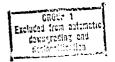
MEMORANDUM FOR THE RECORD

SUBJECT: AQUILINE Procurement Procedures

1. For the past several months procurement procedures for project AQUILINE have been under consideration at many levels of the Agency. OSA submitted three options to the DDS&T. These were to use OSA procurement procedures, standard Agency procedures, or OSA procedures bututilizing "Blue Book" and ICAD officers of the Agency system. These options were forwarded to PPB, who forwarded them to the Executive Director, who forwarded them to the Deputy Director of Support for a response. Jack Blake, Office of Logistics, wrote the response for the Deputy Director of Support, stating that this was an Agency project utilizing Agency monies and should be handled via standard Agency procedures. When PPB received this response they forwarded a memo to the DDS&T suggesting that either the Agency system or the OSA system be utilized but not a mixture of the two. The office of the DDS&T noted that a decision was not needed immediately and, in view of the fact that there was a considerable difference of opinion between DDS and PPB, decided to hold the matter in abeyance.

2. On 16	April, just prior to a med	eting with McDonnell Douglas
and ORD, it appeared as though it was necessary to clarify responsi-		
bilities and procedures for forthcoming procurement actions. A phone		
call from Jack Bl	ake, which was engender	ed by his discussions with
Chi	ef, West Coast Procuren	nent Office, indicated that
he was very firm in his position relative to using CIA procedures.		
Discussions with		Fred Janney, Carl Duckett,
<b>D</b> , <b>G G G G G G G G G G</b>		resulted in the

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## following procedures:

a. All approvals will go through the normal Agency
approval channels, dependent on the amounts involved, but $\omega_i \parallel$
stick to Agency regulations and procedures.
b. Procurement actions will be handled by
utilizing Agency practices and procedures. It is understood
that this will at times require that a project go to the Procure-
ment Review Board for approval, but we have been assured by
both Jack Blake and that this should in no case
hold up procurement actions.
c. The OSA Procurement Office will normally work
directly with the West Coast Procurement Office of the Agency
and a teletype is being installed to facilitate this procedure.
d. Security matters will be handled by OSA Security,
who will utilize the Agency Security Officer previously assigned
to this project. to the greatest extent
possible. received the concurrence of Jack Blake
on this point.
e. Storage facilities will be used in accordance with the
recommendations of the OSA Security Office and the AQUILINE
Office.
Deputy Director of Special Activities

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