: D/DCI/NIPE
    D/ONE
    D/PPB
    Cable Secretary
    D/Personnel

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SECRET   DRAFT:LKW
                          6 December 1971

SUBJECT: Information Processing

1. With the constantly increasing volume of information received

by the Agency (and the community), Information Processing is getting

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to be a major and costly program. In total, the Agency program uses

roughly

                                                        With current   25X1

budgetary constraints and reduced personnel ceilings, it is essential

that we do what we can to manage this program as efficiently and as

cheaply as possible--and I think that continuing on our present course

is unlikely to bring about this result.

2. We have been studying this problem for many years--for the

last two with considerable intensity. The key question is, and has always

been, whether we centralize, decentralize, or do something in between.

To date we have consciously chosen to follow the decentralization route,

attempting at the same time to keep the several centers in tune through

an Information Processing Board chaired by an appointee of the Executive

Director with membership from all the Directorates. This has worked

reasonably well, overseeing the need for new equipment, ensuring

compatibility, etc. It has made little impact, and cannot, on the

GROUP 1
Excluded from automatic
downgrading and
declassification

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problem of ensuring that the total machine and people capability of the several centers is used and operated with maximum efficiency at the lowest cost.

3. Considering these past years to have been years of relative plenty, we haven't done too badly and have developed a considerable capability; in many respects, we need not take a back seat to anyone else in the business. For several reasons I don't suggest that we change radically overnight; I do think, however, that we are at a critical point in time. It is time that we make a major policy decision as to the direction we want to go and take some steps in this direction now.

4. In my judgment, that direction must be toward centralization. It is too early to decide whether you want total centralization, but I am convinced that, for efficiency and cost effectiveness, this is the direction in which we should be tending.

5. It is understandable that Deputy Directors are reluctant to lose command of their computer centers. I understand fully their fears that they might not get the same service. At the same time, I think their fears are unfounded. The DD/S is already completely dependent upon the Office of Computer Services for its computer support, and some of the Clandestine Service's most sensitive programs are also handled by the OCS computer center, with due regard for security and compartmentation. Both the command line and the Information

Processing Board are vehicles for use if priority service appeals are necessary. I conclude that the historic negative arguments citing security protection or priority conflicts are really not well founded.

6. We have in the Office of Communications an outstanding example of a centrally controlled service to every component of the Agency, none of which are in command of the communications facilities or people who serve them. The same principle could in time apply to computer service, and in fact, technology may well force it.

7. What we now call communications and our computer operations are so closely related that I think there is a distinct possibility that one of these days these functions may well be merged into a single component under a senior officer charged with the Information Processing function as a whole. 25X1 would involve roughl 25X1 This is probably too extreme to think about now, but at the same time, we should not make organizational or functional changes or procure new equipment which would make this impossible or extremely costly at some later date.

8. Whether we call it centralized control or centralized coordination, we need to take some steps in this direction now. I suggest we make some changes in our dissemination activities and in the management of our Headquarters computer equipment.

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13. With regard to equipment management we have three computer centers in the Headquarters building (There are other components with small computers not constituting centers):

    a. in the Office of Computer Services--a general purpose center which serves the Agency as a service of common concern as well as the specialized needs of DD/S&T;

    b. in Records Integration--(predominantly a name trace system for the DD/P); and

    c. in Central Reference Service--(a document retrieval and dissemination system for the DD/I).

All these have grown, but there is a tendency on the part of the latter two to grow beyond the size and purpose for which they were originally intended. An argument can be made that total consolidation of the three centers would result in space, manpower, and dollar savings without a deterioration of service. For the moment, I think we must accept the fact that physical consolidation is premature.

14. We should, however, be trying to link up our computer centers so that they can complement each other. Since automatic dissemination appears to be feasible and is in fact working now in CRS, we should be developing a system, not two or three. It also seems abundantly clear to me that we should be developing compatible, not competing, systems

whether or not we ever consolidate physically, and this obviously

requires compatible equipment and standards common to all centers.

Theoretically, this can be done by an Information Processing Board

responsible to the Executive Director-Comptroller. Others would

prefer a Special Assistant to the Executive Director-Comptroller for

this purpose. Another supported position is centralized line manage-

ment. If there really are strong differences of opinion among the

Directorates, only the Executive Director-Comptroller can make a

decision or a recommendation to the Director. This is not to say that

a Board or a Special Assistant is not useful, but neither can settle the

tough ones, and sometimes a lot of time and effort are wasted before

the problem can really be decided. There is also the likelihood of a

compromise which really does not represent the best solution. I would,

however, suggest that the Information Processing Board, possibly

with more senior representation from the Directorates, be retained.

15. In addition to the dollar and space problems, there are other

things to consider. The level of technical expertise varies among the

centers, there is competition among them for recruits, and career

opportunity varies considerably. We are not talking now about systems

analysts and applications programmers--those who in concert with the

user define a problem and design a solution by machine. We are talking

about the machine operator and the so-called systems programmer, the

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latter being knowledgeable of the insides of the machine and the control

programs to make it operate--without regard to the specific application

or project.

16. I therefore recommend that:

a. we leave the three existing computer centers in place;

b. with due regard for security and compartmentation, the

centers be linked to an in-house network to provide both backup

and a more effective utilization of machine resources;

c. management responsibility (including budget control and

career development) for ADP equipment acquisitions and operations

and for the operators and systems programmers related thereto

be transferred to the Office of Computer Services, DD/S&T; and

d. the Information Processing Board, with more senior

representation from the Directorates, be retained to advise the

Executive Director-Comptroller and the Director on Information

Processing Policy.

L. K. White
Executive Director-Comptroller

The recommendations in paragraphs 12 and 16 are approved.

_____   _____
Director of Central Intelligence   Date

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7 December 1971

Mr. Wattles:

I don't know whether I can be helpful to you in the time available on this information processing paper or not, and I don't know how much of what I might say about it would be something that Mr. Coffey would be willing to carry forward. I can try to tell you what I think but the whole question has so much background and history and so many complexities that it really seems unfair to put you in a position of having to respond on such short notice.

As usual we have a bevy of solutions, partial and incomplete, searching madly for problems to which they can relate. To begin with, I do not accept the definition that information processing is a major and costly program. Information processing is not a single program. A collection of computers, centralized or decentralized, does not constitute an information processing program. Just because the Office of Finance uses a computer to produce a payroll doesn't mean that the production of the payroll is an information processing activity.

I would quarrel with the contention that we have been studying this problem for many years--the fact is we have studiously avoided studying the problem. We have been discussing for many years organizational changes and centralization of computer hardware as solutions to a problem which has never been defined. We have not consciously chosen to follow the decentralization route--we have consciously avoided the confrontations which would be necessary to centralize. The fact is we have simply accepted the situation as it existed each time the question has been circuitously addressed.

I would not agree that the Information Processing Board has worked reasonably well, I am not even sure it has been very much better than nothing. I can't recall attending a Board meeting where there has been a negative vote. I can recall several where at least one and usually more than one of the members have declined to vote because the information available to it was too sparse to permit its rendering a reasoned judgment.

The Board does not have available to it the staff support necessary to produce the documentation necessary to permit intelligent, knowledgeable, and reasoned judgments. The Executive Director-Comptroller approved the acquisition of the IBM 370/195 by the Office of Computer Services without Board action. A second PDP-11 computer was approved for the Office of Central Reference also without Board action. I was not asked to vote on the PDP-11, nor was anyone in the Support Directorate as nearly as I can find out, because I was on leave at the time the action was taken. In the case of the 370/195 the Board had been given a couple of informational briefings on OCS plans but the specific proposal for acquisition was not submitted for Board action. A telephone poll of the membership was conducted and my response was that we needed to know more about the requirements before we could make a judgment.

In short, most actions of any import have been taken by the Executive Director-Comptroller without a Board action, presumably on the recommendation of the Board Chairman. The Board has never attempted to implement the memorandum issued by the Executive Director-Comptroller in October 1969 (copy attached).

No one has ever demonstrated that centralizing computer equipment to serve the diversity of needs of this Agency will, in fact, be cheaper or more efficient. There has never been an analysis to show that the hypothetical economies attributed to centralization are either real or sufficient to offset the loss of effectiveness of service which follows removal of a clean and tidy operation from the control of the management it serves and submerges it in a huge conglomeration of activities serving diverse interests. On the other hand, no one has ever demonstrated the converse--that the loss of responsiveness--effectiveness resulting from giving control of computer operations over to a central organization is so great that it cannot be offset by the hypothetical savings in costs.

Other than the fact that Colonel White is retiring I don't know of anything that makes this anymore critical a time than the earlier occasions when the question has been raised particularly when we still don't have a clear idea of what it is exactly that we are trying to achieve other than an evasively hypothetical improvement in economy and efficiency.

In paragraph 5 the statement is made that the DD/S is already completely dependent upon the Office of Computer Services for its computer support. The implication is that we have no problems and we have not lost effectiveness; in short, everything is roses. This is not true. Although it is extremely difficult, perhaps impossible to document, the fact is that scientific and technical applications have always taken priority over our interests. In fact, the present management of the Office of Computer

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Services does not appreciate, and some would say does not even comprehend, the magnitude or significance of Support interests in information processing. The Office of Computer Services acts unilaterally in the selection and installation of hardware and software and in the process Support applications have suffered. When the Office of Computer Services installed a software system known as CP/CMS (Control Program/Cambridge Monitor System) the adverse effect upon the SANCA system was so great that the Office of Security reverted to manual searches. In saying this we have to acknowledge that OCS did in fact make a monumental effort to correct the problem and they did eventually correct it but it took an uncomfortably long time. Since then another software system has been installed and while the SANCA service is acceptable it has never been as satisfactory as it was before the first major software change was made. The ABC (Automated Budget Control System) has suffered during the settling-in stages of the new software installation with the result that the system gets a bad press and public relations for the whole SIPS effort are shot even further toward hell. The fact that most of these problems are eventually overcome does not, in my judgment, completely offset the inconvenience and disadvantages which accrue to the Support customers. The software systems that have been installed improve service to the scientific and computational applications but have not yet done anything to improve service to the Support applications. These allegations have a basis in fact which is extremely difficult to document.

I find it difficult to reconcile the fact that the paper holds the Office of Communications up as an outstanding example of a centrally controlled service which might serve as a pattern for Computer Services on the one hand with the recommendation on the other hand that automated dissemination be split. There seems to be something conceptually wrong, or at least inconsistent, here.

The fact that "what we now call Communications" (what else would you ever call it) must communicate data does not to my mind establish such a close relationship with Computer Services that a merger might one of these days be contemplated. Data has to be moved from one place to another. The fact that it is now going to be done electronically instead of by courier or pony express doesn't lead me inevitably to the conclusion that the data processors should be merged with the communicators. I don't know that there is any harm in such a merger but neither do I know what problem it would solve. As a matter of fact, who is going to address the problems it would create and when will they be addressed? Are we talking about merging ⬚ shop, which is really the only piece of the Office of Communications directly related to computer services functionally in that it is the shop that transmits the data that has to be communicated, or are we talking about all of the Office of Communications? Presumably the latter.

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I suspect you will get some words from Scotty about the allegation that the Central Reference Service already has in operation a system which would be incompatible with the proposed automation of the Cable Secretariat function. As far as I know the CRS system is still under development and is not in fact fully operational. They have done some experimentation and testing but they really haven't proven much of anything. One of the irritants here is that CRS went at their system in the manner in which one does when one has available to him the equipment and facilities to permit experimentation and experimental development while those who do not have the facilities attempt to develop plans and programs systematically forthrightly and reasonably are prevented from following through to their reasoned conclusions. Commo and the Cable Secretary went at their proposal in the "right way" by doing thorough system analysis and studies and producing carefully thought out phased plans while CRS proceeded one piece at a time without the careful preliminary work.

Having said all of this, it is probably useless to pursue it in the face of what seems to be a firm determination to do <u>something</u>. There probably is no useful purpose to be served by our becoming involved in the hardware discussion. We are already functioning as though equipment were centralized. We are vitally interested, however, in paragraph 16c and our interest there is not so much with what is said but what is not said. If that recommendation is accepted the machine operators and so-called systems programmers would be transferred from RID and CRS to OCS leaving behind systems analysts and applications programmers. The Support Directorate has none of these capabilities now except as they reside in the SIPS Task Force and, specifically, in the OCS Management Support Division piece of the Task Force. If the logic that analysts and applications programmers who work in concert with the user to define a problem and design a solution by machine should reside with the user Directorates then the Support Directorate should have that capability. The only way we can get it is if the Management Support Division of the Office of Computer Services is transferred to the Support Directorate and recommendation 16c should be rounded out in that fashion.

The intent and purpose of paragraph 16d recommending the retention of the Information Processing Board with more senior representation from the Directorates is not clear. In most cases more senior representation can only mean that the Assistant Deputy Directors would constitute the Board. Another possibility is that the intent may be only to change the DD/S&T representation. At the moment Jack Iams is the Information Processing Coordinator for DD/S&T. He is also the Director of Computer Services which puts him in a peculiar and not entirely satisfactory position. Regardless of membership, however, I don't see how the Board can be an effective mechanism (1) if it is not going to be used by the Chairman and the Executive Director-Comptroller and (2) if it does not have available to it the staff assistance necessary to dig into the detail and develop the documentation required to form the basis for reaching reasonable conclusions and decisions.

I wish you good luck.

SECRET RHW

DRAFT
30 September 1971

Mr. Coffey via Mr. Wattles:

Reasons--rationale--for transferring MSD to DDS.

1. Management--Span of Control

DD/S and his Office Directors must maintain control over their own

systems--what goes into them (input); what happens to it while it's there (processing);

and what the systems produce (output). The scope of the systems must correspond

with the scope of the manager's responsibility for those systems. Having MSD

in OCS gives OCS responsibility for determining the process and the output.

2. Establishment of Priorities

DD/S must be in a position to decide and control which applications

among competing interests of the components of the Support Directorate should

receive computer support in what order. Having MSD in OCS means OCS decides

the order of priority for dealing with DD/S requirements or that our requirements

are handled first in--first out.

3. Maintenance and Development

a. SIPS systems are highly integrated--they cut across functional roles

and responsibilities of individual offices; consequently they must be managed

and maintained under Directorate management. Maintenance and responsiveness

to current requirements must not be allowed to become the all

encompassing concern. We must be in a position to keep current

with the state of the art, even push it when desirable, and this can

only be done if we have all of the resources under our own management

control so we can determine their appropriate day to day allocation

between maintenance and development.

    b. SIPS systems, as large and inclusive as they are, still represent

only a fraction of the data processing requirements of the Support

Directorate. The EPIC system is only one example of a large on-going

system outside the scope of SIPS. ☐ is   STAT

another; the Headquarters space allocation system is yet another. Other

requirements are in the offing: OMS has a contract to develop a Medical

Information system; OTR is interested in computer assisted instruction

and in using the computer to apply and teach the application of DELPHI

techniques; and OMS/PSS is interested in test scoring and the production

of assessment summaries on-line. These are but a few of today's known

requirements. We are certain that there will be new ones evolving

continually. We must be in a position to evaluate them not only in terms

of operational and managerial benefits, but in terms of technical feasibility,

practicality and cost. We must then be in a position to allocate resources

accordingly rather than rely on OCS in another Directorate to make these

determinations.

4. Pre-SIPS and Early SIPS Experience

a. Before the SIPS project was undertaken the Support Directorate was totally reliant on OCS for all aspects of ADP support. Our require- ments were served by direct relationships between the individual Support Offices and their established contacts in the Management Support Division of OCS. Problems were dealt with piecemeal. MSD resources were fully committed to responding to individual requirements as they were identified. There was no planning or control at either the Office or the Directorate level. Fully committed resources not under our management control precluded our reallocating or diverting them to work on new broader systems development.

b. When the SIPS project was undertaken agreements were reached with OCS that personnel in agreed upon numbers with agreed upon skills would be made available at agreed upon specified times to work full time on the SIPS development. This didn't happen until MSD was placed under DD/S direction in the Task Force. There were a variety of reasons for this; some good and some not so good; the fact remains. DDS/SIPS people were in contest with DDS&T/OCS people. Adversary roles evolved; personal rivalries developed; cooperation was retarded because these problems had to be overcome. They have been overcome by having all resources under single management in the Task Force--but it has been a long hard pull.

5. Support Applications vs All Others

    a. We should be in a position to evaluate and select software and influence the selection of hardware to be used in support of our applications and we need the competence available in MSD to do that. OCS adoption of new software last year without complete prior coordination with customers caused serious deterioration of system response to the SANCA application, for example. OS had to revert to manual searches for several weeks and months elapsed before the software problems were overcome and response times reached a consistently acceptable level. The system never has returned to the level of performance achieved before that software was installed.

    b. Recent installation of another software package resulted in serious deterioration of the ABC system. Report production deadlines were missed negating the value of the system for at least one report cycle.

    c. We have had some very difficult negotiations with OCS management relating to their hardware plan, the scheduled installation of new systems and timing of changeovers in relation to scheduled implementation of the GIMS software and SIPS systems generally. OCS promises stability during the period of SIPS testing and implementation but we continue to be nervous about it.

    d. Without the technical competence available in MSD to comprehend all of the hardware and software nuances we would be unable to comprehend the potential impact/consequences and represent our interests adequately in any OCS actions affecting our systems.

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6. General Observations

a. DDI and DDP have both justified their own hardware on the basis of its being an integral part of the operations it supports. They have their own programming and systems capability as well. They haven't had the problem of making a case for having the "people" resources without the hardware as we are attempting to do. I am quite confident, however, that they would agree that the "people" resources need to be with the management systems they serve rather than with the hardware. I believe we can say that MSD "people" resources have been almost fully dedicated to DD/S throughout their history; that ADP technical people function most effectively when they have indepth understanding of the components they are serving and the functions they perform; and that the role of the MSD people would not change significantly by transfer to DD/S.

b. The centralization vs decentralization issue is drawn with economy and effective use of hardware on one side and effective support to component operations and management on the other. It seems to be generally accepted that decentralized computers serve operating interests best and that centralized computers would serve Agency space and budgetary interests best. There has never been any attempt to evaluate the overall cost benefit of centralized computing against the aggregate operational benefit of decentralized computing or--stated another way--to evaluate the comparative operating benefit of decentralization against the degradation of service that might result from centralizing.

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4 August 1971

Mr. Coffey via Mr. Wattles:

Attached are three memorandums dealing with the subject of managing support information processing activities for your consideration and signature if you approve.

The rumor mill has been saying for some time that [ ] has 25X presented to Colonel White a memorandum for his discussion with the Director which would recommend that computing equipment be under centralized management and everything else transferred to the Directorates. I asked [ ] if he 25X would be willing to confirm, deny, or refrain from comment about these rumors and he told me that Colonel White has had a memorandum for some time which would do approximately what the rumors said. [ ] has now been 25X tasked to rewrite the memorandum to shorten and sharpen it considerably to say essentially that the Cable Secretariat is abolished; responsibility for dissemination will be split between the Office of Communications and the Central Reference Service; that responsibility for the acquisition and management of hardware and systems software would be under the Office of Computer Services. The memorandum does not deal positively with the remaining functions of OCS. It will not meet that issue head-on but will carry the implication that the MSD type of functions should be performed in the Directorates by the detail from OCS of the people necessary to do the job. [ ] has been 25X charged with having this memorandum ready for Colonel White to circulate to the Deputies for coordination before he goes on leave Friday requesting that comments be ready for him when he returns from leave. [ ] will be on 25X his world tour from about 15 August until the latter part of September.)

From conversations with [ ] about other things 25X1 I would expect the DD/I to take a very strong position against any form of centralization. As a matter of fact, they chide me about the DD/S position implying that it tends to weaken theirs.

[ ] when he is speaking for himself, seems to lean toward 25X1 centralized management of equipment but when he says such things he is always careful to make the point that he does not speak for DD/P. I would expect DD/P to take a position against centralization particularly since he has just gone through a reorganization to create an information division.

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DD/S&T will probably be forced into a "favoring motherhood" position or one of neutrality, particularly with Climenson away for a year or two.

I believe the position taken in the attached correspondence is a reasonable one for DD/S to adopt unless you feel we should go after the whole ball of wax and ask for the hardware as well.

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DD/S 71-3034

MEMORANDUM FOR: Deputy Director for Science and Technology

SUBJECT : Management of Support Information Processing Activities

Carl:

1. If we are not already overdue, the time is at least fast approaching when we have to have a solid plan and commitment to a management structure which will permit the Support Directorate to operate and maintain SIPS applications after they have been implemented; respond to new requirements; respond to support information requirements outside the scope of the SIPS applications; and insure that we are able to stay reasonably current with the state-of-the-art in applying computer technology to our functions. The SIPS Task Force has served us well over the past three years but task forces are not suitable as permanent organizational entities for all of the obvious reasons.

2. Looking forward to the time when the task force would have served its purpose, we contracted with [   ] about a year ago to survey our requirements and advise us about how we should structure ourselves for the long term. They submitted their first report last October and said in it that information processing requirements of the Support Directorate could best be met by having all of the hardware, software, and human resources necessary to develop, implement, and operate our systems under the command jurisdiction of the Deputy Director for Support. Bowing to the apparent trend in the Agency toward centralization, they did not recommend transfer of hardware to the Support Directorate or even the dedication of some hardware configuration to support requirements. They did recommend, however, that all of the Management Support Division of the Office of Computer Services which is now a part of the SIPS Task Force be transferred to the Support Directorate. We were unable at that time to get the agreement of the Director of Computer Services or the Chairman of the Information Processing Board. In deference to this lack of agreement the consultants modified their recommendation to

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say that requirements of the Support Directorate could be met by transferring a substantial portion of the Management Support Division to the Support Directorate and arranging for the detail or rotational assignment of OCS personnel. Further discussion among the principal parties of interest led to the conclusion that DD/S should state his position and proceed from there.

3. To get on with our planning I have prepared the attached memorandum to the Executive Director-Comptroller. It says that I believe the information processing requirements of the Support Directorate would be served best if we had all of the hardware, software, and human resources under our command jurisdiction. I have prepared the paper in this way to put on the record what I believe would be the best solution but I have only recommended that the Management Support Division be transferred. I would like to have your concurrence with this recommendation but if you feel you cannot agree with it as stated I would be pleased to discuss it with you at your early convenience.

John W. Coffey
Deputy Director
for Support

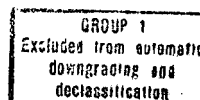Attachment

DD/S 71-3015

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT   : Management of Support Information Processing Systems

1. Paragraph 9 of this memorandum contains a <u>recommendation</u> for your approval.

2. Before the end of this year we are scheduled to begin implementation of information processing systems as major increments of the SIPS project. The new payroll system is scheduled to become operational in late fall or early winter. The Generalized Information Management (GIM) System is expected to be ready in February or March and the next significant increment of the SIPS systems is scheduled for implementation immediately after GIMS is installed and tested. The impending implementation of these and the remaining SIPS systems make it imperative that we prepare ourselves with the resources and organization necessary to ensure their maintenance and continuing modernization after they have become operational. We cannot afford to get into a position ever again where another effort in the magnitude of the SIPS project might become necessary. Additionally, we must be able to provide for the systematic consideration and development of new systems to support requirements not included in the scope of the present SIPS projects, and we must be able to provide for the systematic management and control of all of these activities.

3. Systems developed as parts of the SIPS program are integrated systems designed in the concept that we would minimize duplication of data entered into the systems and stored and processed by them. Under this concept one collection of data is manipulated in a variety of ways to serve the requirements of multiple users. In one way or another these systems are to be used by every component in the Agency, hence every component of the Agency must be considered a user. In a more narrow focus, single systems must be equally responsive to all management levels in the Support Directorate. One system will serve equally

the management requirements of the Directors of Logistics and Finance; another system will serve equally the Directors of Personnel and Finance; and a third will serve equally the Directors of Personnel, Security, Training, and Medical Services. The systems must serve each of these offices without detriment to the needs of the other; they must be responsive to the requirements of one Office Director without allowing that responsiveness to dictate changes which might affect adversely the operations of another office. Because the systems cut across organizational and functional lines of individual Support Offices they are Directorate systems in the broadest sense, yet at the same time they are office systems in the narrowest sense. Systems which are as closely integrated as the SIPS systems are unique in Agency experience and we must plan a new system and structure for their management that will be fully responsive to that uniqueness.

4. There can be little question that these requirements would be satisfied best if all of the resources necessary to meet them were under a single command jurisdiction in the Support Directorate. Agency experience in other Directorates seems to have proven that systems function most satisfactorily in terms of operational effectiveness if all of the resources, including the hardware, necessary to their functioning are integral parts of the operations they serve. A strong case can be made to support the contention that support information processing systems would function most effectively and that we would be in the best position to ensure that our systems capability stays current with the state-of-the-art if we had direct management control over all of the hardware, software, and human resources needed to meet our requirements. Short of that, the next best way to meet our needs would be to have the resources fully dedicated to supporting support systems.

5. As you know, in the interests of overall Agency economy and management of computer resources the Support Directorate has accepted a philosophy of centralization of computer resources even at some cost to the operational effectiveness of our systems. We can continue to live with that philosophy if the Agency pursues the policy of centralizing the management of computer centers. If, on the other hand, the computer centers operating independently in the other Directorates continue to grow and expand as fast or faster than the "Central" facility I feel that the Support Directorate would be remiss in its responsibility to provide the most effective systems possible if we did not request a re-evaluation of our current posture.

6. Accepting some sacrifice in the total effectiveness of our systems, I believe we can continue to function in a reasonably satisfactory fashion without complete control of the hardware and without even having a suitable configuration of equipment dedicated to our systems. We can rely on the Office of Computer

Services to furnish the computer support to meet our needs as we have been doing since that Office came into existence but within that framework we must be in the strongest possible position to represent our interests in the hardware-software environment and in the evolution of these tools whether or not they are under our control.

7. Experience with the SIPS program in the early days of its development demonstrated that all of the technical competence necessary to develop, design, and program applications to meet our needs must be available within the Support Directorate. In recognition of this need to bring to bear competence in computer technology together with competence in substantive Support areas; in recognition of the fact that these combined competences are necessary to the maintenance of current programs, improvement to them, and the need to respond to new day-to-day requirements as they occur; and in recognition of the fact that the satisfaction of all of these requirements is dependent upon the allocation of resources according to priorities which can be equitably judged only by the management served by these systems, the DD/S and the DD/S&T agreed in November 1968 to the establishment of the SIPS Task Force. The Task Force consists of the Management Support Division of OCS and the Information Processing Branch of the Support Services Staff. The Task Force Director reports to and takes direction and guidance from the Deputy Director for Support. The Task Force Director has full responsibility for the SIPS developmental projects as well as the maintenance of on-going systems and he has full authority to deploy the combined manpower to satisfy overall DD/S needs at any given time.

8. The Task Force arrangement has been a reasonably satisfactory means of making available to the Support Directorate the competence it needs to satisfy its information processing requirements. It has demonstrated the need for the Support Directorate to have this collective capability available permanently. Task Force arrangements, however, are not suitable as permanent entities.

9. It is recommended, therefore, that you approve the transfer of the Management Support Division in its entirety from the Office of Computer Services to the Support Directorate and the transfer of the Information Processing Branch from the Support Services Staff to be combined with the Management Support Division into a new Support Information Processing Staff reporting directly to the Deputy Director for Support.

<div style="text-align:center">

John W. Coffey
Deputy Director
for Support

CONFIDENTIAL

</div>

CONCUR:

_____   _____
Deputy Director for Science and Technology   Date

The recommendation in paragraph 9 is approved.

_____   _____
       Executive Director -Comptroller   Date

Distribution:
 Orig - Return to DD/S
     1 - ER
     1 - DD/S Subject
   1 - DD/S Chrono
     1 - DD/S&T

DD/S 71-3071

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT   : Management of Support Information Processing Activities

1. We are fast approaching the time when we must have a definitive plan for the management of Support information processing activities after the current SIPS developmental effort reaches the stage of implementation where the task force arrangement will have served its purpose. Systems developed as parts of the SIPS program are integrated systems designed in the concept that we would minimize duplication of data entered into the systems and stored and processed by them. Under this concept one collection of data is manipulated in a variety of ways to serve the requirements of multiple users. In one way or another these systems are to be used by every component in the Agency, hence every component of the Agency must be considered as a user. In a more narrow focus, single systems must be equally responsive to all management levels in the Support Directorate. One system will serve equally the management requirements of the Directors of Logistics and Finance; another system will serve equally the Directors of Personnel and Finance; and a third will serve equally the Directors of Personnel, Security, Training, and Medical Services. The systems must serve each of these offices without detriment to the needs of the other; they must be responsive to the requirements of one office Director without allowing that responsiveness to dictate changes which might affect adversely the operations of another office.

2. Because the systems cut across organizational and functional lines of individual Support Offices they are Directorate systems in the broadest sense. Systems which are as closely integrated as the SIPS systems are unique in Agency
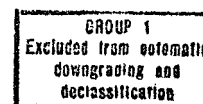
experience and we must plan a new system and structure for their management that will be fully responsive to that uniqueness. We must have a solid plan and commitment to a management structure which will permit the Support Directorate to operate and maintain SIPS applications after they have been implemented; to respond to new requirements; to respond to support information requirements outside the scope of the SIPS applications; and to ensure that we are able to stay reasonably current with the state-of-the-art in applying computer technology to our functions. We cannot afford to allow ourselves ever again to get into the position where another effort in the magnitude of the SIPS project might become necessary.

3. Because SIPS systems are uniquely integrated and serve equally the interests of the Agency, the Directorate, and the individual Support Offices we must provide a management structure which will serve those interests correspondingly well. I have submitted to the Executive Director-Comptroller and the Deputy Director for Science and Technology a proposal to make available to the Support Directorate the technical competence we need for the future after the task force has served its purpose. I would see this as a staff structure reporting directly to the Deputy Director for Support. I would like to see attitudes and relationships develop which would permit this group to serve as a staff arm of each of the Support Offices as well as the Deputy Director for Support. Each of you should use it as though it were a staff within your own office. I would expect that individual staff officers in each of your components who are directly concerned with the planning and development of your information systems to work very closely with and take direction from the Chief of the Information Processing Staff. All plans and proposals for experimentation with information processing techniques; for the development of new information processing applications; and for the change or modification of existing systems including such actions as are currently handled by the processing of work orders, would be submitted to the Chief of the Information Processing Staff and would be discussed with him in the earliest formative, information gathering stages.

4. To ensure that information processing plans, projections and proposals are fully coordinated; priorities are equitably adjudicated; the merits of on-going systems are regularly evaluated; the worthiness of new proposals is properly judged; and the impact of proposed changes or new developments receives appropriate management consideration I am hereby establishing an Information Processing Review Board composed of the Chief of the Information Processing Staff, the Deputy Directors of each of the Support Offices, and Chaired by the Support Directorate Information Processing Coordinator. The Information Processing Review Board will meet biweekly or at the call of the Chairman.

CONFIDENTIAL

5. All personnel in the Support Directorate who are engaged in information processing related activities will be members of the Support ("S") Career Service but will be managed separately from the Support generalist category. The Information Processing Review Board will function as the Career Board for Support Information Processing careerists. The Board will be supported by the DD/S Career Management Officer. Personnel presently incumbering positions to be incorporated in this career management system will be offered the opportunity to elect to retain their present career service designations or be transferred into the "S" service. Personnel who elect to retain their present service designations will be replaced by Support Information Processing careerists when the present incumbents are reassigned. Exceptions to this general rule will require the approval of the Information Processing Review Board.

6. The provisions of this memorandum become effective immediately.

John W. Coffey
Deputy Director
for Support
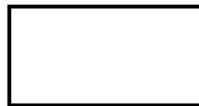
STAT

Page Denied

5 October 1971

Mr. Wattles:

Having in mind "communications" as a topic of interest at the Support Conference, here are three "policy" tidbits that might be passed along but for the "tradition" that items raised at Deputies' meetings are not widely discussed.

Do you think we would cause any eyebrows to raise if we put these in a "newsletter"?

STAT

RHW

Page Denied

SECRET

DD/S 71-3846

E.ecutive Registry

21-4582/2

1 October 1971

D D / S R E G I S T R Y

F I L E *Meetings*
(Deputies)

MEMORANDUM FOR THE RECORD

SUBJECT: Study - "Organization of Former Employees of CIA"

REFERENCE: Memorandum to Executive Director, same subject,
from S. Herman Horton

The referent study was discussed at some length at a
meeting of the Deputies on 22 September 1971.   The minute of   25X1
that meeting relating to this subject reads as follows:

25X1

"8.   The final topic was a discussion of the study
prepared by [ ] on the possible organiza-
tion of former employees of CIA. [ ] ex-
plained that he attempted to present the facts as he
saw them without endorsing any particular approach.
There was a very full discussion of the subject with
a general recognition that there were positive aspects
to the establishment of an Alumni Association which
must be balanced against certain real disadvantages.
On balance, the consensus appeared to be negative
but not conclusively so.   There did appear to be com-
plete agreement that if an association of former em-
ployees is to be formed, the organization of such a
group should be handled by former employees rather
than by the Agency.   Colonel White agreed to brief
the Director on the group's reaction to this proposal
and report back. "

I subsequently discussed this subject with the Director,
reporting to him on the discussion by the Deputies at our meeting
on 22 September 1971.   As a result of these deliberations, it has
been decided to take no further action on this subject at this time.

25X1

L. K. White
Executive Director-Comptroller

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

SECRET

Executive Registry

71-3322/2

1 October 1971

MEMORANDUM FOR THE RECORD

SUBJECT: Leave of Absence to Permit Agency Employees to
             Accompany Their Spouses to Other Geographic Areas

     This was a subject of discussion at a Deputies Meeting
on 21 July 1971, and at a subsequent Deputies Meeting on 22 September
1971.   The minute of that Meeting relating to that subject reads as
follows:

> " 2.   The group reviewed the regulatory changes
> necessary to implement the previously agreed policy
> relative to female employees who accompany their
> husbands on overseas assignments.   There was no
> problem with the revised wording of HHB [ ], but all   25X1
> present believed that the Agreement to be signed by the
> spouse before her departure should be more specific
> relative to job availability and the grade of the position
> available.   It was agreed that the wording would be
> modified by D/Pers and forwarded to the Executive Director
> for discussion with the Director. "

     I subsequently discussed this subject with the Director.
At the moment and until we know the full impact of personnel
strength reductions, average grade rollback, etc., the Agency
needs to maintain maximum flexibility in the administration of our
personnel program.   The proposed change in policy would ob-
viously leave us less flexibility than we now have.   For these
reasons, no further action will be taken on this proposal at this
time.

25X1

L. K. White
Executive Director-Comptroller

SECRET

STAT

Page Denied

SECRET

Executive Registry

71- 4788

ILE

16 September 1971

MEMORANDUM FOR: Deputy Director for Intelligence
Deputy Director for Plans
Deputy Director for Science and Technology
Deputy Director for Support
D/DCI/NIPE
D/ONE
General Counsel
Inspector General

SUBJECT: Agenda for the Deputies Meeting on
22 September 1971

25X1

At our meeting at 2:30 p.m., on Wednesday, 22 July,
we shall discuss the following subjects:

1. Study - "Organization of Former Employees of CIA" - 71-3488

2. Leave of Absence for Employees to Accompany Spouses
to Overseas Assignments. HHB [ ] (attached)   25X1

L. K. White
Executive Director-Comptroller

25X1

cc: D/Personnel

Attachment

SECRET

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22 September 1971

NOTE FOR: Mr. Coffey

Canvass for Spouses' Visit was initiated by phone calls to Directorate representatives on 8 September with replies requested by 16 September.

<u>Conditions for Canvass Expressed to Representatives</u>

I said that:

1. Some interest evidenced in program similar to last year's.

2. Canvass necessary to determine if sufficient number of employees interested to justify effort.

3. Estimate of number interested required to decide if general, rather than by Directorate, briefing would suffice.

4. Not restricted to spouses, but could include immediate family; e.g., mother, father, and mature, responsible children.

5. Wanted total number only, including employees.   STAT

<u>Reactions of Representatives</u>   STAT

1. DD/P - [   ] - SSA said that DD/P was restricting to spouses only and was not especially pleased over the prospect of visit. Harry responded to my request without making any supplementary comments.

2. DD/I - [   ] - Believe he said that Intelligence Directorate showed considerable interest.   STAT

3. DD/S&T - [   ] - Also indicated that S&T Directorate   STAT
employees quite interested.

4. DCI & Independent Offices [   ]
reported considerable interest as evidenced by total of 245.

[   ]
/LDP   STAT
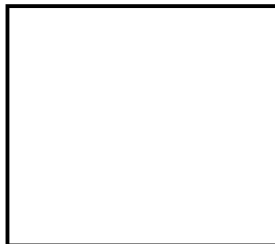
17 September 1971

NOTE FOR: Mr. Coffey

In response to your question about the origin of the spouses' visits to headquarters, the first five paragraphs of Attachment A succinctly describe the origin of the program. STAT

Attachment B records the results of a June 1971 meeting chaired by [   ] Your comment on the routing slip suggested a canvass in September 1971. This, together with the current availability of the Reber display of various Agency memorabilia, prompted me to initiate the survey.

Although I did not expect much interest to be shown so soon after other spouse visits, I must confess that I am impressed by the response (Attachment C) and believe it should be an indication that employees consider this a very worthwhile annual event.
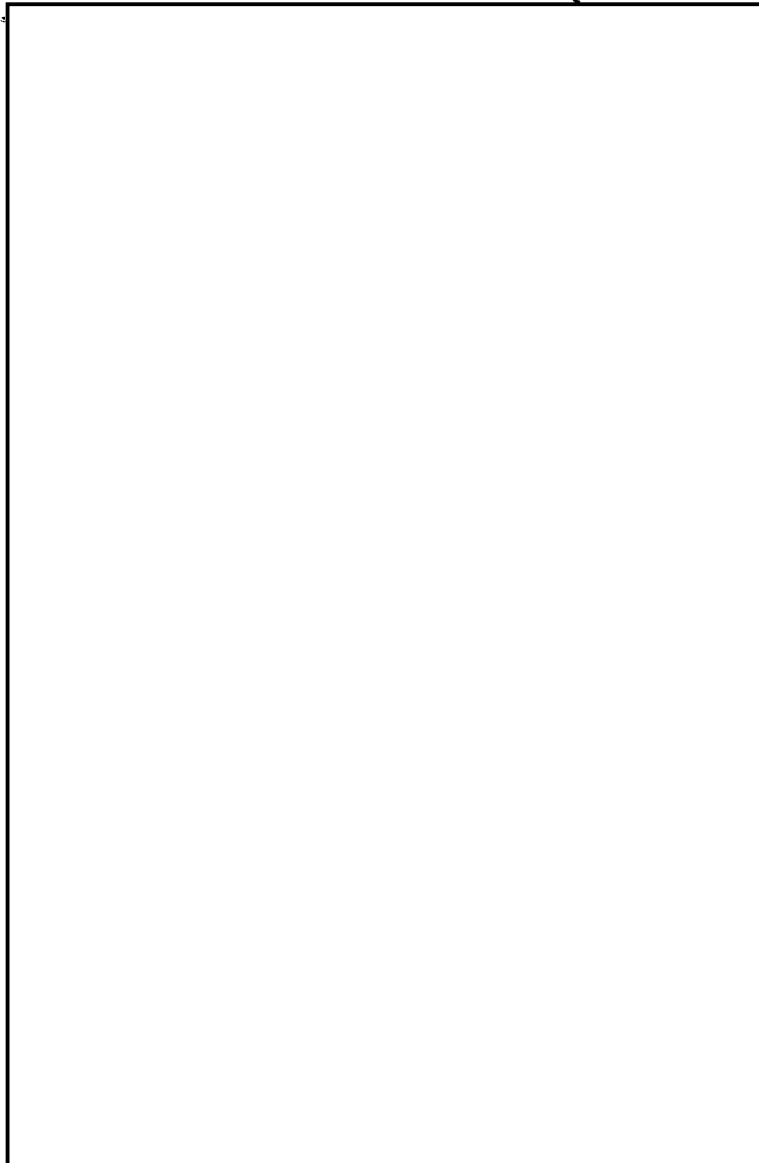
STAT

/ LDP

add O/DCI —

STAT

16 September 1971

TAB

UNCLASSIFIED

DD/S 70-2943

13 July 1970

MEMORANDUM FOR THE RECORD

SUBJECT: Visit of Employees and Spouses to Headquarters Building

1. At least ten years ago (nobody knows exactly when) it was suggested that the Agency should provide a briefing to employees' spouses on the role of the Agency in the national security structure and what the Agency and, in turn, the employee does. This was apparently accepted in principle, but no action was taken to do it.

STAT

2. The first evidence of positive steps to accomplish such a program was in March 1966 when Colonel White advised the DD/S that Mr. Helms wanted a programmed visit that makes a real impression (Tab A). Mr. _____ (AEO-DD/S) was tasked to develop a program. In April 1966 Mr. Vance drew up a program and a memorandum dated 20 April 1966 was addressed to the DDCI outlining details of the program for briefings and visit to headquarters building (Tab B). This memorandum was not approved at that time because Mr. Helms felt that the climate was not good for such a program and directed that the proposal be deferred until later in the summer.

25X1

3. On 13 July 1966 _____ (ADD/S) signed a memorandum to the Executive Director-Comptroller proposing that "in view of recent developments, we believe it would be even less appropriate to have an open house," and proposing "therefore not to reopen this proposal until next year." (Tab C) This was approved 14 July 1966. _____ explains that Mr. Helms had just been appointed DCI a couple weeks before, and there was considerable comment circulating in the press at the time.

25X1

4. No further interest was stimulated in this subject until 3 May 1970 when Mike Causey's column "The Federal Diary" appeared in the Washington Post sharply criticizing CIA for not briefing wives or letting them visit the building. This article was occasioned by the fact that the Agency had recently briefed the wives of White House Fellows (Tab D). The Director then decided we should proceed with a program.

25X1

5. _____ (EO-DD/S) was tasked to develop a program. On 27 May 1970 a "blind memorandum" was prepared detailing the scope and nature of a program (Tab E). On 2 June 1970 the DD/S called a meeting of the Deputies and the General Counsel to discuss the program (Tab F). They all agreed to the concept and suggested that it start in early September and the DD/S be first so as to work out any problems that might develop and other Directorates could observe. The Executive Director-Comptroller had some

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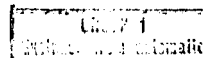
suggestions for changes. They were (1) why wait until September, (2) don't badge wives, will take too long, (3) have lunch served in cafeteria with one group before lunch and one group after, (4) leave out FMSAC, Signal Center, and Computer Center from tour, not so much for security reasons as for administrative difficulties in handling a crowd. This resulted in a new memorandum to the Executive Director-Comptroller dated 18 June 1970 revising the program to incorporate his suggestions and stating that the program would begin 11 July 1970 rather than September (Tab G). This proposal was approved by the Executive Director-Comptroller on 25 June 1970 and by the Director on 29 June 1970.

STAT

6. The first session, Saturday, 11 July 1970, would be conducted by the DD/S for employees of his Directorate. A meeting was held by [_____] on 6 July with representatives of each of the other Directorates and the Office of the DCI to arrange a schedule of what Saturdays each Directorate would take. It was agreed as follows:

25X1

Date	Directorate		Responsible Officer
11 July	DD/S	1030, 1200	
18 July	O/DCI and Independent Offices		
25 July	DD/S&T	1030	
1 August	DD/S	1030	
8 August	DD/P	1030	
~~15 August~~	DD/I		
22 August	DD/I	1030, 1200	
~~29 August~~	DD/I		
~~12 September~~	~~DD/S~~		
19 September	DD/P	1030	
3.OCT ~~26 September~~	~~DD/P~~ DDS	1030	
17 OCT	DD S&T - 1030		
24 OCT	DDI - 1030, 1200		

It is recognized that this is to accomplish the maximum possible and probably every Saturday will not be used depending on the number of employees available and interested.

25X1

8. Almost immediately the Offices were reporting difficulties in meeting their quotas for people to attend even though we were only looking for less than

1/3 of our total. This difficulty seemed to be because of the short lead time (less than one week) when employees had made other plans for that Saturday and because so many employees were either on vacation or would rather participate with their families in recreational activities so desirous on a beautiful warm Saturday in July.

9. Approximately 400 employees and spouses assembled in the auditorium for the 10:30 a.m. session. They were greeted by Mr. Robert L. Bannerman who gave them some administrative matters relative to the program and an excellent briefing on the background of the formation of CIA, its role in the national security structure, and the role of DD/S and its seven Offices. He then introduced the Office Head or his Deputy and wives. This took about 30 minutes. He was immediately followed by the film "Need To Know" which took about 35 minutes (the projector broke down at the end of the film, but a second projector is in the projection booth and was used for the second session at 12:00). I then learned that the cafeteria was planning to serve lunch on paper plates because they did not have a dishwasher on duty. I directed them to use china and either get a dishwasher in or save the dirty dishes until Monday. They got a dishwasher in and china was used.

10. The group from the auditorium then proceeded to the building via the main entrance and browsed at will, not by any conducted tour. There were two guards on duty and no back up occurred as employees and spouses moved quickly into the first floor. Mr. Walter Pforzheimer's historical intelligence documents display (Tab J) and [   ]s photo display, both in 1D corridor, attracted much interest and drew crowds. The headquarters Signal Center was opened and [   ]'s staff provided an interesting tour displaying and explaining some of our equipment. The library was opened with arrows directing a route and [   ] was on hand to greet visitors and answer questions. The cafeteria served 390 people but the variety and quality of food was not up to the standard that we find Monday through Friday.

11. At 12:00 noon a new group of between 275 and 300 arrived at the auditorium. Mr. Bannerman's talk and the movie proceeded exactly as the 10:30 a.m. session (except for the oversight in not introducing [   ] and wife which was done at the conclusion of the film). The 12:00 group proceeded directly to the main entrance and followed the pattern of the earlier group.

12. Comments made directly and overheard reflected pleasure and enthusiasm for the frankness and openness of the sessions, the opportunity to be told about the Agency and to visit the building with no visible "strings attached." By 3:00 p.m. practically all participants had left.

13. It was a beautiful day and a huge success having received about 700 employees and spouses.

25X1

TAB

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CONFIDENTIAL

15 JUN 1971

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Meeting of Directorate Representatives Dealing
with Spouses' Visits to Headquarters Building

1. I advised the group that consideration was being given to having
annual visits of spouses to the Headquarters Building to provide an opportunity
for such visits by returnees from overseas and new EOD's. I explained that
the annual program would not be handled by each Directorate but instead would
be an Agency affair. I then asked for reactions to this approach; the responses
were: 25X1

a. Clandestine Service, [   ] had discussed this
thought with DD/P, and he felt that a running this fall was too early on the
heels of the runnings last summer and fall. He stated that DD/P felt it
would be better to skip this year and also consider having them every
other year. 25X1

b. Science and Technology Directorate [   ] 25X1
noted that they had a double session in July 1971 which was well
attended, 436 at 1000 hours and 304 at 1200 hours. They received indi-
cations of interest following the July session, so set up a follow-up session
in October 1971--only 175 attended. He felt that they had pulled from the
[   ] for their October 1971 session. 25X1

c. Intelligence Directorate, [   ] felt that those who
wanted to attend had attended their four sessions last year, but he was
sure that they would have some from the new EOD's who would like to
attend an Agency session. 25X1

2. It was the group's feeling that we should test for interest in each of
the Directorates before we decided to go ahead with a fall 1972 session. In
this way, we would know whether we should set up a single or double session.
It was also the feeling that attendance would be better during the winter (after
September 1972) when the weather would not attract people to other outside
activities. 25X1

3. If you agree, I will ask the Directorate Representatives to test for
interest in their Directorates and report the numbers back to us.

Distribution:

TAB

16 September 1971

<u>Estimates for Spouse Visit:</u>

OP - 135

OC - 128

OF - 107

OMS - 63

OTR - 71

OS - 108

OL - <u>220</u>

    832

DD/S   - 832

DD/I   - 500

DD/P   - 408

DD/S&T - <u>620</u>

<u>2360</u>   TOTAL

LDP/es

STAT

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CONFIDENTIAL

20 September 1971

NOTE FOR: Mr. Coffey via Mr. Wattles

Some random and not necessarily connected thoughts about the Alumni Association appear below:

1. A sizeable percentage of former employees or retirees would not be interested in an AA because of purely personal reasons (simply not joiners), because of lasting cover considerations, or because of lack of time.

2. Some employees would undoubtedly derive much pleasure from an AA, particularly those remaining in the Washington area.

3. The formation of an AA is basically an interesting idea, but it should not become a pawn of the Agency. It should be independent of Agency bureaucracy, except for a minimum of friendly cooperation where serious matters of security develop.

4. It could be useful to many former employees when traveling (special rates), recruiting for other employers, and for maintaining social contacts.

5. A serious consideration would be whether or not the Agency could sit idly by without exerting strong control over such a group. (NOTE: The FBI did not sanction the former agents' organization for its first 20 years of existence.)

6. Unlike the FBI association where loyalties seem to be strongly among its members, hopefully the loyalties of ex-Agency employees would be more toward the Agency. Consequently, it seems inevitable that the Agency would actually end up controlling the AA whether it wanted to or not.

7. We could almost predict that there would be a continuing problem about eligibility for membership, especially if the Agency, rather than the AA, set the standards.

8. The Director's reaction to the AA proposal could well be, what will the Agency get out of it? The conclusion very possibly would be that the potential headaches far outweigh the benefits that might accrue. Therefore, he might not interpose any objection to the organization of an AA, but would

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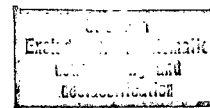
CONFIDENTIAL

offer no encouragement and very little assistance in getting it started. An enthusiastic endorsement from the Director seems remote, at least until the AA developed into a well-disciplined, independent and popular activity. If, indeed, it ever did.

LDP

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DD/S 71-3656

17 SEP 1971

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Organization of Former Employees
of CIA

1.   This memorandum is submitted for <u>information</u> only.

2.   This Office has reviewed the proposal of [   ]   25X1
[   ] to establish an organization of former employees of CIA.   25X1
If favorable consideration is given to the proposal, we believe
that it should be reworked to provide for the elimination of security
concern as distinguished from the selection of ways to handle
security problems.   This could be accomplished as follows:

   a.   Eliminate all procedures for (and concern over)
        the screening of applicants for membership.
        We cannot visualize a screening program in the
        association which would not require a check
        with CIA itself or the use by one of the asso-
        ciation officials of information which he acquired
        while in the service of CIA.   This would be an
        unfortunate and otherwise forbidden personal
        use of officially acquired information.

   b.   Require the Agency to deal with the association
        on a completely unclassified basis.   The Agency
        should not furnish classified information to the
        association.   (The proposal includes the recom-
        mendation that the "SECRET" study itself be
        furnished to the organizing committee).

   c.   Provide for the possibility that non-friendly or
        unfriendly persons could obtain high positions
        in the association.   Attitudes of people change
        over the years.

SECRET   GROUP 1
Excluded from automatic
downgrading and
declassification
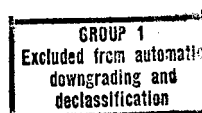
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    d.   Eliminate the hazard of circulating a list of
former employees.

    3. If the organization is closely tied into Agency facilities,
records and support, there is a definite possibility the organiza-
tion will become known as a "company union" to the press and to
the public. The Agency may inherit problems when a policy clash
occurs that splits the organization's leadership and that of the
Agency.

    4. From an overall policy standpoint, we question whether
the benefits to CIA outweigh the potential disadvantages of an
ex-employees organization.

25X1

Director of Security

SECRET

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21 September 1971

COMMENTS ON PROPOSED ALUMNI ASSOCIATION

Bob: STAT

[   ] identifies some of the potential disadvantages
of an Alumni Association in his "Discussion" on page 2. I see two of
the "benefits" as equally disadvantageous. I would be seriously
concerned at the thought of retirees, possibly many years after
their separation, providing a public relations input for the
Agency or acting to counter a "Smear CIA" campaign. Knowledge
that an active "CIA organization" exists, with members living in
many of the states, could indeed be counterproductive.

The implication that the Agency would screen membership is
loaded and would necessarily involve us officially in what should
be a private association. As presented, there is a further
implication that the start-up effort and even maintenance of the
program would result in an Agency workload.

As usual our cover problems will be present. Those who
leave under any type of cover would not be able to participate.

I do agree that an Alumni Association would give former
employees, and particularly retirees, a sense of still belonging.
This might well make the transition from employment to retirement
easier. I do not believe, however, that this benefit outweighs the
disadvantages discussed above.

I certainly do not see enough benefit to the organization to
warrant our taking the initiative to do what must be done to
organize. Normally such an organization is formed because the
alumni feel the need. After 24 years of existence, the alumni
have not felt sufficient need for an association to take any
initiative. Why then do we want to sponsor or endorse?

[   ]   STAT

Harry B. Fisher

SECRET

Meetings file

7/.3678

9 July 1971

MEMORANDUM FOR: Deputy Director for Intelligence
Deputy Director for Plans
Deputy Director for Science & Technology
Deputy Director for Support
D/DCI/NIPE
D/ONE
General Counsel
Inspector General

SUBJECT: Agenda for the Deputies Meeting on
~~14~~ July 1971

At our meeting at 2:30 p.m., on Wednesday, ~~14~~ July, we shall   25X1
discuss the following subjects:

1.   [   ] has an idea which he thinks may be of interest
to the Agency but which will require the support of the
Deputies if he is to undertake it.   He will make a brief
oral presentation.

2.   Task Force Report on the National Interdepartmental
Seminar to the Under Secretaries Committee.
Hugh Cunningham believes that we ought to reconsider
the decision made at the last meeting and he will be
present to present his thoughts.

3.   Status of Female Employees Who Accompany Husbands Who
Are Also Agency Employees on Overseas Assignments

25X1

4.   HN[   ] - "Civil Service Discontinued Service
Retirement and CIA Involuntary Retirement"   25X1
dated 3 March 1971.   (Copy of memo attached from
Director of Personnel, dated 8 July 1971)

L. K. White
Executive Director-Comptroller

Attachment
Executive Reg. 71-3123/1

cc: D/Training
D/Personnel   **SECRET**

SECRET

8 JUL 1971

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT   :   Considerations for Continuing Use of Liberalized
                    Procedures for "Voluntary-Involuntary" Retirement

REFERENCE   :   HN⬚ - "Civil Service Discontinued Service   25X1
                    Retirement and CIA Involuntary Retirement" dated
                    3 March 1971

1. This memorandum is in response to your request for a paper on the
Agency's liberalized voluntary-involuntary retirement policy.

2. It should be noted at the outset that procedures have long existed
for extending discontinued service retirement benefits to employees
involuntarily separated for reasons other than for cause on charges of
misconduct or delinquency. On 10 December 1969 the Civil Service Commission
extended this policy to "lighten the impact of current and future reductions-
in-force (i.e., an employee may decide to forego his retention rights and
resign, thus enabling the agency to retain an employee who would otherwise
be separated)." Accordingly, after an agency determines that a reduction-
in-force is necessary, it may request by letter the resignation of employees
in affected competitive areas who meet all requirements for discontinued
service retirement on an immediate annuity.

3. Following is a discussion of the Agency's use of "voluntary-
involuntary" retirement:

       a. In January 1970 the Agency implemented the liberalized
    Civil Service Retirement System (CSRS) procedures for Agency
    employees covered by the CSRS. The only determination necessary
    was that these employees met the age and years of service require-
    ments for involuntary retirement, were employed in an organizational
    component in which a surplus of personnel existed, and were willing
    to be retired as surplus.

       b. The Agency also expanded CIARDS policy to provide for
    involuntary retirement when the same circumstances existed. These
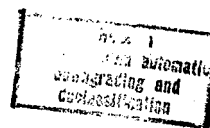
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liberalized procedures for "involuntary" retirement under either
system combined to provide a valuable tool in reducing the Agency's
on-duty strength.

c. It is significant that from the outset and through
30 June 1971, the Agency has applied these liberalized retirement
procedures in the broadest sense, offering this option to any
eligible and interested employee, regardless of the strength
situation in his organizational component, occupational field or
grade level, until the Agency at large has reduced its on-duty
strength to authorized ceiling.

d. The contribution of this form of retirement toward
attaining the authorized ceiling in FY 1970 was relatively
modest (37 Civil Service and 8 CIARDS retirements) but the
separation of these volunteers who could not otherwise have
retired did, in fact, contribute to reaching the prescribed
reduction. A much greater impact was made in FY 1971 when there
were 123 Civil Service and 42 CIARDS involuntary retirements.

e. In implementing this program and providing the option
to all eligible employees, we recognized that management lost a
degree of control. Some retirements were processed with regret.
Exceptional employees and some in occupational categories
actually in short supply have opted to retire early. Obviously,
under the current broad application all options are with the
employee rather than management. Management can encourage
individual employees to take advantage of the discontinued service
option, but those employees can refuse while others, who would not
be considered surplus under a more definitive program, may and
have elected to retire early. Under present policy, management
cannot prevent any eligible employee from electing this option.
Despite the undesired loss of certain personnel, it is probably
fair to say that the broader considerations have been served
toward attainment of our goal to reduce on-duty strength to
prescribed ceilings by 30 June 1971.

4. Although we were underceiling on 30 June 1971, with further reductions
for FY 1972 we were again over strength in July. Actual over strength as of
3 July 1971, however, is only 119. It is predictable that the Agency will be
at or under ceiling on or before 31 December 1971. It is appropriate, therefore,
that we consider a modification of our current "involuntary" retirement policy
so that the option to retire is not open-ended and unrestricted. This is
particularly true when we can no longer use total Agency over strength as a
basis for declaring an individual surplus. We believe that management should
be given the primary option in determining which individuals are to be offered

the advantages of early retirement. In this connection, the following considerations are offered:

a. "Voluntary-involuntary" retirement is a windfall to those employees who desire early retirement but who otherwise would not be able to retire until they could do so voluntarily, e.g., age 60 under CSRS. For CSRS employees the liberalized policy created an early retirement option not normally a part of CSRS. A new retirement option was also made available to CIARDS participants. They could not elect to retire when they had 25 years of service regardless of age. There is a growing tendency for employees to look upon these lower retirement ages as a right. There is nothing improper in the way we have thus far administered the liberalized discontinued service retirement policy. We believe, however, that it would be improper to continue the current liberal policy once the Agency is at or below ceiling. At that time it will be necessary to identify the organization level or occupational category in which a surplus does exist.

b. Management can determine competitive areas and/or competitive levels within competitive areas where a true surplus exists. This will permit Deputy Directors to determine where in their Directorate a surplus exists and to thereby identify the employees to whom involuntary retirement may be offered. A competitive area may be a Directorate as a whole or a Career Service, Office, Division or Branch within a Directorate. If a more precise identification of a surplus group is desired a competitive level may be used. A competitive level might be defined as an occupational grouping within which employees are essentially interchangeable (i.e., Supply Officers, GS 12-13, Logistics Career Service, or Reports Officers GS-13, Clandestine Service). Under these guidelines it would also be possible for a Deputy Director to make voluntary-involuntary retirement available to an individual in an area where there is no surplus if the position vacated by that retirement can and will be filled by an employee from another area, in his own or another Directorate, where a surplus does exist.

5. In summary, there are advantages and disadvantages to a more restricted use of the liberal "involuntary" retirement policy:

a. The change would give management a greater degree of control in deciding to whom this benefit would be extended. This should allow us to retire individuals who are truly surplus to our needs.

3

SECRET

b. It will not restrict Deputies from making "involuntary" retirement available to all employees in their Directorates if there is an overceiling situation at that level, but it will also allow them to restrict this retirement option to organizational or occupational groups where reduction in strength is most needed. This will minimize loss of good employees who must immediately be replaced by recruitment.

c. This more restricted approach must be used, in any event, once the Agency is at or below ceiling.

d. It will make it clear to our employees that the "involuntary-voluntary" option is no longer a right available to all which they may exercise anytime they so desire.

e. The suggested change will require management to identify areas or levels where a true surplus exists rather than make the option available to all. Obviously, this does not provide the complete flexibility previously enjoyed.

f. It will make it more difficult for individual employees to make plans for retirement unless we identify surplus areas well in advance and establish dates by which employees must exercise the retirement option.

6. Finally, there is one factor of some importance insofar as involuntary retirement under CIARDS is concerned. At the end of FY 1971, we have used 347 of the 800 quota available to us for the five-year period ending 30 June 1974. This is well above the projected 320 norm. Although a greater number of CIARDS participants than anticipated elected routine early retirement, the 50 "involuntary" retirements in FY 1971 and FY 1972 were a significant contributing factor to this "overage." It would appear to be prudent to consider restricting "voluntary-involuntary" retirement under CIARDS.

/s/Harry B. Fisher

Harry B. Fisher
Director of Personnel

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PUBLISHED IN ADVANCE OF INCORPORATION
IN FPM CHAPTER Supp. 831-1
RETAIN UNTIL SUPERSEDED.

FPM LTR. NO. 831- 23

UNITED STATES CIVIL SERVICE COMMISSION

FEDERAL PERSONNEL MANUAL SYSTEM

LETTER

FPM LETTER NO. 831- 23

Washington, D.C. 20415
December 10, 1969

SUBJECT: Civil Service Retirement: Involuntary Separation for Discontinued Service Annuity.

Heads of Departments and Independent Establishments:

The Commission has long held that resignation submitted in response to a request, not based on misconduct or delinquency, by a responsible agency official constitutes an involuntary separation for purposes of retirement on an immediate annuity. This "resignation requested" procedure has arisen infrequently, usually in cases of high-level policy-making positions following a change of administration.

The Commission has now decided that a limited extension of this policy is warranted so as to lighten the impact of current and future reductions in force (i.e., an employee may decide to forego his retention rights and resign, thus enabling the agency to retain an employee who would otherwise have to be separated).

Accordingly, after an agency determines that a reduction in force is necessary, it may, before resorting to the prescribed reduction-in-force procedures or while such procedures are in process, request by letter the resignation of employees in affected competitive areas who meet the age and/or service requirements for discontinued service retirement on immediate annuity. Separation resulting from a resignation submitted in response to such a request will be considered involuntary for retirement purposes.

This procedure is not to be used as a device for coercing employees to give up their retention rights (see discussion of voluntary vs. involuntary character of personnel actions beginning on page 24.02 of FPM Supplement 752-1). Before an individual is requested to resign he must be fully informed of his retention rights under the reduction-in-force regulations and he must freely decide whether he wants to exercise them or to forego them and retire. In order to avoid any misunderstandings that might arise, each employee's written resignation must state that he is resigning in

INQUIRIES: Bureau of Retirement, Insurance, and Occupational Health
63-24684 or code 101, extension 24684
CSC CODE 831, Retirement

DISTRIBUTION: FPM Supp. 831-1

Ltr. 831-23 (2)

response to the particular responsible official's request in the reduction-in-force situation and that he was not coerced into giving up his retention rights. A copy of the resignation must accompany the application for retirement submitted to the Commission in each affected case. Standard Form 2806 in such case should record the separation as "RET RIF (Res Req)".

Nicholas J. Oganovic
Executive Director

STAT

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23 June 1971

MEMORANDUM FOR: Deputy Director for Intelligence
                  Deputy Director for Plans
                  Deputy Director for Science & Technology
                  Deputy Director for Support
                  D/DCI/NIPE
                  D/ONE
                  General Counsel
                  Inspector General

SUBJECT   :   Item for Deputies Meeting Agenda

REFERENCES   :   (a) Memo dtd 17 June 1971 to Ex. Dir.
                          fr D/Pers
                     (b) Memo dtd 28 May 1971 to D/Pers
                          fr DDP/OP
                     (c) Memo dtd 18 Feb 1971 to D/Pers
                          fr DDP

I suggest that we consider and discuss referent

memoranda at a future Deputies Meeting.

25X1

L. K. White
Executive Director-Comptroller

Attachments
   Referent memoranda
   "Status of Female Employees Who Accompany Husbands Who
        Are Also Agency Employees on Overseas Assignments"
cc: Director of Personnel

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28 MAY 1971

MEMORANDUM FOR: Director of Personnel

SUBJECT   : Status of Female Employees Who Accompany Husbands
                  Who Are Also Agency Employees on Overseas Assignments

REFERENCE   : D/Pers Memo to DDP/OP dated 23 April 1971

    1. The following statements reflect our thoughts in relation to
the questions you presented in referent memorandum.

    2. When a CS staff employee accompanies her husband (who is also
an Agency employee) to an overseas post and the period of her absence
from duty at headquarters does not exceed three years, the Clandestine
Service will guarantee her restoration to a staff position at a grade
and step at least equal to that held at the time of her departure to
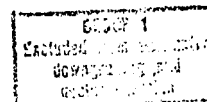accompany her husband.

    3. When the husband has been selected for an assignment overseas,
the wife will be initially considered for assignment to any appropriate
staff position at the post. (An appropriate position is one which
is within two grades of her grade level, one for which she is qualified,
and one which will require filling at approximately the time of her
arrival.) If she is selected for a staff position, she will be trans-
ferred to the post as a staff employee. If no appropriate staff position
is available, she will be granted LWOP for a period not to exceed three
years and will proceed to the post as her husband's dependent.

    4. After arrival at the overseas post as a dependent, if an
appropriate staff position vacancy occurs, she will be considered for
assignment. (If the staff position to be filled is more than two grades
lower than her current grade and she wishes to be considered for the
assignment, she should expect that, if selected, she will be converted
to contract status.) If her services can be utilized in a staff position
and appropriate cover arrangements can be effected locally, a personnel
action will be initiated to return her to duty from LWOP and reassign
her to the position. Personal rank assignments will be justified in
accordance with criteria in HR [   ]

                                                              25X1

    5. If no appropriate staff position vacancy exists at the post and
she wishes to work, she will be considered for contract employment
against available contract positions. The terms of the contract

SECRET

SUBJECT: Status of Female Employees Who Accompany Husbands Who
          Are Also Agency Employees on Overseas Assignments

employment will be governed by the provisions of [   ](copy   25X1
attached). Immediately prior to the execution of a contract it will
be necessary for the wife to submit her resignation from staff employee
status. Upon return to headquarters she will be reappointed at the
grade and step last held.

6. If no appropriate position vacancy (staff or contract) exists
at the post, or if the individual elects not to work during the husband's
tour, she will remain on approved LWOP for a period not to exceed
three years. Upon return to headquarters within that period, she
will be returned to duty at her current grade and step.

7. Each wife who would be returning to a staff position at head-
quarters within the three-year period would be required to submit a
Field Reassignment Questionnaire approximately 8 months prior to
return to duty to assist in her placement into an appropriate position.
Personal rank assignments would be used as required to effect such
restorations.

                                                                25X1

                        _____
                        DDP/OP

Attachments:
a. Referent Memo
b. Copy of [   ]   25X1

SECRET

DD/P 1.0262

18 FEB 1971

MEMORANDUM FOR: Director of Personnel

SUBJECT : Status of Female Employees who Accompany
Husbands who are also Agency Employees on .
Overseas Assignments

1. This memorandum submits in paragraph 6 a recommendation for approval.

2. Our current policy (HHB [   ] Tab A provides 25X1
that an Agency employee wife must resign when her husband, also
an Agency employee, is assigned overseas and no appropriate staff
position is available for her assignment. Ninety days leave without
pay (LWOP) may however be granted to avoid a break in service
when contract employment at the post is a possibility. This policy
was developed in 1958 by the Director of Personnel, Mr. Gordon
M. Stewart, and ratified by the CIA Career Council at its meeting
of 15 May 1958. Mr. Helms represented the Clandestine Service
at this meeting. Tab B.

3. The above policy has been followed in the Clandestine
Service, and conscientious attempts have been made to return
female officers to staff status and previous grade upon return
of the family to CONUS. Many of the wives have been employed
in the field on contract, frequently at lower grade in accordance
with available positions. Some of the wives have lost the oppor-
tunity to qualify for retirement under previous law whereby con-
tract service performed under Social Security was not creditable
service for retirement. This fortunately has now been changed.
A number of wives have requested two years LWOP, but such re-
quests have been disapproved under the regulation cited. Tab C
describes a typical disapproval. The disapprovals have resulted
in the wife losing substantial LWOP benefits, FEGLI, Retirement
Service, etc. See Tab D.

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4. To provide greater equity in our personnel management of female employees married to Agency personnel, I believe it may be advisable to revise or rescind the current policy on working wives so as to permit LWOP to be granted when appropriate under the same conditions as apply to other employees. HHB [____] par. 8 b provides sufficient standards for such determinations. Under this regulation, the Head of the Career Service could approve LWOP for 12 months for working wives on the basis that "The services of a desirable employee will be retained" (HHB [____] par. 8 b (2) (c). The approval of a second year (or more) will of course require your approval.

25X1

25X1

5. I note that the Department of State has recently established a policy on female personnel similar to that suggested above. In their Newsletter, January 1971, the article entitled, A Progress Report on Women's Programs, includes the paragraph:

"Another woman officer's assignment problem led to the determination that every effort will be made to assign married women (both officer and staff) to the post where the husband is assigned and, if no suitable openings are available, to allow them to remain on LWOP without loss of career status during that assignment."

6. In view of the above, it is recommended that appropriate regulatory changes be made to permit Heads of Career Services to grant LWOP for 12 months to a female employee who cannot be employed at an overseas post to which her husband is assigned. It is further recommended that the Director of Personnel adopt a liberal policy in approving LWOP extensions when the wife states her intention to return to Agency employment at completion of the current tour.

7. If the above recommendation is approved, we will institute the practice in the comparable situation where the wife was employed overseas on contract or staff capacity at a lower grade of restoring the wife to her previous grade in a staff position upon her return to CONUS or upon transfer to another post where a staff position of proper grade is available.

25X1

Thomas H. Karamessines
Deputy Director for Plans

Attachments

SECRET

12 JAN 1971

MEMORANDUM FOR: Deputy Director for Support

SUBJECT   : National Interdepartmental Seminar (NIS)

Jack:

1. This is the package of material which Hugh left for your review in anticipation of another look at the Deputies' recommendation that we get out of the NIS.

2. A good rule in amateur athletics is that to improve your own game you should play against people who are better than you are. The collection of comments from student critiques suggests to me that those who feel they had the greatest benefit were those who knew the least about the subject matters before they attended. The top people were less impressed. This, of course, would suggest that we should select our participants accordingly, but at the same time we criticize the other Departments for their low level participation.

3. The one thread that runs through all of the comments, although sometimes in a left-handed manner from the more critical senior attendees, is that the other agencies' representatives leave with a much better understanding of CIA. If this is a valid purpose, then we should continue to participate. I suggest it is a valid purpose, or at least it was last December, for in Colonel White's memorandum of 14 December to the Deputies and others he said: "The Director feels that attendance should be mandatory and that appropriate representation gives CIA an important opportunity to dispel misconceptions about Agency functions and objectives." He said the same thing in different words in his State of the Agency message last month. If he considers this still to be a valid purpose, we should continue to participate, but the Director should be urged to speak at the Senior Interdepartmental Group level on the matter of attendance. The seminars seem to be overloaded with unremarkable military and under-represented from State and AID, both as to numbers and level.

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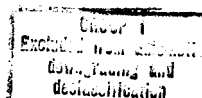
4. It follows from what I've said that, in my opinion, if the Agency image angle is not to be pursued, then the benefits from our participation are not worth the time and money.

25X1

Robert S. Wattles
Assistant Deputy Director
for Support

Atts
   OTR file on NIS

2

EXTRACT from 2 December 1970 DEPUTIES MEETING

"3. The proposal for a senior seminar was discussed at some length.
Mr. Karamessines expressed concern with taking as many senior people
away from their jobs for as long a period as proposed. He urged that we
begin with a less ambitious approach in terms of numbers, length, and
frequency. Mr. Duckett urged that we review the mid-career age and grade
criteria as it appeared that at least for his Directorate the two courses might
overlap. Dr. Smith said that he was vaguely negative regarding the proposal,
saying that he expected his senior officers to be already fairly knowledgeable
of the subject matter proposed to be covered in the course. Mr. Bannerman
supported the proposal but suggested that perhaps the grade level be expanded
to include 14's. Mr. Coffey believed that a modest approach was in order; the
others present supported the general proposition. Mr. Cunningham responded
to the various comments. Colonel White received no objection to a decision to
commit ourselves to a first running next fall with the grades limited to GS-15
and GS-16. He will review with the Director and, subject to his approval,
Mr. Cunningham will go ahead with the planning for the course."

EXTRACT from 16 December 1970 DEPUTIES MEETING

"4. Colonel White reported that he had discussed with the Director the
proposed senior seminar which had been endorsed by the Deputies. The
Director agreed to one running only of the course with the understanding that
the results would be reviewed before a decision was made for further runnings.
Underlying the Director's reservations are the demands being made on the time
of senior officers."

EXTRACT from 29 June 1971 DEPUTIES MEETING

"5. Colonel White's next subject was the Task Force Report on the National
Interdepartmental Seminar to the Under Secretaries Committee. Mr. Meyer stated
that the Clandestine Service was now obligated to provide three members to each of
eight annual courses. It was his opinion that the National Interdepartmental Seminar
(NIS) is now much less operational in content and he would like to cut back to one
member per course. Mr. Proctor expressed the opinion that this is now an exercise
to keep an existing program going. It was his opinion that the 48 people per year plus
speakers provided by the Agency is a large investment of questionable value.
Mr. Parrott reminded the group that the rationale for this course at the outset was
that a counterinsurgency course was to be established and well attended. Today it
deals more with how national foreign policy is made. Mr. Stewart questioned
the value of the course to our representatives. In summarizing, the Executive
Director sensed that the consensus of the group was that the Director should not
support continuation of the course because it has probably outlived its usefulness."

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FILE *Meetings (Deputies)*

19 February 1971

MEMORANDUM FOR: Deputy Director for Intelligence
Deputy Director for Plans
Deputy Director for Science & Technology
Deputy Director for Support
General Counsel
Inspector General

SUBJECT   : Agenda for the Deputies Meeting on
24 February 1971

At our meeting at 2:30 on Wednesday, 24 February, Chuck

Briggs will present a half-hour briefing on "Organization and

Management Operations in Information Processing," which will

be followed by a discussion period.

STAT

L. K. White
Executive Director-Comptroller

cc: Chief, IPB

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71-0476

71-1046

17 March 1971

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Information Processing--Selected
Organizational Options

1. As a follow-on to the 24 February Deputies' meeting,
and possible springboard for the next move on the information
processing front, I have pulled together the attached 10 organi-
zational options, plus a brief indication (last page) of how
the five major Management Issues discussed in the [   ] Report   25X1
relate to the question of centralized vs. decentralized ADP
organization.

2. The differences in the attached from that which was
presented orally to the Deputies include: a) a more extensive list
of pros and cons for each; b) more options than time permitted
noting orally; c) three alternatives (second last page) addressed
exclusively to ADP professional personnel. The Pros and Cons
statements by themselves sound a little too dogmatic; they do
require some discussion.

3. The range of options still goes from the most compre-
hensive (Option 1 - New Processing Directorate) to Option 3
(Status Quo). There are more options concerning ADP-focused
changes, as there were in the Deputies' session. This is not
only because there are many combinations if one focuses only on
ADP, but because it is the computer growth which has seemed to
cause the greatest management unease. Nevertheless, I urge top
management focus on the whole problem, which includes communi-
cations interaction with computers in what they're calling tele-
processing, when considering not only what changes, if any, should
be made now, but what the longer range goal ought to be.

4. Obviously, IP&E organizational changes must be considered
in context with other possible changes. It may be that incremental
steps, focusing first on [   ] would be the most logical course to
follow.

[   ]   25X1

Charles A. Briggs
Chairman, Information Processing Board

Orig - C/IP Board

SELECTED
INFORMATION PROCESSING ORGANIZATION AND
MANAGEMENT OPTIONS

OPTION 1 - New Processing Directorate

PRO

  o Groups like activities - single management

  o Groups increasingly interacting technologies

  o Answers ADP organization question - promotes ADP
   management solution issues*

  o Achieves fullest ADP resource savings

  o Most logical in an overall Agency reorganization

CON

  o Dislocations major in every directorate

  o Removes processing support services from direct
   control of present parent

  o No real proof we have management skill for consolidation
   if ability re the pieces is suspect

---

* o How best organize ADP resources, minimize costs

  o How develop skills

  o How most effectively operate centers

  o How minimize hardware redundancy, software duplication

  o How assure adequate security

SECRET

OPTION 2 - Partial Transfer to DD/S (OCS, CRS, Cable Sec)

PRO

- Facilitates Commo/ADP interface

- Can resolve intelligence file roles between CRS and OCS

- Gives some resource advantage through partial ADP consolidation potential

CON

- Somewhat arbitrary (why not RID?)

- Possible exaggeration of Commo/ADP interface issue

- Is neither fish nor fowl in full consolidation of "processing" or ADP components

SECRET

OPTION 3 - Status Quo

PRO

- Centralization/decentralization compromise

- Politically acceptable

- OCS is highly centralized with:

    a) High recruitment/training standards and work variety, therefore represents a superior skills bank

    b) Centralized computing saves money

    c) Space savings

- CRS, RID, NPIC under direct control of parents

- Multiple centers provide some backup insurance

CON

- Costs add: money/space/people

- Some duplication in software development

- Complexity of current organization makes central management difficult

OPTION 4: ADP Decentralization

A. TOTAL

PRO

- Ideal political solution

- Directorates concerned re cost/benefit analysis
    and alternatives

- Most responsive to parent

- Multiple center backup

CON

- Considerably more expensive

- Fairly extensive duplication in software development
    probable

- More complex to manage than status quo

- Requires new center construction for DD/S and
    enlargement of CRS and RID centers

OPTION 4: ADP Decentralization, cont'd

B. __PARTIAL__: OCS keep DD/S support role--others upgrade

PRO

⊚ Does ..ot require new DD/S Center as 4. A. does

⊚ Other advantages essentially same as 4. A.

CON

⊚ Two Directorates (DD/S&T and DD/S) vie for
   OCS service/priority

⊚ Increased cost, space, duplication, complexity as
   in 4. A.

OPTION 5: ADP Centralization

A. ☐ Recommendations: Stronger OCS, stronger centralized management

25X1

- OCS do all on-line development

- Full-time Advisor to ExDir and full-time staff

- ADP Career Service

- Limit CRS, RID, NPIC

PRO

- More centralized control without organizational upheaval

- Some centralization advantages: space and hardware costs; elite cadre in OCS

- Priority attention in CRS, NPIC and RID to DD/I and DD/P parents

- Multiple center backup

- User office budgeting--leads to more cost/benefit analysis

- Agency top management more involved in ADP affairs

CON

- Not as politically acceptable

- More centralization would mean more resource savings

- Still some software duplication probable

- Almost as difficult to manage as status quo

- Additional management mechanisms are necessary

OPTION 5: ADP Centralization, cont'd

B.   A. D. Little Recommendation to [   ] Report

- CRS to OCS; RID and NPIC continue

- Limit RID to namecheck and document finding

- Adopt same/all of the management choices in [   ]
     (ADP Career Service, user budgeting, etc.)

PRO

- Same as Option 5. A. except abolition of CRS
     center is fairly major upheaval

CON

- Probably politically unacceptable to DD/I

- Otherwise, same disadvantages as Option 5. A.

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OPTION 5: ADP Centralization, cont'd

C. TOTAL (Headquarters) in OCS

- Abolish RID, CRS; keep NPIC [or transfer its ADP
  component and provide communication link]

25X1

- Adopt ☐ Management choices (user budgeting, etc)

PRO

- Significant savings in space/people/dollars

- Duplication of software development would cease

- Professional status of ADP personnel would rise

- Single center is more visible--easier to manage/control

- User budgeting tends to counter potential centralization
  weakness, i. e., inadequate project approval
  evaluation

- Terminal "personalizes" computer for user--not
  necessary to put computer itself under user
  management

CON

- ~ ~~cally unacceptable ?

- Directorates compete for OCS support

- Less backup insurance

- Possible difficulty in understanding the problem
  potential vis-a-vis the user

OPTION 5: ADP Centralization, cont'd

D. Centralize Hardware - Decentralize People

- Abolish CRS and RID centers - add to OCS

- NPIC as above in Option 5. C.

- Keep small systems development staff in OCS (in addition to S&T); reassign the others to appropriate Directorate

PRO

- Space/hardware cost savings

- Possibly politically acceptable to all [People more important than machines]

- More attention given to cost/benefit analysis since design and programming would be done in Directorates

CON

- Centralized management almost as difficult as now

- Some duplication of software probable

- ADP professionalism would tend to decline

- Directorates would all vie for computer time

ADP PERSONNEL OPTIONS:

Systems Designers and Applications Programmers

<u>1</u> : Centralize in offices with the computers

  • This is the present arrangement

  • Greater machine centralization would mean greater
      designer/programmer centralization

<u>2</u> : Assign designers/programmers to offices with computers, <u>but</u>
      <u>detail them</u> for 1-2 year tours in user components

  • This is the [   ] recommendation

  • Also the A.D. Little recommendation to DD/S

<u>3</u> : Assign designers/programmers outright to Directorates
      they are to serve

<u>N.B.</u> Little resource implication difference in the above, except
      <u>3</u> potentially leads to recruitment competition; less
      controlled growth; more complex training/career develop-
      ment planning.

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Management Issues

Related to Centralization/Decentralization

1. <u>User Office Budgeting</u> - more important when computers are
   centralized

2. <u>Central Project Review</u> - important in either situation, but
   critical in decentralized world

3. <u>ADP Career Service</u> - possible need in a decentralized
   environment

4. <u>Agency-Wide Technical Standards</u> - greatest need in decentralized
   world

5. <u>Full-time ADP Advisor & Staff</u> - a requirement in a decentralized
   organization

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.1 MAR 1971

MEMORANDUM FOR THE RECORD

SUBJECT: Deputies' Meeting (24 Feb 71) Briefing on "Organization
and Management Options in Information Processing"

1. Subject briefing, given by the undersigned, began with a
reminder of the general conclusions of the August 1969 session with
the DCI on automatic data processing (ADP). Also mentioned were
the major ADP management issues drawn up by Hank Knoche for the
DDCI early in 1970, which included questions of: organization;
equipment planning; skills development; resource and workload
control; remote terminal policy; major project development approvals
and monitoring (WALNUT, SIPS, CHIVE, IIS); Community-wide
systems; technical standards; and security. Besides the expected
management focus on "what", "how well" and "how much", ADP
seems to be of particular concern because it is still relatively new,
is pervasive, technical, rapidly changing, tends to merge more and
more with communications, is large and expanding. The few existing
policy papers on the subject in the Agency and Community were cited.

2. ADP was said to be too narrow a focus because of the commo/
computer interaction, as well as technological entry of computers and
microphotography into the records management world. The more
appropriate scope for this session was thought to include the whole
Information Processing and Exploitation (IP&E) category, in the PPB
sense, plus Communications. Dollar and position IP&E totals for
FY72 were cited, broken down according to imagery exploitation,
signal processing, dissemination services, information retrieval and
central ADP services.

3. To reflect the scope of impact, the following significant
current decision subjects were discussed: the DD/I ☐ Report;
DD/S SIPS Report ☐ ; recent RID/DD/P and CRS/DD/I
equipment upgrading requests; the OCS/DD/S&T FY71-75 equipment
plan; automatic dissemination plans, specifically, those for Cable
Secretariat (ACT) and CRS; Community network systems (TETRAHEDRON,

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COINS); IG reports on OCS, OPSER/DD/P and (in draft) the "information explosion"; research and development in IP&E; records management and Office of Management and Budget (OMB) pressures; technical collection systems (AUTUMN) and future near/actual real-time systems. Also probable growing management support information interests in the field, certain sensitive projects now supported by OCS, etc.

4.   Additional statistics were given on current ADP dollars, manpower and space in the three major headquarters computer complexes, covering FYs 1966, 69-72 and a projected 5-year average. Information was also presented on computer systems extant in each directorate.

5.   Representative organization options were presented, as follows:

a.   New Directorate - including, possibly, OCS, CRS, RID and SG, NPIC, Commo, Cable Sec, Map Library, Records Management Staff, Records Center, Info Processing Staff/ODD/S, ZRIDIOM and Intell Services Branch/FI/D, Analysis Division/OEL, IPRD/ORD [   ]   25X1
[   ]. Or modifications downward.   25X1

b.   Service of Common Concern Transfers to DD/S - involving OCS, CRS and Cable Secretariat; creating new ADD/S (Processing) and including Commo, Records Management, and PSD (along with those units transferred in) under his purview.

c.   Concentration on Major ADP Headquarters Only:

1) Combine OCS, RID, CRS machines in OCS, leaving systems designers and application programmers in each directorate.

2) Leave computer facilities physically as they are. Centralize equipment procurement, systems programming and machine and operations under OCS management.

3.   Provide a computer center in each directorate.

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It was noted that pro-and-con information had been pulled together on these, and five other options.

6. Colonel White solicited comments from each attendee in turn, noting that he didn't expect to decide on a course of action at this meeting, but did want to stimulate discussion. Mr. Proctor said that he was not dissatisfied with things as they are--that they are not by any means perfect, but that the organizational changes described would not seem to help. CRS, he said, is not a DDI center, the CRS machine is not a DDI-only machine. The function of the ADP shop in CRS is to provide information storage and retrieval (IS&R) only--it handles "public" files and is an IS&R service of common concern to the Agency. Likewise, NPIC's ADP component is, essentially, an IS&R shop uniquely geared to photo-interpretation and a Community common service in that IS&R context. OCS he views as a broad guage common ADP service to the Agency, taking on other than mass production IS&R general projects. OCS should have "first refusal" on new ADP applications; he agreed strongly with the DDP point, made in discussion, that each current project/application should be reviewed as to validity and appropriate processing organization.

7. Dr. Steininger noted that we do indeed have a central ADP service in OCS, that those things which can best be done centrally should be, that there appear to be some functions being performed decentrally that could be centralized. However, it doesn't necessarily follow that one is assured of better management simply by lumping like things together. There is a tendency, he said, to look for tidy solutions where computers are concerned, but he suspected that there is no tidy solution. IP&E, he said, like R&D is integral to all aspects of the intelligence business; it isn't so cleanly separable. In subsequent discussion, he too supported looking at all current applications with a view to validating them as to substance and processing component.

8. Mr. Coffey felt that stronger central management overview in some form is required, whether within the present Information Processing Board mechanism or elsewhere is not clear at this point. He said also that there is a growing interaction between communications and computers that requires more focused management attention than has been given to either in combination to date, but it doesn't necessarily follow that organizational changes are required. He does feel that

dialogue between the Office of Communications and OCS is better than in the past. He also feels, with respect to central management that current policy directives are not being followed. He was surprised by (and skeptical of) alleged potential space savings figures through machine consolidations.

9. Mr. Houston said that he'd pass, observing, as a generalization, that in the absence of evidence to the contrary, he would tend to opt for centralization.

10. Mr. Stewart stated that, although a new directorate may be too big a bite or premature now, he feels strongly that the current environment needs improvement, that change is required. He said that Commo and OCS should be brought closer together and should have the authority to say, "No" on technical grounds to others' proposals in the ADP/Commo world. As a result of IG reviews into OCS and OPSER and the recent look at the information explosion, he is convinced that some change must occur.

11. Mr. Karamessines agreed that more central authority/control is needed. But he felt that concentration on organization and resources was the wrong approach. He suggested a look "from the bottom up"--at each individual project, putting the burden of proof on the processing unit outside of the central facility that the project couldn't or shouldn't be supported centrally. He thought that the DCI should be briefed on developments since the August 1969 session, but, in response to a question from ExDir, did not think that this subject should be on the agenda for the Director's Planning Conference-- if it were, "nothing else would get discussed" seemed to be the view of several of the attendees.

12. Colonel White asked for clarification on the general satisfaction within the Intelligence Directorate and on the DDP's views re experimental/developmental work. He summarized in general terms his understanding of what had been said by the attendees and suggested that the subject be taken up again after this session has been assimilated. It was agreed that an outline of the presentation and a copy of the charts used would be sent to each attendee.

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Charles A. Briggs
Chairman, Information Processing Board

Attachments
As stated

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INFORMATION PROCESSING MANAGEMENT OPTIONS

Outline of Briefing Given at Deputies' Meeting
24 February 1971

I. Summary of previous session with DCI (August 69).

    -   Not critical yet, but ...

    -   Major issues.

    -   Six alternatives; range: New Directorate to clarifying
        existing roles.

II. Today - increased pressure, internally and externally.

    -   Summary of Management Issues presented to DDCI early 1970
        [Organization changes; hardware planning; skills development;
        growth in resources -- how guage relative value; control of
        workload; remote terminals -- policy/controls; major project
        developments (WALNUT, CHIVE, SIPS, IIS); Community-wide
        systems; standards; security]

    -   Basic management concerns: what are we doing; how well --
        technically/managerially; at what cost -- machines/people/space.

    -   Why the concern? ADP is: still relatively new (not tradition
        bound nor understood); pervasive; technical; changing rapidly;
        merging with and modifying commo; large and expanding.

    -   Existing policy: HN 7-4 and related ExDir memos; DCID 1/4
        and related USIB memos.

    -   General conclusion, ADP focus too narrow. Requires IP&E
        and Commo focus: teleprocessing and microform technology
        (Chart I for FY 72 IP&E resource totals).

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III.   Major Current/Recent Decision Areas (Chart II).

-    [ ] SIPS; RID and CRS equipment upgrading; CRS space
renovation; RID/IBM bodyshop contract; OCS FY 71-75
equipment plan; ACT and other automatic dissemination;
Community network plans [   ] COINS);   STAT
IG Reports (OCS, OPSER, Info Explosion); R&D in IP&E;
Records Management and the Office of <u>Management</u> and
Budget.

    <u>Other considerations</u>:

    -    Future DDP field needs of management/resource
        information.

    -    Technical collection systems: [   ] like; near-real-   STAT
        time transmissions.

    -    Sensitive project support now performed centrally.

IV.   Overall ADP Picture (major facilities: Chart 3).

    Dollars, people, space; patterns; computer breakdown by
    Directorate percentages of total Agency budget, etc.

V.   Brief mention: attributes of technological age.

    Transcience; novelty; diversity (overchoice); limits of
    adaptability (info overload; decision stress).

VI.   Representative Options:

A.   New Directorate -- all IP&E and Commo.

B.   DDS Acquire Common Concern Service Organizations
      (OCS, CRS, Cable Sec).

C.   Concentrate on ADP only (also representative options):

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1. Combine OCS, CRS, RID <u>machines</u> physically; leave designers/programmers.

2. Leave ADP centers as is but centralize hardware acquisition/operation.

3. Total decentralization.

VII. Future role of IP Board and IP&E separate category depends on option selected.

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Major Current Decision Items

DDI [____] Recommendations: (selected management samples)

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- Centralize most computers in OCS
- Full-time Advisor to Ex Dir (plus staff)
- Single Career Service
- Users budget for ADP Service

DDS SIPS A.D. Little Report (independent DDS Staff capability)

RID/DDP Equipment Plans and IBM Personal Services Contract

CRS/DDI Equipment Plans and Space Renovation Plans

OCS Long-Range (1971-75) Equipment Plans

ACT: COMMO/Cable Sec Automation Plans

Future Communication Network Requirements (COINS, [____])

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IG Reports on OCS and DDP/OPSERV

R&D in Information Processing

Records Management and OMB

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Remarks:

    This paper is a collection of thoughts,
ideas, truths dimly perceived, and prob-
ably some bias and prejudice on the part
of the author. It represents a good deal
of experience in the subject and is a
highly personal statement of thought and
opinion on solutions to the problems
addressed. If any sacred cows are killed
or oxen are run into the ditch, it can't
be helped now. I have prepared this in
haste and am prepared to repent at leisure.

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Management of Information Processing

The problems associated with the control and management of information processing often are stated so as to address various symptoms of a general malaise and seldom seem to address the two real problems:

1. The Agency does not manage information processing successfully.

2. Information processing is not adaptable to conventional management techniques or conventional organizations.

Before proceeding further, let me define information processing, as used here, in a narrow sense, i. e. the use of computers to process data. With one stroke, we may exclude printing, communications, foreign broadcast collection services, and other activities which may be included in the broad budget program sense. The reason for such exclusion is that the problems are different and the solutions suggested here would be invalid.

Many examples can be cited to substantiate the reality of these basic problems. How we arrived at our present predicament might be a good place to start. Certainly, we have evolved. Through trial and error, building competence and experience, hard work, and no little ingenuity, the Agency has arrived at a point in time and experience where we can perceive that some basic, fundamental changes must take place.

Our problems started with success. At an office level, processing requirements were stated and, with computer technician help, systems were built that worked. In this case, the early bird got what worms were available. As long as resources (time, money, technicians, computers) lasted, it worked. When the processing problems evolved into more complex systems, which involved different organizations, and multiple, complex functions, we ran into trouble. We ran out of resources - first technicians, then computers, then time, sometimes all three at once. As far as the management of these activities went, we had and still have, lower level organizations committing the Agency

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to continual and rising expenditure of resources with little
or no management perception of the course of events, other
than some heart-felt sentiments that "the machine budget is
too high." Of course it is! Small problems get solved,
larger problems take time and effort and thought. The
small systems answering specific, well defined requirements
were successful. They also required resources. The larger
problems were solved not so successfully, if at all attempted.
The resources available were often devoted to the smaller
systems. Very seldom did over-all planning occur; prior-
ities were seldom addressed on a wider basis than at the
individual customer level.

As our evolution continued, larger problems were
studied, smaller problems were seen as part of a larger
picture, and some generalizations of Directorate and Agency
problems were attempted. Agency computer facilities and
technicians were centralized, where practical. However,
the access to computers, the assignment of tasks, long
range planning, assigning priorities, and coordination
went on as before. We were aware of the existence of
common problems and suspected that data processing systems
could solve many problems with fewer, general systems. How-
ever, to do so required the coordination, participation, and
cooperation of many organizations and the pooling of talents
necessary to achieve systems. The Support Information Sys-
tems Task Force was one of the first ad hoc organizations
specifically established to provide such a pooling of
talent and to attempt a Directorate look at planning.
Many of its problems are connected with people and organ-
izations, few of its problems are connected directly either
with the statement of the problem or its solution.

We are at that point in our evolution where planning,
priority setting, evaluation of need and resource assign-
ment must be done centrally, certainly above the office
level. One of the most dangerous analogies to make is to
equate information processing with other types of service
support organizations. The methods, techniques and products
are entirely different and only the fact that a service is
provided has allowed us to draw a parallel. A comparison
of Printing Services Division, OL with the Office of Computer
Services will clearly demonstrate that the dissimilarities
are far greater than any apparent similarity.

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The primary reason standard management techniques and conventional organizations are not adaptable to information processing activities is: Multi-function processes require multi-function skills. The customer cannot dump a job on the data processing organization and go away. He is involved with the system development process and must be involved with the result. The computer becomes a part of his operation, the computer system a part of his operational system. Obviously, if many organizations rely on a system as a part of their work, the system cannot be changed at random, or whim, and there's the rub. A general system cannot be conceived, designed, tested, or put on the air without this rubbing, either.

Within the computer processing organization, there are again differences in skills and techniques. Scientific and commercial processing co-exist in the same organization uneasily and are usually thrown together because of the abovementioned error of putting emphasis on the apparent similarities. Again, the differences far outweigh any commonality to be found in techniques, personnel, customers, or management. Until recently, the computer equipment requisite to the particular requirements of commercial, scientific, and information retrieval was often found to be quite different. In fact, there are still some iconoclasts who will insist that separate, different hardware is more economical and efficient. I think the equipment can be the same, but used differently, thus giving some advantages both ways.

Where the pooling of computer equipment and personnel has been successful is in the areas of truly common functions, such as computer operators, production control, and systems programming. The selection and procurement of computer hardware can also be pooled, but is much more difficult to manage.

The management of computer equipment and personnel and the management of the uses to which these resources are put, i.e. the management of the users, cannot be accomplished very well at differing levels of control. It seems to be wasteful to let offices plan priorities, assign personnel, acquire equipment, and commit to schedules for information processing, and then require the next level (Directorate or Agency) to attempt to do the same thing for management purposes. The next level has neither the skills, nor the experience to manage these activities.

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The computer organizations have great difficulty in dealing with customers from many organizations, any of whom may have access to different computer components and services. The possibilities for duplication of service are great; the information processing coordinators have not been able to control this activity. The possibilities for unknowingly processing the <u>same</u> data for two users also are present.

I believe the following to be fact, not assumption:

1. The users of information processing must be managed.

2. A data processing organization by itself is not a good organization to manage the users.

3. The development and maintenance of complex computer systems requires multi-function, multi-skill organizations.

4. The skills of the customer are better utilized under the control of the data processing organization during the development of solutions for customer problems.

5. Authority and responsibility for information processing must be clearly defined and understood.

6. Planning for information processing must be accomplished jointly by the customers and the information processors. It cannot be done unilaterally by either group.

7. The development of complex computer systems is best accomplished by a "vertical trust", i.e. problem definition and problem solution are in <u>one</u> common channel.

When the Office of Computer Services was established over seven years ago, it was to be the central computer service organization. The increase in computers and systems outside the central service has kept pace with the growth inside the central service. If the Support Directorate were to have the facilities of the other Directorates, i.e. a separate facility, it would be obvious to all that the central computer service was largely myth. Only through the diligent efforts of many analysts were some applications discovered which could lend credence to a central service. We have established an Agency computer center

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that does not serve the entire Agency.

There are only two feasible ways to manage information processing in the Agency: a central Agency organization and decentralized organizations at the Directorate level. Given the present organizational structure of the Agency, variations are possible without violating either method. Once decisions are made concerning the management of information processing, the organization of resources to implement such decisions can be arranged. It is easy to suggest organizational changes as a problem solution; it is not so easy to understand the problems. I therefore present the following suggestions as certainly no final solution, but only part of the continuing evolution.

It is my belief that the Agency could be better served at this time by organizing information processing activities at the Directorate level. Such organizations would be easier to manage than a central Agency organization, would be responsive to the needs of customers, would provide a single command channel, and planning at a realistic level would be facilitated.

I am persuaded that this arrangement is best for three over-riding reasons: It is realistically the way the Agency does business, it will provide management of the users, and the nature of the functions performed by the computer organizations can be organized by Directorate functions. Each directorate could then control the planning and execution of its information processing activities by managing the entire activity from start to finish. At the Agency level, a planning review board could control the overall planning, resources allocation, priorities, and direction, much like the Information Processing Board functions today.

This option could be accomplished without great physical movement in personnel or equipment. The organizational details would fall into line fairly easily, once the basic objectives had been set. It would mean the partial dismemberment of my own office (OCS) by shifting two present divisions to other management. The present OCS Operations Division could remain in place, as could equipment, but one would expect equipment and personnel to be distributed, according to need, whenever necessary.

Each directorate would have to create a new organization, whether office or staff, to process information, and provide planning and management. It will be a traumatic experience for some Offices to lose the unilateral connections with the computer organization serving them, but it

must be done, if we are to control resources and ultimately cost and efficiency.

The functions performed by the computer organizations today are basically four; information retrieval, scientific processing, commercial processing and computer supervisory systems.

The techniques, the objectives, the operational methodology, the usage of equipment, and the customers served are oriented differently in each instance. The problems connected with each function are different and I feel strongly that many of the problems with computer processing management have been due to stressing the similarities and glossing over the differences. It is not coincidental that these functions could be distributed to Directorates and that the major portion of the services performed for a Directorate would fall into one functional area. Duplication of resources and applications could be prevented by assigning these functions to separate Directorates. Not all information processing for a Directorate would be accomplished by its own service, but the amount of such activity could be considered minimal.

To conclude, I believe each Directorate should have an information processing function, should be charged with planning and executing information processing activities, and should combine all of its information processing activities in one organization, complete with career service, staffing complements, and funds. Once truly centralized Directorate information processing centers are in being, we will undoubtedly be ready for the next step in our evolution. That's another chapter.

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4 February 1971

Mr. Coffey:

A couple of weeks ago I sent copies of the latest Withington report to Chuck Briggs, Jack Iams, [   ] STAT I have since discussed the report with each of them except Iams who sent his copy to [   ] before going on leave. His note to [   ] said STAT something to the effect that he thought this could be the basic for a workable solution.

I have no confidence that I can accurately summarize Briggs' position. Clearly he doesn't accept the report as written but I don't have a clear notion of what he thinks will work. I think he feels the [   ] report STAT runs contrary to the direction he believes the Agency should take. He may be reluctant to express a position because I think he is counting rather heavily on having some definitive guidance come out of briefings he plans for (1) Colonel White, (2) the Deputies, and (3) the Director. Whether the briefing for the Director will be scheduled or not depends on the outcome of the first two. The idea of a separate Directorate combining OCS and OC is still a part of his back-of-the-mind thinking, as is the thought of solving the DD/S problem by transferring all of OCS to the Support Directorate. He still promises to talk with you after he has talked with Colonel White but before he goes to the Deputies.

[   ] doesn't like the [   ] report. His position regarding STAT OCS - DD/S working relationships remains the same as it was a year ago. DD/S information processing people would look upon the computer as a "black box". "Program design and programming" would be accomplished by OCS. DD/S does not have the competence now; it would be acquired by keeping perhaps two or three people from among those now assigned, direct external recruitment, and some "seeding" of three or four MSD personnel. He doesn't understand why we continue to discuss this problem with him and others outside DD/S. DD/S should make up his mind what he wants and go after it.

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[_____]likes the idea of the "vertical trust" -- all of the hardware   STAT
and people resources should be under the same management. This notion
can apply at the Agency or subordinate levels -- all of the resources should
be in OCS, or all of them should be in the Directorates. He would consider
having them all in the Directorate the preferable choice. If the hardware is
not to be under Directorate management, he would consider having all
resources under Directorate management, except those inside the computer
room door, an acceptable alternative.

[_____]agrees with Fellows that having all resources under DD/S   STAT
management is the preferred choice. John feels that having all resources
under OCS management would be unacceptable. Having all resources except
the hardware under DD/S management is a reasonable place to make a break
in the functions, if they have to be split.

I find the arguments in favor of having all resources under DD/S manage-
ment to be persuasive. Like the others who feel that way (interestingly enough,
[_____]said he would take that position if he were in Fellows place) I have   STAT
to acknowledge that such a change is not likely to occur. The preferable
alternative is for DD/S to have everything except the hardware. This was
the recommendation[_____]offered us in his first paper that was unacceptable STAT
to everyone else.[_____]s second paper offered what I thought was a   STAT
reasonable compromise, but even this is not generally acceptable. Having
OCS furnish complete support to the Support Directorate in all the information
processing skills is the only alternative solution where there is complete
agreement among Briggs,[_____]and Iams. One or another   STAT
of them drops off the agreement wagon if any other alternative is proposed.
There seems to be no alternative and no compromise that I would be willing
to recommend which gets unanimous agreement among interested parties
outside the Support Directorate. All parties are wearying of the discussions
and it appears that nothing is to be gained by pursuing them further. We
need to decide what we want to do and figure out how we go about doing it,
recognizing that there is no action we can take unilaterally that will be
satisfactory to us, and that we aren't going to get complete agreement
among other parties no matter how far we are willing to go with compromises.

Support information processing has been "compromised" since 1963
when the Machine Records Division of the Office of the Comptroller was
transferred from the Support Directorate to become the Management
Support Division of the newly created Office of Computer Services. I
suppose we're going to have to continue to compromise but, if we do, it

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seems to me we have nothing to lose by making Colonel White, the Director, and the other Deputies aware of the extent to which we feel we are compromising.

I suggest we prepare a paper for Colonel White laying out the whole problem and, drawing heavily from both Withington papers, state our objectives, alternative approaches, and recommended solution. I suggest we indicate that having our own hardware would be preferable, but we will compromise and go after everything but the hardware.

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4 February 1971

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in the functions, if they have to be split.

I find the arguments in favor of having all resources under DD/S manage-
ment to be persuasive. Like the others who feel that way (interestingly enough,
[   ]said he would take that position if he were in Fellows place) I have   25X1
to acknowledge that such a change is not likely to occur. The preferable
alternative is for DD/S to have everything except the hardware. This was
the recommendation[   ]offered us in his first paper that was unacceptable   25X1
to everyone else. [   ] second paper offered what I thought was a   25X1
reasonable compromise, but even this is not generally acceptable. Having
OCS furnish complete support to the Support Directorate in all the information
processing skills is the only alternative solution where there is complete
agreement among Briggs[   ][   ]and Iams. One or another   25X1
of them drops off the agreement wagon if any other alternative is proposed.
There seems to be no alternative and no compromise that I would be willing
to recommend which gets unanimous agreement among interested parties
outside the Support Directorate. All parties are wearying of the discussions
and it appears that nothing is to be gained by pursuing them further. We
need to decide what we want to do and figure out how we go about doing it,
recognizing that there is no action we can take unilaterally that will be
satisfactory to us, and that we aren't going to get complete agreement
among other parties no matter how far we are willing to go with compromises.

Support information processing has been "compromised" since 1963
when the Machine Records Division of the Office of the Comptroller was
transferred from the Support Directorate to become the Management
Support Division of the newly created Office of Computer Services. I
suppose we're going to have to continue to compromise but, if we do, it

seems to me we have nothing to lose by making Colonel White, the Director, and the other Deputies aware of the extent to which we feel we are compromising.

I suggest we prepare a paper for Colonel White laying out the whole problem and, drawing heavily from both Withington papers, state our objectives, alternative approaches, and recommended solution. I suggest we indicate that having our own hardware would be preferable, but we will compromise and go after everything but the hardware.

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Oct. 1970

MEMORANDUM FOR: Chief, Support Services Staff

SUBJECT   :   Draft Report on DDS Data Processing
                   Planning

FROM   25X1

The attached document is the draft report of our study of

DDS data processing personnel, planning and organization. Please

circulate copies to the interested individuals; I will be happy to

confer with any of them and to consider their oral or written

comments in preparing a final report.

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