

11 March 1976

MEMORANDUM FOR: Mr. Duckett
Mr. Proctor
Mr. Knoche
Mr. Carver
Mr. Warner

1. Herewith the Options package for Saturday's session (0900) with the DCI.

2. This came out naturally in briefing form, but there is no plan for anyone to brief. Rather, the DCI would like to hear your views on the Options presented. However, the pro and con statements are entirely mine and the DCI has not seen them. If you want to suggest changes in them, please let me know today.

3. I originally gave the DCI a somewhat different package that incorporated all the proposals put forward at our first meeting. He specifically rejected two: a proposal calling for lodging the production function under his Community Deputy, and one calling for a third Deputy, for National Intelligence.

4. All we are asking him to do at this point is to decide where the function goes. How we do it will be addressed in a second round.



RICHARD LEHMAN

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The creation of a second deputy makes it necessary to re-arrange the various elements below so they match up vertically in some workable way. But it makes no sense to work on the bottom layers until the top ones are settled.

DCI

REPORTS TO THE DCI THROUGH

COMM. DEPUTY	SP STAFF OGC, OLC, ETC	AGENCY DEPUTY
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FUNCTIONS

CFI FUNCTIONS	OTHER DCI FUNCTIONS	NAT'L PROD FUNCTIONS	OTHER AGENCY FUNCTIONS
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COMMITTEES

CFI	DCI COMMITTEES?	USIB
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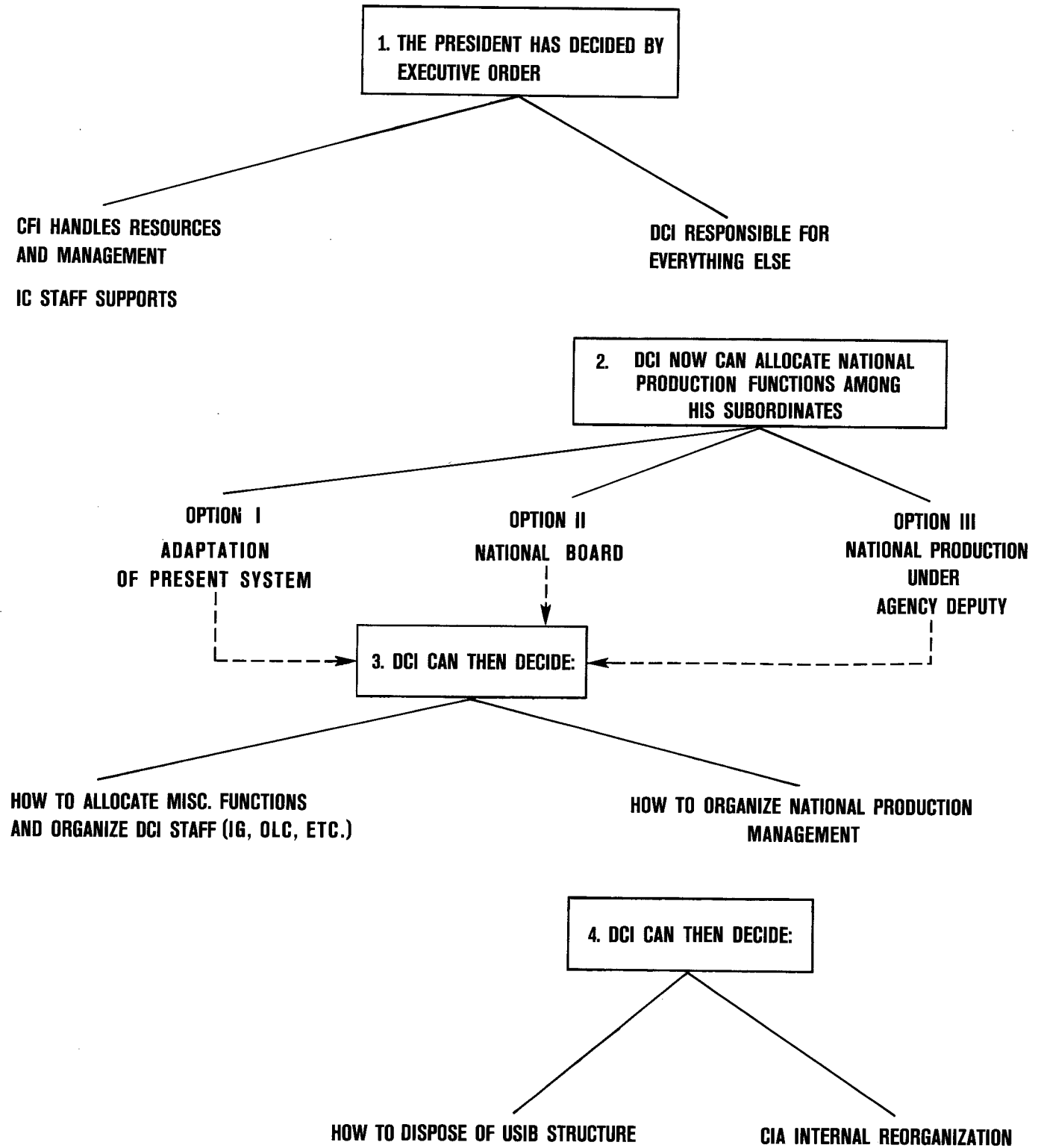
ORGANIZATIONS

IC STAFF	DCI STAFF	NIO's	AGENCY
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**USIB
SUB-COMMITTEES**

COMI REX	SIG COM	HRC	IHC	COM EX	DEF COM	SEC COM	JAEIC	EIC	WSSIC	STIC	SMG
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The recommended approach is to allocate the national production function. Then the rest, in particular those DCI responsibilities that lie between the two deputies, will begin to fall into place.



Location of the National Production Function

- The decision to be taken now is only on location, not how the system is to work (NIOs, Board of Estimates, etc.). No weight should therefore be given to the words (NIO, etc.) in the production box.

- However, a decision on location does have organizational consequences at lower levels, and these must be considered in making it.

- To this end, the Option charts show some of the logical consequences. These are illustrative, however, and certain features of one could be adapted to another.

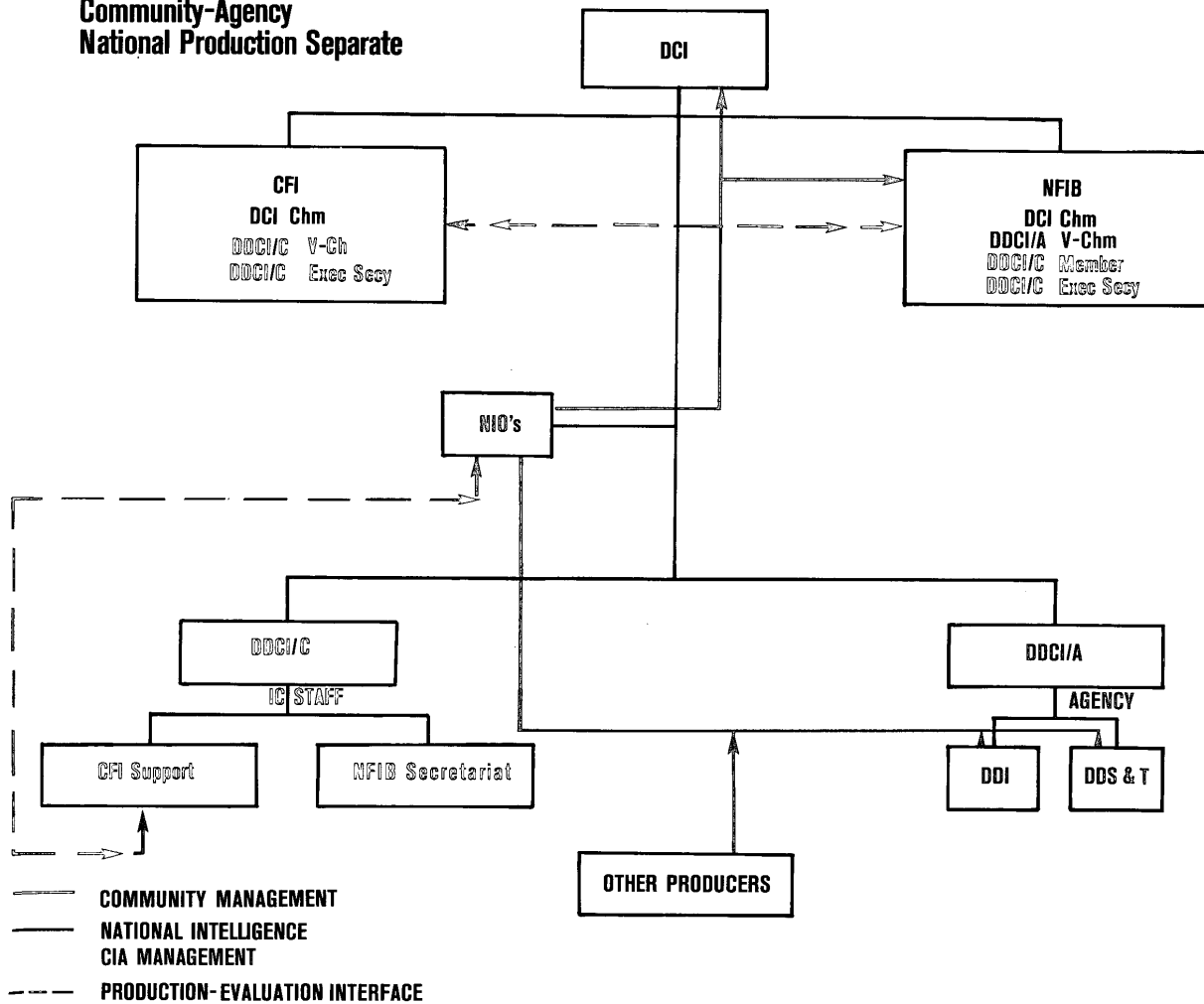
- Organizational elements not relevant to this problem are not shown. No attempt is made to show the organization of the IC Staff. The boxes represent generalized functions only. One major question is the USIB Committees; it is quite possible to visualize the production Committees (EIC, etc.) hanging on NFIB, and the collection Committees (COMIREX, etc) hanging on CFI, but it is premature to face this question. The "NFIB Secretariat" function therefore remains to be defined.

- None of these Options preclude some sort of personal substantive staff for the DCI.

Option I

- Sets up Community Deputy as responsible for all Community matters except production
- Creates National Foreign Intelligence Board, advisory to DCI, with Agency Deputy as Vice-Chairman. Community Deputy is responsible for support of NFIB and its Committees
- Makes Community Deputy a member of NFIB
- Continues NIOs in their present role

OPTION I
Deputies Divided
Community-Agency
National Production Separate



Option I

PRO's

- National intelligence given strong emphasis
- DCI's Community role clearly defined
- DCI has close access to substance

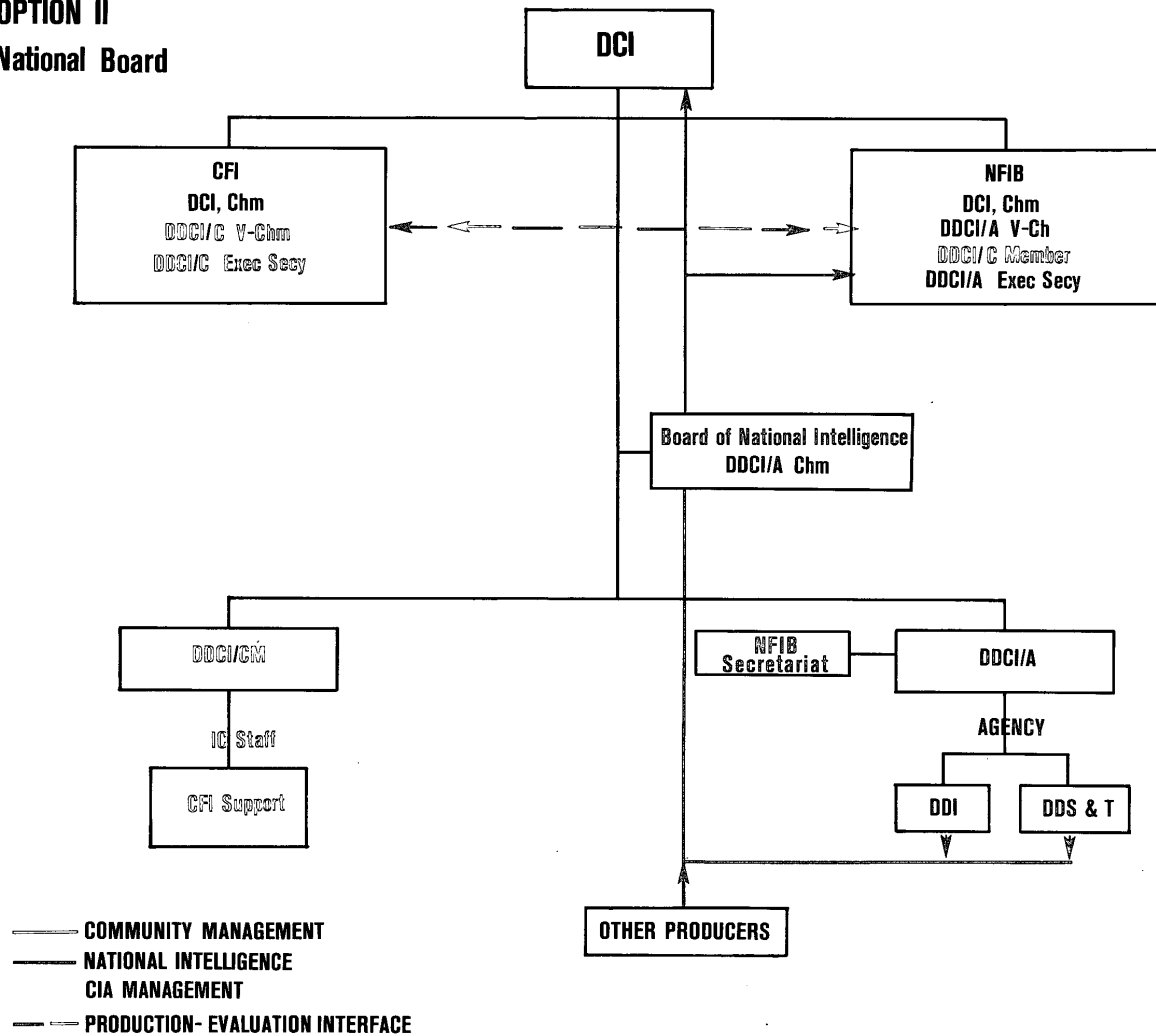
CON's

- NIOs must rely on, and will be viewed as, an element of CIA
- The affairs of all three subordinates of the DCI are entangled
- Disruption of CIA chain-of-command
- Some downgrading of CIA

Option II

- Replaces NIOs with a Board of National Intelligence, chaired by the Agency Deputy but reporting independently to the DCI
- Makes Agency Deputy Vice-Chairman and Executive Secretary of NFIB. Community Deputy remains a member
- Transfer NFIB support responsibility to DDCI/A

**OPTION II
National Board**



Option II

PRO's

- Maximum emphasis on national production
- Community Deputy no longer tangled in Agency Deputy's business
- DCI's Community role distinguished from Agency
- DCI has close access to substance
- CIA's primary role better recognized

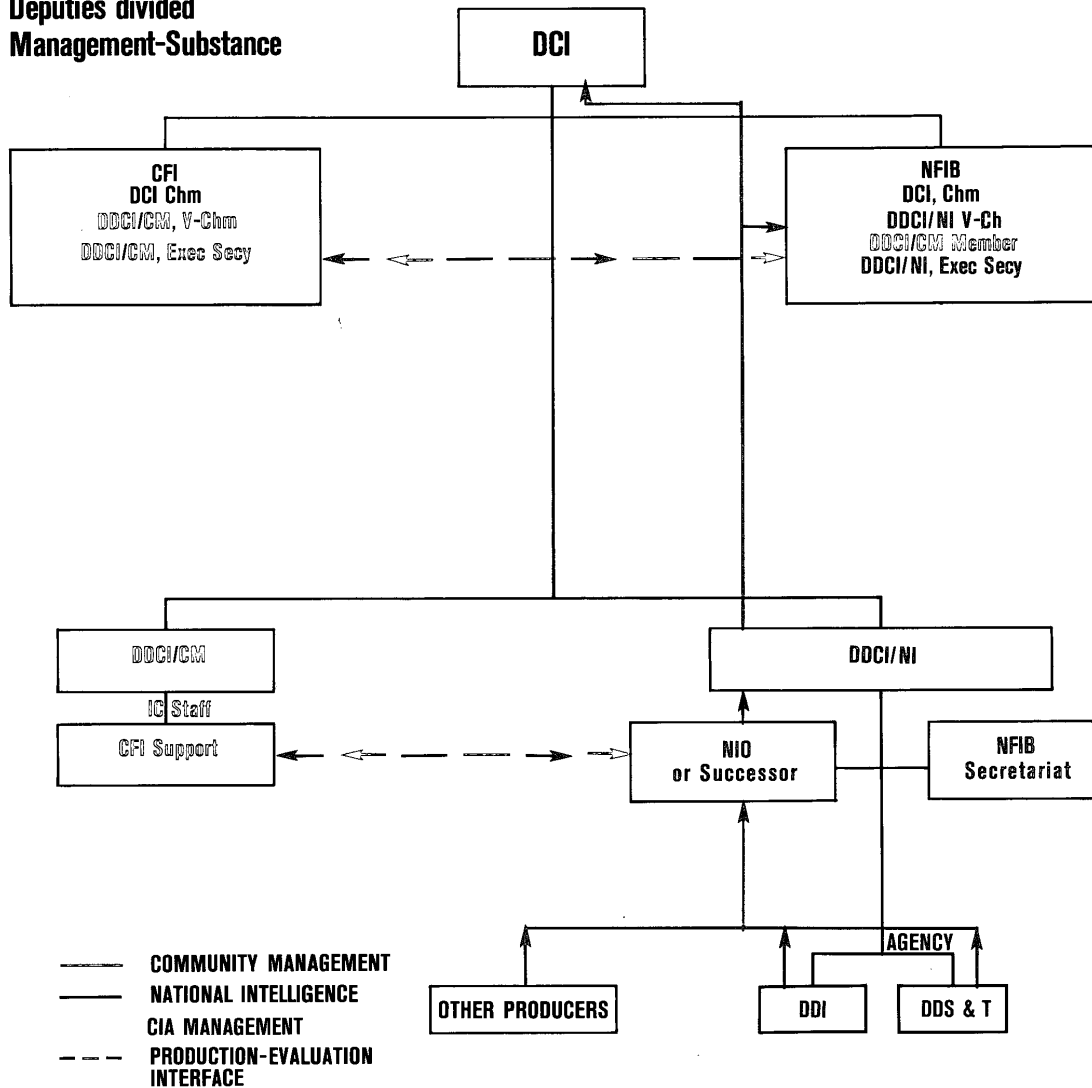
CON's

- Dual role of Agency Deputy administratively awkward
- His association with Board somewhat obscures its ecumenical image
- CIA chain-of-command still affected

Option III

- Agency Deputy becomes Deputy for National Intelligence and is responsible for day-to-day management of Agency
- Divides DCI's responsibilities between his two Deputies on the general basis of resources to one, substance to the other
- Recognizes institutionally DCI's need to be impartial in resource matters and his close link to CIA in substantive matters
- NIO successor organization placed under DDCI/NI
- NFIB arrangements same as in II

OPTION III
Deputies divided
Management-Substance



Option III

PRO's

- National intelligence continues primary
- CIA role recognized
- Balanced responsibilities of deputies and clear separation of their roles
- Makes possible clear chain-of-command for production

CON's

- Not as Community-oriented as other Options
- Can be criticized as "CIA in disguise"
- DCI one step further removed from production
- DDCI/NI will give less attention to Agency management