Page Denied

Directorate of Intelligence
Office of Information Resources

30 August 1988

NOTE TO: Executive Director

STAT FROM:

Director of Information Resources

1. The proposed response was coordinated
with the Deputy Director of OIT.

2. We do not feel there is a need for a
senior level review (Director of DIA and the
DDCI or yourself) at this juncture. However,
should DIA raise any issues, I'm sure the IC
Staff will call for a review. The most likely
response from DIA will be to raise again the
issue of inadequate funds for the DIA program
in FY89 (CIA will give DIA $3.2M) and to make
a case for additional NFIP funds for DIA SAFE
STAT in FY90.

03026X/88

MEMORANDUM FOR: Director, Intelligence Community Staff

25X1   FROM:

Executive Director

SUBJECT: Support for the Analyst's File
Environment (SAFE)

REFERENCE: Your Memo (ICS 7611-88) dtd 22 August 1988,
Same Subject

1.   The CIA is very pleased with the progress that has
been made in the transition from joint SAFE development to
separate agency activities. A CIA SAFE software baseline
has been established, separate contracts with the vendors
have been effected, and the system is now managed by the
Program Management Division in the Office of Information
Resources.

2.   The CIA Office of Information Technology will
continue to support the DIA SAFE program through the
Consolidated SAFE Program Office (CSPO) as outlined in the
revised SAFE directive and transition plan. The remaining
software delivery essential to both the CIA and the DIA
systems is on schedule. We continue to review the program
status with DIA and the CSPO on a monthly basis and, at this
time, have no issues or agenda items to propose for a
semiannual review.

STAT

James H. Taylor

STAT
DI/D/OIR   (30 Aug 1988)

Distribution:
   Original - Addressee
        1 - EXDIR
        1 - Executive Registry
        1 - DDI
        1 - EA/DDI
        1 - DI Registry
        1 - DDA

1 - DDA Registry
1 - D/OIT
2 - OD/OIR
1 - C/PMD/OIR
1 - C/CSD/OIR
1 - ICS Registry

DCI
EXEC
REG

C-104-15

EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:			ACTION	INFO	DATE	INITIAL
	1	DCI				
	2	DDCI				
	3	EXDIR		X		
	4	D/ICS				
	5	DDI	X			
	6	DDA		X		
	7	DDO				
	8	DDS&T				
	9	Chm/NIC				
	10	GC				
	11	IG				
	12	Compt				
	13	D/OCA				
	14	D/PAO				
	15	D/PERS				
	16	D/Ex Staff				
	17	D/OIR		X		
	18	D/OIT		X		
	19					
	20					
	21					
	22					

SUSPENSE	1 September 88
	Date

Remarks To 5: EA/EXDIR requests D/OIR coordinate a response with OIT for EXDIR to forward to ICS by 2 September.

Executive Secretary

24 Aug 88
Date

3637 (10-81)

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Support for the Analyst's File Environment (SAFE)

FROM: Lt Gen Edward J. Heinz, USAF D/ICS	EXTENSION	NO. ICS 7811-88
		DATE 22 August 1988

STAT

25X1

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. ExDir, CIA 7E12 Hqs.	2 4 AUG 1988			
2.				
3.				
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DCI EXEC REG

DCI EXEC REG

G-104,R

FORM 610 USE PREVIOUS EDITIONS
1-79

ICS ＿811-88
22 August 1988

25X1

MEMORANDUM FOR:

Executive Director, CIA

FROM: Lieutenant General, Edward J. Heinz
                 Director, Intelligence Community Staff

SUBJECT: Support for the Analyst's File Environment (SAFE)

1.   In January 1988 the Deputy Director of Central Intelligence promulgated a revised SAFE directive to guide the transition from joint SAFE development to separate agency activities by October 1989 and to clearly delineate CIA's and DIA's funding responsibilities for the remaining SAFE deliveries. In addition, to assure a smooth separation, a transition plan and schedule was prepared by the Consolidated SAFE Program Office (CSPO) in March 1988 and approved by SAFE principals and the DDCI in April 1988. Over the past seven months CSPO has managed the program in accordance with the revised SAFE directive and transition plan and has reported consistent progress toward completion of remaining SAFE activities.

2.   To assure your cognizance of program progress, funding expenditures, and issues of concern, the SAFE directive requires semiannual reviews to monitor the SAFE program until completion. At this juncture, the SAFE program is undergoing major transitional changes with the establishment of a separate organization to manage and maintain CIA SAFE and with the acquisition of separate contracts for vendor support. Concurrent with these transition efforts are ongoing activities to develop and complete remaining SAFE deliveries that are essential to DIA and CIA missions. It would appear prudent to review the program status, at this time, to ensure a successful and satisfactory conclusion.

3.   Prior to scheduling such a review, it would be helpful for CIA to provide agenda topics along with CIA's assessment of progress to date and outstanding issues of concern. I request that this information be forwarded

STAT

to   by 2 September 1988. I solicit your support in maintaining an active interest in the SAFE program until all scheduled SAFE activities are completed and reasonable satisfaction of both CIA and DIA objectives has been achieved.

STAT

Edward J. Heinz
Lieutenant General, USAF
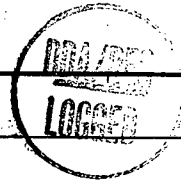
ROUTING AND RECORD SHEET

SUBJECT: (Optional)

SAFE Transition Plan and Schedule

FROM:	EXTENSION	NO. OIT-0311-88 / SAF-E037-88
Director, Consolidated SAFE Program Office		DATE 28 March 1988

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. DDA 7D24 Hqs.	Mar 31			
2. DDI 7E44 Hqs.	31 Mar			
3. EXDIR/CIA 7D55 Hqs.				
4. D/ICS	4 APR 1988	4 APR 1988		
5. DDCI 7D6011 Hqs				
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LOGGED
05 APR 1988
IC STAFF/CHB

DCI
EXEC
REG

C-104-15

FORM 610 USE PREVIOUS EDITIONS
1-79

STAT

STAT

OIT-0311-88
SAF-E037 -88
28 March 1988

MEMORANDUM FOR: Deputy Director of Central Intelligence

STAT FROM:

Director, Consolidated Safe Program Office

SUBJECT: SAFE Transition Plan and Schedule

REFERENCE: DDCI memorandum to the Executive Director, CIA,
dated 15 January 1988, entitled, "Support for the
Analyst's File Environment (SAFE)".

1.   In accordance with the Revised SAFE Directive, dated 13
January 1988, the Consolidated SAFE Program Office (CSPO) was tasked with
preparing the SAFE Transition Plan and Schedule by 31 March 1988.

2.   The attached SAFE Transition Plan and Schedule, prepared by
CSPO and coordinated with CIA/DDI/Office of Information Resources (OIR),
CIA/DDA/Office of Information Technology (OIT), and DIA/Directorate for
Information Systems (DS), are submitted for your approval.

STAT

Director, Consolidated SAFE Program Office

Attachment: SAFE Transition Plan and Schedule

STAT   cc:
Intelligence Community Staff

DCI
EXEC
REG

C-104-1r

SUBJECT: SAFE Transition Plan and Schedule

CONCUR

STAT

_____   30 MAR 88
Deputy Director for Information Systems, DIA   Date

STAT

_____   30 Mar 88
Director of Information Resources, CIA   Date

STAT

_____
Director of Information Technology, CIA   Date

APPROVED

STAT

_____   4-11-88
Deputy Director of Central Intelligence   Date

UNCLASSIFIED

SAFE Transition Plan and Schedule

For The

Consolidated SAFE Program Office

28 March 1988

UNCLASSIFIED

TABLE OF CONTENTS

Appendices

UNCLASSIFIED

1.0   INTRODUCTION

1.1   PURPOSE

This plan and schedule were developed to provide for an effective transition of the current SAFE program from a jointly controlled and funded operation to separate programs under the jurisdiction of the CIA and DIA respectively.

The activities, responsibilities, and schedules described in this plan will provide a basis for CIA and DIA management review and control of the progress of the SAFE transition.

1.2   SCOPE

Section 2.0 of this plan describes the activities, organizational responsibilities, and deadlines required to ensure the full transition of all SAFE development and maintenance activities by 1 October 1989. The transition activities are divided into: Program Management, Contracts Management and Administration, Operations and Maintenance, Development, Configuration Management, Organizational Unique Software, and Security.

Appendices A and B contain the SAFE Transition Schedules, depicting major transition activities and milestones for the CIA and DIA respectively. Appendix C is a Critical Transition Tasks Dependency Chart. Appendix D contains a List of CIA-Developed Software to be Documented for DIA.

1.3   REFERENCE

The following memorandum was referenced in preparing this plan:

o DDCI Memorandum to the Executive Director, CIA, dated 15 January 1988, entitled, "Support for the Analyst's File Environment (SAFE)".

2.0 TRANSITION ACTIVITIES

2.1 PROGRAM MANAGEMENT

At the completion of the transition activities addressed in this plan, separate, fully independent SAFE program management offices will be in operation at the CIA and DIA and CSPO will be disestablished. Full program management responsibility will be assumed at CIA (OIR) and at DIA (DS) on 1 October 1989 or earlier. In order for this transition to occur, the following critical activities must be accomplished:

1. CSPO must establish a separate software baseline for CIA.
2. Each agency must establish and activate separate SAFE contracts.
3. Each agency must establish and staff a SAFE program office.

Appendix C contains a dependency chart for these critical activities.

CSPO is responsible for developing the SAFE Separation Transition Plan and for overall coordination and assistance with the plan's implementation. CSPO will provide a monthly status report of progress against the major transition milestones. To facilitate coordination between the agencies, CSPO has formed, and is chairing, a SAFE Transition Plan Working Group (TPWG). The TPWG is composed of OIR and DS representatives who are assisting CSPO with the preparation of the SAFE Separation Transition Plan and coordinating and implementing the plan at their respective agencies. The OIR and DS organizations will each establish a SAFE program management office staffed partially with the representatives they have temporarily assigned to CSPO. For all of the functions being transitioned, each SAFE program management office will ensure that the staffs at their respective agencies are designated and prepared to assume full responsibility.

Throughout FY88, CSPO will be maintained at the levels of operational and staff support currently provided by CIA and DIA. On or before 1 October 1988, OIR will establish a separate SAFE Program Management Office. At this time, some of the CIA CSPO staff will be reassigned. The Director of CIA's Office of Information Technology will determine reassignments as appropriate. The remaining CSPO staff will be maintained at appropriate levels of support by OIT and DIA throughout FY89. Under no circumstances will reductions in CSPO staff or the establishment of a separate OIR program management office be permitted to degrade the support provided by CSPO for SAFE development and operations.

UNCLASSIFIED

2.2 CONTRACT MANAGEMENT AND ADMINISTRATION

The CIA and DIA are taking early initiatives to ensure a timely and smooth transition to separate SAFE contracts. Accordingly, transition of this function will begin in April 1988 with the issuance of separate vendor Statements of Work for each agency.   The shared goal is to activate separate SAFE contracts by 1 October 1988.   However, attainment of this goal requires: (1) the establishment of a separate CIA SAFE software baseline, (2) joint resolution of concerns regarding potential vendor skill resource contention, and (3) resolution of how joint software enhancements (e.g., MRP) that extend beyond contract separation will be managed.   Based upon the vendor proposals to be received in July 1988, CIA, DIA and CSPO will assess whether contractor resources can adequately support separate contracts. If there is mutual agreement, separate contracts will be issued and OIR will assume full responsibility for the CIA SAFE contracts as early as 1 October 1988. The transition will end when all currently scheduled deliverables are completed and DS assumes full responsibility for the DIA SAFE contracts on or before 1 October 1989. In the interim, CSPO will continue to manage the DIA SAFE contracts. In the event that the SAFE contracts are not separated early, CSPO will continue to provide each agency contract support until development is complete on or before 1 October 1989 or mutual separation is achieved.

By mutual agreement, TS3 and DA message distribution can be separated from the joint contracts. Such separation, however, must not draw upon contractor resources needed to achieve completion of other joint SAFE deliverables.

CSPO will provide each agency with detailed contract information on vendor tasking and expenditures through contract separation.   OIR and DS representatives, with the support of CSPO, will determine FY89 proposal strategies, prepare specific vendor Statements of Work, and participate in associated contract negotiations.

DIA may continue to purchase IBM hardware through CIA's procurement contract until 30 September 1989.

2.3 OPERATIONS AND MAINTENANCE

CSPO is currently responsible to CIA/DI for the following SAFE Operations and Maintenance tasks:

Management of hardware/software maintenance and upgrade scheduling,
Hardware/software licensing,
Discrepancy resolution,
Availability and performance monitoring and
Capacity planning.

Once the FY89 OIR contracts are active, the CIA (OIR) staff will begin to assume responsibility for these tasks and conduct training as necessary to assume full responsibility over a period of one month. During and after the OIR transition, OIT will continue to operate the SAFE system in the Northside Computer Center.

CSPO will continue to provide discrepancy resolution for the DIA production and testing systems.

DIA will continue its current operational support and augment staff as necessary to assume full responsibility for the management of SAFE within DIA/DS on or before 1 October 1989.

CSPO will provide both CIA (OIR) and DIA (DS) with a detailed report of on-going licenses and maintenance contracts before each respective organization assumes full "operations and maintenance" responsibility.

2.4 DEVELOPMENT

CIA and DIA SAFE development efforts will both continue on the VMU system under OIT control until 30 September 1989, when all deliverables are scheduled to be completed. At this time the CIA and DIA will assume responsibility for their respective future SAFE deliverables and the VMU development system will be secured and transitioned fully to the control of CIA. Currently, there is no DIA SAFE development system. It is understood however, that after 30 September 1989, DIA will discontinue use of the VMU system and provide its own SAFE development capability.

The transition will be completed with the assumption of respective SAFE development responsibilities at the CIA (OIR) and DIA (DS) on 1 October 1989 or earlier. Pending the separation of SAFE contracts and software baselines and the resolution of related issues, OIR will begin management of CIA SAFE development as early as 1 October 1988. Because both agencies have a high degree of continuing interest in the SAFE enhancements, a working level forum for technology exchange will be developed between the two agencies. Additionally, CIA and DIA management will encourage small, informal meetings between technical personnel at the two agencies.

Until contract separation, CSPO will ensure that no new development occurs on the current SAFE software without CIA and DIA approval. This will be accomplished by processing all new development Requests For Change (RFCs) through the CSPO Configuration Control Board (CCB). CSPO will also provide each agency with a monthly technical and cost report of vendor activity until contract separation.

UNCLASSIFIED

2.5 CONFIGURATION MANAGEMENT

CSPO will oversee the transition of the SAFE Configuration Management (CM) function to each agency. This will begin with the establishment of a separate CIA baseline in June 1988. A separate CIA baseline is contingent upon approval and allocation of required funds. CSPO and CIA/OIR will assume responsibility for complete configuration control and management of their respective SAFE systems. Assuming an early baseline separation, OIR is working to implement a completely independent configuration management system for the CIA SAFE baseline as early as 1 October 1988.

OIR and DSI representatives will work with CSPO to prepare and implement a CM plan at their respective agencies. Before transition, each agency will establish its own procedures to review and control changes to their respective software baselines.

2.6 ORGANIZATIONAL UNIQUE SOFTWARE

Currently CIA (OIT) provides a subset of CIA-developed software integral to SAFE (i.e. AIM, COZZAM, CMSIO, etc.). This software is installed on the CIA VMU system and on the CIA and DIA production systems. Responsibility for this CIA-developed software at the CIA will remain with CIA (OIT). Responsibility for the CIA-developed software at the DIA, will transition from CIA to DIA when the DIA (DSI-1) assumes responsibility for operations and maintenance of its SAFE systems. The full suite of "CIA-developed software" has been jointly defined by CIA (OIT) and DIA (DS) and is listed in Appendix D of this plan.

The transition of responsibility for CIA-developed software at DIA will be gradual. It began with DIA organizational restructuring to support SAFE and will continue with CIA providing on-the-job training to DIA personnel. CIA and DIA have agreed on the scope and duration of this training. OIT will continue to provide this training as necessary through FY90. It will commence in September 1988, if selected DIA personnel have been provided required CIA security clearances. DIA will assume full responsibility for the CIA-developed software by 1 October 1989. DSI will designate the system programmers who are to receive on-the-job training from OIT. DSI will also request any CIA security clearances that are required.

CIA will document the versions of the agreed upon suite of CIA-developed SAFE software that is in production at CIA as of 1 October 1988. CIA will deliver documentation of the agreed upon suite of CIA-developed SAFE software by 31 March 1989 (see Appendix D). OIT will also continue to provide to DIA all new releases of CIA/OIT-developed SAFE software, inclusive of documentation updates, throughout the DIA transition period.
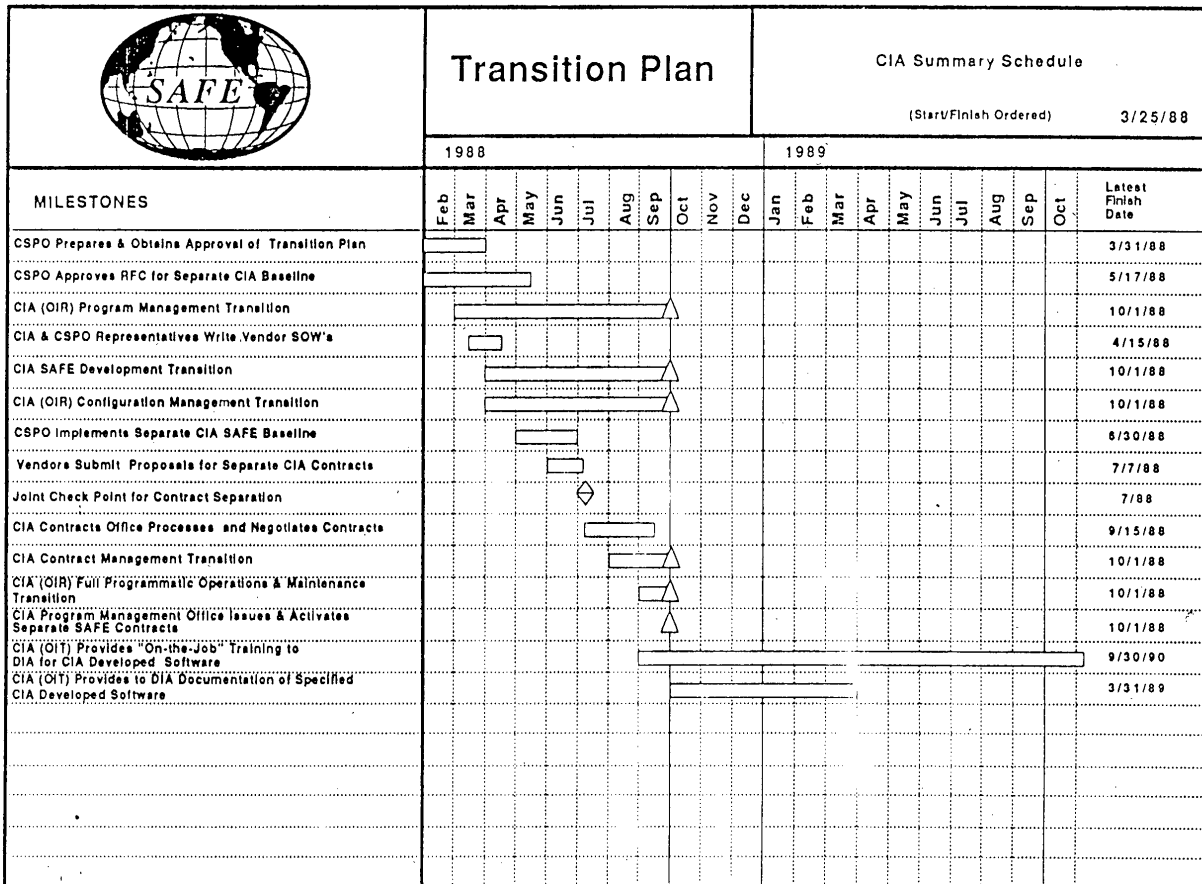
After this transition the following will occur:

1. DIA will continue to have "right-of-refusal" to all CIA/OIT-developed SAFE software and,

2. OIT will provide "best effort" assistance for "level 3 maintenance" (defined as problems with CIA-developed software that cannot be resolved by DIA systems programmers), acknowledging that the changing CIA environment will make this assistance more difficult as time passes.

2.7 SECURITY

CSPO performs two primary tasks associated with SAFE security. The first is coordination and administrative support for CIA clearances of SAFE contractors. Prior to separation, CSPO will brief each agency on respective clearances in process. Assuming CIA and DIA agree to split contracts on 1 October 1988, OIR will then assume full responsibility for coordinating the CIA clearances of contractors supporting CIA SAFE contracts. CSPO will continue to coordinate CIA clearances for contractors supporting the DIA contracts until DIA separation on or before 1 October 1989. At this time, only DIA clearances will be required and DIA will assume full responsibility for coordination and administrative support.

The second task is access control of the VMU system. CSPO currently issues user IDs and passwords and performs periodic audits. CSPO will continue this VMU support for both agencies until DIA separation on or before 1 October 1989.

Unclassified   Unclassified

Transition Plan

CIA Summary Schedule

(Start/Finish Ordered)   3/25/88

MILESTONES	1988	1989	Latest Finish Date
CSPO Prepares & Obtains Approval of Transition Plan			3/31/88
CSPO Approves RFC for Separate CIA Baseline			5/17/88
CIA (OIR) Program Management Transition			10/1/88
CIA & CSPO Representatives Write Vendor SOW's			4/15/88
CIA SAFE Development Transition			10/1/88
CIA (OIR) Configuration Management Transition			10/1/88
CSPO Implements Separate CIA SAFE Baseline			6/30/88
Vendors Submit Proposals for Separate CIA Contracts			7/7/88
Joint Check Point for Contract Separation			7/88
CIA Contracts Office Processes and Negotiates Contracts			9/15/88
CIA Contract Management Transition			10/1/88
CIA (OIR) Full Programmatic Operations & Maintenance Transition			10/1/88
CIA Program Management Office Issues & Activates Separate SAFE Contracts			10/1/88
CIA (OIT) Provides "On-the-Job" Training to DIA for CIA Developed Software			9/30/90
CIA (OIT) Provides to DIA Documentation of Specified CIA Developed Software			3/31/89

△ Transition Complete   ◇ Check Point

Transition Plan — DIA Summary Schedule

(Start/Finish Ordered)   3/25/88

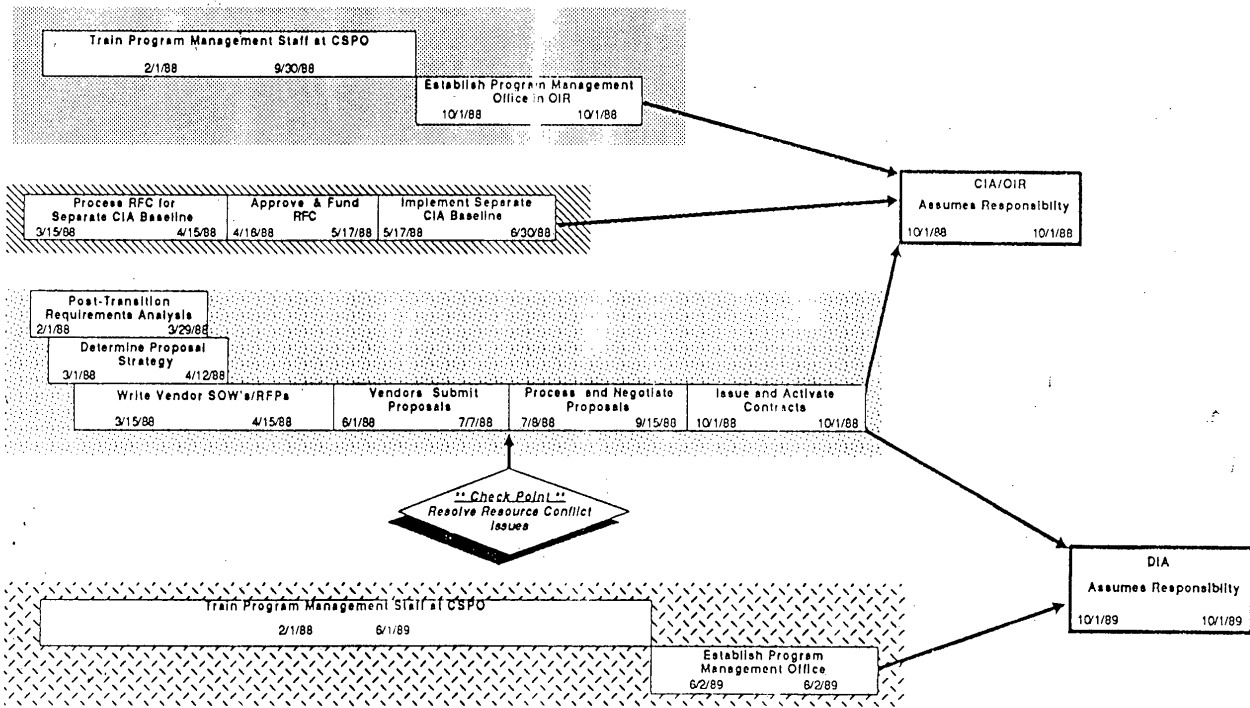| MILESTONES	1988 / 1989 (Feb–Oct)	Latest Finish Date
CSPO Prepares & Obtains Approval of Transition Plan		3/31/88
DIA (DS) Program Management Transition		10/1/89
DIA (DSI) Organizational Unique Software Transition		10/1/89
DIA & CSPO Representatives Write Vendor SOW's		4/15/88
DIA (DSI) Configuration Management Transition		7/31/89
DIA SAFE Development Transition		10/1/89
Vendors Submit Proposals for Separate DIA Contracts		7/7/88
Joint Check Point for Contract Separation		7/88
DIA Contracts Office Processes and Negotiates Contracts		9/15/88
DIA Program Management Office Issues & Activates Separate SAFE Contracts		10/1/88
CIA (OIT) Provides "On-the-Job" Training to DIA for CIA Developed Software		9/30/90
CIA (OIT) Provides to DIA Documentation of Specified CIA Developed Software		3/31/89
DIA Contract Management Transition		10/1/89
DIA Assigns a SAFE Security Officer		10/1/89
DIA (DSI) Full Operations & Maintenance Transition		10/1/89
DIA/DSI/OS SAFE Program Personnel Security Clearances Transition		9/30/89

△ Transition Complete   ◇ Check Point

Critical Transition Tasks
Dependency Chart

Unclassified

Unclassified

Page 9

Train Program Management Staff at CSPO	
2/1/88	9/30/88

Establish Progra·n Management Office in OIR	
10/1/88	10/1/88

Process RFC for Separate CIA Baseline		Approve & Fund RFC		Implement Separate CIA Baseline	
3/15/88	4/15/88	4/16/88	5/17/88	5/17/88	6/30/88

CIA/OIR Assumes Responsiblity	
10/1/88	10/1/88

Post-Transition Requirements Analysis	
2/1/88	3/29/88

Determine Proposal Strategy	
3/1/88	4/12/88

Write Vendor SOW's/RFPs		Vendors Submit Proposals		Process and Negotiate Proposals		Issue and Activate Contracts	
3/15/88	4/15/88	6/1/88	7/7/88	7/8/88	9/15/88	10/1/88	10/1/88

** Check Point **
Resolve Resource Conflict Issues

Train Program Management Staff at CSPO	
2/1/88	6/1/89

Establish Program Management Office	
6/2/89	6/2/89

DIA Assumes Responsiblity	
10/1/89	10/1/89

Appendix D   UNCLASSIFIED

List of CIA-Developed Software to be Documented for DIA

AIM
JES3 Modifications
VM Modifications
MVS Modifications
TMS Modifications
COMTEN Operating System Modifications - SCS 63.5
COS2 EP Modifications
COZZAM
CAM
RSCS Modifications
VMSPOOL
CMSIO
Network Submit
Host-Based Word Processing
PSAM
PROC

CENTRAL INTELLIGENCE AGENCY

OFFICE OF THE DEPUTY DIRECTOR

To: DDA   1 February

~~Jim~~: Rae —

I talked with Gen
Perroots on 29 January and
passed him the information
in paras 2 and 3 from
your memo.

I told Perroots that a
more formal notification
would be sent as soon as
we had the results of
the two polygraph exam-
inations.

SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)	Support for the Analyst's File Environment (SAFE)

FROM:		EXTENSION	NO. OS 8-2016
Executive Director 7D55 Hqs			DATE

25X1

25X1

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. DDA 7D24 Hqs	1/28/88			
2.				
3. ER 7E12 Hqs	2 9 JAN 1988			
4.				
5. DDCI 7D60 Hqs				
6. DPA				
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Regraded AIUO When Separated from Attachment				
14.				
15.				

DCI EXEC REG

FORM 610 USE PREVIOUS EDITIONS

☆ U.S. Government Printing Office: 1985—494-834/49156

S E C R E T

29 January 1988

MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA: Deputy Director for Administration

25X1 FROM:

Executive Director

25X1 SUBJECT: Support for the Analyst's File
Environment (SAFE)

25X1 REFERENCE: Your memo dated 12 Jan 88;
Same subject (DCI/ICS 4007-88)

1. You requested that the Office of Security provide
assistance to the SAFE Project by expediting two polygraph
examinations for the Defense Intelligence Agency (DIA)
25X1
of the
Consolidated SAFE Program Office (CSPO) and to consider waiver
of polygraph for other DIA members whose work would strictly be
25X1 limited to the CSPO spaces in Ames Building.

25X1

3. On the issue of waiver of polygraph examinations for
remaining team members, we have been assured that they will
have no Staff access, will not access any CIA computer
systems--access will be only to Northside Center--and that
there is a robust Agency presence in CSPO spaces on the fourth
floor of Ames Building. This being the case, the Office of
Security will issue them No-Escort-Required badges for access
25X1 to Ames Building only as government liaison officials.
25X1

OS 8 2016

S E C R E T

C-104-1R

SECRET

FERENCE
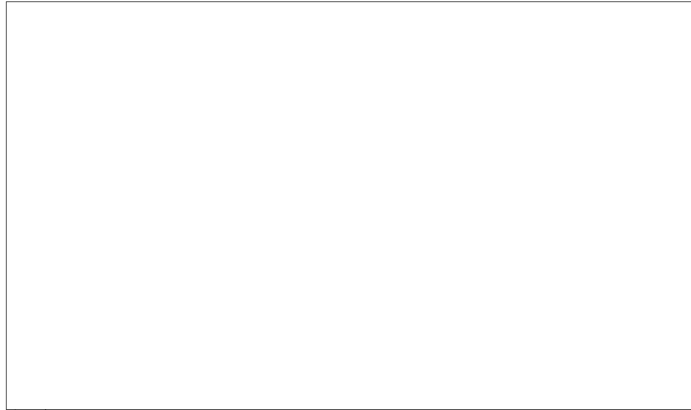
DCI/ICS 4007-88

15 January 1988

MEMORANDUM FOR: Executive Director, CIA

FROM: Deputy Director of Central Intelligence

SUBJECT: Support for the Analyst's File Environment (SAFE)

1. As a result of the SAFE meeting on 30 December 1987, I directed the Intelligence Community Staff (ICS) to meet with CIA, DIA, and the Consolidated SAFE Program Office (CSPO) to discuss the issues and proposals raised by DIA and to recommend appropriate revision to the SAFE Directive promulgated on 8 December 1987. Representatives from both agencies and CSPO met and reviewed seven key issues, reaching agreement on six of the seven items. CIA and DIA were unable to resolve the issue dealing with consideration of additional funds to accommodate program slippage.

2. The original DDCI SAFE Directive has been revised in Attachment A to reflect the consensus of the group. The principal agreements are: (a) the assignment of a DIA Deputy Director for CSPO; (b) a 26 percent reduction in CIA's and DIA's FY 1988 commitment to cover CSPO funding shortfalls; (c) the inclusion of DIA's Time Sensitive Support System (TS3) and Defense Attache Message Distribution as separately funded and managed SAFE deliverables; (d) a CIA commitment to train DIA personnel and to document CIA supplied software; and (e) clarification of the SAFE change control process, monthly reporting and meetings. Due to the complexity and sensitivity of the issues, key points of the discussion and the details of these binding agreements are reflected in a separate Attachment B, in lieu of their full incorporation into the revised SAFE Directive.

3. The one unresolved issue involves DIA's request for additional NFIP monies to accommodate potential deficits created by program slippage. In this regard, I must reemphasize that we are operating in an extremely constrained budgetary environment which necessitates that the SAFE program be completed on time and within cost. There are no more monies in FY 1988 or FY 1989 for the joint SAFE program. If, however, in the next twenty months it becomes evident to me that significant critical DIA objectives of the SAFE program will not be met by 1 October 1989, consideration will be given in the FY 1990 NFIP process to requests for additional GDIP funds to support achievements of these objectives.

25X1

25X1

25X1

25X1

25X1

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

25X1

25X1

    4. With regard to DIA's request for polygraph assistance, I request that you ask the Office of Security (OS) to expedite the CIA polygraph examination of the DIA candidates [   ] Further, I request that you ask OS to seriously consider DIA's request for waiving CIA polygraph examinations for new DIA personnel assigned to CSPO whose only requirement is for access to CSPO spaces in the Ames Building, not access to CIA classified computer systems, and advise me of their determination by 29 January 1988.

25X1
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    5. To the credit of both agencies, we have achieved agreement on most of the key issues associated with completion of the SAFE program. I endorse the binding agreements in Attachments A and B along with semiannual SAFE reviews, which I request you attend, to track the program's progress and funding expenditures. The final objective on this program is to complete the remaining deliverables, which are essential to DIA and CIA, by 1 October 1989 with the monies identified. I solicit your support in implementing the revised SAFE Directive to ensure the agreements are fulfilled and in actively monitoring the remaining SAFE activity until program completion.

Robert M. Gates

Attachment:
    A. Revised SAFE Directive
    B. Discussion and Agreement on DIA Issues

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

25X1

DCI/ICS/IHC ⬚ (13Jan88)

Distribution: DCI/ICS 4007-88
   Orig - Adse
       1 - DDCI
       1 - ER
       1 - DDI
       1 - DDA
       1 - COMPTROLLER
       1 - D/ICS
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       1 - IHC Chrono
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REVISED
SAFE DIRECTIVE
13 January 1988

Actions to be implemented by CIA, DIA, and CSPO:

1. CIA and DIA start immediately to prepare for full separation to
    be accomplished no later than 1 October 1989.

2. CSPO prepare a transition plan and schedule by 31 March 1988 that
    is coordinated with CIA/DDI/Office of Information Resources (OIR),
    CIA/DDA/Office of Information Technology (OIT) and DIA/Directorate for
    Information Systems (DS) for DDCI approval.

    a. CIA/OIR and DIA/DS provide representatives immediately to assist
        CSPO with the preparation and coordination of the plan.

3. On or before 1 October 1989, disestablish CSPO and commence
    independent development and maintenance activities at each agency.
    CSPO continue project management through completion of currently
    scheduled development work or 1 October 1989, whichever comes first.

    a. CIA/OIT and DIA retain current level of support to CSPO through
        program completion.

    b. DIA provide a Deputy Director and five additional personnel to
        CSPO to assist with the management and execution of the remaining
        development activities.

    c. CIA/OIR provide CSPO four personnel who will be part of the CIA
        program office to be formed by early FY 1989.

    d. CIA provide to DIA personnel training and new releases on CIA
        SAFE-related software, documentation of all CIA produced
        SAFE-related software, and "best effort" assistance to resolving
        level three maintenance problems.

4. CIA provide an additional $8.45 million ($5.25 million in FY 1988
    and $3.2 million in FY 1989) toward completion of remaining SAFE
    Deliveries 3.2-3.8, Delivery 4, Set 1, and Message Resolution
    Processor (MRP) rewrite. The $8.45 million CIA commitment will cover
    $5.25 million of CSPO's FY 1988 shortfall of $15.2 million, $.6
    million of FY 1989 development costs and an additional $2.6 million
    over CSPO's estimated FY 1989 system support costs of $4.9 million.

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    b.   The Deputy is the senior DIA representative on the CSPO Staff.

    c.   Participates with the Director in all decisions concerning the formulation and execution of CSPO policies, procedures, program/budget and contracts.

    d.   Authority and responsibility for managing the development and implementation of all DIA SAFE deliveries.

    e.   Responsible for keeping DIA senior management informed on the status of all DIA Deliverables.

    f.   Responsible for keeping Director CSPO informed of all DIA activities and concerns regarding the SAFE project.

2.   DIA agrees to provide 5 additional personnel to CSPO: a lead resource manager, a TRW/Hadron COTR, a DIA system engineer, a systems integrator, and a Delivery 3 support person.

3.   CIA/OIR agrees to provide 4 personnel to CSPO: a Logicon COTR, a systems engineer, a systems integrator and a systems tester.

4.   D/CSPO agrees to bring problems with utilization or placement of DIA or CIA personnel to DIA/DS and CIA/D/OIR for resolution.

5.   ICS agrees to request DDCI to expedite the polygraph examinations of DIA candidates for [ ] ICS will request for DIA exemptions from CIA polygraph examinations and permission to move freely on 4th floor of Ames Building for all other new DIA personnel assigned to CSPO, not to exceed a total of 10 through 1 October 1989.

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II.   Issue: CIA support to CSPO remains the same

    A. Agreement: CIA/OIT agrees to continue current level support to CSPO through 1 October 1989, with regard to CIA staffing, access to VMU development system, contract and other logistical facilitation, and support to DIA development and maintenance activities. DIA agrees to provide existing or expanded level of support to CSPO for the same time frame.

Attachment B

DISCUSSION AND AGREEMENTS
ON ISSUES PROPOSED BY DIA
13 January 1989

I. Issue: DIA to assume directorship of CSPO within 30 days

A. CIA Position

1. OIT and OIR view changing program director as disruptive
to the program and a delay to its completion.

2. A CIA manager has ease of access to support services provided
by CIA to SAFE, such as development facility, contracts, and AIM
support.

3. A new Director would require 6 months to get up to speed.

4. CIA CSPO personnel who prefer to work for CIA senior executive
might leave the program.

5. There is program risk associated with both deliverables and
maintenance of the operational systems at CIA and DIA, which
should be given priority consideration.

B. DIA Position

1. The remaining SAFE deliverables are primarily DIA products
which are at risk, although CIA's continued investment and
requirement for Delivery 3.5 and MRP rewrite are recognized.

2. DIA wants lead management role with decisionmaking authority
over program activities/expenditures, direct accountability to
D/DIA, and an overall awareness of program effort to maximize
development of DIA products within given monetary constraints.

C. Agreement

1. DIA agrees to provide a CSPO Deputy Director who will assume the
following roles and responsibilities:

a. In the absence of the Director, CSPO, the Deputy assumes the
role of Director.

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5. DIA provide an additional $6 million in FY 1988 toward CSPO's 1988 shortfall of $15.2 million.

    a. CIA, DIA, and CSPO jointly descope the FY 1988 program by $3.95 million to match funds available ($11.25 million) to cover the FY 1988 shortfall.

    b. DIA identify an additional $2 million in DIA FY 1989 revenues or descope the FY 1989 activities by $2 million to fit within available resources.

6. Starting immediately, CSPO adopt an "open book accounting policy" and provide DIA and CIA detailed contract information on vendor tasking and expenditures. To facilitate agency cost accounting and task management, CSPO provide a monthly CSPO technical and management report, with all SAFE vendor's reports appended, to DIA/DS, CIA/OIR and ICS.

7. CSPO provide monthly program status to the Intelligence Community Staff, DIA/DS, CIA/D/OIR, and CIA/D/OIT until program completion. If a meeting on SAFE at the DDCI, Director or Deputy Director level is deemed necessary by them or the DIA/DS, CIA/D/OIR, CIA/D/OIT or ICS, CSPO will schedule a meeting.

8. CSPO ensure that there are no changes to the current software development effort without approval from both CIA and DIA.

    a. CSPO process all requests for change (RFC) through the Configuration Control Board (CCB). CSPO conduct CCB activities with equal voting rights reserved for the DIA and CIA CCB representatives. CSPO appeal unresolved CCB issues through a chain of command specified by DIA/DS and CIA/OIR, if required.

    b. CSPO include TS3 and DA message distribution as SAFE deliverables analogous to the DO activity and deny any consideration of incorporating new requests for SAFE technology within the existing SAFE program structure.

III. Issue: FY 1988 $15 million deficit resolved as: CIA and DIA each funds $6 million; CSPO cut program costs $3 million

A. Agreement

1. CSPO agrees to provide CIA/OIR and DIA/DS impact analysis and alternatives by 12 February 1988 to reduce the FY 1988 shortfall of $15.2 million by $3.95 million. By 19 February 1988, DIA/DS and CIA/OIR agree to select from CSPO alternatives, specific program cuts to reduce the scope of the FY 1988 activities to fit within available funds ($11.25 million).

2. CIA agrees to provide $5.25 million in FY 1988 to cover the shortfall.

3. DIA agrees to provide $6 million in FY 1988 to cover the shortfall.

IV. Issue: Adjust FY 1989 cost to compensate for overstating DIA revenues $3 million and DIA's projected cost for slippage $10 million; DDCI provides projected deficit of $13 million from NFIP

A. Disagreement:

1. CIA Position: CIA accepts the fiscal compromise in the DDCI SAFE Directive which commits CIA to providing an additional $10.3 million (now revised to $8.45 million) to SAFE over FY 1988 and FY 1989. CIA is unwilling to consider anything that would raise their fiscal obligation to the SAFE program to include the addition of monies for program slippage.

2. DIA Position: DIA recognizes that the DDCI SAFE directive was a compromise fiscal commitment, but is not willing to acknowledge that there are no more NFIP monies available for the SAFE program. Since the schedule and monies for completion of remaining SAFE Deliverables by 1 October 1989 accommodates limited flexibility to accomplish these program objectives, DIA accepts that no additional monies will be added now to the SAFE program budget to compensate for potential program slippage. However, in the event that program objectives cannot be accomplished within the existing funding profile, DIA wants to request a DDCI hearing on this issue and the consideration of NFIP funds to meet the projected deficit. Further, DIA agrees that the overstatement in DIA's FY 1989 revenues will be accommodated by identifying an additional $2 million in DIA FY 1989 revenues or by descoping the FY 1989 activities to fit within the available resources.

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B. <u>ICS Recommendation:</u> Given the firm disagreement between CIA and DIA on this issue, ICS recommends this compromise position. CIA and DIA accept the fiscal commitments specified in the revised DDCI Directive and acknowledge that there is no more money available from the NFIP in FY 1988 and FY 1989 for the joint SAFE program. Since the schedule and monies for completion of remaining SAFE Deliverables by 1 October 1989 accommodates reasonable flexibility to accomplish these program objectives, no additional monies will be added now to the SAFE budget to accommodate potential program slippage. However, in the event that program objectives cannot be accomplished within the existing funding profile, serious consideration will be given to requests for additional GDIP funding in FY 1990 to meet the projected deficit. Additionally, the overstatement in DIA's FY 1989 revenues will be accommodated by identifying an additional $2 million in DIA FY 1989 revenues or by descoping the FY 1989 activities to fit within the available resources.

V. <u>Issue: CIA committed to life cycle support of CIA developed software (AIM, VM modifications, etc.)</u>

A. <u>Agreement</u>

1. CIA/OIT agrees: (a) to provide on-the-job training of CIA supplied SAFE-related software for DIA personnel in FY 1988/89/90; (b) to provide documentation of all CIA supplied SAFE-related software, in sufficient detail to permit an experienced DIA programmer to maintain the system; e.g. error messages and codes, logic, interface and control blocks, command reference guides, and local modifications summary, at no cost to the program; (c) to offer DIA all new releases of CIA developed SAFE-related software; and (d) to continue "best effort" assistance to DIA after 1 October 1989 with level three maintenance problems, acknowledging that the changing CIA environment will make this assistance more difficult as time passes.

VI. <u>Issue: Include TS3 and DA message distribution as SAFE deliverables funded and task managed by DIA</u>

A. <u>Agreement</u>

1. CIA, DIA and CSPO agree to include TS3 and DA message distribution as SAFE deliverables, analogous to CIA/DO activity, provided they are funded and task managed by DIA. These activities will be conducted so as to not impact current schedule and cost for Delivery 3.5 and Message Resolution Processor (MRP) rewrite.

2. Vendor reporting on these activities will be clearly identified from joint SAFE activities.

3. CIA and DIA agree that no new requests for SAFE technology outside the efforts of DO, TS3 and DA message distribution will be considered for incorporation into the existing SAFE program structure.

VII. Issue: Provide management forums at DDCI and DD levels

A. Agreement: CIA, DIA and CSPO agree to convene a monthly status meeting with CIA/D/OIR, CIA/D/OIT, DIA/DS, and ICS in attendance. CIA and DIA agree that meetings at DDCI or DD levels can be called when deemed necessary by CIA/D/OIR, CIA/D/OIT, DIA/D/DS or ICS to present status or unresolved problem issues.

B. Disagreement: DIA and ICS want CSPO to present a semiannual SAFE briefing to the DDCI, D/DIA, DIA/ED, DIA/DS, D/ICS, CIA/DDI, and CIA/DDA. CIA/OIR and CIA/OIT disagree that such a briefing should be specified as a matter of course.

CONFID~~ENTIA~~L

26 January 1988

MEMORANDUM FOR: Director of Information Resources

VIA: Deputy Director for Intelligence

FROM: Executive Director

SUBJECT: Auditing Use of SAFE

During the offsite meeting of the Information Systems Board last

November, we talked about our ability to track what people are doing in

SAFE. We heard that we know when people are using the system, that we can

review profiles, but that we are unable to monitor activity within SAFE and,

in particular, use of the retrospective search feature. I remain concerned

that we have yet to deal adequately with these important security issues.

Effective audit is an essential part of our computer security effort and I

would like to see a credible audit program put into place for SAFE. Will

you take responsibility for getting us moving in the right direction?

25X1

All Portions CONFIDENTIAL

25X1 ORIG:EXDIR   :be
     Distribution:
25X1   0 - Adse
        1 - DDI
        1 - C/IMS/DO
        1 - D/OIT/DA
25X1   1 -
        1 - EXDIR Chrono
        1 - ER

DCI
EXEC
REG

CONFIDENTIAL

C-104-15

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Support for the Analyst's File Environment (SAFE)

FROM: LtGen Edward J. Heinz, USAF
Director, Intelligence Community Staff

25X1

EXTENSION	NO. DCI/ICS 4005-88
	DATE

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
ER				
1. DDCI 7E12 Hqs.	14 JAN 1988	15 J—88		For signature
2. ICS/IHC 3S01 CHB				For distribution
3.				
4.				
5.				
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☆ U.S. Government Printing Office: 1983—494-834/88188

C-104-iv

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DCI/ICS 4005-88

14 January 1988

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Lieutenant General Edward J. Heinz, USAF
                Director, Intelligence Community Staff

25X1   SUBJECT: Support for the Analyst's File Environment (SAFE) ☐

25X1   REFERENCE: 1. DIA Briefing on SAFE (U)
                  2. DDCI SAFE Directive dated 8 December 1987 ☐

25X1   1. Action Requested: That you review and sign the attached correspondence on SAFE to EXDIR/CIA and D/DIA. ☐

      2. Background: As directed by you at the 30 December 1987 meeting with DIA and CIA on SAFE, the ICS met with CIA, DIA and Consolidated SAFE Program Office (CSPO) representatives to discuss DIA's SAFE proposal, Reference 1, and to recommend revisions to the DDCI SAFE Directive, Reference 2. Seven issues were reviewed and the agencies reached agreement on six of the seven items. The ICS has recommended a compromise on the unresolved item dealing with consideration of additional funds to accommodate program slippage. ☐   25X1

      3. Discussion: The DDCI SAFE Directive promulgated on 8 December 1987 has been revised in Attachment A to the correspondence to reflect the consensus of the group. The principal changes are:

      a. Provision of a DIA Deputy Director to CSPO with decision making roles and responsibilities;

      b. Reduction of CIA's FY 1988 commitment of $7.1 million to $5.25 million to fund the FY 1988 shortfall and consequential reduction of CIA's total commitment of $10.3 million to $8.45 million;

      c. Reduction of DIA's FY 1988 commitment of $8.1 million to $6.0 million to cover the FY 1988 shortfall in concert with selective descoping by DIA and CIA of FY 1988 activities to fit within available funds.

      d. Inclusion of TS3 and DA message distribution as SAFE deliverables, funded and managed by DIA;

25X1

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SUBJECT: Support for the Analyst's File Environment (SAFE)

     e. Clarification of the Configuration Control Board (CCB) process for addressing all requests for change and for appealing unresolved CCB issues;

     f. Commitment by CIA to provide training, new releases, and documentation on CIA-supplied SAFE software plus continued assistance after 1 October 1989 to resolve difficult system problems;

     g. Establishment of monthly meetings between CIA/D/OIR, CIA/D/OIT, DIA/DS, ICS and CSPO to discuss SAFE, plus a recommendation by DIA and ICS, not endorsed by CIA/OIT and CIA/OIR, that a semiannual SAFE meeting of DDCI, D/DIA, DIA/ED, DIA/DS, D/ICS, CIA/DDI, and CIA/DDA be scheduled; and,

     h. Deletion of Item 9 in original DDCI SAFE Directive requiring analysis of SAFE security deficiencies and development of a compromise plan. Both agencies agreed security improvements were necessary but viewed them as not relevant to the completion of the SAFE program. Both CIA and DIA agreed to pursue analyses of their systems and to develop plans for correction of the security deficiencies.

Due to the complexity and sensitivity of the issues, key points of the discussions and the details of these binding agreements are reflected separately in Attachment B to the correspondence, in lieu of their full incorporation into the revised SAFE Directive.

4. One issue remains unresolved. DIA is unwilling to accept that there will be no additional NFIP funds for SAFE. If the remaining program objectives cannot be accomplished with the allocated funds, DIA wants to request consideration of additional NFIP funds to cover the deficit. CIA is unwilling to agree to anything that might raise their fiscal commitment to the joint SAFE program. Given this disagreement, the ICS recommends the DIA be advised that there are no more monies in FY 1988 and FY 1989 for the SAFE program, but that consideration would be given to requests for additional GDIP funds in FY 1990, should critical DIA deliverables not be completed by 1 October 1989.

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SUBJECT: Support for the Analyst's File Environment (SAFE) (U)

25X1   5. In addition, DIA requests your support in expediting polygraph
25X1 examinations for two new DIA personnel[   ]
[   ]to ensure completion by 1 March 1988. Further, for other
new DIA personnel being assigned to CSPO who will not require access to
classified CIA computer systems and whose needs are limited to access to the
CSPO offices on the 4th floor of the Ames Building, DIA requests that you
favorably support the exemption of these individuals from the CIA polygraph
process and provide these individuals with conference badges for Ames Building
access. No more than ten personnel would require this exemption and they will
possess a DIA Special Compartmented Information (SCI) clearances. [   ]   25X1

    6. Conclusion: The revised DDCI SAFE Directive coupled with Attachment B
clarifies CIA, DIA and CSPO's organizational responsibilities and commitments
to SAFE program completion. The ICS recommendation on the unresolved issue of
additional NFIP funding provides CIA the program closure certainties they
seek, while permitting DIA to request funding assistance, if the program slips
and their critical deliverables are not forthcoming. In addition, supporting
DIA's request for CIA polygraph assistance would ensure the immediate
availability of DIA personnel to CSPO and their assistance to essential
activities underway. [   ]   25X1

    7. Recommendation: That you sign the correspondence to D/DIA and
EXDIR/CIA advising them of your revised SAFE Directive, Attachment A, the
corresponding agreements reached by CIA, DIA and CSPO, Attachment B, your
endorsement of the ICS recommendation on additional program funds, and your
support for scheduling a semiannual SAFE meeting. Further recommend that you
support the requested expedition of CIA polygraph examinations and advise DIA
of your determination on polygraph exemptions for other new DIA personnel by
the end of January 1988 following assessment by the Office of Security. [   ]   25X1

25X1

Edward J. Heinz
Lieutenant General, USAF

Attachments:
    Correspondence for Signature

SECRET

SUMMARY OF DIA'S POSITION

. DIA TO ASSUME DIRECTORSHIP OF CSPO WITHIN 30 DAYS

. CIA SUPPORT TO CSPO REMAINS THE SAME

. FY 88 $15M DEFICIT RESOLVED AS: CIA AND DIA EACH
  FUNDS $6M: CSPO CUT PROGRAM COST $3M

. ADJUST FY 89 COST TO COMPENSATE FOR OVERSTATING
  DIA REVENUES $3M. AND DIA'S PROJECTED COST FOR
  SLIPPAGE $10M: DDCI PROVIDES PROJECTED DEFICIT
  OF $13M FROM NFIP

. CIA COMMITTED TO LIFE CYCLE SUPPORT OF CIA DEVELOPED
  SOFTWARE (AIM. VM MODIFICATIONS. ETC.)

. INCLUDE TS3 AND DA MESSAGE DISTRIBUTION AS SAFE
  DELIVERABLES - FUNDED AND TASK MANAGED BY DIA

. PROVIDE MANAGEMENT FORUMS AT DDCI AND DD LEVELS

SECRET

Reference 2

SAFE DIRECTIVE
8 December 1987

Actions to be implemented by CIA, DIA, and CSPO:

1. CIA and DIA start immediately to prepare for full separation to be accomplished no later than 1 October 1989.

2. CSPO prepare a transition plan and schedule by 31 March 1988 that is coordinated with CIA/DDI and DDA.and DIA/DS for DDCI approval.

3. On or before 1 October 1989, disestablish CSPO and commence independent development and maintenance activities at each agency. CSPO continue project management through completion of currently scheduled development work or 1 October 1989, whichever comes first.

4. CIA provide an additional $10.3 million ($7.1 million in FY 1988 and $3.2 million in FY 1989) toward completion of remaining SAFE Deliveries 3.2-3.8, Delivery 4, Set 1, and Message Resolution Processor (MRP) rewrite. The $10.3 million CIA commitment will cover $7.1 million of CSPO's FY 1988 shortfall of $15.2 million, $.6 million of FY 1989 development costs and an additional $2.6 million over CSPO's estimated FY 1989 system support costs of $4.9 million, reflected in Attachment B.

5. DIA provide an additional $8.1 million in FY 1988 to cover the remainder of CSPO's 1988 shortfall of $15.2 million.

6. Starting immediately, CSPO adopt an "open book accounting policy" and provide DIA and CIA detailed contract information on vendor tasking and expenditures to include monthly technical and management reports from all SAFE vendors to facilitate agency cost accounting and task management.

7. CSPO provide monthly program status reporting to the Intelligence Community Staff/IHC and PBO, DIA/DS, CIA/DDA and CIA/DDI until program completion.

8. CSPO ensure that there are no changes to the current software development effort without approval from both CIA and DIA.

9. CIA and DIA jointly define SAFE security deficiencies and develop a compromise plan by 1 June 1988 for DDCI approval to rectify security shortfalls.

SECRET

6. Starting immediately, CSPO adopt an "open book accounting policy" and provide DIA and CIA detailed contract information on vendor tasking and expenditures. To facilitate agency cost accounting and task management, CSPO provide a monthly CSPO technical and management report with all SAFE vendors reports appended to DIA/DS, CIA/OIR and ICS.

7. CSPO provide monthly program status to the Intelligence Community Staff, DIA/DS, CIA/D/OIR, and CIA/D/OIT until program completion. If a meeting on SAFE at the DDCI, Director or Deputy Director level is deemed necessary by them or the DIA/DS, CIA/D/OIR, CIA/D/OIT or ICS, CSPO will schedule a meeting.

8. CSPO ensure that there are no changes to the current software development effort without approval from both CIA and DIA.

   a. CSPO process all requests for change (RFC) through the Configuration Control Board (CCB). CSPO conduct CCB activities with equal voting rights reserved for the DIA and CIA CCB representatives. CSPO appeal unresolved CCB issues through a chain of command specified by DIA/DS and CIA/OIR, if required.

   b. CSPO include TS3 and DA message distribution as SAFE deliverables analogous to the DO activity and deny any consideration of incorporating new requests for SAFE technology within the existing SAFE program structure.

SECRET   ICS ·4006 88

The Deputy Director of Central Intelligence

Washington, D.C. 20505

1 5 JAN 1988

MEMORANDUM FOR: Lieutenant General Leonard H. Perroots, USAF
                  Director, Defense Intelligence Agency

SUBJECT: Support for the Analyst's File Environment (SAFE)

1. As a result of our SAFE meeting on 30 December 1987, I directed the
Intelligence Community Staff (ICS) to meet with CIA, DIA, and the Consolidated
SAFE Program Office (CSPO) to discuss the issues and proposals raised by DIA
and to recommend appropriate revision to the SAFE Directive promulgated on
8 December 1987. Representatives from both agencies and CSPO met and reviewed
seven key issues, reaching agreement on six of the seven items. CIA and DIA
were unable to resolve the issue dealing with consideration of additional
25X1 funds to accommodate program slippage.

2. The original DDCI SAFE Directive has been revised in Attachment A to
reflect the consensus of the group. The principal agreements are: (a) the
assignment of a DIA Deputy Director for CSPO; (b) a 26 percent reduction in
CIA's and DIA's FY 1988 commitment to cover CSPO funding shortfalls; (c) the
inclusion of DIA's Time Sensitive Support System (TS3) and Defense Attache
Message Distribution as separately funded and managed, SAFE deliverables; (d) a
CIA commitment to train DIA personnel and to document CIA supplied software;
and (e) clarification of the SAFE change control process, monthly reporting
and meetings. Due to the complexity and sensitivity of the issues, key points
of the discussion and the details of these binding agreements are reflected in
a separate Attachment B, in lieu of their full incorporation into the revised
25X1 SAFE Directive.

3. The one unresolved issue involves DIA's request for additional NFIP
monies to accommodate potential deficits created by program slippage. In this
regard, I must reemphasize that we are operating in an extremely constrained
budgetary environment that necessitates that the SAFE program be completed on
time and within cost. There are no more monies in FY 1988 or FY 1989 for the
joint SAFE program. If, however, in the next 20 months, it becomes evident
to me that significant critical DIA objectives of the SAFE program will not be
met by 1 October 1989, consideration will be given in the FY 1990 NFIP process
to requests for additional GDIP funds to support achievement of these
25X1 objectives.

25X1

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SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

25X1

4. With regard to DIA's request for polygraph assistance, I will request the Office of Security (OS) to expedite the CIA polygraph examination of the DIA candidates for [   ] Further, I will ask OS to seriously consider DIA's request to waive the CIA polygraph examination for new DIA personnel assigned to CSPO whose only requirement is for access to CSPO spaces in the Ames Building, not access to CIA classified computer systems, and advise you of the determination by the end of January 1988.

25X1

5. To the credit of both agencies, we have achieved agreement on most of the key issues associated with completion of the SAFE program. I endorse the binding agreements in Attachments A and B along with semiannual SAFE reviews, which I request you attend, to track the program's progress and funding expenditures. The final objective of this program is to complete the remaining deliverables, which are essential to DIA and CIA, by 1 October 1989 with the monies identified. I solicit your support in implementing the revised SAFE Directive to ensure the agreements are fulfilled and in actively monitoring the remaining SAFE activity until program completion.

25X1

/s/ Robert M. Gates

Robert M. Gates

Attachment:
A. Revised SAFE Directive
B. Discussion and Agreement on DIA Issues

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

STAT   DCI/ICS/IHC[   ](13Jan88)

Distribution: DCI/ICS 4006-88
   Orig - Adse
      1 - DDCI
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Materials Used by Director, DIA in briefing DDCI on 30Dec87

INTRODUCTION

- PURPOSE: TO PRESENT DIA'S POSITION TO DDCI'S DIRECTIVE ON SAFE.

- DIA AGREES THAT THE "SAFE DRAIN" ON BOTH AGENCIES MUST STOP

  . SAFE CAN BANKRUPT US AND STOP ANY SERIOUS ADP MODERNIZATION EFFORT WE REQUIRE

  . WE BELIEVE OUR PROPOSAL IS FAIR WITH A MINIMAL SET OF CONDITIONS

DCI EXEC- REG

C-104-2

BACKGROUND

- CIA'S PRIORITY SAFE APPLICATION

  . DELIVERY 2 - USER IOC: JAN 1986

- DIA'S FIRST SAFE APPLICATION

  . DELIVERY 3.0/3.1 - USER IOC: JULY 1987

- DIA'S PRIORITY SAFE APPLICATION
  . DELIVERY 4 - USER IOC: NOV/JAN 88/89

- REMAINING DELIVERIES ARE MOSTLY FOR DIA

- SIGNIFICANT SLIPS PROJECTED FOR MOST OF
  REMAINING DELIVERY 3 CAPABILITIES
  (3.2 THROUGH 3.8)

DDCI DIRECTIVE

- MAJOR CONCERNS

  . DIRECTORSHIP OF CSPO

    . . 90% OF DEVELOPMENT WORK IN FY 88/89 IS FOR DIA

    . . 10% FOR BOTH CIA AND DIA

    . . DIA'S PRODUCTS AT RISK

    . . DIA DOES NOT CONTROL

- RESOLUTION

    . . DIA ASSUMES DIRECTORSHIP WITHIN 30 DAYS.

    . . CIA PROVIDES SAME FUNCTIONAL SUPPORT WITH SAME PERSONNEL TO CSPO THROUGH 30 SEP 1989

DDCI DIRECTIVE

- MAJOR CONCERNS

  - <u>FUNDING FY-88 DEFICIT</u>

    - DDCI - $8M DIA/$7M CIA

    - DIA <u>CANNOT</u> FUND $8M

  - <u>RESOLUTION</u>

    - DIA FUNDS $6M

    - CIA FUNDS $6M

    - CSPO "OVERHEAD" EXPENDITURES REDUCED
      BY <u>AT LEAST</u> $3M IMMEDIATELY

DDCI DIRECTIVE

- MAJOR CONCERNS

  . FY-89 ADDITIONAL FUNDING REQUIREMENTS

  . . CSPO/DDCI OVERSTATEMENT OF DIA
      REVENUES $ 3.0M

  . . DIA'S ESTIMATE OF SLIPPAGE COST $10.0M

  . . DEFICIT $13.0M

  . RESOLUTION

  . . DDCI PROVIDES REMAINING DEFICIT
      FROM TOTAL NFIP

DDCI DIRECTIVE

MAJOR CONCERNS

- CIA DEVELOPMENT MACHINES MUST REMAIN UNCLASSIFIED AND ACCESSIBLE THROUGH PROJECT COMPLETION

- CIA RETAINS RESPONSIBILITY FOR MAINTAINING AND ENHANCING AIM AND ALL OTHER CIA DEVELOPED "SAFE SOFTWARE" AND PROVIDING DIA THESE ENHANCEMENTS, WITH

    .. DOCUMENTATION

    .. SOURCE CODE

    .. IMPLEMENTATION SUPPORT

DDCI DIRECTIVE

- MAJOR CONCERN

  . NEW DEVELOPMENTS

    . . DIA IS COMMITTED TO USE SAFE TO SUPPORT
       TWO PROJECTS: TS3 AND DA MESSAGE DELIVERY

    . . CSPO PREVIOUSLY AGREED TO SUPPORT THESE
       PROJECTS IF DIA PROVIDED ADDITIONAL RESOURCES
       (DOLLARS AND MANAGEMENT) - SIMILAR TO
       ARRANGEMENT MADE FOR CIA'S DDO PROJECT

    . . DDCI DIRECTIVE REQUIRES CIA AND DIA
       APPROVAL OF ALL NEW DEVELOPMENT

  . RESOLUTION

    . . TS3 AND DA MESSAGE DELIVERY BE INCLUDED IN AS
       SAFE DELIVERABLES PROVIDED DIA SEPARATELY
       FUND AND MANAGE THESE TASKS

MANAGEMENT EMPHASIS

. REGULAR QUARTERLY STATUS MEETINGS
ATTENDEES LIMITED TO:
- DDCI
- DR (ICS)
- DR DIA
- DIA (DS)
- ED - CIA
- CIA (DDA)

. MONTHLY STATUS MEETINGS:
- DIA/DS
- CIA/DDA
- CSPO
- ICS REP

SUMMARY OF DIA'S POSITION

. DIA TO ASSUME DIRECTORSHIP OF CSPO WITHIN 30 DAYS

. CIA SUPPORT TO CSPO REMAINS THE SAME

. FY 88 $15M DEFICIT RESOLVED AS: CIA AND DIA EACH
  FUNDS $6M: CSPO CUT PROGRAM COST $3M

. ADJUST FY 89 COST TO COMPENSATE FOR OVERSTATING
  DIA REVENUES $3M, AND DIA'S PROJECTED COST FOR
  SLIPPAGE $10M: DDCI PROVIDES PROJECTED DEFICIT
  OF $13M FROM NFIP

. CIA COMMITTED TO LIFE CYCLE SUPPORT OF CIA DEVELOPED
  SOFTWARE (AIM, VM MODIFICATIONS, ETC.)

. INCLUDE TS3 AND DA MESSAGE DISTRIBUTION AS SAFE
  DELIVERABLES - FUNDED AND TASK MANAGED BY DIA

. PROVIDE MANAGEMENT FORUMS AT DDCI AND DD LEVELS

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Support for the Analyst's File Environment (SAFE)

FROM: LtCol Edward J. Heinz, USAF
Director, Intelligence Community
  Staff

STAT

EXTENSION | NO.

DATE

DCI/ICS 4155-87

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
ER 1. DDCI 7E12 Hqs.	1 0 DEC 1987 10 Dec 87			
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C-104-jR

DCI EXEC REG

DCI EXEC REG

☆ U.S. Government Printing Office: 1985—494-834/49156

DCI/ICS 4155-87

9 December 1987

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Lieutenant General Edward J. Heinz, USAF
                       Director, Intelligence Community Staff

SUBJECT: Support for the Analyst's File Environment (SAFE)

REFERENCE: 1.   DDCI Memorandum dated 7 December 1987,
25X1   Subject: Support to SAFE
25X1   2.   Compromise Proposal for SAFE

25X1
     1. Action Requested: That you review and sign the attached
implementation correspondence prepared in response to Reference 1.

     2. Background: At your direction, correspondence to the Director, DIA, and the Executive Director, CIA, has been prepared to advise them of your decision on SAFE funding and disestablishment. The ICS compromise proposal, Reference 2, renamed SAFE Directive, Attachment A, was revised to reflect a CIA commitment to provide an additional $10.3 million to complete SAFE Deliveries 3.2 - 3.8, Delivery 4, Set 1, and rewrite of the Message Resolution Processor (MRP). Another action was added to the SAFE Directive to direct DIA to provide an additional $8.1 million in FY 1988 to meet CSPO's FY 1988 shortfall of $15.2 million, thereby enabling the program to stay on track. Three minor changes were made to the SAFE Directive for clarity:

       a. Information was added to item 4 to explain the specific origin of the $10.3 CIA commitment.

       b. The word "major" was deleted from item 8 to ensure all program changes have joint agency approval.

       c. Item 9 was amended to request development of a plan for
25X1   improved security by 1 June 1988, vice no specific date.

     3. Recommendation: That you sign the correspondence to D/DIA and EXDIR/CIA which provides specific direction to CIA, DIA, and CSPO for
25X1 completion of the SAFE program.

                                Edward J. Heinz
                                Lieutenant General, USAF

Attachments:
   Letters for signature

25X1

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

STAT   DCI/ICS/IHC/[   ] (8Dec87)

Distribution: DCI/ICS 4155-87
  Orig - DDCI
     1 - ER
     1 - D/ICS Chrono
     1 - D/PBO
     1 - IHC Subj
     1 - IHC Chrono
     1 - ICS Reg

SECRET

The Deputy Director of Central Intelligence

Washington, D.C. 20505

10 December 1987

MEMORANDUM FOR: Lieutenant General Leonard H. Perroots, USAF
                  Director, Defense Intelligence Agency

SUBJECT: Support for the Analyst's File Environment (SAFE)

    1. At my direction, the Intelligence Community Staff (ICS) examined
obligations for funding the remaining SAFE program activities and plans for
disestablishing the Consolidated SAFE Program Office (CSPO). Taking the ICS
findings and recommendations into consideration, a Directive, Attachment A,
has been prepared reflecting my decision. In addition to providing specific
guidance for program management and CSPO disestablishment, the Directive
obligates CIA to provide an additional $10.3 million ($7.1 million in FY 1988
and $3.2 million in FY 1989) toward completion of the remaining SAFE
Deliveries through user acceptance. A similar contribution of an additional
$8.1 million is required from DIA in FY 1988 to cover the FY 1988 shortfall
and keep the program on track (see Attachment B).

    2. We are moving into an extremely constrained budgetary environment
where neither CIA nor DIA will be in a position to accommodate SAFE cost
overruns. Both agencies should organize themselves in such a way as to
support CSPO in ensuring that the program stays within the bounds identified.
The Directive requires CSPO to deliver remaining SAFE capabilities within
current schedule and estimated costs. To the degree necessary, software
developments must be frozen to prevent expenditures from increasing beyond
program levels. It will be the responsibility of CIA, DIA and CSPO to ensure
that the program is closed out within the budget identified.

    3. Achieving a satisfactory and expeditious conclusion to the SAFE
program will require the best efforts of CIA, DIA and CSPO. The financial
drain of SAFE on Agency budgets must be ended. I solicit your support in
implementing the foregoing measures and in actively monitoring the remaining
SAFE activity until program completion.

                                        Robert M. Gates

Attachment:
    A. SAFE Directive
    B. Funding Charts

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

STAT

DCI/ICS/IHC [   ] (8Dec87)

Distribution: DCI/ICS 4156-87
   Orig - Adse
      1 - DDCI
      1 - ER
      1 - D/PBO
      1 - IHC Subj
      1 - IHC Chrono
      1 - ICS Reg

SECRET

10 December 1987

MEMORANDUM FOR: Mr. James H. Taylor
                 Executive Director, CIA

FROM: Robert M. Gates
                 Deputy Director of Central Intelligence

SUBJECT: Support for the Analyst's File Environment (SAFE)

1. At my direction, the Intelligence Community Staff (ICS) examined obligations for funding the remaining SAFE program activities and plans for disestablishing the Consolidated SAFE Program Office (CSPO). Taking the ICS findings and recommendations into consideration, a Directive, Attachment A, has been prepared reflecting my decision. In addition to providing specific guidance for program management and CSPO disestablishment, the Directive obligates CIA to provide an additional $10.3 million ($7.1 million in FY 1988 and $3.2 million in FY 1989) toward completion of the remaining SAFE Deliveries through user acceptance. A similar contribution of an additional $8.1 million is required from DIA in FY 1988 to cover the FY 1988 shortfall and keep the program on track (see Attachment B).

25X1

2. We are moving into an extremely constrained budgetary environment where neither CIA nor DIA will be in a position to accommodate SAFE cost overruns. Both agencies should organize themselves in such a way as to support CSPO in ensuring that the program stays within the bounds identified. The Directive requires CSPO to deliver remaining SAFE capabilities within current schedule and estimated costs. To the degree necessary, software developments must be frozen to prevent expenditures from increasing beyond program levels. It will be the responsibility of CIA, DIA and CSPO to ensure that the program is closed out within the budget identified.

25X1

3. Achieving a satisfactory and expeditious conclusion to the SAFE program will require the best efforts of CIA, DIA and CSPO. The financial drain of SAFE on Agency budgets must be ended. I solicit your support in implementing the foregoing measures and in actively monitoring the remaining SAFE activity until program completion.

25X1

Robert M. Gates

Attachment:
  A. SAFE Directive
  B. Funding Charts

25X1

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

STAT   DCI/ICS/IHC [   ] (8Dec87)

Distribution: DCI/ICS 4157-87
   Orig - Adse
      1 - DDCI
      1 - ER
      1 - D/PBO
      1 - IHC Subj
      1 - IHC Chrono
      1 - ICS Reg

SECRET

SAFE DIRECTIVE
8 December 1987

Actions to be implemented by CIA, DIA, and CSPO:

1. CIA and DIA start immediately to prepare for full separation to be accomplished no later than 1 October 1989.

2. CSPO prepare a transition plan and schedule by 31 March 1988 that is coordinated with CIA/DDI and DDA and DIA/DS for DDCI approval.

3. On or before 1 October 1989, disestablish CSPO and commence independent development and maintenance activities at each agency. CSPO continue project management through completion of currently scheduled development work or 1 October 1989, whichever comes first.

4. CIA provide an additional $10.3 million ($7.1 million in FY 1988 and $3.2 million in FY 1989) toward completion of remaining SAFE Deliveries 3.2-3.8, Delivery 4, Set 1, and Message Resolution Processor (MRP) rewrite. The $10.3 million CIA commitment will cover $7.1 million of CSPO's FY 1988 shortfall of $15.2 million, $.6 million of FY 1989 development costs and an additional $2.6 million over CSPO's estimated FY 1989 system support costs of $4.9 million, reflected in Attachment B.

5. DIA provide an additional $8.1 million in FY 1988 to cover the remainder of CSPO's 1988 shortfall of $15.2 million.

6. Starting immediately, CSPO adopt an "open book accounting policy" and provide DIA and CIA detailed contract information on vendor tasking and expenditures to include monthly technical and management reports from all SAFE vendors to facilitate agency cost accounting and task management.

7. CSPO provide monthly program status reporting to the Intelligence Community Staff/IHC and PBO, DIA/DS, CIA/DDA and CIA/DDI until program completion.

8. CSPO ensure that there are no changes to the current software development effort without approval from both CIA and DIA.

9. CIA and DIA jointly define SAFE security deficiencies and develop a compromise plan by 1 June 1988 for DDCI approval to rectify security shortfalls.

SECRET

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Next 6 Page(s) In Document Denied

ER 3923-87

7 December 1987

MEMORANDUM FOR: Director, Intelligence Community Staff

FROM: Deputy Director of Central Intelligence

SUBJECT: Support to SAFE

25X1

1.   I've reviewed the compromise proposal put forward by the Intelligence Community Staff and would like for you to prepare correspondence to the Director, DIA and the Executive Director, CIA.   I want the correspondence prepared as reflecting a decision.

25X1

2.   The only change in your "compromise" proposal will be in paragraph 4.   I want the correspondence to show that CIA will provide $7.1 million in FY-88 and $3.2 million in FY-89 toward completion of remaining SAFE deliveries -- 3.2 through 3.8, Delivery 4, Set 1 and MRP rewrite.   I am not prepared to contemplate any significant fund program slippages or software changes that would drive costs of the program in FY-89 to a shortfall that would require a commitment of resources above the $3.2 million for CIA.   This is more than twice the shortfall identified by CSPO.

25X1

3.   Correspondence should be prepared directing CIA and DIA to organize themselves in such a way to support CSPO to ensure that shortfalls beyond this extent do not occur.   To the degree shortfalls are anticipated, measures should be taken to keep the program within the bounds identified.   I want the correspondence to reflect that this financial sinkhole must be closed as we move into an extremely constrained budgetary environment.   Neither agency will be in a position to contribute the kind of money identified as a maximum shortfall by the Intelligence Community Staff.   It is also imperative to put a freeze on software developments to the degree necessary to prevent expenditures from increasing beyond program levels. It will be the responsibility of CIA, DIA and CSPO working together to ensure that the program is closed out at the budgetary levels identified.

25X1

Robert M. Gates

25X1

SECRET

DCI
EXEC
REC

SECRET

COMPROMISE PROPOSAL FOR SAFE

Prepared by the Intelligence Community Staff

4 December 1987

Actions to be implemented by CIA, DIA, and CSPO:

1. CIA and DIA start immediately to prepare for full separation to be accomplished no later than 1 October 1989.

2. CSPO prepare a transition plan and schedule by 31 March 1988 that is coordinated with CIA/DDI and DDA and DIA/DS for DDCI approval.

3. On or before 1 October 1989, disestablish CSPO and commence independent development and maintenance activities at each agency. CSPO continue project management through completion of currently scheduled development work or 1 October 1989, whichever comes first.

4. CIA provide at least $10.3 million ($7.1 million in FY 1988 and $3.2 million in FY 1989) toward completion of remaining SAFE Deliveries 3.2-3.8, Delivery 4, Set 1, and MRP rewrite. For contingency planning, in the event there is slippage, CIA will provide additional monies not to exceed a total of $7.9 million to fund program slippages and required software changes. Any CIA obligation in excess of $10.3 million will be determined in fourth quarter FY 1988 after review by the ICS, in conjunction with CIA and DIA, and approval by the DDCI.

5. Starting immediately, CSPO adopt an "open book accounting policy" and provide DIA and CIA detailed contract information on vendor tasking and expenditures to include monthly technical and management reports from all SAFE vendors to facilitate agency cost accounting and task management.

6. CSPO provide monthly program status reporting to the Intelligence Community Staff/IHC and PBO, DIA/DS, CIA/DDA and CIA/DDI until program completion.

7. CSPO ensure that there are no major changes to the current software development effort without approval from both CIA and DIA.

8. CIA and DIA jointly define SAFE security deficiencies and develop a compromise plan for DDCI approval to rectify security shortfalls.

SECRET

7 December 1987

MEMORANDUM FOR: Director, Intelligence Community Staff

FROM: Deputy Director of Central Intelligence

SUBJECT: Support to SAFE

25X1

1. I've reviewed the compromise proposal put forward by the Intelligence Community Staff and would like for you to prepare correspondence to the Director, DIA and the Executive Director, CIA. I want the correspondence prepared as reflecting a decision.

2. The only change in your "compromise" proposal will be in paragraph 4. I want the correspondence to show that CIA will provide $7.1 million in FY-88 and $3.2 million in FY-89 toward completion of remaining SAFE deliveries -- 3.2 through 3.8, Delivery 4, Set 1 and MRP rewrite. I am not prepared to contemplate any significant fund program slippages or software changes that would drive costs of the program in FY-89 to a shortfall that would require a commitment of resources above the $3.2 million for CIA. This is more than twice the shortfall identified by CSPO.

25X1

3. Correspondence should be prepared directing CIA and DIA to organize themselves in such a way to support CSPO to ensure that shortfalls beyond this extent do not occur. To the degree shortfalls are anticipated, measures should be taken to keep the program within the bounds identified. I want the correspondence to reflect that this financial sinkhole must be closed as we move into an extremely constrained budgetary environment. Neither agency will be in a position to contribute the kind of money identified as a maximum shortfall by the Intelligence Community Staff. It is also imperative to put a freeze on software developments to the degree necessary to prevent expenditures from increasing beyond program levels. It will be the responsibility of CIA, DIA and CSPO working together to ensure that the program is closed out at the budgetary levels identified.

25X1

Robert M. Gates

DCI
EXEC
REG

25X1

SECRET

Distribution:
   Orig - Adse (copy also WASHFAXED)
      1 - DDCI Chrono
      1 - ER

C-104-15

ER 3923-87

7 December 1987

MEMORANDUM FOR: Director, Intelligence Community Staff

FROM: Deputy Director of Central Intelligence

SUBJECT: Support to SAFE

1.   I've reviewed the compromise proposal put forward by the Intelligence Community Staff and would like for you to prepare correspondence to the Director, DIA and the Executive Director, CIA.   I want the correspondence prepared as reflecting a decision.

2.   The only change in your "compromise" proposal will be in paragraph 4.   I want the correspondence to show that CIA will provide $7.1 million in FY-88 and $3.2 million in FY-89 toward completion of remaining SAFE deliveries -- 3.2 through 3.8, Delivery 4, Set 1 and MRP rewrite.   I am not prepared to contemplate any significant fund program slippages or software changes that would drive costs of the program in FY-89 to a shortfall that would require a commitment of resources above the $3.2 million for CIA.   This is more than twice the shortfall identified by CSPO.

3.   Correspondence should be prepared directing CIA and DIA to organize themselves in such a way to support CSPO to ensure that shortfalls beyond this extent do not occur.   To the degree shortfalls are anticipated, measures should be taken to keep the program within the bounds identified.   I want the correspondence to reflect that this financial sinkhole must be closed as we move into an extremely constrained budgetary environment.   Neither agency will be in a position to contribute the kind of money identified as a maximum shortfall by the Intelligence Community Staff.   It is also imperative to put a freeze on software developments to the degree necessary to prevent expenditures from increasing beyond program levels. It will be the responsibility of CIA, DIA and CSPO working together to ensure that the program is closed out at the budgetary levels identified.

Robert M. Gates

SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

STAT

FROM:		EXTENSION	NO. ICS-87-4152
	ICS/IHC		DATE 12/4/87

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. Chm/IHC		12/4		
2. D/PBO	PBV	12/4	for B. Wady	
3. EO/ICS	DEC 4 1987	4/12	ABS	
4. DD/ICS		4/12/87		
5. D/ICS	DEC 4 1987			
6. IHC				
7. Registry	4 DEC 1987		TRK	
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STAT

IMMEDIATE

Form 3-65 160c   (13)

HANDCARRY

not signed
see ICS 4155-87
456-87
457-87

C-104-7R

DCI EXEC REG

FORM 1-79 610 USE PREVIOUS EDITIONS

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Lieutenant General Edward J. Heinz, USAF
Director, Intelligence Community Staff

SUBJECT: Support to the Analysts' File Environment (SAFE)

1. Action Requested: That you review the ICS proposal on SAFE, Attachment A, and provide your approval.

2. Background: The ICS SAFE report dated 7 October 1987 examined CIA's and DIA's funding obligations for remaining SAFE Deliveries and the disestablishment of CSPO. The ICS proposed alternative solutions and a recommendation. In response to the report, the DDI recommended a compromise proposal, Attachment B, on 23 November 1987. The ICS Review team has discussed with CSPO, DIA, and CIA their respective positions on the funding and disestablishment issues and proposes Attachment A as a reasonable compromise.

3. Discussion: Estimates from CIA, DIA, and CSPO on program completion costs and agency fiscal obligations are outlined in Attachment C and summarized as follows:

   a. CSPO estimates that an additional $15.2 million will be required in FY 1988 ($7.1 million from CIA and $8.1 million from DIA) to complete scheduled FY 1988 development activities reflected in Attachment D. If FY 1988 funds are not forthcoming, the program will be descoped, projected costs will increase and extension of program activities into FY 1990 is likely. In addition, CSPO estimates that FY 1989 costs for remaining development will be $1.9 million ($0.6 million for CIA and $1.3 million for DIA) and $16.8 million for system support/software maintenance ($5.0 million for CIA and $11.8 million for DIA).

   b. CIA has offered $7.5 million ($5 million in FY 1988 and an additional $2.5 million in FY 1989) believing CSPO can complete all current development work if DIA contributes an equal amount to the program in FY 1988.

   c. DIA recognizes the FY 1988 shortfall of $15 million and their share estimated at $8.1 million. DIA submitted two options for completion of SAFE in Attachment E. Using Option 1 which assumes CSPO's FY 1988 shortfall is fully funded, DIA has identified additional program costs for FY 1989 work, security deficiencies, and anticipated slippages, as SAFE completion costs, at $39.9 million, to
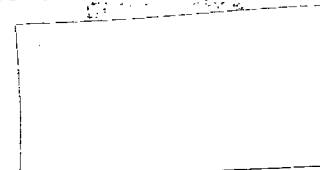
SUBJECT: Support for the Analysts' File Environment (SAFE)

be split 50/50. According to DIA, the $5.9 million costs for a DIA development environment are only a factor if the FY 1988 funding shortfall is not met, resulting in resources reductions and schedule extension.

4. Conclusion: Projected costs to complete Deliveries 3.2 - 3.8, Delivery 4, Set 1, through user acceptance and to rewrite the Message Resolution Processor (MRP) exceed the acknowledged FY 1988 shortfall of $15.2 million and require additional monies in FY 1989 for development and system support. CIA's share as estimated by the ICS should be no less than $10.3 million ($7.1 million in FY 1988 and $3.2 million in FY 1989) and no more than an additional $7.9 million in FY 1989, if required to accommodate program slippages and required software changes. Although funds for known security deficiencies are not included in the ICS proposed CIA fiscal commitment, security is recognized as essential and ICS recommends both agencies jointly address and resolve the issue prior to 1 October 1989.

5. Recommendation: That you approve the ICS compromise proposal outlined in Attachment A and direct ICS to prepare correspondence to release the proposal to D/DIA and EXDIR/CIA for their consideration.

STAT

Edward J. Heinz
Lieutenant General, USAF

Attachments:
A. ICS Compromise Proposal
B. DDI Memorandum dated 23 November 1987
C. Funding Chart
D. CSPO Schedule and Costs
E. DIA Memorandum dated 4 December 1987

APPROVED:

_____   _____
Deputy Director of Central Intelligence   Date

DISAPPROVED:

_____   _____
Deputy Director of Central Intelligence   Date

Attachment A

COMPROMISE PROPOSAL FOR SAFE

Prepared by the Intelligence Community Staff

4 December 1987

Actions to be implemented by CIA, DIA, and CSPO:

1. CIA and DIA start immediately to prepare for full separation to be accomplished no later than 1 October 1989.

2. CSPO prepare a transition plan and schedule by 31 March 1988 that is coordinated with CIA/DDI and DDA and DIA/DS for DDCI approval.

3. On or before 1 October 1989, disestablish CSPO and commence independent development and maintenance activities at each agency. CSPO continue project management through completion of currently scheduled development work or 1 October 1989, whichever comes first.

4. CIA provide at least $10.3 million ($7.1 million in FY 1988 and $3.2 million in FY 1989) toward completion of remaining SAFE Deliveries 3.2-3.8, Delivery 4, Set 1, and MRP rewrite. For contingency planning, in the event there is slippage, CIA will *IN FY1989* provide additional monies not to exceed a total of $7.9 million to fund program slippages and required software changes. Any CIA obligation in excess of $10.3 million will be determined in fourth quarter FY 1988 after review by the ICS, in conjunction with CIA and DIA, and approval by the DDCI.

5. Starting immediately, CSPO adopt an "open book accounting policy" and provide DIA and CIA detailed contract information on vendor tasking and expenditures to include monthly technical and management reports from all SAFE vendors to facilitate agency cost accounting and task management.

6. CSPO provide monthly program status reporting to the Intelligence Community Staff/IHC and PBO, DIA/DS, CIA/DDA and CIA/DDI until program completion.

7. CSPO ensure that there are no major changes to the current software development effort without approval from both CIA and DIA.

8. CIA and DIA jointly define SAFE security deficiencies and develop a compromise plan for DDCI approval to rectify security shortfalls.

Attachment B

(23 November 1987)

NOTE TO: Deputy Director of Central Intelligence

FROM: Richard J. Kerr
           Deputy Director for Intelligence

SUBJECT: SAFE

1. With an objective of trying to put the current SAFE
issue to rest I suggest you direct CIA and DIA to take the
actions listed below. This compromise proposal gives DIA, I
believe, ample time and money to complete what it wants out
of the joint development effort.

2. Actions to be implemented by CIA and DIA:

- CIA and DIA start immediately to prepare for
  full separation. Because CIA and DIA SAFE
  objectives are diverging, total separation
  should be accomplished as early as possible.
  Recognize that DIA recently has made significant
  progress in this direction; it is important that
  this progress continue.

- CSPO prepare a transition plan for DDCI approval

  by 1 March 1988. (IC Staff recommended

  31 January, but CSPO will need more time.)

- CSPO be disestablished no later than

  1 October 1989. (IC Staff recommended same

  date. CSPO believes all current work for DIA

  can be completed prior to October 1989.)

- CIA and DIA each assume full responsibility for

  its own SAFE program by 1 October 1989. (IC

  Staff recommended the same date. There is no

  reason to delay the process in either agency as

  long as CIA meets its financial commitment to

  DIA. CSPO would provide project management for

  DIA through completion of current work on

  Deliveries 3 and 4; CSPO project management

  would end no later than 1 October 1989.)

- CIA provide $5M in FY88 and $2.5M in FY89 for

  DIA-unique software development. (IC Staff

  recommended open-ended commitment. CSPO

  estimates that all current development work can

3

be completed if CIA contributes another $7.5M
and DIA a similar amount to SAFE.)

- There should be no major changes to the current
software development effort. (IC Staff did not
address this issue, but to remain on schedule
and within cost estimates neither agency can
impose costly new requirements on CSPO.)

3. Some 25 percent of CIA's FY88 budget for SAFE would
be allocated to DIA's SAFE program--similar to allocation in
FY87. Virtually all software development in FY88 is for
DIA; one delivery (3.5) is for both agencies; and software
maintenance will be done for both agencies.

4. Above all, I believe our commitments to DIA should
have specific limits in terms of time and dollars. The IC
Staff recommendations, while calling for the
disestablishment of CSPO by 1 October 1989, did not specify
when or at what level our financial commitment to DIA ends.

Richard J. Kerr

4

Page Denied

SAFE MASTER SCHEDULE EXECUTIVE SUMMARY

21 SEPTEMBER 1987

Schedule chart with columns:

	1987 AUG SEP OCT NOV DEC	1988 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC	1989 JAN FEB MAR

Rows:
- DEL. 3.1 (PIFS/FORMS)
- DEL. 3.2/3.3 (ELINT/HUMINT)
- SAFE 2
- DEL. 3.4 (CRD/MAIL)
- DEL. 3.5 (3270)
- DEL. 3.6 (DoDIIS)
- DEL. 3.7 (ATTACHE)
- DELIVERY 4.0
- MRP REWRITE
- DEL 3.8 (D 4 NON DB) — TBD
- DEL. 3.9 (TS&S) — TBD
- SECURE VMU — TBD
- SOFTWARE DELIVERIES
- INTERIM PROGRESS REVIEW (IPR)
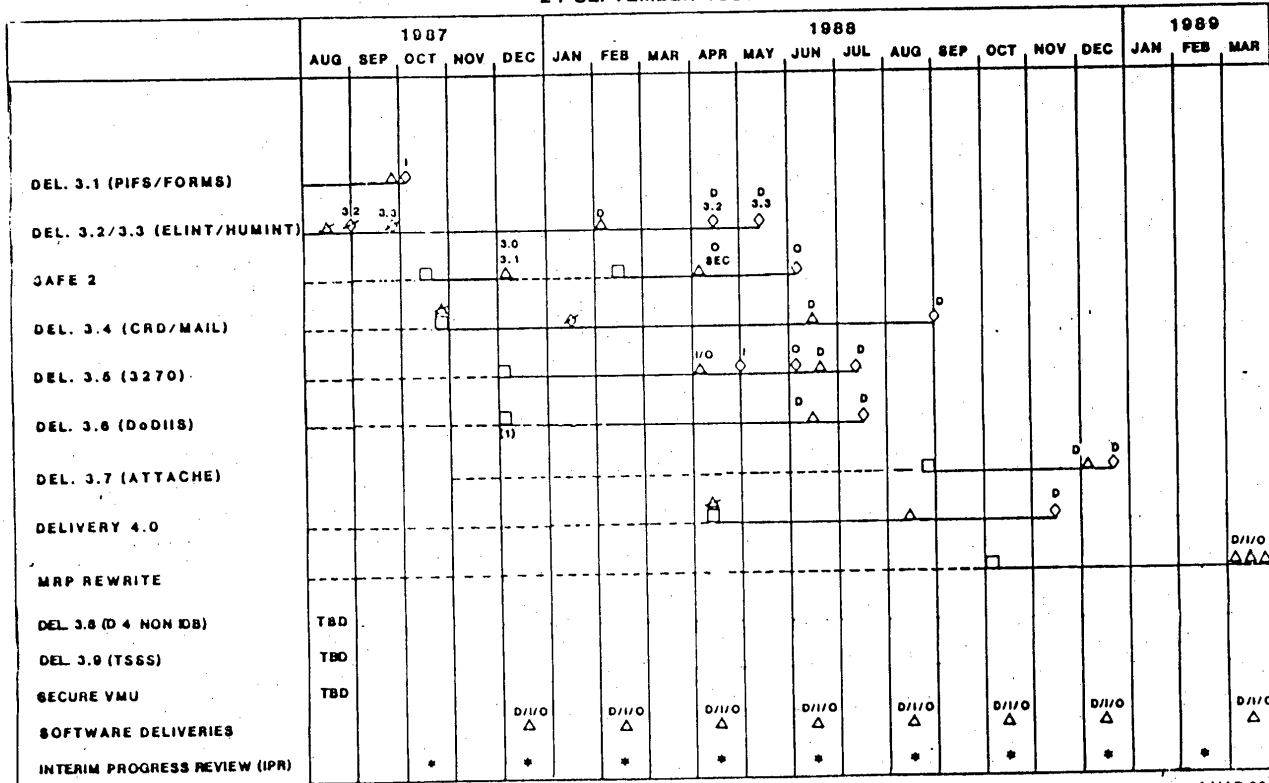
LEGEND:
```
----  DEVELOPMENT                      D   DIA
□  START SYSTEM TEST                    I   DI
△  SYSTEM TEST COMPLETE                 O   DO
◇  USER IOC (UIOC)
(1) INCLUDES 2.5 MONTHS INTEGRATION PHASE
☆ 31 MARCH 1987 BASELINE FOR STC
✧ 31 MARCH 1987 BASELINE FOR UIOC
```

3.0/3.1 CIA 31 MARCH 87 BASELINE
STC 1 JUNE 87
UIOC 15 JUNE 87

1 MAR 89, I
31 MAY 39, D
31 AUG 39, O

Attachment D

Page Denied

Next 5 Page(s) In Document Denied

DEFENSE INTELLIGENCE AGENCY
WASHINGTON, D.C. 20301-6111

Attachment E

04 DEC 1987

U-575/DS-A

MEMORANDUM FOR THE DIRECTOR, INTELLIGENCE COMMUNITY STAFF

SUBJECT: SAFE Completion Costs

1. DIA continues to believe that continuation of the existing shared funding responsibilities, until the SAFE Program has been successfully concluded, remains the only viable solution. The continually demonstrated unreliability of all previous SAFE cost estimates and schedules underscores the difficulty in predicting with any degree of certainty, the remaining program costs.

2. This letter does however forward two separate DIA estimates of the cost to complete the Consolidated SAFE Program. Enclosed are a summary sheet containing the two cost estimates and an itemization showing how the dollar costs were derived.

3. The work that is depicted on the summary sheet as the FY89 Program provides a framework for costing purposes. Although CSPO is aware of the requirements to perform this work, no formal FY89 development program to do so has been formulated.

4. DIA has developed two options for completion of the SAFE program. The first option assumes that the FY88 shortfall is made up in the FY88. The second option assumes the FY88 shortfall is made up after FY88.

   a. OPTION 1 (FY88 shortfall made up in FY88). This option results in no reduction to the SAFE development resources in the vendor community, and allows sufficient vendor resources to be available to complete the FY89 development program in FY89. While this option assumes that CSPO will plan to meet the FY88 schedule, enabling the FY89 program to begin immediately in FY89, it recognizes that based on past experience and current indications there is great uncertainty that this schedule can be met. As a result we are anticipating a slip of approximately 7 months, costing $21.6M. This option negates the need for a development environment to be created to complete the development program, thus saving $5.9M. Total predicted cost to complete under this option is $54.7M.

b. OPTION 2 (FY88 shortfall not made up in FY88). This will force the CSPO to reduce SAFE development resources in the vendor community significantly to remain within the FY88 dollars available. The long lead times to acquire, clear and train replacement personnel in the vendor community results in a forced reliance on this reduced resource level to complete the FY88 and FY89 progams. This forced reduction directly leads to:

(1) A program that will not be completed for an additional two years. The same number of total manyears is required to complete the program for both options. However under this option the manpower loading is reduced. Because the total manyears are identical the slippage factor used in both options is the same.

(2) A $5.0M increase in project management overhead for the additional two years it will take to complete the effort.

(3) The requirement for DIA to procure a replacement development environment to complete the development program.

5. It should be noted that DIA is forced to bear other costs internally due to SAFE Program slippages. For example, the DIA DIAOLS system was originally scheduled to be phased out of existence and replaced by SAFE in FY85. The current schedule allows for this to occur in FY89. DIA will, by that time, have invested $7.5M in keeping DIAOLS operational while waiting for SAFE to achieve its original program goal.

FOR THE DIRECTOR:

STAT

2 Enclosures
1. Summary Sheet
2. Itemized Recapitulation

Deputy Director for
Information Systems

2

ITEMIZED RECAPITULATION SAFE PROGRAM COSTS TO COMPLETE

1. COST TO COMPLETE FY88 SAFE PROGRAM EFFORTS: The current estimate of funding required to complete Delivery 4.0 by the end of FY88 has been established by CSPO at $34.4M. SAFE efforts being conducted through the CSPO and funded separately (EWC3 by TRW, DSI Operational Support by Logicon and the work for CIA's DDO) have been stripped out from the figures provided in November to DIA by CSPO's Project Director and Resource Manager. This $34.4M is also exclusive of hardware purchases and leases as well as the hardware maintenance and system software maintenance costs that are funded separately. This $34.4M represents just software development costs.

The available revenues against these projected expenditures consists of the available software development dollars from each Agency as reflected in the FY88 President's Budget: DIA: $11.0M, CIA: $8.2M and funds given the contractors in FY87 which they did not expend and which are available to off-set FY88 costs. This amount is estimated at $400,000 and is currently being verified by CSPO and DIA. The total is therefore $19.6M in revenues against $34.4M in FY88 costs giving a deficit of $14.8M.

2. PROJECTED FY89 SAFE PROGRAM COSTS: If the SAFE Program for 1988, as defined by CSPO, was totally funded (i.e. the $14,800,000 shortfall discussed in paragraph 1. above was made up) and successfully concluded according to the existing CSPO schedule, significant work will still remain to be completed.

a. Delivery 3.7 - The existing schedule reflects work on this Delivery continuing into 1989. Using CSPO figures, the 1989 cost will be $400,000.

b. Delivery 3.8 - Despite repeated assurances by CSPO to the contrary, this delivery has not been costed nor scheduled though it is recognized as a baselined requirement and documented in the SAFE Delivery 4 Requirements Specification. DIA estimates cost to complete this work will be $3,000,000.

c. DA Communications Utilities - This work consists of modifying the SAFE message handler to recognize and accept new message types so the DIA Attache Directorate can use SAFE for message dessimination. Similar modifications have previously been made for the CIA/DI and the CIA/DO in support of their requirements. DIA will fund this development activity.

d. TS^3 Message Processing - This work responds to CIA and DIA requirements for SAFE to support 24 hour operations and process incoming messages according to their transmission precedence. This effort also supports DIA requirements for SAFE to support the Indications and Warning Directorate. DIA will fund this development activity.

e. Security Deficiencies - The SAFE system, as it has been developed, does not meet DIAM 50-4 - Security of Compartmented Computer Operations - standards for being accredited. SAFE accreditation has always been a recognized requirement. Recently DIA and CIA jointly sponsored an examination of the SAFE system for the purpose of determining what must be done to make the required changes that will allow the system to be accredited. DIA has requested from CSPO estimates to make the required changes. Estimates have not be provided. DIA estimates the cost to complete these required changes to be $5,000,000.

Enclosure 2

f. Required Software Changes - The existing CSPO development schedule for FY88 depicts multiple software applications being turned over to the customer organization for acceptance testing right at the end of the fiscal year. This schedule assumes that no additional work will be required to repair or remedy any problems surfaced by the customers' review and test of the delivered software. Experience with prior SAFE Deliveries dictates that there will be significant effort expended to remedy or repair shortfalls in the delivered software. DIA estimates that work will be identified as a result of future software deliveries and work already identified by both CIA and DIA for previous deliveries but being held in abeyance until the intensive development program abates will cost $5,000,000.

g. Training - The software being developed, delivered or modified in 1989 will necessitate documentation and training on the end products. DIA estimates the cost of such training to be $2,000,000.

h. Project Management Support - The CSPO will continue to require similar administrative support in 1989 to support the development program in 1989. This support takes the form of quality assurance, engineering, configuration management, etc. DIA estimates this cost to be $2,500,000 per year for every year the program continues beyond FY88.

i. Message Processor Rewrite - Although partially accommodated in the 1988 development program, this work is currently scheduled by CSPO to conclude in 1989. No provision has been made by CSPO to fund the 1989 cost. Based on schedule projections using CSPO figures, DIA estimates the cost to complete this work to be $400,000.

3. COST TO PROVIDE DEVELOPMENT ENVIRONMENT: The current SAFE development machines being operated by CIA for the common benefit of both Agencies are two IBM 3081K processors, one MVS and one VM. The development effort started with one 3081K but CSPO found that the numbers of vendors and government engineers using the system reduced response time to an unacceptable level which impeded the development schedule. Therefore, a second processor was added.

If CIA withdraws from the SAFE program, DIA will be required to build a replacement for this development environment. DIA will therefore need either 2 3081K processors or a more modern IBM 3090-200 SIERRA processor functionally divided into MVS and VM units. In addition, there are the hardware and system software maintenance costs to include license fees for everything needed to replicate the operational system. Terminals are part of the environment and are currently GFE to the vendors in over 5 locations. This aspect of the development effort also necessitates an extensive networking environment with resultant communications costs from lease lines to modems. DIA estimates the cost to replicate the existing development environment to be $5.9M.

4. SAFE SLIPPAGE COSTS: DIA believes that the historical pattern of the SAFE Program's failure to meet development schedules and the resultant cost increases incurred, will continue. DIA believes that based on the most recent pattern of slippages, final program costs to complete will increase by approximately 40% beyond the existing cost estimates for software development. Using this method of cost forcasting the impact of expected program slippages, approximately $21.6M of additional cost is anticipated above current estimates to complete the FY88 and FY89 development programs.

Distribution:
Orig-DDCI
1-D/ICS
1-Exec. Registry
1-IHC/Subj/NMA
1-IHC/Chrono
1-ICS Registry
STAT   DCI/ICS/IHC/[   ] (4Dec87)

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Addendum to SAFE Program Review Report

FROM: Edward J. Heinz, USAF D/ICS	EXTENSION	NO. DCI/ICS 4145-87
STAT		DATE

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
17 NOV 1987				
1. DDCI 7E12 Hqs.				10 DEC 1987
2.				
3.				*Not Signed*
4.				*see*
5.				*ICS 4155-87*
6.				*4156-87*
7.				*4157-87*
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				

DCI EXEC REG

DCI EXEC REG

C-1047R

FORM 610 USE PREVIOUS EDITIONS

☆ U.S. Government Printing Office: 1985—494-834/49156

SECRET

DCI/ICS 4145-87
16 November 1987

MEMORANDUM FOR: Deputy Director of Central Intelligence

25X1   FROM:

Acting Director, Intelligence Community Staff

SUBJECT: Addendum to SAFE Program Review Report

1. In response to your direction (Attachment A), the following information is provided.

a. Request: Provide CIA, DIA and CSPO responses to SAFE report.

Answer: No responses were requested nor recommended when the report was distributed to CIA, DIA and CSPO. No formal reply has been received from DIA or CSPO. However, an unsolicited response was received from Director of Information Resources, CIA, (see Attachment B). The SAFE review team prepared comments to the D/OIR memorandum in Attachment C. Informally DIA's Director for Information Systems advised that he liked the report. The CSPO Director, however, is concerned that revising the SAFE schedule will "take the pressure off the vendor to meet SAFE milestones," and without the additional funds requested in FY 1988 the program will have to be descoped, (see Attachment D).

b. Request: Expand Option D (FY 1989 Buyout) with detailed implications and provision for CSPO disestablishment.

Answer: Option D, funding the SAFE program 50/50 through FY 1988 with a CIA buyout ($7-15 million) beginning FY 1989, has two fiscal issues that must be considered:

1. DIA must acquire and install a development computer in FY 1988 to support continued SAFE development. This procurement is not planned or funded in FY 1988 or FY 1989.

2. CSPO SAFE deliveries will not be finished in FY 1988, but FY 1989 remaining work cannot be quantified at this time. A CIA buyout in FY 1989 leaves DIA solely responsible for this fiscal unknown which could be significant. Inability of DIA to fund the unprogrammed shortfall would impact critical mission activities.

REGRADE TO UNCLASSIFIED WHEN
SEPARATED FROM ATTACHMENTS
A AND B

DCI
EXEC
REG

SECRET

C-104-w

SUBJECT: Addendum to SAFE Program Review Report

In addition to funding issues, it would take at least one
year for DIA to prepare internally to assume full program
management responsibilities such as building an experienced
in-house IBM support division, acquiring training on CIA's
minimally documented AIM system, and contracting vendor support
to continue program development.   Given these considerations,
disestablishment of CSPO under option D would be scheduled no
earlier than 1 April 1989.   This assumes a transition plan can be
developed and approved by 31 January 1988 and activities to
disestablish CSPO commence February 1988, concurrent with ongoing
development activities.

c.   Request: Consider Option D1 for buyout in FY 1990 with
provision for CSPO disestablishment.

Answer: Option D1 stipulates funding SAFE 50/50 through
FY 1989, except the 70/30 (DIA/CIA) split for TRW Delivery 4
work.   CIA's estimated FY 1989 funding obligation would be $5-13
million.   The low side assumes CSPO adheres closely to the SAFE
Delivery schedule at the descoped FY 1988 level of $46 million.
The high side assumes significant slippage into FY 1989 which
necessitates manning the program with current levels of effort.
In FY 1990 CIA would provide DIA $0-5 million, a sum of money
equivalent to 25 percent of estimated remaining program costs
and exit the program with no further funding obligation.
Concurrent with development activities, transition activities
would commence to disestablish CSPO, according to an approved
transition plan, completing disestablishment of CSPO not later
than 1 October 1989.   On 1 October 1989, DIA assumes full
responsibility for managing any remaining SAFE activity.

Option D1 permits a reasonable time for CSPO to complete
joint program activities under the shared costs arrangement,
while forcing DIA to commence immediate activity to prepare for
independent SAFE development and management not later than
1 October 1989.   However, under this option, CIA continues to pay
for activities from which they perceive no benefit.   DIA absorbs
100 percent of any further program costs.

d.   Question: Who decided the 70/30 (DIA/CIA) split for TRW work
on Delivery 4?

25X1

25X1

Response: The 70/30 arrangement was reached between ⬚
⬚ previous CSPO Director, and ⬚ previous
CSPO Deputy from DIA, attempting to prorate costs on TRW contract
tasks.   No formal agreement was signed.

SECRET

SUBJECT: Addendum to SAFE Program Review Report

e.   Question: Why has CSPO refused to provide DIA information on contract tasking, vendor expenditures, and monthly status reports?

25X1

25X1
25X1

Response: [   ] DIA VP-SIA, advised the review team of DIA's persistent requests for contract information and the negative responses received from Director of CSPO, [   ] [   ] According to [   ] D/CSPO responses have included "contracts contain sensitive CIA data;" "contract information requires interpretation;" and "these reports contain alarming data." Contents of Section D, Subsection (b) of the SAFE report which introduces this issue were based upon the team's interview with [   ] hence they were only coordinated with DIA. The information was included in the report because the review team also considers it outrageous; the issue is still unresolved.

25X1

25X1

Attachments:
  A.   SAFE Report and DDCI Query
  B.   D/OIR Comments
  C.   ICS Response to Attachment B
  D.   CSPO Memorandum

3
SECRET

SUBJECT: Addendum to SAFE Program Review Report

DCI/ICS 4145-87

Distribution:
  Orig - Adse
       1 - D/ICS Chrono
       1 - D/PBO
       1 - ER (w/o att)
       1 - IHC Subj
       1 - IHC Chrono
       1 - ICS Reg

STAT   DCI/ICS/IHC [   ] (10Nov87)

SECRET

16 November 1987

NOTE FOR: Deputy Director of Central Intelligence

25X1   FROM:

Acting Director, Intelligence Community Staff

SUBJECT: Intelligence Community Staff Paper on SAFE   (U)

1. It is unfortunate that DDI perceives that the Intelligence Community Staff (ICS) paper on SAFE is not objective and is biased toward the Defense Intelligence Agency (DIA). The governing principle was that the joint SAFE program was to satisfy both CIA and DIA requirements. From the outset, CIA's requirement was for analyst support work stations--i.e., the electronic shoe box. They now have that. DIA's driving requirement was for the replacement of its major, large data base system--DIA's On Line System (DIAOLS). They do not achieve this until delivery 4.1.

2. The management of the SAFE project by the Consolidated SAFE Program Office (CSPO)--essentially CIA management--has been such that it is impossible to determine if the cost sharing formula has been equitable to either side. It can only be said that CIA got what it wanted and DIA has not yet gotten what it wanted most. (It seems immaterial to me that DIA has current SAFE capabilities up and running.)

3. We recognize that continued CIA participation could result in deferral of desired upgrades. However, that is a matter of internal CIA choice since reallocation is available if these upgrades are of sufficient priority.

4. One further note. Your postulated D^1 option would actually be more expensive for CIA by stretching the program into FY 1990 vice capping it at FY 1989. Figures proposed in buy-out options are estimated. Selecting a buy-out sum acceptable to both Agencies would require lengthy negotiations. We stand by our original recommendation.

25X1

Acting Director

Attachment
  SAFE Package

REGRADE AS UNCLASSIFIED
WHEN SEPARATED FROM ATTACHMENT

SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Support for the Analyst's File Environment (SAFE)

FROM: LtGen Edward J. Heinz, USAF
Director, ICS

STAT
STAT

EXTENSION	NO.
	DCI/ICS 4132
	DATE 14 October 1987

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. DDCI 7E12 Hqs.				For your signature.
2. ICS/IHC				For distribution.
3.				
4.				
11.				
12.				
13.				
14.				
15.				

STAT

Not Signed

has talked w/ Gen Heinz

6 NOV 1987

STAT

ICS SIGNATURE/INTIAL CONTROL SLIP

Date 14 October 1987	Serial Number 00310
From C/IHC	
Subject SAFE	

C-104-1R

Office: 1985—494-834/49156

The Deputy Director of Central Intelligence

Washington, D.C. 20505

D/ICS -

1. I would like to see the responses from CIA, & DIA + CSPO to your memo.

2. Expand for me option "d" on p 7 of the review. Discuss implications in more detail and also consider a "d'" that would go 50/50 through '89 with an FY 90 CIA buyout. Each of the two options 88/89 or 89/90 should contain provision for ending CSPO either in 89 or 90, thereby forcing DIA to develop independent capability to manage

3. Give to me by 10 November

RG.

SECRET

DCI/ICS 4131-87

14 October 1987

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Lieutenant General Edward J. Heinz, USAF
                 Director, Intelligence Community Staff

SUBJECT: Support for the Analyst's File Environment (SAFE)

1. <u>Action Requested</u>: That you review the attached report on SAFE, Attachment 1, and sign the implementation memorandum, Attachment 2.

2. <u>Background</u>: At your direction, an ICS study was initiated to examine CIA and DIA funding responsibilities for remaining SAFE Deliveries and the eventual disestablishment of the Consolidated SAFE Program Office (CSPO). The review team focused on the following questions:

   a. Is the CSPO schedule for completing the remaining SAFE Deliveries 3.2 through 3.8 and Delivery 4, Set 1, during FY 1988 realistic and achievable?

   b. How sound is the cost projection of $53.793 million to complete those Deliveries?

   c. Will the program activities and costs extend into FY 1989?

   d. Should the identified FY 1988 funding shortfall of $7.2 million be a FY 1988 or a FY 1989 issue?

   e. Would it be appropriate to prorate the costs of the remaining SAFE Deliveries between CIA and DIA based on expected agency usage and need?

   f. Has CSPO cost accounting and reporting been adequate?

   g. What are the issues associated with disestablishment of CSPO and who is responsible for defining transition goals, schedules and plans?

REGRADE TO UNCLASSIFIED WHEN
SEPARATED FROM APPENDED DOCUMENTS

SECRET

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

3. The review team concluded that:

a. CSPO's schedule, acknowledged by the CSPO Director as "intense with no margin for error" is unrealistically ambitious. Continuation of program activities into FY 1989 is expected.

b. Projected costs to complete the program will escalate. Overall funding for SAFE in FY 1988 and FY 1989 can be expected to exceed the projected $53.793 million.

c. Consequently, the funding shortfall and its allocation between agencies is both a FY 1988 and a FY 1989 issue.

d. The concept of prorating costs for SAFE activities based on agency usage or "uniqueness" has not been used historically as the principal guideline for determining DIA and CIA funding obligations. At this juncture, the lack of detailed cost accounting for past SAFE activities makes it impossible to determine fair share costs to complete the remaining SAFE Deliveries.

e. Changes are required in CSPO cost accounting and reporting procedures to ensure that DIA and CIA are henceforth provided a full reckoning for monies spent on SAFE.

f. Transition planning and implementation will require at least one year following agreement by both agencies on the goals for disestablishing CSPO.

4. Based on the team's conclusions, several alternatives for funding SAFE in FY 1988 and FY 1989, and for disestablishing CSPO, were identified. After examining the alternatives presented in the report, [   ] and I support the team's recommendations. These recommendations have been incorporated into an implementation memorandum, Attachment 2.

25X1

5. Staff Coordination: The interview information reflected in the SAFE Program Review report, Attachment 1, has been approved by respective CSPO, DIA and CIA sources. To minimize surprise reactions to the SAFE report, an advanced copy of the report itself is being provided to CIA's DDA, DDI, and Comptroller, DIA's VP, DS, and GDIP Staff and CSPO simultaneously to its submission to you.

6. Recommended Action: Although there will be objections from CIA and DIA to the decisive guidance provided in Attachment 2, we recommend that you sign the attached implementation memorandum.

25X1

Edward J. Heinz
Lieutenant General, USAF

Attachments:
  As Stated

SECRET

SUBJECT: Support for the Analyst's File Environment (SAFE)

DCI/ICS 4131-87

Distribution:
  Orig - Adse
     1 - D/ICS Chrono
     1 - D/PBO
     1 - IHC Subj
     1 - IHC Chrono
     1 - ER
     1 - ICS Reg

STAT   DCI/ICS/IHC [   ] (14Oct87)

SUPPORT FOR THE ANALYST'S FILE ENVIRONMENT (SAFE)
PROGRAM REVIEW

7 OCTOBER 1987

A. ISSUES

25X1

On 27 August 1987, members of the Intelligence Community Staff, _____ initiated a SAFE Program Review at the direction of the DDCI and D/ICS to examine the following issues:

1. What are CIA's and DIA's funding responsibilities for FY 1988 SAFE program activities, totalling $53.793 million, as costed and scheduled by the Consolidated SAFE Program Office (CSPO)?

2. What are CIA's and DIA's responsibilities for funding SAFE activities, scheduled or slipped, into FY 1989?

3. When is it realistic to disestablish CSPO and who is responsible for defining conditions for disestablishment, schedule, and transition planning?

B. HISTORY

1. In 1977, a Memorandum of Understanding (MOU) and Management Plan for the Consolidated SAFE Project Office was signed by the DCI, Stansfield Turner, and the D/DIA, Lieutenant General Eugene Tighe, establishing the following terms of agreement:

a. "A joint project will be undertaken by CIA and DIA to develop an information system capable of satisfying both the CIA requirements, as described in the CIA SAFE Functional Requirements Document and DIA requirements, as specified in the Advanced Defense Intelligence Support System (ADISS) Master plan. The project will be called SAFE and will encompass not only the common requirements but also those unique to each agency."

b. The consolidated project budget request developed annually by the CSPO will "identify the total system costs, indicating the portion attributable to each Agency's unique requirements and the equal proration for common elements. The proration of costs for the total system design and development to satisfy common requirements will be on a 50/50 basis. The proration of costs for other acquisitions and procurements will be based on each Agency's expected usage, needs, and quantities."

2. In the summer of 1982, the SAFE program went through a major redirection. Although the redirection altered system design, development and implementation activities, and increased CSPO's responsibility for SAFE development, no new MOU was issued. Only the accompanying management plan was updated.

25X1

REGRADE TO UNCLASSIFIED WHEN
SEPARATED FROM APPENDED
ATTACHMENT 6

SECRET

3. In 1985, a Memorandum of Agreement (MOA) was reached between CIA's Deputy Director for Administration (DDA) and DIA's Deputy Director for Resources and Systems (RS) addressing DIA SAFE System Support and Transition Responsibilities. This MOA assumed the SAFE system would be completed by 30 September 1987 and that DIA would assume full responsibility for all DIA SAFE operations by 1 October 1988. It specifically stated that those MOA dates were based on current SAFE development objectives and delivery schedules and were subject to annual review and modification. Despite changes in program schedules, this MOA has never been officially updated.

4. The MOU, the management plan and the MOA formed guidelines for SAFE activities, but in reality little attention was paid to updating agreements or prorating costs based on expected agency usage.

C. BACKGROUND

1. The SAFE system was designed to assist analysts with the total intelligence analysis cycle from information receipt to production of finished intelligence by distributing electrically raw intelligence traffic directly to responsible analysts, permitting analysts to search and retrieve information without the delays and inaccuracies associated with paper files, enabling analysts to draft and coordinate reports in electronic form and maintaining extremely large files and data bases. These requirements formed the basis for a joint program, directed by Congress to avoid duplicate efforts, yet recognizing, from the beginning in 1977, the existence of agency-unique requirements such as the replacement of DIA's On Line System (DIAOLS).

2. Requirements were prioritized and placed in "Deliveries," following the program's redirection in 1982. Efforts were made to alternate Deliveries between CIA and DIA so each derived benefit. The sequencing of the Deliveries was endorsed by both agencies.

3. Although the description of Deliveries and their scheduled implementation dates have changed substantially from original projections, the Deliveries, implemented and planned, are as follows:

Delivery 1:	Initial configuration; operational at both CIA and DIA;
Delivery 2:	First totally "new" SAFE system operational at CIA only and at DIA in test configuration;
Delivery 3.0:	Enhanced configuration replacing 2.0 operational at DIA and CIA in July and August 1987 respectively;
Delivery 3.1:	Personal Index Files/Forms to be delivered September 1987;
Delivery 3.2-3.3:	ELINT/HUMINT capabilities scheduled for User Initial Operating Capability (UIOC) April/May 1988;

2

Delivery 3.4:	CRD/Mail capabilities scheduled for UIOC September 1988;
Delivery 3.5:	3270 PC connection to SAFE scheduled for UIOC at CIA May 1988 and at DIA July 1988;
Delivery 3.6:	Connection to DOD Intelligence Information Systems (DODIIS) scheduled for UIOC July 1988;
Delivery 3.7:	Attache capabilities scheduled for UIOC December 1988;
Delivery 3.8:	Delivery 4 Non Integrated Data Base activity schedule to be determined;
Delivery 4.0/Set 1:	DIA Integrated Data Base (IDB), replacement of DIAOLS, scheduled for delivery beginning in August 1988.

4. Descriptions of achieved capabilities and remaining Deliveries 3.2 through 3.8 and Delivery 4, Set 1, are detailed in Attachment 1. Deliveries accomplished to date have benefited both CIA and DIA and are providing operational support to agency analysts. The remaining Deliveries which were incorporated in the original program objectives are primarily a benefit to DIA and represent DIA's priority SAFE requirements.

5. The cost accounting system established by CSPO for SAFE Deliveries was simplistic. According to both DIA and CIA, the CSPO accounting system never established a clear identification of costs associated with common requirements versus costs for agency-unique requirements. In practice, from 1977 to the present, both agencies split the costs of program development 50/50 and procured system hardware individually. Only in selected instances was there a deviation from this practice, such as DIA's Integrated Data Base (IDB) (Delivery 4, Set 1), where DIA agreed to alter the 50/50 split for a specific application.

6. In October 1986, after significant schedule slippages and cost expansions, the CIA and DIA reported together to the ICS that both agencies would continue joint development and fund SAFE until Delivery 4, Set 1, had been achieved, which was then expected by April 1988.

7. In June 1987, at D/ICS's request, CIA and DIA briefed the status of the SAFE program and advised that the schedule for all remaining SAFE Deliveries 3.2 through 3.8 and Delivery 4, Set 1, had slipped into FY88 and would require all programmed FY 1988 CIA and DIA funds to complete, plus a $10.5 million shortfall (later reduced to $7.2 million). CIA's and DIA's efforts to resolve the identified FY 1988 funding shortfall and outstanding transition issues resulted in an impasse, involvement of the DDCI, and this subsequent ICS review.

D. DISCUSSION

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1. The ICS review team met with [_____], CSPO Director, and his program staff, [_____] DIA VP-SIA and his staff, and [_____] CIA/DDI/OIR, and his staff, to explore SAFE program status, projected schedule and costs for SAFE Deliveries 3.2 through 3.8 and Delivery 4, Set 1, and to obtain DIA and CIA's respective positions on funding the remaining SAFE activities.

a. Meeting with CSPO

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- To begin, [_____] related status on SAFE deliveries summarized in Attachment 2 (since modified by Attachment 2A and 2B). Each successive delivery represents additional capabilities for SAFE, and current CSPO plans are to provide a single baseline system to CIA and DIA for Deliveries 3.2 through 3.8 and to provide Delivery 4, Set 1 to DIA only. From CSPO's perspective, a common operational configuration will simplify maintenance requirements on CSPO.

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- According to [_____] the current schedule for implementing Deliveries 3.2 through 4.0 is "the most intense Delivery schedule ever on the SAFE program." During FY 1988, seven SAFE deliveries are planned, yet CSPO has never accomplished more than two in any one year, to date. CSPO advised that there is no margin for error in the projected schedule. Based on past SAFE performance and on the difficulties associated with software development in general, both CSPO CIA and DIA managers recognize that deliveries scheduled for FY 1988 could stretch into FY 1989 before User Initial Operating Capability (UIOC) is achieved.

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- In addition to schedule information, [_____] presented FY 1988 projected expenditures totalling $53.793 million for hardware and software. Total revenues available to the program are $46.5 million, leaving a FY 1988 shortfall of $7.2 million. The agencies' fair share responsibilities presented by CSPO represent 50/50 split on all software, except Delivery 4 IDB activities which were split 70/30 (DIA/CIA). See attachment 3.

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- According to [_____] this 50/50 split is in concert with historical practices on the SAFE program. Past SAFE activities were divided evenly between CIA and DIA, except for hardware and a few selected software applications. Tasks within Deliveries were neither costed separately nor evaluated for agency-uniqueness. Recent efforts by CSPO have refined the SAFE fiscal management system to cost tasks separately by vendor, thereby improving program cost accountability. Additionally, award fee contracts have been let to incentive vendor performance and reduce the risk of cost overruns. Despite these improvements, program costs for FY 1988 activities are based on negoitiated costs. Given that

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there is no schedule or cost margin, [_____] advised costs could escalate.

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- Finally, [_____] advised that no transition plan had been agreed upon by DIA and CIA and that realistically it would take at least one year from agreement on a plan to transition smoothly from joint activities to separate agency SAFE environments.

Who decided this?

4

b. Meeting with DIA

- The DIA position, as stated by [   ] is that DIA has supported the SAFE development effort on a 50/50 basis since its inception and that the program should continue with joint CIA/DIA funding and support on a 50/50 basis until the joint agency commitment to achieving Delivery 4, Set 1 is complete. Special provisions are recognized by DIA for splitting the TRW work on Delivery 4, Set 1, 70/30 (DIA/CIA). Early in the program, DIA agreed to place their priority requirements in Deliveries 3 and 4, which were recognized as DIA deliveries when they were defined. Further, the SAFE functionality remaining to be accomplished in Deliveries 3.2 through 3.8 and 4, Set 1, although admittedly of more benefit to DIA than CIA, represent a descoping of the original set of DIA's requirements and are of critical importance to DIA's mission and its support to the DOD Intelligence Information Systems (DODIIS) community, according to Mr. [   ] (See Attachment 4)

- Further, DIA contends that until separation issues such as Automated Information Management (AIM) support, procurement of a development computer, and contracting arrangements with SAFE vendors, are accomplished, total separation, if that goal is endorsed by agency senior management, is realistically several years down the road.

- Finally, DIA raised one last issue related to DIA access to CSPO/SAFE contracts, which CIA regards as "sensitive". VP-SIA has repeatedly requested CSPO to provide information on contract tasking by vendor, resource allocation, and vendor expenditures and their requests have been refused. Recently, in an effort to establish DIA cost accounting on SAFE, VP-SIA submitted a refined request for only task descriptions and monthly vendor reports and still has received no satisfactory response.

c. Meeting with CIA

- The CIA position, as articulated by [   ] is that the preponderance of CSPO's work remaining in Deliveries 3.2 through 3.8 and Delivery 4, Set 1 is for DIA-unique activities and, therefore, CIA should not be required to increase their FY 1988 contribution to DIA-unique development, nor fund any part of the FY 1988 shortfall or FY 1989 activities. CIA further contends that the enhancements resulting from Deliveries 3.2 through 4.0 (except for 3.5) are of no use to CIA and the disruption caused by their incorporation into the CIA environment far exceeds any marginal benefits that the enhancements might provide.

- In FY 1987 CIA/DI contributed approximately $5 million toward DIA-unique software development. CIA has committed approximately $3 million for DIA-unique activities in FY 1988. In addition, CIA's share of the FY 1988 CSPO-budgeted shortfall, using a 50/50 approach, would be $4.9 million, of which more that $2 million would be for DIA-unique functionality.

5

- CIA advises that both agencies have benefited from the SAFE functionality developed to date, and prefers to terminate the joint CIA/DIA SAFE development effort by the end of FY 1988 for the reasons stated in Attachment 5. Fiscal commitment to DIA-unique applications beyond FY 1988 would prevent development of CIA enhancements for CIA users. Specifically, CIA intends to develop a new user interface to ease acquisition of SAFE skills by new users, as well as to add CIA-specific sources to the SAFE database. Both efforts will require fiscal commitments in the near term so they are available shortly after 3.5 becomes available for CIA users.

E. OBSERVATIONS

1. Synthesis of the information gathered by the ICS review team indicates the following:

a. The schedule for FY 1988 SAFE activities, described as "intense with NO margin for error" is unrealistic and therefore not an appropriate baseline from which to develop alternative funding strategies. A more likely scenario is that many of the projected dates will not be met and SAFE development and user Test and Acceptance activities and associated funding will continue into FY 1989. Moreover, overall funding in FY 1988 and FY 1989 can be expected to exceed the currently projected $53.8 million cost to completion. Consequently, the funding shortfall and its allocation between the two agencies should be regarded as both a FY 1988 and a FY 1989 issue.

b. The concept of prorating costs for agency-unique tasks, although established in principle in the 1977 MOU, has not been used on SAFE as the principal guideline or rationale for determining CIA and DIA funding obligations. Given the inadequacies of the CSPO SAFE cost accounting system prior to FY 1987, full allocation of program costs and expenditures, which have been approximately $275 million to date, would be difficult, if not impossible. At issue now is the appropriateness of introducing prorata costing, and the ability of both agencies to receive adequate information to monitor the funding applied to their tasks.

c. At present the conditions, cost and schedule for CSPO disestablishment are undefined. To fully address transition costs and scheduling issues requires agreement by the two agencies as to the goals, responsibilities and timing for the termination of the joint effort.

F. ALTERNATIVES

Alternatives for funding the remaining SAFE program activities in FY 1988 and FY 1989 and alternatives for the disestablishment of CSPO are addressed separately.

1. FY 1988 and FY 1989 Funding Issues

a. Continue CIA and DIA funding responsibilities on 50/50 basis, except a 70/30 split on TRW Delivery 4 work, until all Deliveries 3.2 through 3.8 and Delivery 4, Set 1 are achieved and user IOCs completed, regardless of time and cost.

6

Advantages
Continues existing arrangements for funding SAFE development and
maintenance;
Allows CSPO to concentrate on development and discontinue the
time consuming "what if?" activities;
Reinforces CIA commitment to see program completion with Delivery
4, Set 1;
Keeps pressure on CSPO to get the job done.

Disadvantages
Obligates CIA to pay for SAFE Deliveries which have minimal to no
benefit to CIA;
Leaves funding commitment open-ended given uncertainty of schedule
and projected costs.

    b. Continue funding remaining SAFE activities on 50/50 basis, except
the 70/30 split on TRW Delivery 4 work, through FY 1989 with DIA assuming
full responsibility for funding any activities left unfinished.

Advantages
Establishing an end date permits both agencies time to plan and
budget accordingly.

Disadvantages
Establishing an end date only defines 'how long' not 'how much';
If end date precedes completion of Deliveries, DIA will fund
100% of remaining SAFE effort, possibly resulting in delayed
Deliveries and impact on DODIIS commands;
End date takes pressure off CSPO to finish as soon as
possible;
Could raise questions on the Hill.

    c. Reallocate funding responsibilities for remainder of SAFE
Deliveries based on agency benefits derived from each remaining Delivery.
Proposed DIA/CIA split would be 70/30 for all remaining Deliveries until
completion.

Advantages
Solution would probably reduce, but not eliminate, CIA's
funding obligations.

Disadvantages
Requires CIA to provide continued funding over unknown number
of fiscal year for which it receives little benefit;
Perceived by DIA as inappropriate because DIA contributed
fair share funding to earlier Deliveries with the understanding
that CIA would share equally the expense of later Deliveries.
Requires DIA to identify significant unprogrammed funding to
continue program.

    d. Continue funding responsibilities on a 50/50 basis through
FY 1988 using available resources. Unless scheduled program activities
are completed in FY 1988, CIA provides DIA a fixed sum of money ($7-13
million) in FY 1989 and exits the program, with no further obligation to
fund remaining SAFE Delivery activities.

7

Advantages
CIA's funding obligation is quantified, regardless of program
progress;
Does not require any FY 1988 additional funding from DIA or CIA.

Disadvantages
Could delay the acquisition of capabilities by DIA.
If program experiences significant cost overruns, DIA pays
everything in excess of fixed sum.
Requires CIA to provide FY 1989 funds for which it receives
no benefit.
DIA currently does not have the personnel, equipment or
contracts required to manage, develop, and maintain SAFE
SAFE unassisted by CIA.

2. Disestablishment of CSPO

a. Disestablish CSPO effective one year following completion of
remaining Deliveries. Both agencies then resume separate activities.

Advantages
Permits total focus on development until complete and ample
time to transition to independent operations;
Allows time to document and train AIM, procure DIA development
computer, and establish vendor contracts.

Disadvantages
Substantial CIA involvement required, possibly into FY 1990.

b. Disestablish CSPO no later than 1 October 1989, commencing
transition activities immediately, concurrent with SAFE
development. When transition activities are complete, DIA assumes
full responsibility for completing any remaining SAFE deliveries,
under prearranged funding agreement with CIA.

Advantages
Transition of program development and maintenance activities
is not contingent upon program progress and agencies' funding
obligations for remaining Deliveries.
When transition activities are complete, CIA's obligation to
participate in SAFE development and maintenance is over.

Disadvantages
Transition plan does not exist; costs, time required, and
disruptions unknown and unprogrammed;
Additional workload on CSPO to plan transition and continue
development activities, potentially delaying Deliveries;
DIA currently does not have the personnel, equipment or
contracts required to manage, develop, and maintain SAFE
SAFE unassisted by CIA.

G. TEAM CONCLUSIONS AND RECOMMENDATION

Succinctly stated, the team concludes that: (1) CSPO's schedule is unrealistically ambitious; (2) Projected costs to complete the program will escalate; (3) The funding shortfall and its allocation between agencies is both a FY 1988 and a FY 1989 issue; (4) Establishment of fair share costs to complete the SAFE program is impossible because there has been no detailed cost accounting from the beginning; (5) It is reasonable and desirable for both DIA and CIA to be provided full accountability for monies spent on SAFE; and (6) Transition planning and implementation will require at least one year.

Based on these conclusions, the ICS team recommends the following:

   a. CSPO develop a more realistic schedule and associated FY 1988 and FY 1989 funding profiles for implementation of remaining SAFE deliveries, addressing the identified $7.2 million funding shortfall as a FY 1989 issue.

   b. Continue DIA and CIA SAFE funding responsibilities on a 50/50 basis (except TRW work on Delivery 4, Set 1 at 70/30 and separate hardware procurements) until all remaining Deliveries 3.2 through 3.8 and Delivery 4, Set 1 have been completed and user acceptance achieved.

   c. Alter CSPO's implementation approach to install new SAFE deliveries only at DIA, not CIA unless specifically requested.

   d. CSPO prepare a joint agency transition plan and schedule for disestablishing CSPO no later than 1 October 1989. CSPO submit the transition plan for DCI approval by 31 January 1988. On or before 1 October 1989 DIA assume full responsibility for managing any remaining SAFE development activities in a DIA development-facility.

   e. Starting immediately, CSPO provide DIA VP-SIA and CIA DDI/OIR detailed contract information on vendor task activities and expenditures to facilitate agency cost accounting and task management.

   f. Starting December 1987, CSPO provide monthly program status reporting to Intelligence Community Staff/ IHC, DIA VP-SIA and CIA DDI-OIR, until program completion.

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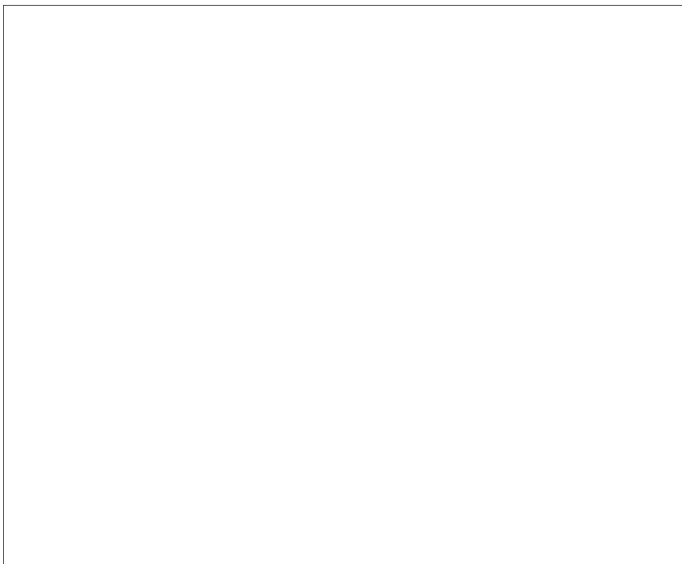
14 Oct 87
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Date

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Date

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Attachment 1

SAFE DELIVERIES
FUNCTIONAL DESCRIPTION

Early Capability

The SAFE Early Capability provided both DIA and CIA users with a SAFE-like capability supported by separate applications packages. User access was accomplished through three separate log-ons, one each for the major functions, namely Mail, Text and AIM.

MAIL allowed the user to review messages placed in mail files. The user could permanently "save" messages for retention or annotate and route messages to other users. Messages could also be deleted from mail files or printed to provide hard copy. The Profile software allowed users to list words and phrases in "interest profiles" and then logically associate these profile elements in a query expression. These profiles served to select electrical messages for dissemination to respective users' mail files.

TEXT allowed the user to search the complete text of all messages maintained in a master data base or individual private files. The private files were created as a result of messages "saved" during a mail file review.

AIM is a system with file management capability that provided the user with text editing functions that allow for the creation, editing, formatting, routing and printing of intelligence reports, memorandums and other documents. AIM was developed in-house by the CIA.

Delivery 1

Delivery 1 provided an improved algorithm for electrical message dissemination processing and one level of interprofile logic (ability of a user's interest profile to reference another profile).

Delivery 2

Delivery 2 provides CIA users three integrated functional subsystems to support user-oriented activities in SAFE. These include the INQUIRE Data Base Management Subsystem (DMS), the Automated Information Management (AIM) subsystem, and the Mail Software Subsystem.

The INQUIRE subsystem provides the analyst with a search capability of all messages received by the SAFE System. Each individual analyst may design their own query expression, thus providing significant flexibility. In the new MAIL subsystem, the analyst has an interactive capability to create, modify, suspend, delete, etc., as many mail profiles as deemed necessary to accomplish their tasks. They may create as many mail boxes as desired, provide access to others as needed, and electronically route mail to other analysts.

In Delivery 2, SAFE provides the first integrated system. Although users will need to move between the MAIL, AIM, and INQUIRE context to use functions and files supported by these subsystems or environments, a single log-on to the SAFE User Language (SUL) provides access to all user environments. The files being provided for user support in Delivery 2 include the Central Document File (CDF), Mail files, SAVE files, Text Composition file for building memoranda and other textual documents, and a variety of other ancillary files that are supportive of analysts' activities in SAFE.

An expanded message processing capability is provided for handling, indexing, disseminating and storing message traffic. Through an expanded use of profiles, the user is better able to select the specific message traffic desired and exclude unwanted messages.

Implementation of a Central Document File provides a capability to run prewritten (canned) and/or ad hoc queries against a master copy of all received message traffic. Once a document is placed in an individual's mail box, the user is able to append keywords (unique data identifiers) and comments to the document and file the information in a private "Save File" in AIM. The user is also able to route copies of the document to other SAFE users with or without keywords, comments and notes. The keywords and comments stored in Save Files can be searched and the associated documents retrieved to compile reports, briefings, etc.

Delivery 2.x

This delivery is the same as the CIA Delivery 2 system, differing only in modifications for DIA unique communication requirements. These modifications allow Delivery 2.x to handle two communication lines, vice one in Delivery 2, and process DIA specific message traffic.

Delivery 3.0

Delivery 3.0 is a functional equivalent of the CIA's Delivery 2 software. Delivery 3.0 is the first incremental release of Delivery 3 and is called the "Delivery 3 base". This delivery is a rewrite of approximately 80% of the Delivery 2 software to correct system problems, improve performance, and to support upward compatibility between Delivery 2 and the Delivery 3 component releases.

SAFE Delivery 3.0 incorporates single logon, concurrent processing in up to four logical windows, Inquire DBMS management of the Central Document File, AIM-based Save Files, and multiple Mailfiles. 3.0 also includes identification and dissemination control of incoming cable traffic according to source and type of cable and introduces a common command language interface (SAFE User Language) for AIM, MAIL, and Inquire environments in SAFE.

3.1: Introduces Inquire-based Private Index Files (for Savefiles and analyst index files), forms processing, and sectional message combination.

2

3.2: Includes structured ELINT and MASDR files managed by Inquire, automatic file-building of ELINT and MASDR files from incoming message stream, additions to the SAFE User Language to support structured file search and maintenance.

3.3: Provides support to HUMINT collection and operations, including additional structured files and automatic file building. Introduces SAFE-generated products for dissemination throughout Agency and commands. Includes support for additional message types, and combined file searches.

3.4: Completes support to HUMINT collection process through support of Intelligence Information Report indexing and cataloging. Introduces linked file search functionality for Inquire files. Provides support to DIA Mailroom operations through automated generation of distribution lists, mailing labels, and manifests. Provides additional automated support to product generation.

3.5: Provides SAFE host support for 3270 data stream protocol. Includes support for the integration of microcomputers as SAFE terminals. Introduces data file SEND and RECEIVE file transfer between host and microcomputer. Downloads word processing function to microcomputer, and provides file transfer and document content translation to replace host-based document composition.

3.6: Establishes SAFE interface for DoDIIS connectivity. Includes support for SAFE access by users on DoDIIS network external to DIA, access by DIA SAFE users to systems external to agency via DoDIIS, Electronic File transfer to and from SAFE via DoDIIS, and Simple Mail Transfer Protocol for electronic office mail functionality over DoDIIS.

3.7: Provides enhancements to Attache HUMINT operations through linked file searches (displaying results of combined file searches from all files, rather than only last file searched), and ability to have a single evaluation message linked to multiple IIRs.

3.8: Provides numerous enhancements to earlier functional releases, including enhancements to form processing to support forms creation by 'painting' the screen vice programming, forms display of multiple records per screen (vice a single record/screen presently), the ability to do geographic coordinate searches (circle, route, etc.) on Inquire structured files, and support for a 'macro' capability whereby a single command calls and invokes a document containing a combination of other commands and/or textual data.

4.0: Delivery 4 is the Integrated Data Base (IDB). This will replace all of the installations, order of battle, ports, and equipment files presently on DIAOLS. The IDB will integrate all installations, order of battle, and related information into a single data base providing a comprehensive picture of military forces and assets. The IDB supports the worldwide delegated production effort as the DIA node of the Military Intelligence Integrated Data System (MIIDS) program.

SAFE MASTER SCHEDULE EXECUTIVE SUMMARY

25 AUGUST 1987

LEGEND:
- ---- DEVELOPMENT
- □ START SYSTEM TEST
- △ SYSTEM TEST COMPLETE
- ◇ USER IOC (UIOC)
- * INTERIM PROGRESS REVIEW (IPR)

- D   DIA
- I   OI
- O   DO
- SEC   SECURITY

SAFE MASTER SCHEDULE EXECUTIVE SUMMARY

14 SEPTEMBER 1987

	1987				1988												1989		
	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR

DEL. 3.1 (PIFS/FORMS)

DEL. 3.2/3.3 (ELINT/HUMINT)

SAFE 2

DEL. 3.4 (CRD/MAIL)

DEL. 3.5 (3270)

DEL. 3.6 (DoDIIS)

DEL. 3.7 (ATTACHE)

DEL. 3.8 (D4 NON IDB)

DELIVERY 4.0

MRP REWRITE

SOFTWARE DELIVERIES

DEL. 3.9 (TSSS)   TBD

SECURE VMU   TBD

LEGEND: ---- DEVELOPMENT
     □ START SYSTEM TEST
     △ SYSTEM TEST COMPLETE
     ◇ USER IOC (UIOC)
     ✲ INTERIM PROGRESS REVIEW (IPR)
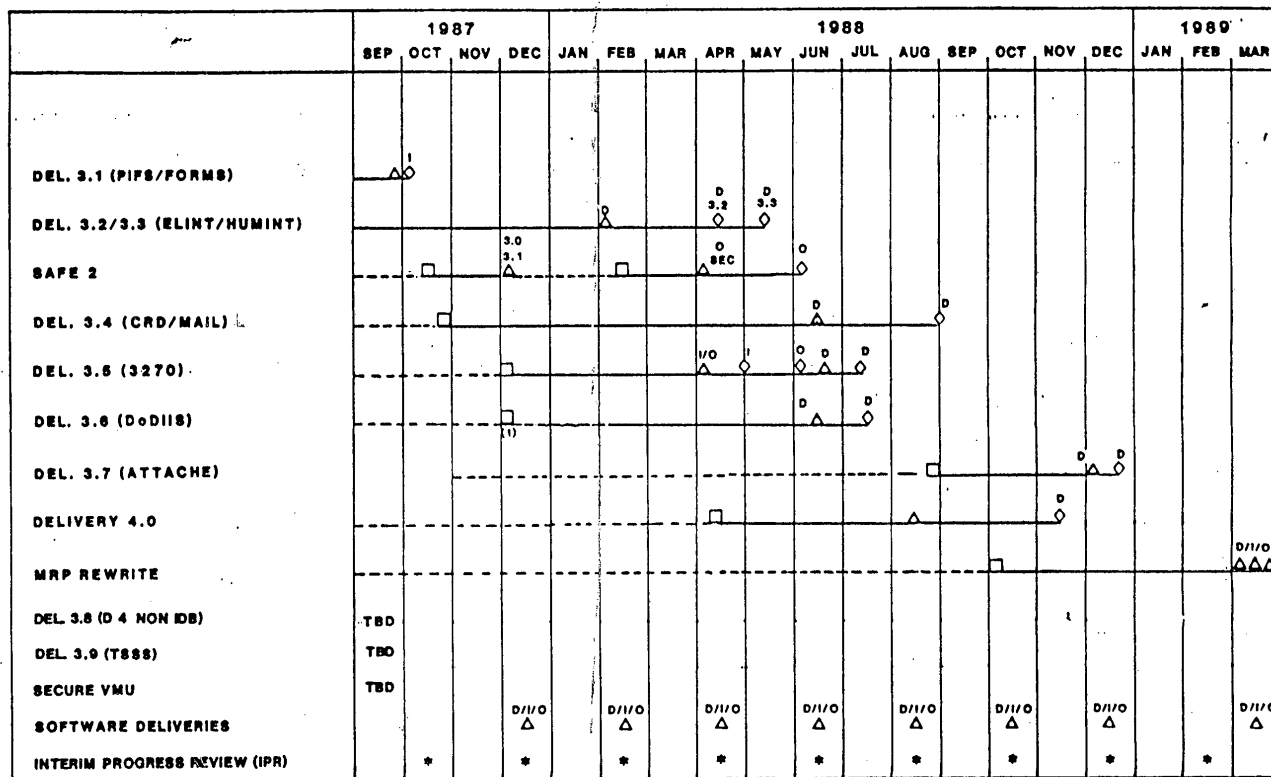   (1) INCLUDES 2.5 MONTHS INTEGRATION PHASE

D   DIA
I   DI
O   DO
SEC   SECURITY

1 MAR 89, I
31 MAY 89, D
31 AUG 89, O

Attachment 2B

SAFE MASTER SCHEDULE EXECUTIVE SUMMARY

21 SEPTEMBER 1987

	1987				1988												1989		
	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR

DEL. 3.1 (PIFS/FORMS)

DEL. 3.2/3.3 (ELINT/HUMINT)

SAFE 2

DEL. 3.4 (CRD/MAIL)

DEL. 3.5 (3270)

DEL. 3.6 (DoDIIS)

DEL. 3.7 (ATTACHE)

DELIVERY 4.0

MRP REWRITE

DEL. 3.8 (D 4 NON IDB)

DEL. 3.9 (TSSS)

SECURE VMU

SOFTWARE DELIVERIES

INTERIM PROGRESS REVIEW (IPR)

LEGEND: ━ ━ ━ DEVELOPMENT
    □ START SYSTEM TEST
    △ SYSTEM TEST COMPLETE
    ◇ USER IOC (UIOC)
    (1) INCLUDES 2.5 MONTHS INTEGRATION PHASE

D   DIA
I   DI
O   DO

1 MAR 89, I
31 MAY 89, D
31 AUG 89, O

Attachment 4

SAFE Termination Impact

Termination of the SAFE program would have both near- and long-term effects on DIA's operations. Additionally, to the extent SAFE development is related to departmental and national programs, terminating the SAFE program would have an adverse impact on other agencies, departments, and military commands.

Future deliveries of SAFE will automate the operations of critical organizations in order to accomodate ever-increasing volumes of data without commensurate increases in personnel. The operations include collection management of ELINT and MASINT, the operational control of the DoD HUMINT program, and the Central Reference Division's intelligence dissemination program. Failure to implement deliveries 3.2, 3.3, 3.4, 3.7 and 3.8 would leave DIA with the choice of requesting a very large increase in personnel and facilities in order to continue support for agency missions, or substantially reducing the range and scope of the missions the agency could support. Failure to complete 3.5 would prohibit DIA from incorporating microcomputers into SAFE. Failure to implement 3.6 will eliminate providing DoDIIS access to SAFE and in consequence not allow DIAOLS replacement.

SAFE is designed to replace the present DIAOLS system, and support the DoDIIS communications link to DIA as the replacement for the present I2 and COINS networks. The DIAOLS Honeywell computers have long exceeded their expected hardware life-cycle, and can only be supported and maintained at ever increasing costs. The aging equipment is prone to numerous outages, requiring replacement parts that are difficult and expensive to procure. This situation puts all national intelligence data on DIAOLS at great risk of frequent outages, as well as possible destruction. In that SAFE is the only alternative to the DIAOLS system, failure to proceed with the SAFE project will ultimately result in the loss of the principal agency automated repository of military intelligence. This includes the the Order of Battle and Automated Installations Files (national-level databases maintained by DIA).

Delivery 4 of SAFE, in conjunction with functionality developed in earlier releases, consists of the Integrated Data Base in support of the Military Integrated Data System (MIIDS). Failure to proceed with Delivery 4 development will terminate the MIIDS program -impacting Washington-area as well as worldwide military consumers of intelligence. The war-fighting intelligence support DIA is charged with providing under the MIIDS concept will be eliminated. Also, as detailed above, the availability of this military intelligence data resident on the DIAOLS system will eventually become seriously at risk.

Attachment 5

SEPARATION OF JOINT CIA-DIA DEVELOPMENT EFFORT

Terminating the joint CIA-DIA SAFE development effort by the end of FY-88 is logical for several reasons. First, both CIA and DIA signed a Memorandum of Understanding (MOU) in May 1985 that provided for DIA assuming full responsibility for DIA SAFE in 1988. Second, a baseline SAFE system, Delivery 3.1, is already in place at each agency, and both agencies are developing requirements based on unique needs no longer easily managed by a consolidated effort. Third, repeated delays in the program have been costly, and the CIA is now funding the development of software with no intended CIA application. Finally, new SAFE users--including the CIA's Directorate of Operations and perhaps other DOD elements--are on the horizon. Their diverse needs argue against the indefinite continuation of consolidated management.

The MOU provided that CIA would provide DIA with software and operating support until the end of FY-88. Informal agreements later provided for a joint development effort through Delivery 4, originally planned for FY87, but which now has slipped to FY89. Delivery 4 is designed for unique DIA use.

CIA currently finds Delivery 3.1 satisfactory for its baseline purposes and sees as one of its primary responsibilities the need to maximize the ease of use and the substantive scope of the existing SAFE system. This is best done by working on requests for change and requirements that come from CIA analysts themselves. Money that is spent on unique DIA applications cannot be spent for CIA enhancements such as a standard CIA interface and the introduction of CIA specific sources into the database. In FY-87, CIA contributed $5 million for DIA-unique development and the proposed CSPO budget would have CIA contribute approximately $6-8M toward DIA development in FY 88.

The separation of the joint SAFE development effort would provide the DI and the DO the opportunity to pursue the many similar SAFE goals of the two Directorates, goals not shared by the CIA and DIA. It makes sense to separate from DIA before this interdirectorate effort gets too involved.

There may be as many as six DIA-unique deliveries in FY-88. Based on previous experience with SAFE, each delivery is guaranteed to disrupt the existing SAFE system to one degree or another. CIA will be undergoing several disruptions in the near-term: the installation of the PBX, the move into the new building, and the relocation of analysts and terminals in the old building. The delivery of DIA-unique add-ons to SAFE would be likely to add to these disruptions.

After separation, CIA would create a joint CIA interdirectorate program office which would provide many of the same services provided by the SAFE Project Office--contractor support, interaction with OIT components, overall guidance for the SAFE effort in the Agency. This program office would be willing to work with its DIA counterpart to ensure appropriate coordination of effort and sharing of benefits.

SAFE Development Cost Summary
(Prepared from available ICS documentation)
(Dollars in Millions)

	FY77-82	FY83	FY84	FY85	FY86	FY87	FY88	FY89	FY90	FY91
CIA*	42.5*	21.4*	21.7*	28.2*	21.0*	16.1*	18.3*	12.3*	12.9*	13.5*
DIA	23.4	11.2	20.0	23.0	22.0	25.1**	23.6**	18.1**	26.0**	30.1**
Total	65.9	32.6	41.7	51.2	43.0	41.2	41.9 ***	30.4	38.9	43.6

*Totals reflect combined DDI & DDA SAFE costs (FY 1987 beyond, does not include
   SAFE 3100 initiative costs)

**Total funds requested regardless of GDIP ranking

*** Does not include $4.6M of FY87 Cost UnderRun

25X1

SECRET

SECRET

The Deputy Director of Central Intelligence

Washington, D.C. 20505

MEMORANDUM FOR: Mr. James H. Taylor
Executive Director, CIA

Lieutenant General Leonard H. Perroots, USAF
Director, DIA

Lieutenant General Edward J. Heinz, USAF
Director, ICS

SUBJECT: Support for the Analyst's File Environment (SAFE)

1. At my direction, Lieutenant General Heinz and his staff conducted a review of SAFE funding and plans for the disestablishment of the Consolidated SAFE Program Office (CSPO). Findings and recommendations from the ICS study are attached.

2. The focus of the study was on identification of CIA and DIA funding responsibilities for remaining SAFE Deliveries 3.2 through 3.8 and Delivery 4, Set 1, and on plans for the disestablishment of CSPO. From information obtained from CSPO, DIA and CIA, the review team concluded:

   a. CSPO's schedule, acknowledged by the CSPO Director as "intense with no margin for error" is unrealistically ambitious. Continuation of program activities into FY 1989 is expected in order to achieve user acceptance of all remaining Deliveries.

   b. Projected costs to complete the program will escalate. Overall funding for SAFE can be expected to exceed the CSPO projected $53.8 million for completion.

   c. Consequently, the funding shortfall and its allocation between agencies is both a FY 1988 and a FY 1989 issue.

   d. The concept of prorating costs for SAFE activities based on agency usage or 'uniqueness' has not been used historically as the principal guideline for determining DIA and CIA funding obligations. At this juncture, the lack of detailed cost accounting for past SAFE activities makes it impossible to determine fair costs to complete the remaining SAFE Deliveries.

REGRADE TO UNCLASSIFIED WHEN
SEPARATED FROM APPENDED DOCUMENT

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SUBJECT: Support for the Analyst's File Environment (SAFE)

      e. Changes are required in CSPO cost accounting and reporting procedures to ensure that both DIA and CIA are provided a full reckoning for monies spent on SAFE.

      f. Transition planning and implementation will require at least one year, after both agencies agree on the goals for disestablishing CSPO.

3. After consideration of these findings and the alternative recommendations for funding the remaining SAFE activities and disestablishing CSPO presented in the report, I direct the following actions be taken:

      a. CSPO develop by 1 December 1987 a more realistic schedule and associated FY 1988 and FY 1989 funding profiles for implementation of remaining SAFE deliveries, addressing the identified $7 million funding shortfall as a FY 1989 issue.

      b. DIA and CIA continue SAFE funding responsibilities on a 50/50 basis (except TRW work on Delivery 4, Set 1 which is 70/30) until all remaining Deliveries 3.2 through 3.8 and Delivery 4, Set 1 have been completed and user acceptance achieved.

      c. CSPO alter the SAFE implementation approach to install new SAFE deliveries only at DIA, unless CIA requests implementation of a specific new release before 1 April 1989.

      d. CSPO submit for DCI approval by 31 January 1988 a joint agency transition plan and schedule for disestablishing CSPO no later than 1 October 1989. DIA will then assume full responsibility for managing any remaining SAFE development activities in a DIA development facility.

      e. Starting immediately, CSPO provide DIA/VP/SIA and CIA/DDI/OIR detailed contract information on vendor task activities and expenditures to facilitate agency cost accounting and task management.

      f. Starting December 1987, CSPO provide monthly program status reporting to ICS/IHC, DIA/VP/SIA and CIA/DDI/OIR, until program completion.

4. I support the SAFE program's joint objectives and recognize its significant accomplishments to date. However, the remaining SAFE activities must be completed. Achieving a satisfactory and expeditious conclusion to the SAFE program will require the best efforts of both CIA and DIA. I solicit your support in implementing the foregoing measures and in actively monitoring the remaining SAFE activity until program completion.

Robert M. Gates

Attachment:
  As Stated

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SUBJECT: Support for the Analyst's File Environment (SAFE)

DCI/ICS 4132-87

Distribution:
      1 - ExDir/CIA
      1 - D/DIA
      1 - D/ICS
      1 - D/PBO
      1 - IHC Subj
      1 - IHC Chrono
      1 - ER
      1 - ICS Reg

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DCI/ICS/IHC, [   ] (14Oct87)

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Central Intelligence Agency
Office of the Deputy Director for Intelligence

TRANSMITTAL SLIP | 1]-06-87

TO: ∂/IC Staff

REMARKS:

FROM: DO 1

ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 56

REPLACES FORM 38-8
WHICH MAY BE USED.

(47)

DDI #04555-87
6 November 1987

NOTE TO: Director, Intelligence Community Staff

SUBJECT: SAFE

£Q

This is a critical review of the IC Staff's
paper on SAFE, but it makes some good points.
Obviously, it has the bias of the DI, but it
also has some important facts about DI needs and
DIA's performance. I didn't find the IC report
all that objective. I sympathize with DIA's
problem, but I don't feel responsible for it.

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Richard J. Kerr
Deputy Director for Intelligence
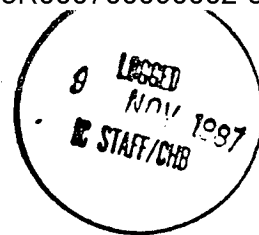
Attachment:
DDI #04584X-87, dtd 3 Nov 1987

Attachment B

DDI- Q45S84X/87

3 November 1987

MEMORANDUM FOR: Deputy Director for Intelligence
                 Associate Deputy Director for Intelligence

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FROM:

                 Director of Information Resources

SUBJECT: Response to the IC Staff Report on SAFE

REFERENCE: IC Staff Report on <u>Support for the</u>
                 <u>Analysts's File Environment (SAFE)</u>
                 <u>Program Review</u> dated 7 October 1987

Overview

1. We have reviewed the IC Staff report recommending
the continuation of the current CIA/DIA/CSPO relationship
for two more years. We find it misrepresents the actual
situation on several counts and leaves unanswered several
important questions with regard to a continuing commitment
to DIA. Specific comments are presented below. This
memorandum was coordinated with the Director of Information
Technology.

2. The greatest single impact on the DI analyst of
holding CIA to the IC Staff recommendations and schedule is
that the DI will receive no SAFE improvements until at least
1990. We must begin now to develop our own capability for
maintaining SAFE, managing the overall SAFE program, and
designing and developing new SAFE functions for analysts.
Any resources given to DIA will directly affect what can be
done for the DI.

The IC Staff Report

3. The program review by the IC Staff includes a
synthesis of considerable SAFE history (Sections A through
D) which is as much based on personal recollections of
people involved in the program as it is on solid
documentation. While accurate for the most part, it also

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All portions classified SECRET.

SUBJECT: Response to the IC Staff Report on SAFE

illustrates how muddled this entire issue has become. For example, the generally-held assumption that CIA must pay 30 percent of DIA's Delivery 4 development is derived not from any formal agreement. As best as we can determine it is based on a CSPO decision of several years ago apparently after discussion with someone in the DI--not further identified--who stated we "might" have an interest in Delivery 4. CSPO translated that "interest" into 30 percent share of software development costs.

4.   The report's three observations (Section E) seem incomplete and shallow. This section, which presumably is intended to form the basis for the alternatives and recommendations, addresses only three issues: (1) the intense schedule for SAFE deliveries in FY88; (2) whether pro rata costing can be introduced; and (3) CSPO disestablishment. It does not address the impact on CIA if we are to continue an open-ended arrangement with DIA; it fails to note that DIA has been encouraged for several years to build up its infrastructure to support SAFE; it offers no judgment as to what should be CIA's prorated costs for software deployment intended solely for DIA; it fails to recognize that other SAFE users are entering the picture-- the DO in 1988 and NMCC in 1989; and it says nothing about the CIA technical support DIA needs to operate SAFE.

5.   The alternatives (Section F) presented by the IC Staff represent a reasonable range of solutions, although the descriptions of disadvantages for Options A, B and D fail to note that CIA gets no SAFE improvements for at least 2 years. For Option D the IC Staff claims DIA is not currently capable of managing SAFE. The IC Staff fails to recognize the recent organizational and staffing changes in DIA, all of which are intended to provide DIA the capability to manage its own SAFE program. In fact, DIA has successfully installed several software deliveries over the past several months. Under disadvantages for Option C the IC Staff implies that it is only fair that CIA should pay for 50 percent of the remaining Delivery 3 and 30 percent for Delivery 4 software developments because DIA provided funding to earlier deliveries of SAFE which benefited only CIA. In fact, DIA has nearly [   ] on SAFE Delivery 1; it had the opportunity to put Delivery 2 into its production system but could not because it had not developed the necessary support structure; it now has some

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SUBJECT: Response to the IC Staff Report on SAFE

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[   ] on SAFE Delivery 3; and most importantly, DIA
required the development of Deliveries 2 and 3 so that
Delivery 4 could be built on their foundation. In short the
Alternatives section is a biased presentation.

   6. Our reactions to the team's conclusions and
recommendations (Section G) are listed below:

   Recommendation A. CSPO develop a more realistic
   schedule and associated FY 1988 and FY 1989
   funding profiles for implementation of remaining
   SAFE deliveries, addressing the identified $7.2
   million funding shortfall as a FY 1989 issue.

      We feel strongly that CSPO should develop a
   realistic delivery schedule--within budgetary
   constraints--and then be held to it. Spreading
   out the delivery schedule over two years will add
   to overall costs and probably lead to a slippage
   into a third year.

   Recommendation B. Continue DIA and CIA SAFE
   funding responsibilities on a 50/50 basis (except
   TRW work on Delivery 4, Set 1 at 70/30 and
   separate hardware procurements) until all
   remaining Deliveries 3.2 through 3.8 and Delivery
   4, Set 1 have been completed and user acceptance
   achieved.

      This is the DIA position. It fails to
   recognize the impact on CIA, and it is
   inconsistent with Recommendation D in that D
   recommends a firm divorce date.

   Recommendation C. Alter CSPO's implementation
   approach to install new SAFE deliveries only at
   DIA, not CIA unless specifically requested.

      OIR and OIT were, in fact, not planning to
   incorporate these deliveries into our production
   SAFE system.

   Recommendation D. CSPO prepare a joint agency
   transition plan and schedule for disestablishing
   CSPO no later than 1 October 1989. CSPO submit

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SUBJECT: Response to the IC Staff Report on SAFE

the transition plan for DCI approval by 31 January 1988. On or before 1 October 1989 DIA assume full responsibility for managing any remaining SAFE development activities in a DIA development facility.

A transition plan is needed, but it must allow CIA to begin developing its own SAFE program office in FY88. This recommendation appears to be inconsistent with Recommendation B which advocates continued CIA funding of DIA SAFE until Deliveries 3 and 4 are completed with no explicit termination date.

Recommendation E. Starting immediately, CSPO provide DIA VP-SIA and CIA DDI/OIR detailed contract information on vendor task activities and expenditure to facilitate agency cost accounting and task management.

We agree. In fact, over the past year we have been getting more cost data from CSPO than in the past.

Recommendation F. Starting December 1987, CSPO provide monthly program reporting to Intelligence Community Staff/IHC, DIA VP-SIA and CIA DDI-OIR, until program completion.

Inserting the IC Staff into the SAFE program review will accomplish nothing other than to tie up CSPO and contractor resources to prepare and provide the extra briefings. In view of what came out of this IC Staff review, I see only continuing IC Staff support for the DIA position.

Funding Issues

7. If we are required to continue to support DIA SAFE development at the 50/50 level through Delivery 3 and 70/30 level for Delivery 4, Set 1, we will be hard pressed to find funds for CIA-unique requirements in the same time frame. Efforts to provide DI analysts with a single user-friendly and easy-to-learn interface to widely used applications are already under way. Working groups have met to design a

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SUBJECT: Response to the IC Staff Report on SAFE

programmer interface for SAFE so that DI programmers can write applications to meet a single office's unique needs. These efforts require continued funding to reach fruition.

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9.   Lastly with regard to funding, it must be noted that much has changed since CIA agreed to support joint development at specified funding levels. Analytic needs at both CIA and DIA have changed to meet a changing environment; expectations of and demands on the SAFE system have also changed and diverged. Development priorities and budgetary responsibilities have not shifted in the interim to keep pace.

OIR Recommendations

10.   We believe we have more than met our financial obligations to DIA SAFE development with some $5M in FY87 and another $3M in FY88 for such purposes. We recognize that past commitments were made in various forums, but holding CIA to these commitments fails to recognize DIA failure in the past to help itself, and the fact that much has changed since those commitments were made. Accordingly, we recommend the following:

   -- A buy-out of DIA on 1 October 1988. A fair
      figure in our view is on the order of $2M,
      which follows recent funding trends. This
      would provide DIA a supplement to their SAFE
      budget to assist it to complete remaining

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SUBJECT: Response to the IC Staff Report on SAFE

software development for Delivery 3 or 4. It
would allow CIA to provide new functionality
and add data bases to SAFE for the DI analyst
starting in FY89. Any additional CIA monies
provided for DIA-unique development in FY88
beyond the $3M already promised would be
subtracted from the $2M projected for FY89.

-- As part of this buy-out proposal OIT would
   provide DIA assistance in program management,
   technical support for AIM, and contract
   management. DIA, of course, may assume these
   responsibilities any time before FY89.

-- A SAFE program office in OIR. We would begin
   developing in FY88--with much needed OIT
   assistance--a capability to manage and maintain
   all aspects of the SAFE program, including
   operations and maintenance. We must start this
   program now--while meeting our fiscal
   obligations to DIA--so that we can provide DI
   analysts with SAFE improvements in FY89. At an
   appropriate time we would bring the DO into
   this program office; the DO/IMS fully concurs
   with this approach.

   11. In sum, DIA needs money, program management, and
technical support from CIA. OIT is willing to provide the
technical support and program management, and we are ready
to offer additional funds. But neither OIT nor OIR can live
with a continuing open-ended commitment to DIA.

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cc: DDA
    D/COMPT
    D/OIT
    D/CSPO/IISG/OIT

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Attachment C

ICS COMMENT TO D/OIR RESPONSE

10 November 1987

There are no issues raised in the D/OIR response that were not considered and/or specifically mentioned in the team's analysis.

The key issue is money. Our considered judgment is that CIA has an obligation to share funding until the program is completed, regardless that the remaining activities are of primary benefit to DIA. Given the lack of historical cost accounting for SAFE, the realistic solution to cost sharing is to maintain the 50/50 split until completion. Unfortunately, obligating CIA to fulfill this commitment means DI funds will be diverted from CIA/SAFE enhancements to the joint program. (Note Attachment 5 of the SAFE report provided by D/OIR.)

D/OIR clearly misses the point that the funding issue and disestablishment of CSPO are two separate issues. It is our judgment that either agency, properly prepared, could manage the remaining development activity. The report specifically encourages DIA to prepare for this management responsibility now. Regardless of whether CSPO or DIA is managing the program, the remaining activity should be funded by both agencies until completed.

The team's recommendations were not expected to be popular. At this juncture four things are perfectly clear: 1) Swift decisions on funding and CSPO disestablishment are required so that the program can be brought to a successful completion; 2) Both agencies originally committed to a joint program fully recognizing the commonality and uniqueness of the program objectives. Key to completion of these objectives are the remaining deliveries for DIA; 3) Continued cost sharing is the only equitable alternative; and 4) Management of the program should be fully separated from CSPO as soon as DIA can handle the responsibility. OIT's technical assistance is essential to DIA's readiness effort.

Attachment D

21 October 1987

CONSOLIDATED SAFE PROGRAM OFFICE DIRECTIVE #14

In mid-June, 1987, D/CSPO identified to all appropriate
Government parties a potential shortfall in the FY-88 program of
$10.5 million. It is now mid-October, 1987, no apparent relief is
in sight. This situation is exacerbated by potential Gramm-Rudman
cuts which could result in reductions to the FY-88 SAFE program
ranging from 20-35%.

Therefore, as a first step in the process of reviewing our
entire program for FY-88 and beyond, effective immediately all CSPO
Engineering Review Boards (ERBs) and Configuration Control Boards
(CCBs) are suspended indefinitely. All contractor organizations are
put on notice to prepare for a significant reduction in the FY-88
program. CSPO priorities still remain Delivery 4.0, Set 1 System
IOC in August of 1988 and all activity on that critical path.

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Director, CSPO