

62-8669

**CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL 1995**

6 DEC 1962

Robert McNamara

MEMORANDUM FOR: The Secretary of Defense

SUBJECT: Participation and Assignment of DOD
Personnel Within NPIC Structure

- REFERENCES:
- (a) NSCID No. 8, 18 Jan 61, Subject: Photographic Interpretation
 - (b) Letter of 31 Jan 61 from General G. B. Erskine to Mr. Allen Dulles, File No. USIB-1-59.2/3

1. The purpose of this memorandum is to establish, as a matter of record, certain principles of funding and personnel participation in the National Photographic Interpretation Center by the military services and CIA, and to obtain concurrence in several organizational changes.

2. Reference (a), which established NPIC, provides among other things that "The Intelligence Board Departments and Agencies engaged in photographic intelligence production shall jointly provide appropriate personnel and other support for the Center, as agreed by them with the Director of Central Intelligence."

3. Reference (b) and subsequent discussions between NPIC representatives and DOD established the pattern of each military service providing approximately 25 personnel to the Center.

4. The organization of NPIC with respect to the utilization of DOD personnel and the basic operating procedures for NPIC were established by an ad hoc planning committee

Defense

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**SUBJECT: Participation and Assignment of DOD Personnel
Within NPIC Structure**

representing all interested agencies during the period February through June 1961. These initial arrangements were quite successful in permitting NPIC to start operating very shortly after NSCID No. 8 was issued and to carry out its priority missions during the ensuing months. However, they have some shortcomings which tend to reduce the efficiency and timeliness of preparation of the substantive work of the NPIC. Therefore, revised organizational arrangements and operating procedures have recently been drafted at NPIC. These changes are described in enclosure 1.

5. Since the three military services are actively participating in the operations of NPIC and since DIA has a vital interest in the successful functioning of the Center, it is obvious that we need a coordinated reply from the Department of Defense. Therefore I am requesting your concurrence in the principles and procedures set forth in enclosure 1. It is our hope to implement these changes by 1 January 1963.

6. While these proposals do not provide for augmenting, at this time, the total number of DOD personnel working at NPIC, it is anticipated that during Fiscal Year 1964 the workload will increase to the point where we shall request the assignment of additional DOD PI's.

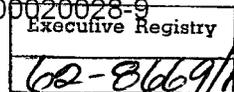
7. I would like to add that a fine spirit of cooperation has existed among all of the military departments participating at NPIC. The work of the NPIC has been greatly aided by the constructive attitude and efforts of the personnel assigned from DOD resources.

(Signed) JOHN A. McCONE

JOHN A. McCONE
Director

Enclosure:

Organizational, Operational
and Staffing Concepts for
NPIC (with 4 Tabs) - 6 cys

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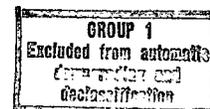
NPIC/D-193-62
22 November 1962

MEMORANDUM FOR: Director of Central Intelligence
THROUGH: Deputy Director (Intelligence) *Sh 24 Nov 62*
SUBJECT: Participation and Assignment of DOD
Personnel Within NPIC Structure

1. This memorandum suggests action on the part of the Director of Central Intelligence. Such action is requested in paragraph 4.

2. Attached is a proposed letter from the Director to the Secretary of Defense on the above subject. Dispatch of this letter at this time is considered desirable in order to establish as a matter of record certain principles involving funding and personnel participation at NPIC and to obtain concurrence in certain organizational changes. There is no previous formal correspondence pertaining to many of the problems involved.

3. A major feature of the letter is a proposal to reorganize the photo interpretation effort at NPIC by placing in one division under normal line control all PI's assigned to national project work, rather than following the current procedure of forming ad hoc PI teams from departmental pools. Informal comments indicate that the Military Services may not concur in this portion of the letter, since it lessens their control and utilization of Service PI's assigned to NPIC. If they do not desire to concur, the management problems resulting from continuing on the current basis are not so serious as to warrant creating a major issue or taking unilateral action to reorganize on the proposed basis under the authority of NSCID No. 8. However, we must find out how far they are willing to go towards centralization and, if the proposal is not acceptable, we should so determine in order that we may investigate other organizational solutions for improving the management of the photo interpretation effort.

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Within NPIC Structure

4. It is recommended that you sign and forward the attached letter.



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ARTHUR C. LUNDAHL
Director
National Photographic Interpretation Center

Enclosure:

Proposed Letter to Secretary
of Defense

DDI/NPIC:Lundahl:  (2 Nov 62)

25X1

Distribution:

- O&1 - Addressee (ER) w/3 encl
- 1 - DDCI w/1 encl
- 1 - DD/I w/1 encl
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ENCLOSURE 1

ORGANIZATIONAL, OPERATIONAL
AND STAFFING CONCEPTS FOR NPIC1. Structure of Organization

The original organization of the NPIC, under which it is currently operating, is attached as Tab A. A proposed revised structure for NPIC is reflected in Tab B. It generally parallels the present organization in that it provides for a central core of photo interpreters who furnish the substantive base for the operation and includes the appropriate support echelons to back up the PI effort and to provide certain other auxiliary services to the intelligence community. The principle change is in the organization of the PI effort. Currently, all substantive requirements which result in Center projects are brought before an Operations Board consisting of the Operations Officer and the four SIO's (senior intelligence officers commanding the CIA, Army, Navy and Air Force detachments). To these projects the SIO's assign PI's and designate chairmen from their detachments, which in effect operate as holding pools for PI's. There are created, thereby, ad hoc PI teams for all projects. After a PI team completes its substantive work, the results are approved by each SIO and the joint team is disbanded. Although this type of organization has proved workable, it has certain disadvantages which include the following: (a) Continuity of effort is lost since teams are disbanded upon the completion of a project, (b) The assignment of projects and their substantive review prior to release require extensive coordination, (c) Supervision and control of individual and team photo interpretation efforts are unduly complicated, (d) The development of centralized

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working files is inhibited, and (e) A team must be formed to answer every substantive question.

In view of the foregoing, it is considered desirable to change the ad hoc "pool" concept and to place all PI's who work on national projects on one organizational element under normal line management and supervision. This organization, the Photo Analysis Division (PAD), through its Division Chief and Branch Chiefs, will be responsible for the execution of all substantive photo interpretation projects at the NPIC.

An initial T/O for PAD is attached as Tab C. The grade structure recognizes the extreme criticality of the work performed and the necessity for ensuring that the best PI's and supervisors obtainable are assigned to joint work for the benefit of the entire community. The organizational structure reflects NPIC experience during the past year with respect to type and volume of requirements. It undoubtedly will require modification through experience. The actual numbers of PI's assigned reflect requirements, current availability of PI's to both CIA and DOD, and ability of NPIC to provide back-up support. Additional PI's will be required in FY 64 based on current acquisition forecasts.

2. Principles for Participation in Support and Staffing

a. Certain principles and concepts of financial support and personnel staffing have been developed in the past between CIA and DOD or the military services. These include:

- (1) Single budgeting by CIA for all costs of Center operations except for the salaries of DOD personnel assigned to the Center.

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(2) The bulk of the DOD personnel are assigned to substantive work of the Center, principally as PI's. Supporting activities are generally staffed by CIA personnel to simplify administration and to provide continuity. A major exception is in the exploitation planning and equipment field where DOD has six personnel (two from each Service) occupying important positions in which they contribute materially to NPIC activities and at the same time keep their own services posted on developments.

(3) Although DOD agencies have chosen to concentrate in substantive fields, it has been understood that they are welcome to nominate candidates for any position vacancy in NPIC. This option was exercised in placing the six individuals referred to above and in filling the job of Chief of the Photo Analysis Staff (Navy incumbent).

b. Because of the revamped organizational concept for the photo interpretation effort and because of the need to identify specific positions which DOD should fill, the following additional principles and requirements are now proposed:

(1) As described in paragraph 2, PI's will be assigned to the Photo Analysis Division (PAD) rather than kept in four separate pools for ad hoc assignments.

(2) DOD and CIA will each contribute one-half of the PI's within PAD.

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(3) Key supervisory positions at the Division and Branch level within the Photographic Analysis Division will be equally distributed between CIA and DOD, with prime consideration given to scope of departmental interests and to capabilities of available personnel to fill the positions.

(4) The key management positions of Assistant and Deputy Assistant for Operations, and Assistant and Deputy Assistant for Plans and Development will likewise be equally shared between CIA and DOD, with each filling one of the two positions in these two fields of endeavor.

(5) Several additional important positions in the operations and plans and development areas will be filled by DOD personnel.

3. Current Requirements for DOD Staff Personnel

The requirements for DOD personnel in accordance with the above discussion are summarized in Tab D. When DOD concurrence is obtained, final determination as to allocation of positions within PAD and assignment of individuals will be made by the Director of NPIC with the advice of DOD. It is proposed that the Deputy Director of NPIC serve as the DOD representative for this purpose inasmuch as he has a detailed knowledge of the requirements of the positions as well as many of the individuals concerned.

Once initial assignments are made, CIA and DOD will be responsible for keeping qualified individuals in the various positions or alternates indicated. Positions may be shifted by agreement between CIA and DOD to permit, so far as possible, the advancement or assignment of the most qualified individual.

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4. Other DOD Participation

None of the proposals listed herein are intended to change the current concept or activities of the Advisory Committee which consists of representatives of the major consumers and which passes on requirements and priorities for substantive work of the NPIC. This committee has functioned most effectively and assists both the NPIC and the consumers.

The position of the Service SIO (Senior Intelligence Officer) is considerably modified by the formation of the PAD and disappearance of the ad hoc teams. In effect his work execution responsibilities are absorbed by the PAD (and to some extent by the Assistant for Operations). In lieu of SIO's, the Services presumably would maintain liaison offices to provide permanent in-house representation at NPIC. Such personnel could provide representation on the Secretariat to the Advisory Committee and handle the daily contacts to and from the departments in matters requiring coordination, particularly in the important field of development of exploitation equipment. The numbers and grades of personnel so assigned would be at the discretion of the individual departments, although since Army and CIA will have departmental activities co-located with NPIC, their liaison detachments may well consist of designated individuals who also have departmental assignments. NPIC will make available whatever space and facilities are desired by the departments for these personnel.

5. Other Activities at the New Facility

In addition to NPIC activities, the new building facility will accommodate certain departmental PI activities. CIA is planning a modest departmental photo analysis division and the Army is also planning for a

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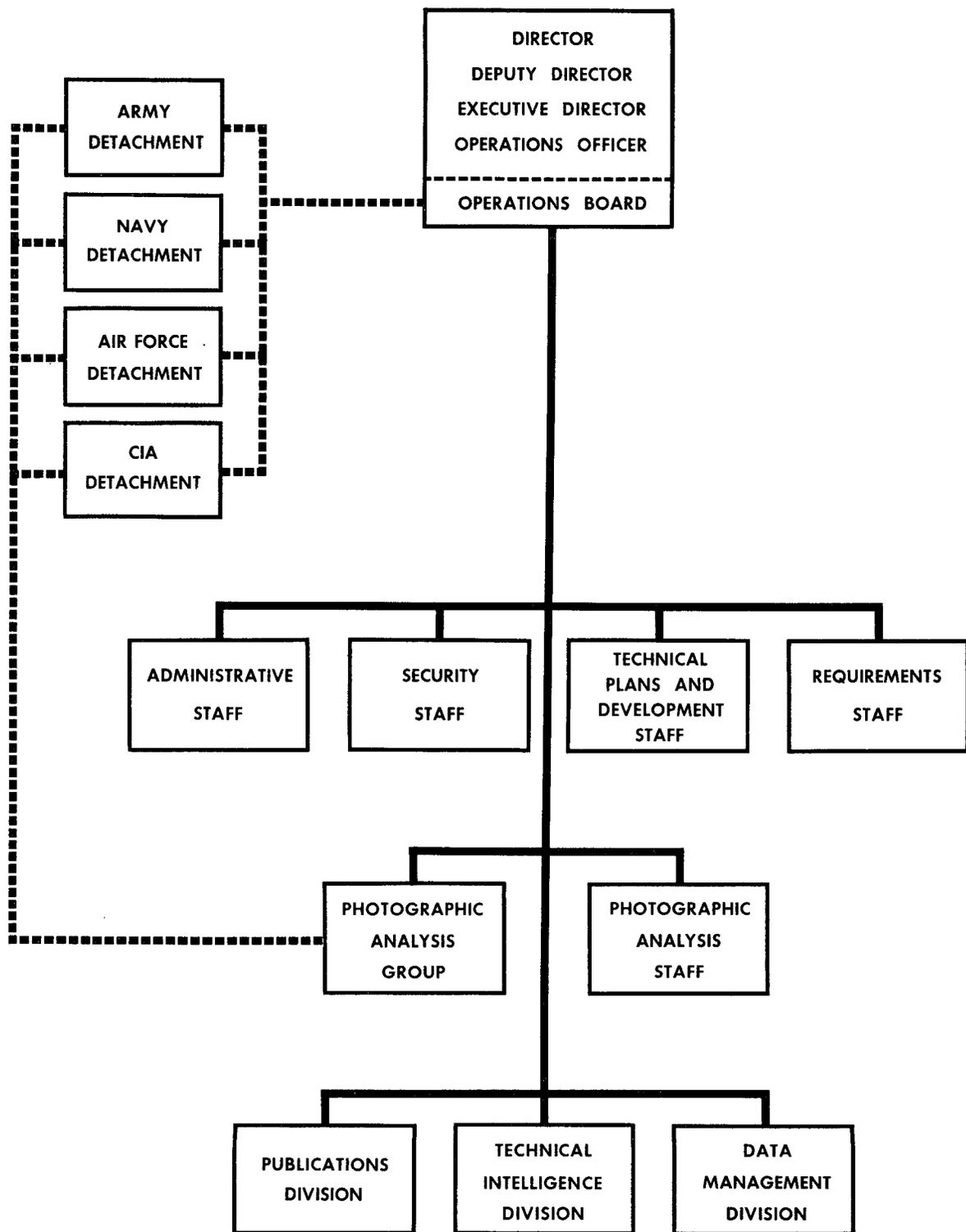
co-located departmental PI effort. Both of these departmental PI activities will receive back-up support from NPIC to the extent that it can be made available without jeopardizing national projects. Additional space can be made available for other DOD PI activities should such arrangements be considered desirable by DOD.

Tab:

- A. NPIC Organization Chart (Old)
- B. NPIC Organization Chart (Proposed)
- C. Photo Analysis Division
- D. Positions Requiring DOD Staffing

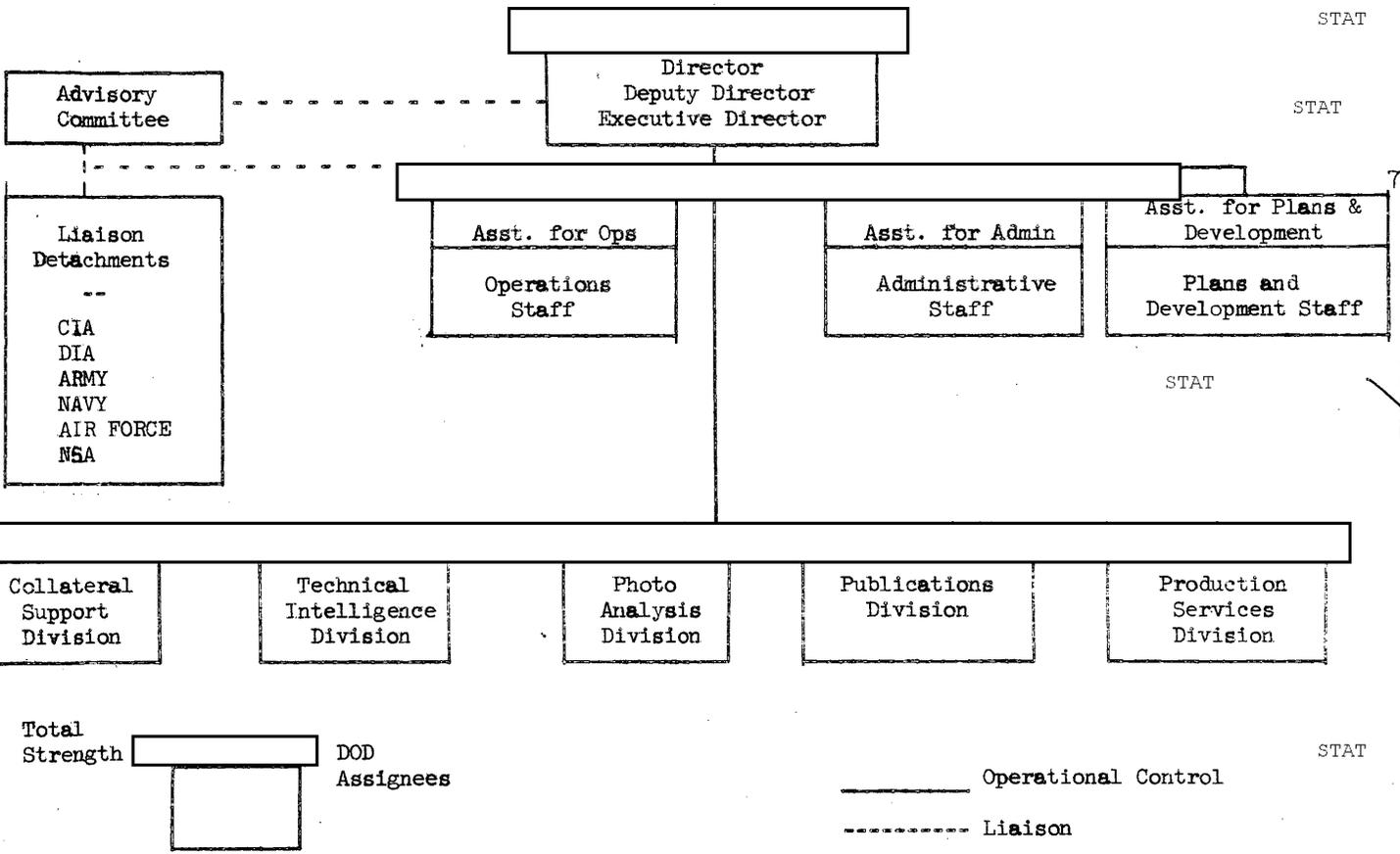
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NATIONAL PHOTOGRAPHIC INTERPRETATION CENTER



TAB B

NATIONAL PHOTOGRAPHIC INTERPRETATION CENTER (PROPOSED)



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Operational Control

Liaison

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(Signed) JOHN A. McCONN

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