

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

December 4, 1972

TO: Council for Government Communi-
cations Policy and Planning

Attached is a revised list of attendees which is the attachment to the Notes of the Second Meeting of the Council for Government Communications Policy and Planning, sent to Council Members by memo of 11/29/72.

Cathy Toms

Attachment

cc: Support Group

bcc: DO Records

✓ Mr. Whitehead
Mr. Smith
Col. Jiggetts
Mr. Dean
Mr. Goldberg

Cgclp

SECOND MEETING OF THE
COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

TUESDAY, NOVEMBER 21, 1972, 2:00 P.M.
ROOM 712, 1800 G STREET, N.W.

Attendees

State

Mr. William H. Goodman
Mr. Alfred Giovetti
Mr. Willis Naehar

Defense

Dr. E. Rehtin

Commerce

Dr. John M. Richardson
Dr. Paul Polishuk

DOT

Dr. Robert H. Cannon, Jr.
Dr. D. E. Findley

CIA

Mr. John W. Coffey
Mr. W. Scudder Georgia

GSA

Commissioner Harold S. Trimmer
Mr. Sidney Weinstein
Dr. Michael Muntner

NASA

Mr. Gerald M. Truszynski
Mr. Charles Taylor
Mr. Paul Price

OTP

Mr. Clay T. Whitehead, Chairman
Col. Charles Jiggetts
Mr. Charles C. Joyce, Jr.
Dr. M. X. Polk

Mr. Whitehead

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

October 20, 1972

MEMORANDUM

TO: Council For Government Communications
Policy and Planning

SUBJECT: Change in Next Meeting Date

Mr. Whitehead has asked me to reschedule the Council for Government Communications Policy and Planning meeting from Tuesday, November 14, at 10:00 a.m., to Tuesday, November 21, at 2:00 p.m. The date and time are the only changes to the meeting. It will be held in Conference Room 712, 1800 G Street, N.W., and the agenda (which remains the same) is attached. Discussion papers for each item will be distributed prior to the meeting.

Please confirm your planned attendance with Mrs. Toms (395-4876) as soon as possible.

Charles C. Joyce, Jr.
Charles C. Joyce, Jr.
Executive Secretary

Attachment

Distribution:

Hon. Joseph F. Donelan, Jr., State
Hon. E. Rechten, Defense
Hon. Richard O. Simpson, Commerce
Hon. Robert H. Cannon, Jr., Transportation
Mr. John W. Coffey, CIA
Hon. Harold S. Trimmer, GSA
Mr. Willis H. Shapley, NASA

cc: Support Group

AGENDA

1. Policy on Government Ownership of Satellite Communications
2. Radio Navigation Systems
3. Coordination of Government Communications Activities
4. Standards
5. Purchasing Policy
6. Secure Voice

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

August 4, 1972

ASSISTANT DIRECTOR

MEMORANDUM

TO: Council for Government Communications
Policy and Planning Support Group

SUBJECT: Policy on Government Use of Commercial
Communications Satellite Service

Few aspects of telecommunications have changed as rapidly or as dramatically as satellite communications. As a result, the national policy concerning government use of commercial satellite communications systems which was established by NSAM 338 needs to be reviewed and clarified.

As you know, the general question of policy on the use of commercial services is on the agenda of the Council. We feel that this specific aspect should be considered separately, and as soon as possible. Accordingly, we would like to establish a Working Group to develop a draft policy and supporting rationale for consideration by the Council in September. My hope is that the Working Group can accomplish this task at a few meetings during the latter part of August and in September.

To make most efficient use of available time, I would appreciate it if you could designate a representative to this Working Group by Tuesday, August 15. Mr. Terry Steichen (395-5170) will represent this Office on the Working Group.

Charles C. Joyce, Jr.
Charles C. Joyce, Jr.

Distribution:

Mr. William H. Goodman, State
Mr. David L. Solomon, DOD
Dr. John M. Richardson, Commerce
Mr. Richard Beam, DOT
Capt. W. T. Adams, USCG
Mr. John R. Kennedy, FAA
Mr. Richard P. Scott, CIA
Mr. Elmer D. Jones, GSA
Mr. Charles Taylor, NASA

bcc: DO Record ✓
DO Chron ✓
Mr. Whitehead
Bromley Smith
Col. Jiggetts

CJcPP

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

August 4, 1972

ASSISTANT DIRECTOR

MEMORANDUM

TO: Council for Government Communications
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Charles C. Joyce, Jr.
Charles C. Joyce, Jr.

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Mr. William H. Goodman, State
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Dr. John M. Richardson, Commerce
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Capt. W. T. Adams, USCG
Mr. John R. Kennedy, FAA
Mr. Richard P. Scott, CIA
Mr. Elmer D. Jones, GSA
Mr. Charles Taylor, NASA

bcc: DO Record ..
DO Chron
Mr. Whitehead ✓
Bromley Smith
Col. Jiggetts

OFFICE OF TELECOMMUNICATIONS POLICY

4-576

6/9/72

2:50

Log In No. _____

ACTION MEMORANDUM FOR MR. WHITEHEAD

Through:

From: Charles Joyce *CJ*
Subject: Date for Next Council Meeting

Co-ordinated with:

Staff Opinions:

I recommend Friday, June 9, at 2:00 p.m., which is exactly 6 weeks after the last meeting, as generally agreed to by the Council.

Terms of Reference call for Executive Secretary to notify all members of Council Meetings.

Action required by the Director:

None _____

For your signature _____

Further discussion required with author _____

Further discussion required with staff _____

Which member of the staff _____

Approve attached draft _____

Approve recommended course of action (see below) X

Other _____

Available options:

- | | |
|---------------------------------|----|
| A. Set Meeting for Fri., June 9 | C. |
| B. Pick Alternate Date | D. |

Recommended next steps (author's recommendation):

Approve meeting date of Friday, June 9 at 2:00 p.m.

Director's comments:

Agenda? Are we ready?

Record of disposition and action taken.

Log out _____ date _____ time _____
Referred to _____ (name of staff member)
Action requested _____
Due Date _____

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

May 17, 1972

MEMORANDUM

TO: Distribution List -

SUBJECT: Second Meeting -- Council for Government
Communications Policy and Planning

The next meeting of the Council has been set for Friday, June 9, 1972, at 2:00 p.m., at the Office of Telecommunications Policy, Room 712, 1800 G Street, N. W.

An agenda will be provided for your consideration about one week in advance of the meeting. Please notify Mrs. Toms, 395-4876, of those planning to attend.

Charles C. Joyce, Jr.
Executive Secretary

Distribution:

Hon. Joseph F. Donelan, Jr., State
Hon. E. Rechten, Defense
Hon. James H. Wakelin, Jr., Commerce
Hon. Robert H. Cannon, Jr., Transportation
Mr. John W. Coffey, CIA
Hon. Robert M. O'Mahoney, GSA
Mr. Willis Shapley, NASA

Mr. Whitehead

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

June 2, 1972

MEMORANDUM

TO: Distribution List

SUBJECT: Notes of the Second Meeting of the Support Group for the
Council for Government Communications Policy and Planning

Attached are notes of the second meeting of the Support Group. Any additions or corrections may be suggested at the next meeting of the Support Group or provided to the Chairman prior to the next meeting.

Charles C. Joyce, Jr.
Charles C. Joyce, Jr.

Attachment

Distribution:

- Mr. William H. Goodman, State
- Mr. David L. Solomon, DOD
- Mr. Clifford D. May, DOD
- Dr. John M. Richardson, Commerce (2)
- Mr. Richard Beam, DOT (2)
- Mr. John R. Kennedy, FAA
- Mr. Richard P. Scott, CIA (2)
- Mr. Elmer D. Jones, GSA (2)
- Mr. Charles Taylor, NASA

NOTES OF THE SECOND MEETING OF THE SUPPORT GROUP
FOR THE COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

The second meeting of the Support Group convened in Room 621, 1800 G Street, N. W., at 10:00 a.m., on Wednesday, May 31, 1972. Those present at the meeting are listed in Tab A.

Robert Mills of OEP presented a brief description of recent changes in the continuity of Government plan of the Federal Government. Mr. May then described the status of the NCS study of Secure Voice.

An extensive discussion followed on the problem of developing adequate Federal telecommunications standards. There was widespread agreement that there was an acute (immediate) problem in two areas: the development of standards to assure the future interoperability of NCS networks, and the development of standards for data communications and computer-communications interface in conjunction with the FIPS activities of the National Bureau of Standards. This acute problem is part of a broader, chronic problem which includes other objectives in the standards area. Additional objectives include fostering competition in the supply of telecommunications goods and services, and exerting influence and control over the rate of innovation in various technical fields.

With one exception, the Support Group members indicated that their agencies favored an immediate assignment to the Executive Agent, NCS, to work on the "acute" problem, under the general supervision of OTP assisted by the Council. The representative of the General Services Administration indicated that GSA favors an option under which the development of standards would be a responsibility of a committee of the Council itself. All representatives to the Support Group agreed that OTP should dispose of the "acute" standards problem by taking appropriate action on the proposal of the Executive Agent, NCS, and that this matter should not be addressed at a meeting of the Council at this time. It was also agreed that the "chronic" standards problem should be addressed at a meeting of the Council in September, along with a report of the status of action on the "acute" problem. The Commerce representative indicated that a study is underway in Commerce on the chronic standards problem and the report of this study should be available by September.

It was then recognized that there were no items which could productively be discussed by the Council during June, and the Chairman indicated that he would recommend to the Director, OTP, that no Council meeting be scheduled until September.

A quarterly schedule would call for Council meetings in September, December, and March. Objectives were then established by the Support Group to be prepared to address the areas of concern of the Council at these meetings on the following schedule:

- September: Standards; Secure Voice; presentation to the Council of a set of overview papers describing the mission, activities and resources of member agencies (areas 3, 4, and 6).
- December: Centralization; Computers and Communications (areas 1 and 7).
- March: Government vs. Private Sector Services; performance assessment (areas 2 and 5).

Mr. Beam presented members of the Support Group with overview papers covering the communications activities of the FAA and the Coast Guard, and also of his immediate office in the area of international data standards.

It was agreed that the Chairman would monitor the progress of support activities and would call the next meeting of the Support Group at such time as a meeting is necessary to assure sufficient progress in support of the Council.

Attachment: Tab A

TAB A

CGCPP SUPPORT GROUP MEETING
WEDNESDAY, MAY 31, 1972, 10:00 A.M.
ROOM 621, 1800 G ST., N.W.

ATTENDANCE

OTP	Mr. Charles C. Joyce, Jr. (Chairman) Dr. M. X. Polk Mr. Bryan M. Eagle
State	Mr. William H. Goodman Deputy Assistant Secretary for Communications Mr. Jack Hulbert
Defense	Mr. David L. Solomon Deputy Assistant for Operations and Engineering, OASD Mr. Clifford D. May
Commerce	Dr. John M. Richardson Deputy Director of Telecommunications Dr. Paul Polishuk, PSD/OT
DOT	Mr. Richard L. Beam Director, Office of Telecommunications Capt. W. T. Adams Communications Staff, USCG
CIA	Mr. W. S. Georgia Special Assistant to the Director of Communications for NCS
GSA	Mr. Torrence Snyder Assistant Commissioner Telecommunications, Engineering and Requirements
NASA	Mr. Charles Taylor Director, Operations Communications and ADP

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

May 11, 1972

TO: ✓ Mr. Whitehead
Mr. Dean
Mr. Hinchman
Col. Jiggetts
Mr. Scalia
Mr. Smith
Mr. Thornell

FOR YOUR INFORMATION.

Charles Joyce

cc: DO Records
DO Chron

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Mr. Whitehead

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

May 3, 1972

MEMORANDUM

TO: Distribution List

SUBJECT: Notes of the First Meeting of the Council for Government
Communications Policy and Planning

Attached are notes of the first meeting of the Council for Government Communications Policy and Planning (see Attachment 1). Any additions or corrections may be suggested at the next meeting of the Council or provided to the Executive Secretary prior to the meeting.

Attachment 2 is a revised Terms of Reference including:

1. Word changes accepted by the Council at the meeting.
2. A proposed addition to the Purpose section to include the area of computer-communications interaction within the scope of the Council.

This proposed wording will be considered at the next Council meeting.

Charles C. Joyce, Jr.
Charles C. Joyce, Jr.
Executive Secretary

Attachments 2

Distribution:

Hon. Joseph F. Donelan, Jr., State
Hon. E. Rechten, Defense
Hon. James H. Wakelin, Jr., Commerce
Hon. Robert H. Cannon, Jr., Transportation
Mr. John W. Coffey, CIA
Hon. Robert M. O'Mahoney, GSA
Mr. Willis Shapley, NASA

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ATTACHMENT 1

NOTES OF THE FIRST MEETING OF THE
COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

The first meeting of the Council convened in the OTP Conference Room at 2:00 p.m., on April 28, 1972. Those present at the meeting are listed in Tab A.

Mr. Whitehead welcomed the members of the Council and outlined its purpose. He then asked for any comments on the Terms of Reference. Three word changes were recommended and accepted by all the members. The Terms of Reference as a whole was then accepted by the Council.

The following were named as members of the Support Group:

State	Mr. William Goodman
Defense	Mr. David L. Solomon
Commerce	Dr. John M. Richardson
Transportation	Mr. Richard L. Beam Mr. John R. Kennedy, FAA Capt. W. T. Adams, USCG
CIA	Mr. Richard Scott
GSA	Mr. Elmer Jones

Mr. Shapley will furnish the name of NASA's representative later.

Charles Joyce of OTP was designated Executive Secretary of the Council and, ex officio, as Chairman of the Support Group.

The possibility of duplication between activities of the Council and of the NCS was discussed. Mr. Whitehead indicated that the Council's concerns would be broader in scope than those of the NCS.

Dr. Rechtin suggested three examples of areas which the Council should consider which were too broad for effective resolution by the NCS Manager or the Executive Agent. These were:

1. The future of secure voice (who should have it? how secure? etc.)

2. The relationship of U.S.-owned and operated communications in Europe to the NATO Integrated Communications System.
3. The general objective of the NCS -- a single, integrated system, or something else?

Mr. Whitehead indicated his belief that the proper role and objectives of the NCS could best be determined after consideration of the appropriate degree of centralization and standardization for government systems.

Turning to the delineation of areas requiring consideration by the Council, several members expressed concern about the interaction of computers and communications, or teleprocessing. It was agreed that OTP should propose language in the Terms of Reference of the Council to specifically include this area in the scope of the Council's activities. This area was also added to the list of concerns of the Council which had been prepared by OTP (see Tab B).

Mr. Beam asked whether international standards for air/ground data communications, and similar matters, would be considered by the Council. Mr. Whitehead said that international problems generally could be considered to the extent of the interest of the U.S. Government as a user of the services.

At the request of Mr. O'Mahoney, Mr. Whitehead described more specifically the nature of each of the six OTP Areas of Concern which had been listed (Items 1-6 of Tab B).

Several Council members expressed a need to be more aware of the communications activities of other member agencies. The following means of meeting these needs were suggested:

1. General background briefings for Council members.
2. Specific context briefings arranged by the Support Group with respect to specific items on the agenda of the Council.
3. Better documentation of Government communications activities, in connection with Item 4 of the Areas of Concern.

The frequency of Council meetings was discussed, and it was generally agreed that the group should meet quarterly or at the call of the Chairman, but that the next meeting should be in about six weeks to get the program underway.

ATTACHMENT 1

The Support Group was tasked to develop a plan of action to address the concerns of the Council for presentation at the next Council meeting.

It was requested that the Executive Secretary provide the Council members with notes of the meetings. The Council adjourned at 3:25 p.m.

Attachments: Tab A and Tab B

ATTACHMENT 1

ATTENDEES

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING MEETING
ROOM 712, 1800 G ST., N.W.
APRIL 28, 1972, 2:00 P.M.

State	Mr. William H. Goodman (representing Mr. Donelan)
Defense	Dr. E. Rehtin Mr. David L. Solomon
Commerce	Mr. James H. Wakelin, Jr. Dr. John M. Richardson Dr. Paul Polishuk
Transportation	Mr. Richard L. Beam (representing Dr. Cannon)
CIA	Mr. John W. Coffey Mr. Richard Scott
GSA	Comr. Robert M. O'Mahoney Mr. Elmer Jones
NASA	Mr. Willis Shapley
OTP	Mr. Clay T. Whitehead Mr. Charles Joyce Col. Charles Jiggetts

TAB A

April 28, 1972

CGCPP AREAS OF CONCERN

1. Centralization of telecommunications activities within the Federal Government.
2. Maintaining an effective balance between in-house activities and reliance on the private sector.
3. Adopting policies and standards which can automatically harmonize diverse areas of activity without requiring full central control.
4. Increasing the understanding of top management of the scope and importance of communications in the Federal Government.
5. Focusing greater attention on communications performance as a basis for program decisions, rather than on the utilization of technology "because its there."
6. Greater mutual support among government agencies in the communications area, for example, in the application of security techniques to the needs of civil agencies of government.
7. Interaction of computers and communications.

TAB B

May 1, 1972

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

Purpose

The purpose of the Council is to help ensure that the development, procurement and use of communications facilities, systems and services by the Federal Government are coordinated, responsive to national policies and needs, and efficient in the use of financial resources, manpower and spectrum. Because of the increasingly close interrelationship of the technologies and applications of computers and communications, the scope of the Council's interest will include those aspects of Federal data processing activities which have an impact on communications.

Composition

Each Federal Department or Independent Agency which has significant operational responsibilities in the communications field will be invited to name a policy level officer as its Council member. The Director of the Office of Telecommunications Policy will serve as the Chairman of the Council.

When the principal communications mission within a Federal Department is exercised by one or more Agencies within the Department, a representative of the principal Agency or Agencies may also be invited to participate.

Functions

The Council will:

1. Assist in the identification of areas of Federal communications in which policies, plans, procedures, programs, or standards are needed, or in which better coordination of Federal activities is needed.
2. Serve as a means for agencies to provide their views on matters affecting the use of telecommunications by the Federal Government.
3. Provide a mechanism whereby the knowledge and expertise available in Federal agencies can be brought to bear on problems of Federal communications through suitably organized task forces, committees, working groups, or other permanent or temporary working arrangements.
4. Serve as a means for information exchange and coordination of communications matters among the participating agencies.

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-2-

5. Perform other functions as appropriate to accomplish the purpose of the Council.

Procedures

1. The Council will meet at the call of the Chairman.
2. The Chairman will designate an Executive Secretary of the Council. The Executive Secretary will notify members of meetings, send agendas for meetings in advance, provide secretarial assistance to the Council, the Support Group and any other Council bodies, and assist the Chairman as directed.
3. A Support Group will be established to organize and monitor studies and projects agreed to by the Council, to review studies and issue papers prior to their presentation to the Council, and to assist in the identification of matters which should be considered by the Council. The Support Group will be Chaired by the Executive Secretary, and will include a representative of each member agency.
4. The Council may establish committees, working groups, or ad-hoc groups consisting either of members of the Council or of others designated by them. The Chairman of the Council will designate the chairmen of such bodies, after consultation with the members of the Council.
5. The Chairman of the Council may invite Federal agencies not represented on the Council to participate in meetings, studies, or projects of concern to them.

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ATTACHMENT 2

OFFICE OF TELECOMMUNICATIONS POLICY

CGCPP

Log In No. 2-55

ACTION MEMORANDUM FOR MR. WHITEHEAD

Through:

From: Charles Joyce

Subject: Notes and Revised Terms of Reference for CGCPP

Co-ordinated with:

Staff Opinions:

We should provide notes of the meetings to the members but not formalize it by calling them minutes. Brom Smith concurs.

Action required by the Director:

None _____

For your signature _____

Further discussion required with author _____

Further discussion required with staff _____

Which member of the staff _____

Approve attached draft _____

Approve recommended course of action (see below) X

Other _____

Available options:

A.

C.

B.

D.

Recommended next steps (author's recommendation):

Recommend you approve attached "notes" to be transmitted by me to

Director's comments: Council Members

OK

Record of disposition and action taken.

Log out _____ date _____ time _____

Referred to _____ (name of staff member)

Action requested _____

Due Date _____

DIRECTOR'S TALKING PAPER/OUTLINE
FIRST MEETING OF THE
COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING
APRIL 28, 1972

NOTE: Try to end by 3:00 P.M. if at all possible

I. Opening Remarks

A. Importance of communications is increasingly being recognized at the highest levels of government. Possible examples of unique aspects if you want to use any of them:

1. Close relation with organizational and management concepts -- we are becoming increasingly dependent on communications.
2. Very rapidly evolving technology, and one with considerable appeal.
3. Use of a scarce national resource -- spectrum.
4. Unique U.S. dependence on private industry for this critical function.
5. Entering period of dynamic change in the structure of that industry.

*Congressional
interest
(GAO)*

B. There is still a gap in understanding between professional communicators and the top managers they serve. Top managers want to know:

1. Why are communications costs going up so fast, and
2. Why don't we have better "communications" -- in the broad sense?

C. The members of this Council are in a unique position to bridge that gap -- to assure that the capabilities afforded by this technology -- and this industry -- are used effectively by the government within the constraint of a judicious allocation of resources.

D. At this level we must take a pretty broad definition of communications:

1. Include all systems which use the electromagnetic spectrum.

2. Take a broad view of the communication process which must, for planning and evaluation purposes, go beyond bounds of ~~purely electronic systems~~ *hardware*.

E.. Hope to accomplish today:

1. Discuss briefly areas of concern -- yours and mine.
2. Agree on Terms of Reference for the Council.
3. Task the Review Group to come up with a plan of action for these areas of concern for consideration at the next Council meeting.

II. Discussion of Areas of Concern

- A. Six OTP Areas of Concern are listed in folder.
- B. I am prepared to elaborate on these if you wish, but I'd especially like to hear from you additional matters for consideration.
- C. Discussion

III. Terms of Reference

- A. We are going to need some working procedures to get things done.
- B. These should be kept as simple and informal as possible.
- C. Our thoughts are contained in Terms of Reference which were sent to you -- copies in your folders.
- D. Would place heavy reliance on the Review Group and the Executive Secretary to plan and execute our program and to keep everyone up to date on progress.
- E. Are you satisfied with proposed Terms of Reference?
- F. Discussion
- G. I propose to designate Charlie Joyce as Executive Secretary of the Council, if there are no objections.
- H. Have you decided on your Review Group Members?

I. Poll -- get names.

IV. Action

- A. Task Review Group to develop plan of action for our consideration.
- B. Should include specific steps to assign responsibilities for standards.
- C. Schedule:
 - 1. Like to hold another meeting soon to get rolling.
 - 2. Would six weeks be too soon? -- that would be June 9.
(Be prepared to compromise -- try not to get pushed beyond June 20)

Council for Government Communications
Policy and Planning

First Meeting

Friday, April 28, 1972

Place:

Contents

- 1 Representatives to the Council
- 2 Invitation
- 3 Attendees
- 4 Agenda
- 5 Proposed Terms of Reference
- 6 Matters for Discussion



COUNCIL REPRESENTATIVES

<u>AGENCY</u>	<u>PRINCIPAL</u>	<u>ALTERNATE</u>
<u>STATE</u>	Hon. Joseph F. Donelan, Jr. Asst. Secretary for Adminis.	Mr. William H. Goodman Deputy Asst. Secretary for Communications
<u>DEFENSE</u>	Hon. E. Rehtin Asst. Secretary of Defense (Telecommunications)	
<u>COMMERCE</u>	Hon. James H. Wakelin, Jr. Asst. Secretary for Science and Technology	
<u>TRANSPORTATION</u>	Hon. Robert H. Cannon, Jr. Asst. Secretary for Systems Development and Technology	Mr. Richard L. Beam Director, Office of Telecommunications
<u>CIA</u>	Mr. John W. Coffey Deputy Director for Support	Mr. Richard P. Scott Director of Communications
<u>GSA</u>	Hon. Robert M. O'Mahoney Commissioner, Transportation and Communications Service	
<u>NASA</u>	Mr. Willis Shapley Associate Deputy Administrator	

Invitation

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504
April 6, 1972

DIRECTOR

Honorable Joseph F. Donelan, Jr.
Assistant Secretary for Administration
Department of State
Washington, D.C. 20520

Dear Mr. Donelan:

I am delighted that you will be serving as a member of the Council for Government Communications Policy and Planning. A list of the other agency representatives is enclosed.

The first meeting of the Council has been scheduled for Friday, April 28, 1972, at 2:00 p.m. here at OTP, Room 712, 1800 G Street, N.W. I am sure you appreciate the importance of your personal participation in this meeting, so we would like to know immediately if you have any problem with the date. We will have room for you to bring one or two people with you -- you may wish to include your representative to the Review Group. Please notify Mrs. Toms, 395-4876, of those planning to attend.

A proposed Terms of Reference for the Council and the Agenda for the first meeting are enclosed. I hope that you will take the opportunity at this meeting, to suggest matters for consideration by the Council.

I look forward to working with you and the other members of the Council.

Sincerely,

Signed

Clay T. Whitehead

Enclosures

Identical Letter Sent to:

State

Honorable Joseph F. Donelan, Jr.
Assistant Secretary for Administration

Defense

Honorable E. Rechtin
Assistant Secretary of Defense (Telecommunications)

Commerce

Honorable James H. Wakelin, Jr.
Assistant Secretary for Science and Technology

CIA

Mr. John W. Coffey
Deputy Director for Support

GSA

Mr. Robert M. O'Mahoney
Commissioner, Transportation and
Communications Service

NASA

Mr. Willis Shapley
Associate Deputy Administrator

Transportation

Honorable Robert H. Cannon, Jr.
Assistant Secretary for Systems Development
and Technology

COUNCIL FOR GOVERNMENT COMMUNICATIONS POLICY AND PLANNING
MEETING, FRIDAY, APRIL 28, 1972, 2:00 P.M., 1800 G STREET

PLANNED ATTENDANCE

<u>AGENCY</u>	<u>PRINCIPAL</u>	<u>OTHERS</u>
<u>STATE</u>		*Mr. William H. Goodman Deputy Asst. Secretary for Communications
<u>DEFENSE</u>	Dr. E. Rechtin Asst. Secretary of Defense (Telecommunications)	Mr. David L. Solomon Deputy Asst. for Operations and Engineering, OASD
<u>COMMERCE</u>	Hon. James H. Wakelin, Jr. Asst. Secretary for Science and Technology	Dr. John Richardson Deputy Director of Tele- communications
<u>CIA</u>	Mr. John W. Coffey Deputy Director for Support	*Mr. Richard P. Scott Director of Communications
<u>GSA</u>	Hon. Robert M. O'Mahoney Commissioner, Transportation and Communications Service	Mr. Elmer Jones Deputy Commissioner for Communications
<u>NASA</u>	Mr. Willis Shapley Associate Deputy Administrator	Mr. Charles A. Taylor Director of Network Operations Office of Tracking and Data Acquisition Mr. Charles P. Bosmajian Communication Program Management Office of Tracking and Data Acquisition
<u>TRANSPORTATION</u>		*Mr. Richard L. Beam Director, Office of Communications

*Has been designated as alternate



AGENDA

1. Terms of Reference
2. Constitution of Review Group
3. Discussion of matters to be considered by the Council
and the Review Group
4. Date for next Council meeting



COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

Purpose

teleproc.
The purpose of the Council is to *help* ensure that the development, procurement and use of communications facilities, systems and services by the Federal Government are coordinated, responsive to national policies and needs, and efficient in the use of financial resources, manpower and spectrum.

Composition

Each Federal Department or Independent Agency which has significant operational responsibilities in the communications field will be invited to name a policy level officer as its Council member. The Director of the Office of Telecommunications Policy will serve as the Chairman of the Council.

When the principal communications mission within a Federal Department is exercised by one or more Agencies within the Department, a representative of the principal Agency or Agencies may also be invited to participate. *(by whom?)*

Functions

The Council will:

- difficulties?*
1. Assist *(ADTP?)* in the identification of areas of Federal communications in which policies, plans, procedures, programs, or standards are needed, or in which better coordination of Federal activities is needed.
 2. Serve as a means for agencies to provide their views on matters affecting the use of telecommunications by the Federal Government.
 3. Provide a *reach* ~~means~~ whereby the knowledge and expertise available in Federal agencies can be brought to bear on problems of Federal communications through suitably organized task forces, committees, working groups, or other permanent or temporary working arrangements.
 4. Serve as a means for information exchange and coordination of communications matters among the participating agencies.
 5. Perform other functions as appropriate to accomplish the purpose of the Council.
- Perhaps most important*

Procedures

1. The Council will meet at the call of the Chairman.
2. The Chairman will designate an Executive Secretary of the Council. The Executive Secretary will notify members of meetings, send agendas for meetings in advance, provide secretarial assistance to the Council, the Review Group and any other Council bodies, and assist the Chairman as directed.
3. A Review Group will be established to organize and monitor studies and projects agreed to by the Council, to review studies and issue papers prior to their presentation to the Council, and to assist in the identification of matters which should be considered by the Council. The Review Group will be Chaired by the Executive Secretary, and will include a representative of each member agency.
4. The Council may establish committees, working groups, or ad-hoc groups consisting either of members of the Council or of others designated by them. The Chairman of the Council will designate the chairmen of such bodies, after consultation with the members of the Council.
5. The Chairman of the Council may invite Federal agencies not represented on the Council to participate in meetings, studies, or projects of concern to them.

April 28, 1972

OTP AREAS OF CONCERN

1. Centralization of telecommunications activities within the Federal Government. (A.D.P.X?)
2. Maintaining an effective balance between in-house activities and reliance on the private sector.
3. Adopting policies and standards which can automatically harmonize diverse areas of activity without requiring full central control.
4. Increasing the understanding of top management of the scope and importance of communications in the Federal Government.
5. Focusing greater attention on communications performance as a basis for program decisions, rather than on the utilization of technology "because its there."
6. Greater mutual support among government agencies in the communications area, for example, in the application of security techniques to the needs of civil agencies of government.

7. teleproc / ADP.

8.

~~SECRET~~
Charles Joyce
April 26, 1972

ISSUE PAPER FOR CGCPP <GCC>

1. Subject

- Centralization -

2. Problem

For the past ten years, at least, there has been a trend in the Federal Government towards the centralization of communications management. A key element of this trend has been the belief that large networks serving many users -- what we call "common user" systems -- are more efficient than individually designed networks serving particular communities of interest. It appears, however, that there is a limit to the benefits which can be achieved by continuing to expand the scope of shared systems. There is a need to develop clearer policies and criteria governing how far sharing of networks and centralization of management should be pushed, and under what conditions new systems for specialized communities should be allowed to develop.

3. Importance

The lack of reasonably specific policies and ground rules in this area has created an unhealthy situation in which the General Services Administration and the Defense Communications Agency are in competition with their own customers. The situation makes intelligent forward planning all but impossible, and makes every system decision a political battle between different agencies. Similar problems exist within some of the larger civil departments of the government. The fact that these problems have not been met satisfactorily at the departmental level makes it even more impossible to accomplish anything at the NCS level.

4. Agency Interests

• Defense. Defense may assert that they have solved this problem internally, but I doubt that this is true. The Defense situation might be described as an uneasy truce resulting from the fact that no one has any money to do anything very significant anyway. Defense would probably object to an effort which appeared aimed at sorting out the relationship between DCA and the military services. On the other hand, Defense should recognize that the NCS, under Defense management, can never be successful without some resolution of this issue.

• GSA. GSA has major problems with the civil agencies of the government which are its customers, and will welcome the effort as long

as they believe that it will give them some White House support for at least a good portion of their mission.

- CIA and State. CIA and State are already heavily involved in sharing, and probably won't be too interested in this issue.

- NASA. NASA does almost no sharing, and will probably be equally disinterested.

- Transportation. Transportation will probably be somewhat wary.

- FAA. The FAA may be a major candidate for greater sharing.

- Coast Guard. Coast Guard is currently looking for a national mission in communications.

These agencies will have a hard time figuring out how a study of this issue may affect them.

Most civil agencies of the government, although not represented on the Council, will have a great interest in this question and would probably support the effort. They believe that it costs more to go with GSA than to do the job themselves.

5. OTP Strategy

Emphasize that over the past ten years the government has had the experience of developing several major common user systems, of attempting to replace specialized systems with these common user systems, and of considering the integration of these common user systems with one another. More aggressive planning for the future can be sustained only if there is a clearer delineation of the government's objectives, of the proper role of each type of system, and of the proper role of the various management and coordinating entities involved in the planning of systems.

Hence there is a need to review the current situation in light of our experience and chart a course for the future. The review group should be tasked to come up with a plan for accomplishing this.

(include criteria)

6. Possible Questions and OTP Response

Q: Didn't your AUTOVON/FTS study show that integration efforts should be dropped?

A: Our review of existing studies indicated that there wasn't enough evidence of financial savings to support the combining of these two systems into one network in the near future. The review also indicated that there were more important questions concerning the future of these networks than whether they should be combined, and that these questions should be answered first.

Q: Isn't resolving this issue the job of the NCS?

A: I don't think questions as fundamental as these can be resolved at the level of the Manager or even of the Executive Agent, NCS. ~~It's~~ history has shown that, under the current structure, the NCS can make effective contributions in coordinating operations, particularly for emergencies, but that it needs clearer and more realistic ground rules from which to work in order to effectively accomplish a systems planning or integration task.

7. Proposed Milestones

We should set a goal of doing what we can within six months. That won't get us all the answers, but there is no point in letting it drag out longer than that.

ISSUE PAPER FOR CGCPP

1. Subject

— Federal Telecommunications Standards Program —

2. Problem

The basic question is how to get the benefit of properly defined standards, and as a corollary under what aegis should a standards program be undertaken. ASD(T) has requested OTP concurrence in such a program to be administered by the NCS. But, the scope of Federal interest in standards is larger than that included within the NCS missions and functions, e.g., broadband, cable television, video cassettes, etc. There are also objectives (by GSA) to granting the authority to NCS for fear that there will be too much military domination of the program. Bringing the effort under the cognizance of the Council should allay those objections and allow for a program of broader scope.

3. Importance

Properly designed standards can result in economic benefit to the Government as well as enhance the potential for interoperability and emergency capabilities of Government systems.

Standards need not be a barrier to technological innovation if properly defined and properly administered. This can be accomplished by defining the standard in terms of what happens within a black box rather than how it happens and providing for a system of standards review, modification and updating that is flexible.

Standards development must be closely coupled with policy to assure consistency with overall objectives.

4. Agency Interests

Informal discussions with the staffs of the agencies indicate a consensus on the need for a coordinated effort in the communications standards area. But GSA objects to the job being assigned to NCS for fear of military dominance. However, the standards development process involves so much interagency and industry coordination that no one group is likely to dominate it. On the other hand, moving the issue into the Council should allay these fears.

The other NCS agencies do not object to an NCS run program. They are principally for the program not a particular administrator, and should not object to bringing it under the Council.

DOD may prefer to keep the program in the NCS and may feel that Council involvement will be an encroachment on the Executive Agent's prerogatives. On the other hand, Executive Order 11556 gives OTP a responsibility for formulation of standards and we can insist that the question is broader than just NCS interests and should be treated in a broader forum.

5. OTP Strategy

There seem to be two principal options for the Council:

1. Delegate to NCS, subject to Council review, a standards role for those areas consistent with NCS missions and functions and from time to time delegate responsibility to other agencies where appropriate.
2. Form a Standards Committee under the Council. The committee would in turn farm out standards preparation to whichever Department, Agency, or Organization was best qualified.

Keep discussion directed toward questions of the need for Telecommunications Standards development and the fact that the scope of a Federal program is beyond the needs of any one Agency or the NCS.

Stress OTP concern that policies and standards development must be closely coupled and that OTP will continue to be concerned and to oversee the effort.

Wind up by tasking the Review Group to provide the Council with options including advantages and disadvantages of each by the next meeting.

?

ISSUE PAPER FOR CGCPP

1. Subject

— Recent trends in Government toward lease or purchase of Government Operated equipment as opposed to leasing commercially available service from common carriers.

2. Problem

Rigidity of the tariff structure, recent break-throughs in multiplexing technology and reluctance of the carriers to depart from traditional pricing and service policies now make it ~~seemingly~~ advantageous to the Government (and probably all large communications users) to procure, by lease or purchase, multiplex, PABX, and switching equipment at significantly less cost than these services are now available from the carriers.

3. Importance

Full application of this philosophy to Government communications activities could have far reaching effects on the Nation's communications resource. The policy issues involved are Government lease vs. purchase, currency and rigidity of FCC service and equipment tariffs, innovation by the carriers with potential savings passed to the user, and cross subsidization with potential losses in these areas being recovered by increased charges for other services. There is the further consideration that tariff reductions at a later time could find the Government with large inventories of equipment which is no longer competitive with tariff offerings but which, once procured, is almost impossible to discontinue.

4. Agency Interests

All agencies of Government are affected with the operators of large systems having the primary interest. If the trend is in the right direction, agencies will save large sums of money. If in the wrong direction large sums might be lost. Too, Government operated facilities require additional personnel, and all too often, result in reduced maintenance and performance standards.

5. OTP Strategy

Discuss the reasons why there is a trend towards Government operation of equipment vice leasing carrier provided service.

documentation?

1. Tariff imbalances which permit large users to provide services at substantially less cost than carrier offerings.
2. Carrier reluctance to change and innovation -- specifically GSA experience with Timeplex Data multiplex units which derive up to 80 low speed channels as opposed to carrier channel derivation of two data channels from a voice frequency circuit.
3. Need for thorough review of tariff policy by Executive Branch (OTP) in view of Carterphone decision, specialized carriers, etc.
4. Role of the Government as a user.
5. Possibility of Government acquiring large inventory of owned equipment only to have subsequent tariff reductions put us in non-competitive posture.

Discuss GSA proposal to procure and operate its own PABX equipment rather than leasing service from the telephone carriers.

1. Current tariffs which ^{require?} permit the carrier to recapture capital costs in ~~three~~ years then continue to charge high monthly rental for life of installation.
2. Possible modification of tariff to permit carrier to recapture capital investment as installation cost then provide service at greatly reduced monthly rental to a degree competitive with user owned/operated facilities.

6. Possible Questions and OTP Response

Q: GSA - How does this affect my on-going programs in multiplexing and PABX equipment?

FAA - How does it affect mine in the procurement of 22 Electronic Voice Switches and potentially 65 terminal facilities?

DOD - How about my multiplexing program similar to GSA?

A: No foreseeable impact at this time since there is a great deal of research involved prior to decision.

i.e., go ahead?

7. Proposed Milestones

This should be a specific program with the end objective of a National policy regarding the specific application to communications of the principles of BoB Circular A-76 and to the revision of FCC Tariffs to permit the carriers to compete with user furnished facilities.

- May -Convene working group to discuss implications and ramifications with users, carriers and FCC
- August 1 -Develop National policy concerning Government operation vice procurement of service from carriers (lease versus buy)
- October 1 -Revision of pertinent tariffs to reduce carrier charges to a level competitive with user owned/operated equipment
- December 1 -FCC issue revised tariffs

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

programs & costs

1. Congs
2. Visited & imp of cm
3. OTP/Council interventions OMB
(NASA cuts) modernizing
(GSA freeze) maint
etc.
4. Visits & control w/in dept.

ISSUE PAPER FOR CGCPP

1. Subject

— Visibility of Program/Costs. —

2. Problem

The problem in this case is the difficulty in accurately identifying U. S. Government telecommunications projects and programs and their costs. The major communications systems are identifiable but often their costs are not clear. For example, NASA Tracking and Data acquisition is largely related to communications but it is not clear how much of the FY 1972 estimate of \$264 million is spent on communications, similarly DOD weapons systems costs include communications but the amounts are not broken out. (DOD is trying to do this now on a one-time basis.)

3. Importance

In order to give the OTP (and the Council) a comprehensive picture of what is involved in the total government communications area, we need to have the cooperation of the Departments and Agencies in getting more detailed information on their systems and projects.

Correct estimates of communication costs are too vague and nowhere does there exist a complete picture of all government communications.

4. Agency Interests

Agency reactions are likely to be skeptical of any major new data gathering activity, particularly if it appears to be aimed at budget information.

5. OTP Strategy

This issue should be raised with the Council in a low-key manner. We do not want to give the impression that OTP is on a fishing expedition or that we are just looking for budget issues.

Perhaps we can state that OTP is working on a program to improve the data base on government communications and that the OTP staff will be in touch with the agencies' staffs and that we would appreciate their cooperation.

If we can also convey the impression that this information would be useful to the Council, it should be easier to gain their cooperation.

*How about interface inventory?
(as cover)*

ISSUE PAPER FOR CGCPP

1. Subject

Secure Voice Planning for the Executive Branch.

2. Problem

The DOD is well along in development of a plan for a Phase II Secure Voice System to replace AUTOSEVOCOM. DOD plans are directed towards satisfaction of DOD requirements only with no consideration being given to requirements of the civil agencies as GSA representatives had stated that there were no civil requirements. A meeting between OTP staff and GSA-TCS staff at the Deputy Commissioner level persuaded GSA to retract their original statement and to undertake a survey of civil agencies for secure voice requirements as an input to NSA, in order possibly to influence redirection of current planning to accommodate all Government secure voice requirements. (7)

3. Importance

Current planning is towards development of the Phase II Secure Voice System as a subset of AUTOVON. The cost of AUTOVON service is generally more than the civil agencies can afford and the coverage primarily oriented to DOD installations is inadequate for civil agency purposes. Further, the requirement for low-cost, short-term security for such civil activities as law enforcement, Federal Reserve interest rate changes, Agriculture parity support levels, etc., which information is quite sensitive for brief periods until they are made public, have never been identified. A growing awareness of the need for a short-term, low-cost device for protection of this kind of information makes it imperative that these requirements be considered in concert with the current DOD planning effort in order to prevent the possibility of a duplicative civil system being developed at a later date leaving the Government with another AUTOVON/FTS-like situation.

4. Agency Interest

All agencies of Government would benefit from coordinated planning and the eventual development of a universal or independent compatible systems which will provide necessary security at acceptable cost levels. Primary interest is with DOD, State, CIA, AEC, and GSA.

5. OTP Strategy

The need for short-term, low-cost security for the protection of Government "Sensitive" information as opposed to National Security classified information should be stressed. The range of options should be discussed from a cost and degree of security standpoint to develop the degree of agency interest and potential reaction to a requirements survey. Agencies should be encouraged to cooperate fully with the upcoming GSA survey and to provide bona fide requirements within the various options. Stress the need for a coordinated national plan to prevent piecemeal satisfaction of agency requirements on a unilateral basis with resultant development of incompatible systems which would be of limited use in any emergency situation.

6. Possible Questions and OTP Response

Q. What can we do?

A. Stay aware of NCS committee actions and NSA developmental efforts through your NCS representative who is on the committee -- Commerce, OTP will keep you advised.

Q. Should there be a working sub-group of this council to get involved in this effort?

A. Not necessary. The NCS committee established by Dr. Rechin has representatives of every agency here but Commerce and we will keep them informed.

Q. What purpose will council interest serve?

A. It will lift the level of agency interest high enough to influence NSA in its developmental efforts if that is indicated *& provide Admin level officials opportunity for input.*

7. Timing is dependent upon GSA survey. They should be urged to expedite effort. Milestones will be developed subsequent to completion of GSA survey.

Ray Beery
April 26, 1972

ISSUE PAPER FOR CGCPP

1. Subject

— Performance Evaluation and Testing of Government Communications. —

2. Problem

OTP would like to see more systematic testing and evaluation of government communications systems. The test programs of different agencies differ in scope and procedures and do not allow comparison of the performance of different systems. Most tests are hardware oriented and are not good predictors of system performance in an emergency.

3. Importance

We would like to see more testing, and would like to have test and evaluation results, for the following reasons.

1. to be able to assure that systems will work in emergencies;
2. to identify areas where resources should be devoted to make improvements in performance *or maybe*.
3. to assure that system performance is fully considered when alternative approaches to meeting requirements are evaluated (tendency is to argue about theoretical, technical, and cost issues and to ignore past performance of similar projects); and
4. to determine whether trend toward interconnection of competing suppliers is affecting performance.

4. Agency Interests

• Defense. DOD will probably object to any implication that OTP is going to evaluate DOD performance. On the other hand, Defense has

recently been complaining that the common carriers don't provide acceptable service. Also, Defense has problems getting sufficient data from the carriers to measure the performance of AUTOVON.

(Not assessing def perf, but comm perf - less objectionable & interesting on DOD policy.)

o CSA. There are frequent comparisons of AUTOVON and FTS. In view of this, CSA could see the evaluation subject as another chance to show that FTS is superior to AUTOVON in the call completion rate. On another aspect, CSA is being asked by DOD to make FTS available to absorb some of the traffic now in AUTOVON at Continental U. S. camps, posts, and stations. This may create an increased interest in traffic data for the affected locations. In regard to testing, CSA can be expected to say that they are satisfied with the tests AFAT runs on FTS and ARS. This is because CSA provides business hours only service, during which time the telephone company is highly proficient in arranging alternate circuits and routes to fulfill their lease requirements.

o State. Because the department's communications are heavily record (DTS telegrams), State may not be very interested in nor able to furnish much data on voice. However, State should be interested in the backup capability of DOD's communications facilities in embassy and consulate locations.

o CIA will be reluctant to discuss its facilities or performance with anyone other than State. *no?*

o NASA. The communications staff develops and issues an excellent monthly analysis of performance data. They may offer it as a model for other individual agencies and as a vehicle for portraying comparisons among agencies. A unique feature of NASA's networks is marked peaks and valleys in communications usage, coinciding with fluctuating space missions. This creates a dependence on other agencies for communications assistance when the load is heavy--hence NASA may be among the most willing to cooperate on this subject.

5. OTP Strategy

understand what we have & where we ought to go.
Emphasize the importance of testing and evaluation as a basis for sound planning. This is motherhood, and no one can disagree.

Emphasize mutual interest in getting good service from the carriers - we should "compare notes" frequently on this - have a government-wide effort to get good service.

Emphasize that demonstrated performance should play an important role in questions of common user vs. specialized systems, leased vs. government designed/operated systems, and centralization vs. decentralization.

Emphasize need to be aware of potential problem areas in an emergency.

Suggest that some systematic program of obtaining and sharing performance information should be established; OTP would like their help in this. The Review Group should be tasked to develop a plan by the next meeting of the Council.

6. Possible Questions and OTP Response

Q: How do you foresee accomplishing the added testing and evaluation?

A: The details of a project can be worked out by the Council's Review Group. Where new system tests are in order, the cognizant agency would be responsible for conducting them and furnishing results to the Executive Secretary. As for performance data, agencies would need to submit information periodically for compilation, comparison, and analysis by a technical working group drawn from several or all the agencies.

Q: How do you propose the collected information be shared?

A: At least quarterly, the Executive Secretary could issue a report. In addition, spokesmen for individual agencies could present short briefings at Council meetings.

Q: What if we don't have the data to furnish for common comparison and analysis?

A: There are some "ifs" to this. If a specific measure of effectiveness would be statistically insignificant in a given network, it would not be required. But if it appears that a measure might be of value and you are not using it, I would like the opportunity to try to sell you on the idea of adopting it.

Q: Why can't the carriers be responsible for all the testing?

A: There are government users on each end of the carrier-provided circuits. A systems approach to testing means including these users in at least some types of tests and exercises.

Q: Which systems should furnish evaluation and testing analyses?

A: DCS - AUTOVON, AUTODIN, AUTOSEVOCOM
GSA - FTS, ARS
State - DTS
FAA - Selected Voice and Record Services
NASA - NASCOM
And any others suggested by Council members.

EBS

Q: Why can't NCS undertake this project?

A: NCS could do the work, if the Council chose to task their agency representatives there. However, we suggest that a working group be formed using personnel more closely associated with performance monitoring, analysis, testing, and exercises.

Q: What information is now available for use in emergencies?

A: NCS uses the DCS Operations Center displays and files, plus information submitted by the agencies. OEP has a computer data bank on communications, but it needs to be updated.

Q: How effective are the NCS Commtests in exercising the use of alternate systems?

A: There are too few tests, only two a month. The tests are scheduled and announced in advance, but even so one in each 15 or 20 is ineffective.

High Needs?

7. Proposed Milestones

This should be a definitive project with an established completion date. On completion, the Council may wish to revise and refine the procedure, then continue it on a recurring basis.

May	-Review Group Plan to Council
July 31	-Issue Report Covering January 1 - June 30, 1972
August	-First Agency Briefings to Council
September 30	-Issue Report on Improvements in Emergency Preparedness
December	-Complete Agency Briefings to Council
January 1973	-Council Evaluation of Completed Project

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

4/28/72
2 pm

4/6/72

DIRECTOR

Honorable Joseph F. Donelan, Jr.
Assistant Secretary for Administration
Department of State
Washington, D.C. 20520

Dear Mr. Donelan:

I am delighted that you will be serving as a member of the Council for Government Communications Policy and Planning. A list of the other agency representatives is enclosed.

The first meeting of the Council has been scheduled for Friday, April 28, 1972, at 2:00 p.m. here at OTP, Room 712, 1800 G Street, N.W. I am sure you appreciate the importance of your personal participation in this meeting, so we would like to know immediately if you have any problem with the date. We will have room for you to bring one or two people with you -- you may wish to include your representative to the Review Group. Please notify Mrs. Toms, 395-4876, of those planning to attend.

A proposed Terms of Reference for the Council and the Agenda for the first meeting are enclosed. I hope that you will take the opportunity, at this meeting, to suggest matters for consideration by the Council.

I look forward to working with you and the other members of the Council.

Sincerely,

Clay T. Whitehead

Enclosures

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

Identical Letters Sent to:

REPRESENTATIVES

State

Honorable Joseph F. Donelan, Jr.
Assistant Secretary for Administration

Defense

Honorable Joseph F. Donelan, Jr.
Assistant Secretary for Administration
Assistant Secretary of Defense (Telecommunications)

Honorable E. Rehtin
Assistant Secretary of Defense
Commerce
Honorable James H. Wakelin, Jr.
Assistant Secretary for Science and Technology

COMMERCE:

Honorable James H. Wakelin, Jr.
Assistant Secretary for Science and Technology

CIA
Mr. John W. Coffey

Deputy Director for Support
Mr. Robert H. Cannon, Jr.
Assistant Secretary for Systems Development
and Technology

GSA

Mr. Robert M. O'Mahoney
Commissioner, Transportation and
Communications Service
Deputy Director for Support

NASA

Mr. Willis Shapley
Associate Deputy Administrator
Communications Service

Transportation

Honorable Robert H. Cannon, Jr.
Assistant Secretary for Systems Development
and Technology

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

REPRESENTATIVES

STATE: Honorable Joseph F. Donelan, Jr.
Assistant Secretary for Administration

DEFENSE: Honorable E. Rehtin
Assistant Secretary of Defense
(Telecommunications)

COMMERCE: Honorable James H. Wakelin, Jr.
Assistant Secretary for Science and Technology

TRANSPORTATION: Honorable Robert H. Cannon, Jr.
Assistant Secretary for Systems Development
and Technology

CIA: Mr. John W. Coffey
Deputy Director for Support

GSA: Mr. Robert M. O'Mahoney
Commissioner, Transportation and
Communications Service

NASA: Mr. Willis Shapley
Associate Deputy Administrator

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

Purpose

The purpose of the Council is to ensure that the development, procurement and use of communications facilities, systems and services by the Federal Government are coordinated, responsive to national policies and needs, and efficient in the use of financial resources, manpower and spectrum.

Composition

Each Federal Department or Independent Agency which has significant operational responsibilities in the communications field will be invited to name a policy level officer as its Council member. The Director of the Office of Telecommunications Policy will serve as the Chairman of the Council.

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3. Provide a means whereby the knowledge and expertise available in Federal agencies can be brought to bear on problems of Federal communications through suitably organized task forces, committees, working groups, or other permanent or temporary working arrangements.
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5. The Chairman of the Council may invite Federal agencies not represented on the Council to participate in meetings, studies, or projects of concern to them.

AGENDA

1. Terms of Reference
2. Constitution of Review Group
3. Discussion of matters to be considered by the Council
and the Review Group
4. Date for next Council meeting



ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

TELECOMMUNICATIONS

16 MAR 1972

Honorable Clay T. Whitehead
Director of Telecommunications Policy
Executive Office of the President
Washington, D. C. 20504

Dear Mr. Whitehead:

In response to your letter of February 3, 1972 to the Secretary of Defense concerning the establishment of the Council for Government Communications Policy and Planning, the Department of Defense (DoD) would be pleased to participate.

I will be the principal DoD representative. If an alternate is necessary, I will designate a Deputy Assistant Secretary for Telecommunications. Appropriate working arrangements within the DoD to accomplish the needed coordination of policies, plans and programs will be arranged by my office.

Sincerely,

A handwritten signature in dark ink, appearing to read "E. Rechtin", is written over the typed name.

E. Rechtin





THE UNDER SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

MAR 31 1972

Honorable Clay T. Whitehead
Director, Office of
Telecommunications Policy
Executive Office of the President
Washington, D.C. 20540

Dear Mr. Whitehead:

Your letter of February 3, 1972 requested my comments regarding the establishment of a Council for Government Communications Policies and Planning. I concur that this would be a useful vehicle for coordinating the policies of the Federal Government Agencies with major communication operations.

The designated representative for the Department of Transportation is Dr. Robert H. Cannon, Jr., Assistant Secretary for Systems Development and Technology. His alternate is Mr. Richard L. Beam, Director, Office of Telecommunications.

Sincerely,

A handwritten signature in cursive script, reading "John W. Voge", is written below the word "Sincerely,".



DEPUTY UNDER SECRETARY OF STATE
FOR MANAGEMENT
WASHINGTON

FEB 18 1972

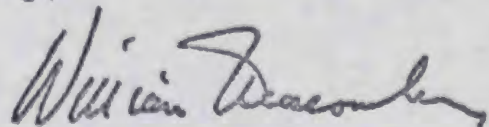
Dear Dr. Whitehead:

Your letter of February 3, 1972, to the Secretary, regarding the establishment of a Council for Government Communications Policy and Planning, has been referred to me for reply.

I agree with your conclusion that agencies of the Federal Government having major communications operations can benefit from establishment of such a Council, and that the Department of State should have representation. Accordingly, I hereby designate Joseph F. Donelan, Jr., Assistant Secretary for Administration, as the principal representative of the Department of State. William H. Goodman, Deputy Assistant Secretary for Communications, will serve as his alternate.

We look forward to working with you in this important area.

Sincerely,



William B. Macomber, Jr.

Dr. Clay T. Whitehead,
Director of Telecommunications Policy,
Executive Office of the President.

Recd. 2/24/72
CLT

UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION
WASHINGTON, DC 20405



FEB 11 1972

Honorable Clay T. Whitehead
Director
Office of Telecommunications Policy
Executive Office of the President
Washington, D. C. 20504

Dear Mr. Whitehead:

This is in response to your letter of February 3 concerning your plan to establish a Council for Government Communications Policy and Planning, composed of a senior policy official representing each Department and Agency. The General Services Administration concurs in this plan. We believe that such a group could be a positive force in coordinating Federal policies, plans and programs.

I am designating to serve as my principal representative on the Council the Commissioner of our Transportation and Communications Service, Mr. Robert M. O'Mahoney.

Sincerely,

Rod Kreger

Rod Kreger
Acting Administrator



NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

WASHINGTON, D.C. 20546

OFFICE OF THE ADMINISTRATOR

FEB -9 1972

Honorable Clay T. Whitehead
Director of Telecommunications
Policy
Executive Office of the President
Washington, D.C. 20504

Dear Tom:

Thank you for your letter of February 3, 1972, on your establishment of a Council for Government Communications Policy and Planning.

As my principal representative on the Council, I would like to designate Willis Shapley, the Associate Deputy Administrator, who has a standing assignment to watch problems in this general area for me and George Low. He will be glad to discuss with you the details of NASA's participation in the Council.

With best wishes,

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim F", is written over the typed name of James C. Fletcher.

James C. Fletcher
Administrator



CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

OFFICE OF THE DIRECTOR

11 February 1972

Honorable Clay T. Whitehead
Director of Telecommunications Policy
Washington, D.C. 20504

Dear Mr. Whitehead:

I agree that the Central Intelligence Agency should be represented on the Council for Government Communications Policy and Planning. Mr. John W. Coffey, my Deputy Director for Support, will be the Agency representative. Mr. Richard P. Scott, Director of Communications will be his alternate.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard Helms", is written over the typed name.

Richard Helms
Director



THE SECRETARY OF COMMERCE
Washington, D.C. 20230

FEB 15 1972

Honorable Clay T. Whitehead
Director
Office of Telecommunications Policy
Executive Office of the President
Washington, D. C. 20504

Dear Tom:

I concur in your plan, as outlined in your letter dated February 3, 1972, to establish a Council for Government Communications Policy and Planning.

I am designating Mr. James H. Wakelin, Jr., Assistant Secretary for Science and Technology, to serve as my principal representative on the Council.

Sincerely yours,

Maurice H. Stans

Secretary of Commerce

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OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

November 10, 1972

DIRECTOR

MEMORANDUM

TO: Council for Government Communications
Policy and Planning

SUBJECT: Meeting on November 21, 1972

As you know, the President has asked all members of the Administration to consider ways of increasing the effectiveness of their agencies and the government as a whole. I am sure that you will be considering how communications is managed in your organization. It is important to consider also how to improve the means by which our organizations work together to serve the national interest in the vital area of communications.

To this end, I particularly wish to invite your comments, at the November 21 Council Meeting, on the attached paper on the Coordination of Government Communications Activities. This paper does not pretend to be the final word on the subject, but I believe it provides sufficient basis for discussion of a problem on which action should be taken fairly soon. I don't feel that a detailed study will help us here -- rather some management judgments need to be made.

A revised agenda and other materials relating to the meeting are also attached.



Clay T. Whitehead

Attachments

Distribution:

Hon. Joseph F. Donelan, Jr., State
Hon. E. Rechtin, Defense
Hon. Richard O. Simpson, Commerce
Hon. Robert H. Cannon, Jr., Transportation
Mr. John W. Coffey, CIA
Hon. Harold S. Trimmer, GSA
Mr. Willis H. Shapley, NASA

bcc: DO Records
DO Chron
✓ Mr. Whitehead
Eva
Mr. Smith
Col. Jiggetts
GC Subj
GC Chron
(Circulate) GC Staff -1 cy

cc: Support Group

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

MEETING OF NOVEMBER 21, 1972, 2:00 P.M.

AGENDA

1. Policy on Government Ownership of Satellite Communications Systems (discussion paper enclosed).
2. Proposal for Study of Government Procurement Policy for Telecommunications (to be presented at the meeting).
3. Coordination of Government Communications Activities (discussion paper enclosed).
4. Other business.

Council for Government Communications Policy and Planning
Support Paper

Meeting Date : November 21, 1972

Agenda Item : Policy in Government Procurement
Communications Services

Council Action Desired : Concurrence in Proposed Actions

An interagency group was set up to review the portions of NSAM 338 not affected by NSDM 187. Based on the results of the analysis this Office feels that these paragraphs (#1 and #3) are no longer necessary or helpful in the planning of satellite communications systems. They should therefore be rescinded along with the rest of the NSAM.

A policy covering the procurement of communications services is needed. A study is planned which will consider the factors which might be affected by such a policy. An outline of this study will be presented for discussion.

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Meeting Date : November 21, 1972

Agenda Item : Coordination of Government Communications Activities

Council Action Desired : Discuss the options for improving the coordination arrangements for telecommunications within the government, with particular attention to the NCS.

Background

OTP has responsibilities both to develop policy for, and to coordinate Federal Government communications activities (TAB A). The scope of the coordinating responsibilities includes standards interoperability, privacy, security, spectrum use, emergency readiness, evaluation and testing, identification of duplicative or inefficient programs, and the interface of computers and communications.

To accomplish these responsibilities, OTP must work closely with Federal agencies to evolve procedures and working relationships suited to the variety of problem areas and the coordinating functions to be performed. The first step has been the establishment of the Council for Government Communications Policy and Planning ("the Council"). More detailed procedures and relationships must be evolved to support the Council. However, there is an immediate need to establish more clearly the need for, and role of, the National Communications System.

Under the President's Memorandum of August 21, 1963, (TAB B) the National Communications System (NCS) was established as the "unified governmental communications system" which is "comprised primarily of the long-haul, point-to-point trunk communications which can serve one or more agencies." The Director of Telecommunications Management, changed to Director, Office of Telecommunications Policy by Executive Order 11556, was charged with "the responsibility for policy direction of the development and operation of the NCS." The Secretary of Defense was designated as Executive Agent for the NCS, with responsibilities to plan for and design the NCS, to exercise and test the system, to prescribe standards for it, and to coordinate supporting R&D.

Detailed procedures and working relationships were prescribed in an attachment to the Memorandum. Among these was the designation of the Director, Defense Communications Agency (DCA) as Manager, NCS, and delegation to the Manager of the Executive Agent's responsibility for NCS planning.

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While the NCS organization has achieved several important accomplishments since 1963, little progress has been made toward joint planning to provide the most economical and flexible arrangement of government systems. This situation was noted in a review of the NCS conducted by the General Accounting Office in 1969 (TAB C). A principal reason for this has been ambiguity, inconsistency, and disagreement concerning the concept and objectives of the NCS.

Statement of the Problem

OTP is responsible for coordination of government communications. The NCS is an existing arrangement for coordinating a major portion of government communications, but the arrangement isn't producing the results needed. A decision must be made either to reorient the NCS along more workable lines, or to abandon it, before more definitive procedures and working relationships can be developed across the full spectrum of concerns facing OTP and the Council.

Approach

The following approach is proposed for determining the most appropriate role for the NCS:

1. To start from generally recognized objectives, guiding principles, and necessary functions for coordination of the full spectrum of government communications.
2. To consider several possible roles for the NCS within that spectrum, and to select the most advantageous alternative for further definition.
3. To develop specific procedures and organizational arrangements for coordination consistent with the NCS role selected, delineating the respective roles of OTP, the Council, and Federal Departments and Agencies.
4. To obtain the President's approval to implement the necessary changes to the NCS.

This paper addresses steps 1 and 2. Steps 3 and 4 will follow from a decision on step 2.

Objectives

The objectives to be achieved by the coordination of Federal Government communications are the following:

1. To achieve economy in the provision of communications services through the sharing of communications facilities, technical personnel and information, and through the effective use of the government's combined purchasing power.
2. To assure that, wherever possible, Federal communications systems are designed to be technically and operationally compatible to permit interoperation when and as required.
3. To assure that the communications resources of the nation can be effectively employed to meet the most critical needs during emergencies.
4. To assure that key decisions in communications planning are made in full consideration of the overall national interest, with respect to factors such as access, effects on the communications and related industries, and international commitments and responsibilities.

Guiding Principles

In planning a specific approach to meet the objectives, certain "facts of life" should be recognized as a starting point. The following are proposed as being more or less self evident:

1. The growth of communications costs, and questions of efficiency and duplication, will be of continued concern to OMB and the Congress.
2. Every effort should be made to achieve the objectives within the present statutory framework. Establishing a single operating agency for all Federal telecommunications systems is not within the range of consideration.
3. While many user needs can be met in shared "multi-user" networks, some needs can be met most economically and responsively by "single user" networks operated by the using agency. For the foreseeable future, the optimum system for the Federal Government will include a mix of multi-user and single-user networks, which share the use of an efficient mix of transmission systems.

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-4-

4. The best way to achieve economy is to make the proper decisions on new starts and on significant improvements to networks and systems. It is difficult to demonstrate savings by consolidating existing facilities unless significant growth or change in these facilities is anticipated.

5. Effective inter-agency forward planning is essential to achieve the optimum mix of networks and systems, particularly if operating management is not centralized.

6. Planning for integrated computer-communications or teleprocessing networks is inseparable from telecommunications planning. These activities must be fully integrated.

Coordinating Functions to be Performed

To achieve the coordination objectives stated above, the following functions must be performed with a national perspective in view.

1. Maintain visibility of existing telecommunications systems, new requirements, plans and programs of all Federal agencies.

2. Evaluate the priority of new requirements, the ability of existing systems to meet new requirements economically, and the need for new systems.

3. Develop plans and programs for the economical evolution of multi-user systems responsive to the needs of the Government as a whole.

4. Review plans and programs for consistency with national communications policies.

5. Develop appropriate telecommunications standards.

6. Develop and implement plans and procedures for emergency operation of communications resources in support of national emergency plans and priorities.

7. Coordinate research and development and other support functions to enhance productivity and minimize duplications.

These functions need not all be performed by a single organization -- they can be distributed, and also performed jointly. This fact leads to several possible alternatives for performing the functions with respect to long-haul, point-to-point communications ranging from almost total reliance on the NCS arrangements to elimination of those arrangements. Four alternatives are worthy of consideration.

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Alternative NCS Roles

Alternative 1

Retain the NCS with a single Executive Agent. Clarify the NCS Objectives and Concept consistent with the objectives and guiding principles above. Assign the Executive Agent responsibility for all of the coordinating functions listed above with respect to the NCS, subject to final review by OTP (with the advice and assistance of the Council). Revise the 1963 Presidential Memorandum and the associated Procedures and Working Relationships.

Alternative 2

Retain the NCS but identify two major subsystems: A National Security Subsystem and a General Executive Subsystem.

Designate the Secretary of Defense and the Administrator, GSA as Executive Agents for the two subsystems respectively. Assign to each Executive Agent responsibility for all of the coordinating functions listed above with respect to their subsystems, subject to coordination between subsystems and final review by OTP (with the advice and assistance of the Council). Revise the 1963 Presidential Memorandum and the associated Procedures and Working Relationships.

Alternative 3

Define the NCS to include all Federal communications and teleprocessing systems. Identify specific networks and systems as multi-user NCS assets, and task the responsible managers for the components to develop them to serve the needs of the Government as a whole. These "NCS Component Managers" would evaluate the ability of their systems to meet new requirements economically, would make recommendations concerning the need for new systems, and would develop plans and programs for the economical evolution of their respective components to meet the needs of the Government as a whole. OTP (with the advice and assistance of the Council) would review the progress of these activities and assure that coordination is effectively accomplished.

The 1963 Presidential Memorandum would be revised to reflect these changes.

Alternative 4

The NCS would be abolished, and the 1963 Presidential Memorandum cancelled. All coordinating functions would be performed by OTP, with the advice and assistance of the Council. Extensive use would be made of standing and special committees and working groups set up under the Council.

Procedures and working relationships for all functions would be drafted for adoption by the Council.

Attachments

Executive Order 11556

ASSIGNING TELECOMMUNICATIONS FUNCTIONS

By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, and in consonance with the intention expressed in my message to the Congress transmitting Reorganization Plan No. 1 of 1970, it is hereby ordered as follows:

SECTION 1. Amended and superseded orders. Executive Orders Nos. 10705 of April 17, 1957, 11051 of September 27, 1962, 11191 of January 4, 1965, and 11490 of October 28, 1969, and the President's Memorandum of August 21, 1963, headed "Establishment of the National Communications System" (28 F.R. 9413) are amended as provided herein. Executive Orders Nos. 10695-A of January 16, 1957, 10995 of February 16, 1962, and 11084 of February 15, 1963, to the extent not heretofore made inapplicable, are hereby revoked.

SEC. 2. General functions. Subject to the authority and control of the President, the Director of the Office of Telecommunications Policy (hereinafter referred to as the Director) shall:

(a) Serve as the President's principal adviser on telecommunications.

(b) Develop and set forth plans, policies, and programs with respect to telecommunications that will promote the public interest, support national security, sustain and contribute to the full development of the economy and world trade, strengthen the position and serve the best interests of the United States in negotiations with foreign nations, and promote effective and innovative use of telecommunications technology, resources, and services. Agencies shall consult with the Director to insure that their conduct of telecommunications activities is consistent with the Director's policies and standards.

(c) Assure that the executive branch views are effectively presented to the Congress and the Federal Communications Commission on telecommunications policy matters.

(d) Coordinate those interdepartmental and national activities which are conducted in preparation for U.S. participation in international telecommunications conferences and negotiations, and provide to the Secretary of State advice and assistance with respect to telecommunications in support of the Secretary's responsibilities for the conduct of foreign affairs.

(e) Coordinate the telecommunications activities of the executive branch and formulate policies and standards therefor, including but not limited to considerations of interoperability, privacy, security, spectrum use and emergency readiness.

(f) Evaluate by appropriate means, including suitable tests, the capability of existing and planned telecommunications systems to meet national security and emergency preparedness requirements, and report the results and any recommended remedial actions to the President and the National Security Council.

(g) Review telecommunications research and development, system improvement and expansion programs, and programs for the testing, operation, and use of telecommunications systems by Federal agencies. Identify competing, overlapping, duplicative or inefficient programs, and make recommendations to appropriate agency officials and to the Director of the Office of Management and Budget concerning the scope and funding of telecommunications programs.

(h) Coordinate the development of policy, plans, programs, and standards for the mobilization and use of the Nation's telecommunications resources in any emergency, and be prepared to administer such resources in any emergency under the overall policy direction and planning assumptions of the Director of the Office of Emergency Preparedness.

(i) Develop, in cooperation with the Federal Communications Commission, a comprehensive long-range plan for improved management of all electromagnetic spectrum resources.

(j) Conduct and coordinate economic, technical, and systems analyses of telecommunications policies, activities, and opportunities in support of assigned responsibilities.

(k) Conduct studies and analyses to evaluate the impact of the convergence of computer and communications technologies, and recommend needed actions to the President and to the departments and agencies.

(l) Coordinate Federal assistance to State and local governments in the telecommunications area.

(m) Contract for studies and reports related to any aspect of his responsibilities.

SEC. 3. Frequency assignments. The functions transferred to the Director by section 1 of Reorganization Plan No. 1 of 1970 include the functions of amending, modifying, and revoking frequency assignments for radio stations belonging to and operated by the United States, or to classes thereof, which have heretofore been made or which may be made hereafter.

SEC. 4. War powers. Executive Order No. 10705 of April 17, 1957, headed "Delegating Certain Authority of the President Relating to Radio Stations and Communications", as amended, is further amended by:

(a) Substituting for subsection (a) of section 1 the following: "(a) Subject to the provisions of this order, the authority vested in the President by subsections 606 (a), (c), and (d) of the Communications Act of 1934, as amended (47 U.S.C. 606 (a), (c) and (d)), is delegated to the Director of the Office of Telecommunications Policy (hereinafter referred to as the Director). That authority shall be exercised under the overall policy direction of the Director of the Office of Emergency Preparedness."

(b) Substituting for the text "subsections 305(a) and 606(a)" in subsection (b) of section 1 the following: "subsection 606(a)".

SEC. 5. Foreign government radio stations. The authority to authorize a foreign government to construct and operate a radio station at the seat of government vested in the President by subsection 305(d) of the Communications Act of 1934, as amended (47 U.S.C. 305(d)), is hereby delegated to the Director. Authorization for the construction and operation of a radio station pursuant to this subsection and the assignment of a frequency for its use shall be made only upon recommendation of the Secretary of State and after consultation with the Attorney General and the Chairman of the Federal Communications Commission.

SEC. 6. Office of Emergency Preparedness. (a) Executive Order No. 11051 of September 27, 1962, headed "Prescribing Responsibilities of the Office of Emergency Planning in the Executive Office of the President", as amended, is further amended by:

(1) Deleting subsection 301(4) and renumbering subsection 301(5) as subsection 301(4).

(2) Substituting for section 306 the following:

"SEC. 306. *Emergency telecommunication.* The Director shall be responsible for providing overall policy guidance to the Director of the Office of Telecommunications Policy in planning for the mobilization of the Nation's telecommunications resources in time of national emergency."

(3) Deleting section 406.

Sec. 7. Emergency preparedness. Executive Order No. 11490 of October 28, 1969, headed "Assigning emergency preparedness functions to Federal departments and agencies," as amended, is hereby further amended (1) by substituting "Policy (35 F.R. 6421)" for "Management (OEP)" in section 401 (27), and (2) by substituting the number of this order for "10995" in section 1802 and in section 2002 (3).

Sec. 8. National Communications System. The President's Memorandum of August 21, 1963, headed "Establishment of the National Communications System" (28 F.R. 9413), is amended by:

(a) Substituting the following for the first paragraph after the heading "Executive Office Responsibilities":

"The Director of the Office of Telecommunications Policy shall be responsible for policy direction of the development and operation of the National Communications System and shall:"

(b) Substituting the term "Director of the Office of Telecommunications Policy" for the term "Special Assistant to the President for Telecommunications" wherever it appears in said memorandum.

Sec. 9. Communications Satellite Act of 1962. Executive Order No. 11191 of January 4, 1965, headed "Providing for the Carrying Out of Certain Provisions of the Communications Satellite Act of 1962", is amended by:

(a) Substituting the following for subsection (c) of section 1:

"(c) The term 'the Director' means the Director of the Office of Telecommunications Policy," and

(b) Substituting the following for the catchline of section 2: "*Director of the Office of Telecommunications Policy.*"

Sec. 10. Advisory committees. As may be permitted by law, the Director shall establish such interagency advisory committees and working groups composed of representatives of interested agencies and consult with such departments and agencies as may be necessary for the most effective performance of his functions. To the extent he deems it necessary to continue the Interdepartment Radio Advisory Committee, that Committee shall serve in an advisory capacity to the Director. As may be permitted by law, the Director also shall establish one or more telecommunications advisory committees composed of experts in the telecommunications area outside the Government.

Sec. 11. Rules and regulations. The Director shall issue such rules and regulations as may be necessary to carry out the duties and responsibilities delegated to or vested in him by this order.

Sec. 12. Agency assistance. All executive departments and agencies of the Federal Government are authorized and directed to cooperate with the Director and to furnish him such information, support and assistance, not inconsistent with law, as he may require in the performance of his duties.

Sec. 13. Functions of the Secretary of Commerce. The Secretary of Commerce shall support the Director in the performance of his functions, shall be a primary source of technical research and analysis and, operating under the policy guidance and direction of the Director, shall:

(a) Perform analysis, engineering and administrative functions, including the maintenance of necessary files and data bases, responsive to the needs of the Director in the performance of his responsibilities for the management of the radio spectrum.

(b) Conduct technical and economic research upon request to provide information and alternatives required by the Director.

(c) Conduct research and analysis on radio propagation, radio systems characteristics, and operating techniques affecting the utilization of the radio spectrum in coordination with specialized, related research and analysis performed by other Federal agencies in their areas of responsibility.

(d) Conduct research and analysis in the general field of telecommunication sciences in support of other Government agencies as required and in response to specific requests from the Director.

(e) Conduct such other activities as may be required by the Director to support him in the performance of his functions.

SEC. 14. *Retention of existing authority.* (a) Nothing contained in this order shall be deemed to impair any existing authority or jurisdiction of the Federal Communications Commission. In carrying out his functions under this order, the Director shall coordinate his activities as appropriate with the Federal Communications Commission and make appropriate recommendations to it as the regulator of the private sector.

(b) Except as specifically provided herein, nothing in this order shall be deemed to derogate from any existing assignment of functions to any other department or agency or officer thereof made by statute, Executive order, or other Presidential directives.

Richard Nixon

THE WHITE HOUSE,
September 4, 1970.

[F.R. Doc. 70-12017; Filed, Sept. 4, 1970; 4:58 p.m.]

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THE WHITE HOUSE
Washington

AUG 21 1963

MEMORANDUM TO THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

SUBJECT: Establishment of the National Communications System

Concept and Objectives

In order to strengthen the communications support of all major functions of government there is need to establish a unified governmental communications system which will be called the National Communications System (NCS). It shall be established and developed by linking together, improving, and extending on an evolutionary basis the communications facilities and components of the various Federal agencies.

The objective of the NCS will be to provide necessary communications for the Federal Government under all conditions ranging from a normal situation to national emergencies and international crises, including nuclear attack. The system will be developed and operated to be responsive to the variety of the national command and user agencies and be capable of meeting priority requirements under emergency or war conditions through use of reserve capacity and additional private facilities. The NCS will also provide the necessary combinations of hardness, mobility, and circuit redundancy to obtain survivability of essential communications in all circumstances.

Initial emphasis in developing the NCS will be on meeting the most critical needs for communications in national security programs, particularly to overseas areas. As rapidly as is consistent with meeting critical needs, other Government needs will be examined and satisfied, as warranted, in the context of the NCS. The extent and character of the system require careful consideration in light of the priorities of need, the benefits to be obtained, and the costs involved.

Although no complete definition of the NCS can be made in advance of design studies and evolution in practice, it is generally conceived that the NCS would be comprised primarily of the long haul, point-to-point, trunk communications which can serve one or more agencies.

The President has directed the following organizational arrangements relating to the establishment and effective operation of the NCS.

Executive Office Responsibilities

In carrying out his functions pursuant to Executive Orders 10705 and 10995 and under this memorandum, the Director of Telecommunications Management shall be responsible for policy direction of the development and operation of a National Communications System. In this capacity, he shall also serve as a Special Assistant to the President for Telecommunications and shall:

a. Advise with respect to communication requirements to be supplied through the NCS; the responsibilities of the agencies in implementing and utilizing the NCS; the guidance to be given to the Secretary of Defense as Executive Agent for the NCS with respect to the design and operation of the NCS; and the adequacy of system designs developed by the Executive Agent to provide, on a priority basis and under varying conditions of emergency, communications to the users of the NCS.

b. Identify those requirements unique to the needs of the Presidency.

c. Formulate and issue to the Executive Agent guidance as to the relative priorities of requirements.

d. Exercise review and surveillance of actions to insure compliance with policy determinations and guidance.

e. Ensure that there is adequate planning to meet future needs of the NCS.

f. Assist the President with respect to his coordinating and other functions under the Communications Satellite Act of 1962 as may be specified by Executive Order or otherwise.

In performing these functions, the Special Assistant to the President for Telecommunications will work closely with the Special Assistant to the President for National Security Affairs; he will consult with the Director of the Office of Science and Technology and the Director of the Bureau of the Budget, as appropriate; will establish arrangements for inter-agency consultation to ensure that the NCS will meet the essential needs of all Government agencies; and will be responsible for carrying on the work of the Subcommittee on Communications of the Executive Committee of the National Security Council which is hereby abolished. In addition to staff regularly assigned, he is authorized to arrange for the assignment of communications and other specialists from any agency by detail or temporary assignment.

The Bureau of the Budget, in consultation with the Special Assistant to the President for Telecommunications, the Executive Agent and the Administrator of General Services, will prescribe general guidelines and procedures for reviewing the financing of the NCS within the budgetary process and for preparation of budget estimates by the participating agencies.

Executive Agent Responsibilities

To obtain the benefits of unified technical planning and operations, a single Executive Agent for the NCS is necessary. The President has designated the Secretary of Defense to serve in this capacity. He shall:

a. Design, for the approval of the President, the NCS, taking into consideration the communication needs and resources of all Federal agencies.

b. Develop plans for fulfilling approved requirements and priority determinations, and recommend assignments of implementation responsibilities to user agencies.

c. Assist the user agencies and the General Services Administrator with respect to the Federal Telecommunications System to accomplish their respective undertakings in the development and operation of the system.

d. Allocate, reallocate, and arrange for restoration of communications facilities to authorized users based on approved requirements and priorities.

e. Develop operational plans and provide operational guidance with respect to all elements of the NCS, including (1) the prescription of standards and practices as to operation, maintenance, and installation; (2) the maintenance of necessary records to ensure effective utilization of the NCS; (3) the request of assignments of radio frequencies for the NCS; (4) the monitoring of frequency utilization; and (5) the exercise and test of system effectiveness.

f. Within general policy guidance, carry on long range planning to ensure the NCS meets future Government needs, especially in the national security area, and conduct and coordinate research and development in support of the NCS to ensure that the NCS reflects advancements in the art of communications.

The Secretary of Defense may delegate these functions within the Department of Defense subject at all times to his direction, authority, and control. In carrying out his responsibilities for design, development and operation of the NCS, the Secretary will make appropriate arrangements for participation of staff of other agencies.

Responsibilities of the Administrator of General Services

The Federal Telecommunications System, established with the approval of the President under authority of the Federal Property and Administrative Services Act of 1949, as amended, to provide communications services to certain agencies in the Fifty States, the

Commonwealth of Puerto Rico and the Virgin Islands, shall be a part of the NCS and shall be implemented and developed in accordance with approved plans and policies developed pursuant to this memorandum. The Executive Agent and the Administrator of General Services shall be responsible for establishing arrangements to avoid duplication in requests for cost, traffic, and other information needed from agencies served by the FTS.

Nothing contained herein shall affect the responsibilities of the Administrator of General Services under the Federal Property and Administrative Services Act of 1949, as amended, with respect to the representation of agencies in negotiations with carriers and in proceedings before Federal and state regulatory bodies; prescription of policies and methods of procurement; and the procurement either directly or by delegation of authority to other agencies of public utility communications services.

Agency Responsibilities

All agencies are directed by the President to cooperate with and assist the Special Assistant to the President for Telecommunications, the Executive Agent, and the Administrator of General Services in the performance of the functions set forth above.

This memorandum shall be published in the Federal Register.

s/ John F. Kennedy

THE WHITE HOUSE

OEP 53154

21 August 1963

PROCEDURES AND WORKING RELATIONSHIPS FOR THE NCS

Reference: Memorandum to the Heads of Executive Departments and Agencies, 21 August 1963, Subject: Establishment of the National Communications System

1. This memorandum outlines procedures and working relationships to apply initially in implementing the National Communications System (NCS) as established by referenced memorandum. Like the NCS itself, the relationships and procedures must be evolutionary. These procedures, taken together with the reference are designed to guide and assist the Agencies in planning their participation in the NCS.

SPECIAL ASSISTANT TO THE PRESIDENT FOR TELECOMMUNICATIONS

2. Pending the appointment of a Director of Telecommunications Management, who, as provided in referenced memorandum, shall also serve as Special Assistant to the President for Telecommunications, Dr. Jerome B. Wiesner has been designated to perform on an interim basis the functions pertaining to the NCS assigned to the Special Assistant.

STAFF SUPPORT TO THE EXECUTIVE AGENT

3. To aid him in discharging his responsibilities the Executive Agent has established the following administrative arrangements:

- a. Assistant to the Executive Agent for NCS. The Executive Agent has designated Mr. Solis Horwitz as his Assistant for the NCS. He has given Mr. Horwitz responsibility for receiving and processing requirements from Agencies served by the NCS, for reviewing progress being made in attaining the objectives of the NCS, making recommendations to the Executive Agent on tasks to

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- 2 -

be assigned and on other matters as appropriate.

b. Manager, NCS. The Executive Agent has given the Director, DCA, additional responsibility as Manager, NCS. In this capacity he will employ the DCA staff and call upon other Agencies and upon elements of DOD as necessary for the accomplishment of tasks assigned by the Executive Agent, work in close coordination with the representatives of Agencies with regard to assigned tasks, and inform Agencies of actions recommended which affect their requirements or affect the subsystems or elements of the NCS for which they are assigned responsibility.

c. Representatives of Other NCS Government Agencies. GSA, State, FAA, and NASA have each been requested to designate a responsible individual to serve full time as its representative to the NCS Executive Agent and to work with the Manager, NCS. Such representatives shall be the primary point of contact between their Agencies and the Executive Agent's staff in the DOD. Other Agencies have been requested to designate a point of contact for dealing with the Executive Agent on matters pertaining to the NCS.

DEFINITION OF AND PLANNING THE ESTABLISHMENT AND IMPROVEMENT OF THE NCS

4. The Executive Agent is responsible for designing the NCS for the approval of the President, developing plans for fulfilling approved requirements and priority determinations, and recommending implementation responsibilities. To accomplish his responsibilities, the Executive Agent has directed the Manager, NCS, to undertake the following tasks in coordination with the other interested Agencies:

a. Definition of NCS. Prepare for the Executive Agent to submit to the President by 15 September 1963, recommendations identifying those communications assets which should be included now in the NCS and additions which should be considered for possible later incorporation.

b. Operating Responsibilities. Prepare for the Executive Agent to submit to the President, simultaneously with the NCS definition, recommendations as to which Government Department or Agency

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should have responsibility for installation, operation, maintenance, and modification of NCS assets identified in a. above, including responsibility for budgeting and funding.

c. Initial Plan. Prepare for the Executive Agent to submit to the President by 1 November 1963 a near-term plan setting forth initial objectives to be achieved and requirements to be met by the NCS, and recommending modifications or improvements affecting the FY 1965 budget. During the preparation of the plan all proposals for modifications and improvements will be examined within the overall NCS context and, as appropriate, incorporated in the plan. For those proposals not incorporated in the plan, the Executive Agent will submit to the President the reasons for the recommendation along with any differing view of the affected agency.

d. Annual Long-Range Plan. Prepare for the Executive Agent to submit to the President by 1 April 1964, and annually on that date thereafter, a Long-Range Plan (covering the forthcoming FY and four FY's thereafter) updating objectives and requirements to be met by the NCS, identifying requirements not fully met and recommending further modification and improvement as necessary. Where appropriate, the Long-Range Plan will present and cost alternative ways of satisfying user requirements. Issues of policy and differences of views between agencies will be identified. During the preparation of the Long-Range Plan, all proposals for modification and improvement will be examined and appropriate proposals will be incorporated in the plan. In addition, the plan will recommend any appropriate changes in the assets to be included in the NCS and in assignment of responsibility to the Agencies. For proposals not recommended for inclusion in the plan or for other controversial aspects, the Executive Agent will submit his views to the President along with the differing views of the other Agencies.

5. By 1 October 1963, and annually thereafter on 1 January, the Special Assistant to the President will furnish to the Executive Agent any communications requirements on the NCS unique to the Presidency so that these requirements can be reflected in NCS plans prepared by the Executive Agent.

REVIEW AND APPROVAL OF REQUIREMENTS

6. The Special Assistant to the President has responsibility for advising the President with regard to communications requirements to be supplied by the NCS, responsibilities of Agencies in implementing and utilizing the NCS, the guidance to be given to the Executive Agent with regard to design and operation, and the adequacy of system designs developed by the Executive Agent. He is charged also with formulating and issuing to the Executive Agent guidance as to relative priority of requirements and with insuring that there is adequate planning to meet future needs of the NCS.

7. To assist the Special Assistant to the President and the President in the review and approval of communications requirements to be satisfied by the NCS, the following procedures are established:

a. Certain Agencies, such as DOD, GSA, FAA, NASA and State, will be assigned responsibilities for operating, and budgeting and funding for specific components of the NCS and for meeting specific requirements of the NCS as indicated in paragraph 4b of this document. The processing of NCS requirements and the preparation of plans to meet these requirements will be accomplished in the following manner:

(1) Agencies having requirements for service within the NCS will submit their requirements by 1 December to the operating agency designated as responsible for providing the required service.

(2) Agencies operating components of the NCS will consolidate their own requirements for their components of the NCS and those of the other Agencies for which they are responsible for providing service. The consolidated requirements, together with the proposed plan for meeting the requirements, will be submitted to the Executive Agent by 1 January. Such operating agencies will include initially the DOD, GSA, FAA, NASA and the State Department.

(3) The Director, Office of Emergency Planning, will submit his requirements for communications support including

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the Agency relocation centers (ARC) to the Executive Agent by 1 January.

(4) All civil agencies having CONUS requirements for service from the NCS, except where covered in (2) and (3) above, will submit these to the Executive Agent through the Administrator of General Services, for his comment as to the appropriateness of meeting the need through the Federal Telecommunications System (FTS) component of the NCS. If considered appropriate by the Administrator of General Services, the necessary capability will be incorporated in his plan submitted in accordance with (2) above.

(5) The form for submission of requirements, and of plans for fulfillment, will be prescribed by the Executive Agent.

(6) The Executive Agent will transmit, for advanced information, one set of Agencies' submissions to the Special Assistant.

b. Procedures for meeting requirements associated with the day-to-day operations within the NCS will be promulgated by the Executive Agent.

c. Subject to any guidance from the Special Assistant to the President as to relative priority of requirements, the Executive Agent will examine the Agencies' statements of requirements and proposals for modifications and improvements to the NCS and, based upon his review, integrate these, as appropriate, into the consolidated statement of requirements and NCS Long-Range Plan for submission to the President.

d. The Special Assistant to the President will review the Initial and Long-Range Plans, which include the statement of Agency requirements, the plans for meeting these requirements, and policy matters, and will make appropriate recommendations to the President. The plans and requirements, as approved by the President, will constitute the basis for implementation of the NCS.

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e. The NCS Operating Agencies (initially DOD, GSA, FAA, NASA, and State) will include in their programs and budgets the necessary funds to carry out their specific NCS responsibilities under the approved plans. These will be subject to the normal budgetary review process.

CHANGES IN APPROVED PLANS AND REQUIREMENTS

8. Requirements and plans will be subject to modification to meet changing conditions between planning cycles. Responsibility for meeting the changed circumstances and requirements lies with the NCS Operating Agencies, where such changes do not involve significant departure from approved NCS objectives or plans. However,

a. Where a change may affect adversely any Agency's capability to carry out assigned responsibilities or to meet requirements under the approved plans, the Agency will immediately inform the Executive Agent and submit to the Executive Agent any recommended corrective action. The Executive Agent will consider the recommended corrective action and other alternatives and will take action as appropriate.

b. Where an agency requires assistance or service from the NCS not provided for in approved plans, it will transmit the requirement to the Executive Agent. If the Executive Agent considers the requirement to be valid and that it can be met from existing NCS resources, he will approve the provision of such assistance or service after concurrence of the operating agency concerned. The Executive Agent will inform the Special Assistant of any such approvals which depart significantly from approved requirements or plans for the NCS. In case of disagreement between the agency and the Executive Agent as to validity, the matter will be referred to the President. Should provision of such assistance or service not be possible within existing NCS resources, a plan for provision of the additional resources will be developed by the Executive Agent who will make recommendation to the President as appropriate.

c. Major changes in the definition of the NCS, major changes in the assignment of Agency responsibilities and significant issues of policy will be submitted by the Executive Agent to the President for his approval.

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INITIAL TASKS TO BE PERFORMED

9. The Executive Agent has directed the Manager, NCS, to accomplish the tasks outlined in paragraph 4 above as well as certain other initial tasks, as described in the attachment.

Attachment:

Statement of Initial Tasks for the National
Communications System (NCS)

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Statement of Initial Tasks for the National
Communications System (NCS)

The following ten tasks pertaining to the NCS have been assigned to the Manager, NCS, by the Secretary of Defense in his capacity as Executive Agent, NCS:

- a. Task 1. Prepare recommendations for submission by me to the President identifying those national governmental communications assets which should be included now in the NCS as subsystems or components of the NCS and additions which should be considered for later incorporation. Target date - 6 September 1963.
- b. Task 2. Prepare simultaneously recommendations for me regarding which Government Department or Agency should have responsibility for installation, operation, maintenance, modification (including budgeting and funding responsibility) of each subsystem or component identified in a. above. Target date - 6 September 1963.
- c. Task 3. Prepare proposals for organizational arrangements and necessary procedures for the NCS which will accomplish effective allocation, reallocation, and arranging for restoral of circuits and channels and other assets of the NCS to authorized users based on approved requirements and priorities. Target date - 7 October 1963.
- d. Task 4. Prepare a near-term plan for FY 1965 budget guidance and later a long-range plan, recommending objectives, modification and improvement in the NCS as necessary to provide communications for the Federal Government

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under all conditions ranging from normal situations to international crises and national emergencies, including nuclear attack. Target date for completion of the initial near-term plan is 1 November 1963 and for the initial long-range plan is 1 April 1964.

e. Task 5. Prepare and issue operational guidance which will prescribe the standards and practices governing operation, maintenance and installation of the NCS. Such guidance will include provisions for the maintenance of necessary records to insure effective utilization of NCS resources. Target date for an initial report on accomplishment - 2 December 1963.

f. Task 6. Prepare for my consideration a plan to accomplish assignment of radio frequencies for the NCS and for monitoring radio frequency utilization. Target date - 4 November 1963.

g. Task 7. Prepare for my approval a plan for the exercise and test of NCS effectiveness. Target date for the accomplishment - 2 December 1963.

h. Task 8. Prepare proposals for establishing a realistic priority system to govern reallocating and restoring of circuitry and other assets of the NCS so as best to meet National Government needs in time of an emergency. Target date - 2 December 1963.

i. Task 9. Prepare for my approval a plan and recommend a structure for carrying out research and development essential to the progressive improvement of the NCS. Target date - 2 December 1963.

j. Task 10. Prepare and submit recommended revisions as necessary in organization structure, manpower needs and financial requirements for you to accomplish your responsibilities, this to be based on early consultation and coordination with the Designated Representatives of other operating agencies. Target date - 15 September 1963.

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COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

REVIEW OF STATUS OF DEVELOPMENT
TOWARD ESTABLISHMENT OF A UNIFIED
NATIONAL COMMUNICATIONS SYSTEM
B-166655

D I G E S T

WHY THE REVIEW WAS MADE

On August 21, 1963, the President directed the establishment of a unified National Communications System (NCS) in order to strengthen the communications support of all major functions of the Government. The objective was to provide necessary communications for the Federal Government under all conditions ranging from normal situations to national emergencies and international crises, including nuclear attack. (See ch. 3.)

The Government's telecommunications needs are varied, complex, world-wide in scope, and oftentimes very costly. Although precise data are not available, about \$1 billion annually has been estimated to be associated with the Government's long-distance communications costs in which NCS is principally involved. (See ch. 1.)

The General Accounting Office (GAO) made this review because of the importance of the system, potential savings through a unified system, and the interest of the Congress in the telecommunications area.

FINDINGS AND CONCLUSIONS

The need for the President to have necessary communications at all times and under all conditions is obvious, and a major objective of the NCS is to insure such availability. An NCS affords substantial opportunities for economies as well as improvements in day-to-day communications, and these are also important objectives of the NCS.

GAO's review showed that many of the issues and problems that are hampering accomplishment of the NCS objectives are of long standing and in need of early resolution. GAO's study also points out that the interest and concern expressed over the years by a number of congressional committees have not been dealt with in bringing about improvements in the policy formulation and direction of the Government's telecommunications resources.

In the more than 5 years that have elapsed since the President directed that a unified NCS be established, hundreds of millions of dollars have been expended annually in the procurement, construction, operation, and maintenance of component networks, with little effective centralized

direction and control. Some progress has been made (see ch. 5), but much remains to be done if the NCS is to properly achieve its objectives. (See ch. 6.)

Although NCS has provided a forum for the interchange of ideas between agency communications staffs, significant issues and problems exist within the NCS organizational structure and management arrangements, which appear to be impeding the timely achievement of its objectives and goals. (See ch. 9.)

Except for the President of the United States, there is no individual or organization in the Federal Government with the authority, stature, and resources to provide the essential policy, direction, and control required to establish a unified Government telecommunications system. Authority and responsibility for telecommunications decisions and activities are widely dispersed among the various departments and agencies involved. The basic planning and general design control are not carried out on a unified basis from a central source. These functions are performed largely in an agency-oriented environment rather than in an NCS frame of reference. (See ch. 9.)

Consequently, there is no basic plan or "blueprint" to chart the course of the NCS from its present confederation of agency networks to the goal of a unified system. Even if such a blueprint existed, there is no effective or authoritative overview to ensure that agency planning and funding would conform to the overall plan. (See ch. 9.)

As a result, the perpetuation, and even proliferation, of networks used largely for the accomplishment of individual agency missions continues. These networks are planned, designed, funded, operated, and maintained by the individual agencies.

Thus, there is little, if any, centralized direction and control over the development and improvement of the agency networks. (See ch. 10.) Also, there is no assurance that the broader national objectives of (1) reliable and effective communications capability and (2) economy of operation from a Government-wide standpoint are being effectively considered. (See chs. 7 and 8.)

RECOMMENDATIONS OR SUGGESTIONS

The President should give consideration to a major realignment of the existing NCS structure and organizational arrangements--a realignment which will establish an organization and give it stature, authority, and resources sufficient to provide a strong central telecommunications authority as the Government's central focal point in telecommunications matters.

- In making the realignment, consideration should be given to:
- removing the Office of the Director of Telecommunications Management (DTM) as a component part of the Office of Emergency Preparedness (OEP) and reconstituting this office as the new organization or entity, and
 - assigning the present roles and functions of the Executive Agent, NCS, and the Manager, NCS, to the proposed organization or entity.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Special Assistant to the President for Telecommunications (SAPT) assured GAO that its recommendations would be given thorough consideration, together with other recommendations that have been made, prior to any decision concerning the necessity for and manner of realigning the telecommunications organization within the executive branch. (See ch. 12.)

Comments from other executive branch agencies and offices showed that the need for a strengthened policy-making structure was clearly and widely recognized. There was, however, a diversity of opinion as to the organizational activity to which the Executive Agent and Manager roles and functions--such as planning, designing, and coordinating activities under the guidance of the SAPT--should be transferred, if at all. (See ch. 12.) GAO strongly believes that these functions are an integral part of a centralized telecommunications authority and should be clearly recognized as such.

The GAO also believes that the centralization of essential policy direction and control with the functions of planning, designing and coordinating would better enable more effective and objective consideration of the dual purposes of day-to-day communications as well as service in times of extreme national emergency.

Such an arrangement would also avoid any conflict of roles in the discharge of the functions as they now exist under the separation of these functions between OEP and the Department of Defense (DOD).

It would separate these functions from the parochial interest of any individual agency, including the emergency planning functions of OEP.

The departments and agencies would own and operate the component networks of the NCS under the guidance and direction of the centralized authority. However, the centralized authority would consult with departments and agencies concerned. In case of conflict, both the departments and agencies and the centralized authority would have access to the President.

GAO is also recommending, in addition to an organization realignment, that the President direct that early attention and appropriate action be taken to (1) clarify what a "unified" NCS is intended to be (see chs. 3 and 12), (2) resolve the question of the establishment of an integrated trunking system (see ch. 6), and (3) resolve the issue concerning the combination of the separate voice networks operated by DOD and the General Services Administration. (See ch. 7.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

Several committees of the Congress have had a keen interest in the Government's overall telecommunications policies and the organizational arrangements that exist for formulating policy and managing this function within the executive branch. This report is being furnished to the Congress to apprise it of GAO's findings and recommendations, for consideration of such action as may be taken on these recommendations by the President, and for such action as it or its committees may deem appropriate.

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Satellite Ownership

Purchasing Policy

Coordination

1971

COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

MEETING OF NOVEMBER 21, 1972, 2:00 P.M.

AGENDA

1. Policy on Government Ownership of Satellite Communications Systems (discussion paper enclosed).
2. Proposal for Study of Government Procurement Policy for Telecommunications (to be presented at the meeting).
3. Coordination of Government Communications Activities (discussion paper enclosed).
4. Other business.

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CGCPP REPRESENTATIVES -- 11/21/72

STATE

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11/21/72

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COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING MEETING

November 21, 1972, 2:00 p.m.
Room 712, 1800 G Street, N.W.

Director's Talking Points

1. Welcome
2. Recognize "new faces":
 - ~~Dick Simpson~~ -- Commerce
 - Gerald Truszynski -- NASA -- representing Mr. Shapley, today
 - Ted Trimmer -- GSA -- Newly appointed Commissioner of the Automated Data and Telecommunications Service
3. Invite Ted Trimmer to briefly explain the new GSA organization.
 - (Make favorable comment on combining ADP and Communications, and on existence of a Policy and Planning operation)
4. Policy on Government Ownership of Satellite Communications Systems:
 - a. We and NSC agreed that, in connection with other matters, NSAM-338 policies affecting government satellite communications systems need revision.
 - b. ~~Setting~~ ^{Support} Group was asked to set up a Working Group to draft a policy statement. Result is in your folders.

Agenda
#1

→ c. Ask for report of Support Group.

/Support Group members expressed view that a policy statement should be broader than satellites. However, further investigation by a "quick reaction" group, headed by DOD, generally did not support this conclusion. Report of this group is also in your folders./

d. Under the Communications Satellite Act and Executive Order 11191, I am responsible for insuring that the commercial satellite system is used for general government purposes. I can't do this without some general policy establishing the grounds for exceptions.

→ e. I invite any comments on the proposed draft. Subsequently we will finalize it.

f. Discussion 

Agenda #2
5. Proposed Study of Government Procurement Policy for Telecommunications:

a. We have considered this a need for some time.

→ b. Ask for Support Group report.

/A "quick look" following the last Support Group meeting surfaced several problems perceived by the agencies worthy of further study. You have the report./

→ c. I propose we ask the Support Group to pursue these problems as recommended in the report.

d. Discussion

→ e. Note in the report that legislative initiatives in telecommunications area are being considered. We are coordinating such initiatives within the Administration, working with OMB. Any other proposals of this sort should be surfaced as soon as possible.

6. Coordination of Government Communications Activities:

- a. The time is ripe to strengthen management of communications in the government.
- b. First step is to review the role and organization of the NCS.

→ c. Report of Support Group

[An options paper was presented to the Support Group. It was discussed at length with little consensus. Some members suggested an interagency study of the NCS, including where and how it has succeeded or failed in the past. Another meeting was planned for yesterday, but it was subsequently decided that such a meeting was not likely to be fruitful due to the time pressure.]

- d. In view of the wide divergence of views on this subject, I hope that the Council can narrow the range of alternatives so that we can develop a more detailed course of action. I think a study will be a waste of time.

→ e. Discussion

[NOTE: For your information, the options are:

1. Strengthen role of DOD as Executive Agent. Implies greater integration of all systems.
2. Two Executive Agents -- DOD and GSA -- for Military and Civil Systems. Implies greater integration of systems in each cluster.
3. Elevated status for managers of multi-user systems. Strengthens planning and advocacy role of these managers vis-a-vis agencies planning their own systems. Recognizes a diversity will exist.
4. Abolish NCS. OTP/Council will coordinate programs. This option will only eliminate the most obvious duplication.

We favor solution in area of 2 or 3.]

Agenda
#3

Agenda #4

7. Other Business:

- a. Anything from Council Members?
- b. OTP Policy on 911 Emergency Number coming out soon. DOT, DCPA, Justice have supporting programs. Will welcome any help other agencies can give in encouraging implementation.
- c. Possible items for future Council consideration:
 - 1. Implementation of the Administration's Warning Policy (voluntary participation in home warning system).
 - 2. Another look at the Standards problem -- Commerce is working on it.

8. Adjourn

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ATTENDEES



SECOND MEETING OF THE
COUNCIL FOR GOVERNMENT COMMUNICATIONS
POLICY AND PLANNING

TUESDAY, NOVEMBER 21, 1972, 2:00 P.M.
ROOM 712, 1800 G STREET, N.W.

Planned Attendance

State

Mr. William H. Goodman
Mr. Alfred Gioyetti
Mr. Willis Naeher

Defense

Dr. E. Rechtin

Commerce

Mr. Richard O. Simpson

DOT

Dr. Robert H. Cannon, Jr.
Mr. Richard L. Beam

CIA

Mr. John W. Coffey
Mr. W. Scudder Georgia

GSA

Commissioner Harold S. Trimmer
Mr. Sidney Weinstein
Dr. Michael Muntner

NASA

Mr. Gerald M. Truszynski
Mr. Charles Taylor

SATELLITE OWNERSHIP



0 out to principle

Council for Government Communications Policy and Planning
Support Paper

Meeting Date : November 21, 1972

Agenda Item : Policy in Government Procurement
Communications Services

Council Action Desired : Concurrence in Proposed Actions

An interagency group was set up to review the portions of NSAM 338 not affected by NSDM 187. Based on the results of the analysis this Office feels that these paragraphs (#1 and #3) are no longer necessary or helpful in the planning of satellite communications systems. They should therefore be rescinded along with the rest of the NSAM.

A policy covering the procurement of communications services is needed. A study is planned which will consider the factors which might be affected by such a policy. An outline of this study will be presented for discussion.

Sat plus

September 20, 1972

TO : THE HEADS OF EXECUTIVE DEPARTMENTS AND
AGENCIES

SUBJECT: Ownership of Satellite Communications Facilities

Purpose. This Circular establishes the basic guidelines to be used in determining whether government ownership of satellite communications facilities is justified. The purpose is to avoid unnecessary proliferation of such systems and to insure that commercial capabilities are fully utilized.

Background. The Communications Satellite Act of 1962 (USC Title 47, Chapter 6) recognized that while the United States supports a single global commercial satellite communications system, separate satellite communications systems may, under certain conditions, be necessary. The same Act charged the President with insuring that, under all other conditions, the government will use the commercial system.

Executive Order 11556 charges the Office of Telecommunications Policy (OTP) with the responsibility to develop and set forth policies in the telecommunications area. Executive Order 11191 assigns OTP the responsibility of insuring that the commercial system is used for general government purposes.

Policy. Separate satellite communications facilities intended to be owned or leased by the government for its own use may be justified

only when communication service is not obtainable from a communications carrier according to the required technical characteristics (including risk of outage) under all required conditions during the period of interest and at a reasonable cost. Within FCC jurisdiction, an applicable tariff is assumed to be a reasonable cost unless it can be shown that the rates under such a tariff are unnecessarily higher than the cost of separate facilities.

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THE WHITE HOUSE

WASHINGTON

July 12, 1967

NATIONAL SECURITY ACTION MEMORANDUM NO. 338 (REVISED)

TO: Special Assistant to the President for Telecommunications
and Director of Telecommunications Management
Secretary of State
Secretary of Defense
Secretary of Commerce
Administrator, National Aeronautics & Space Administration
Chairman, Federal Communications Commission

SUBJECT: Policy Concerning U. S. Assistance in the Development
of Foreign Communications Satellite Capabilities

The President has noted and concurred in a revision of the subject policy recommended by J. D. O'Connell, Special Assistant to the President for Telecommunications and Director of Telecommunications Management, in a memorandum dated June 28, 1967. (attached)

The President noted that the policy will continue under revision by his Special Assistant for Telecommunications in collaboration with the departments and agencies concerned, and will be updated as necessary in the light of changing circumstances.

The President will look to his Special Assistant for Telecommunications to keep him informed of any proposed changes in policy that will require his personal attention and decision.

W W Rostow
W. W. Rostow

Information copies:

Director, Bureau of the Budget
Executive Secretary, NASC
Special Assistant for Science & Technology
Communications Satellite Corporation

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June 28, 1967

Policy Concerning U. S. Assistance in
the Development of Foreign Communications
Satellite Capabilities

Purpose

The purpose of this directive is to provide policy guidance for various elements of the United States Government in dealing with requests from foreign nations or foreign business entities for the transfer of, or other assistance in the field of, space technology applicable to communication satellite systems.

Policy

1. The United States is committed to the encouragement of international cooperation in the exploration and use of outer space. One important use of space is the improvement of communications. In this regard, it is the policy of the United States to support and promote continuing development of a single global commercial communications satellite system. The United States Government is committed to the use of global commercial communications facilities for general governmental communications purposes wherever satellite circuits are required and commercial circuits of the type and quality needed to meet government requirements can be made available on a timely basis and in accordance with applicable tariff or, in the absence of Federal Communications Commission jurisdiction, at reasonable cost. Separate satellite communications facilities including surface terminals may be established and maintained by the United States Government to meet unique governmental needs or, as may be determined by the President, when otherwise needed in the national interest. The capacity of these separate facilities shall be limited to that essential to meet such unique needs.

GROUP 3

Downgraded at 12 year
intervals; not automatically
declassified

No Foreign Dissemination

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2. In view of the above factors, within the limits fixed by national security considerations and other pertinent regulations, the United States may decline to make available space technology to other nations when (a) such technology is critical to the development of a communications satellite capability and (b) it has been determined that this technology will be used in a manner inconsistent with the concept of and commitments to the continuing development of a single global commercial communications satellite system as embodied in the 1964 Agreement establishing interim arrangements for a global commercial communications satellite system and the related Special Agreement (TIAS 5646) or subsequent definitive arrangements or (in the case of military systems) will be used in a manner inconsistent with the concepts of the United States national defense communications satellite system, as discussed in paragraph 3. The same limitations will apply whenever the United States assists nations to launch communications satellites for either experimental or operational purposes.

3. The United States has established a national defense communications satellite system to accommodate the unique and vital United States National Security requirements that cannot be met by commercial facilities. It is United States policy to encourage selected allied nations to use the United States national defense communications satellite system, rather than to develop independent systems. Costs of such use shall normally be borne by the participating foreign nations. Foreign use of the United States national defense communications satellite system shall, however, like United States use thereof, be restricted to accommodation of the participant's unique and vital national security requirements that cannot be met by commercial facilities.

4. For purposes of this policy statement, the restraints on the transfer of technology and provision of assistance are intended to refer to those of the following which are critical to the development of a communications satellite capability in terms of time, quality, or cost: complete satellites or launch vehicles or components thereof; detailed engineering drawings pertaining to complete satellites or launch vehicles or components thereof; production techniques and equipment, and manufacturing or fabrication processes pertaining to complete satellites or launch vehicles or components thereof; launch services. It is not intended that this policy statement apply to surface terminals and stations or limit dissemination of information concerning systems concepts, description of spacecraft, and normal scientific and technical publications of a professional character. Furthermore, this

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shall not limit the dissemination of information required to be disclosed by Article 10(f) of the Special Agreement of 1964.

5. Requests for provision of technology or other assistance to a foreign nation will be assessed on a case by case basis in relation to the principles set forth in paragraphs 2 and 4 above. If necessary, government agencies may seek to determine the nature of the intended use of the technology or other assistance and need not rely on the intention stated by the requestor. After a review of each request by interested government agencies, it may be decided, consistent with the principles of paragraph 2, to deny an export license for requested technology or to decline to provide other requested assistance.

6. Implementation of restraints provided for in this policy statement shall be through the Munitions Control licensing procedure for items on the United States Munitions List and through the Department of Commerce's export licensing procedure for items not covered by the Munitions List and within the scope of both established procedures.

7. The foregoing policies shall be kept under review by the Special Assistant to the President for Telecommunications/Director of Telecommunications Management and the agencies and departments concerned.

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

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August 30, 1972

National Security Decision Memorandum 187

TO: The Secretary of State
 The Secretary of Defense
 The Administrator, National Aeronautics
 and Space Administration
 The Secretary of Commerce
 The Director, Office of Telecommunications Policy

SUBJECT: International Space Cooperation - Technology
 and Launch Assistance

The President has reviewed the third study prepared in response to NSSM 72 as forwarded by the Chairman of the NSC Under Secretaries Committee on June 12, 1972. The President has approved:

- The statement of objectives at Attachment 1 as the basis for international cooperation in space activities.
- The directive on technology transfer at Attachment 2, which, insofar as it applies to communications satellite technology, will become effective only upon the entry into force of the definitive Intelsat agreements.

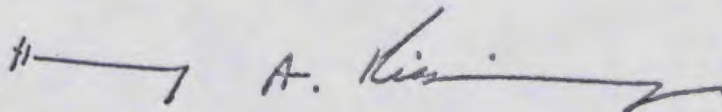
The President has also decided that the U.S. will extend to all friendly countries and international organizations the position on launch assistance adopted in the case of member countries of the European Space Conference (Attachment 3).

Effective upon entry into force of the definitive Intelsat agreements, NSAM 354 and paragraphs 2, 4, 5 and 6 of NSAM 338 are hereby rescinded.

CONFIDENTIAL/NOFORN

CLASSIFIED BY *Henry A. Kissinger*
SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
AUTOMATICALLY DECLASSIFIED AT TWO
YEAR INTERVALS AND DECLASSIFIED ON DEC. 31, 1976

An ad hoc committee is hereby established to review the implementation of these decisions. This committee will be chaired by the Executive Secretary of the National Aeronautics and Space Council, and will include members from the staffs of the National Security Council, the Office of Science and Technology, and the Council on International Economic Policy.

A handwritten signature in dark ink, appearing to read "A. Kissinger", with a stylized flourish at the end. To the left of the signature is a small, handwritten mark that looks like "H-1".

Henry A. Kissinger

cc: The Director, Office of Science and Technology
The Executive Secretary, National Aeronautics and Space Council
The Chairman, Federal Communications Commission
The Chairman, Atomic Energy Commission
The Director, Arms Control and Disarmament Agency

Attachment

CONFIDENTIAL/NOFORN

CLASSIFIED BY Henry A. Kissinger
SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
AUTOMATICALLY DOWNGRADED AT TWO
YEAR INTERVALS AND DECLASSIFIED ON DEC. 31, 1978

To be handled out today

Meeting Date : November 21, 1972

Agenda Item : Proposal for Study of Government Procurement Policy for Telecommunications

Council Action Desired : Approve the recommendations in this report.

From working group

Background

The design and procurement of telecommunications systems, equipment and services are performed in accordance with various policy, legal, and regulatory guidelines. Some rules attempt to influence Government procurement to achieve broader national economic or social goals. The guidelines of special interest are the following:

1. BOB Circular A-76 (Revised), 30 August 1967, provides policies for acquiring commercial or industrial products and services for Government use. It states the Government's general policy of relying on the private enterprise system to supply its needs. The Circular states that, "No executive agency will initiate a 'new start' or continue the operation of an existing 'Government commercial or industrial activity' except as specifically required by law or as provided in this Circular."

2. Satellite communications, as a special case, is treated in several policy statements, including the Communications Satellite Act of 1962, NSAM 338 and the FCC Notice of 23 June 1966. Their combined effect is that the commercial satellite system will be used for general governmental purposes, and that the service will be obtained normally from the established carriers, rather than directly from COMSAT, except where approved by the OTP as in the national interest for direct dealing. Government satellite communications facilities may be established if required to meet unique governmental needs, or is otherwise required in the national interest.

3. In the interconnection area, the "Carterfone" decision of 26 June 1968 has led to hopes of improved service for the Government. It established the right of the user to connect non-carrier-provided devices to the carrier's network. If accepted in good faith by the carrier, it could permit more effective and economical government communications. The FCC, in attempting to implement that decision, has recognized the need to protect the

carrier against technical harmful effects from the foreign attachments, and has begun, but not completed, a committee action to develop protection standards and other appropriate specifications governing such interconnects. Exploitation of the decision is now limited by the carrier's insistence on expensive protection devices and their delaying tactics in dealing with other networks (MCI, DATRAM) and hardware manufacturers.

Public Law 91-129; 83 Stat. 269, 26 November 1969, established a Commission on Government Procurement (TAB J). The duties of the Commission are to, "...study and investigate the present statutes affecting Government procurement; the procurement policies, rules, regulations, procedures, and practices followed by the departments, bureaus, agencies, boards commissions, offices, independent establishments, and instrumentalities of the executive branch of the Federal Government; and the organizations by which procurement is accomplished to determine to what extent these facilitate the policy set forth in the first section of this Act." The report of the Commission is expected before the end of 1972. Although it is concerned with the broader field of procurement, the Commission may present data or recommendations which have a specific impact on telecommunications procurement.

Government personnel concerned with the design and procurement of telecommunications systems, equipment, and services attempt to develop the most cost effective solutions possible. It has been contended that some of the rules noted above tend to deny them the flexibility of considering all alternatives, and that some of the rules of procurement, such as BOB Circular A-76, are difficult to translate into the communications world on a consistent basis among the agencies. This current survey is intended to determine if there are, in fact, problems created by procurement policy constraints which would justify detailed study.

Statement of the Problem

To determine on the basis of available evidence whether a need exists to analyze procurement problems and policies in order to ascertain whether new policy guidance is needed. Such guidance, if needed, would be used to help clarify for Executive Branch agencies the rules which should be followed in making decisions relating to the lease and/or purchase of communications goods and services.

Discussion

Methodology: In order to develop the evidential base upon which the stated problem could be approached, points of contact were requested of OGP in agencies concerned with procurement of telecommunications. Subsequently, the following agencies were contacted: State, CIA, DoD, GSA, NASA, Commerce and Transportation (FAA and Coast Guard). A questionnaire, TAB A, was prepared to define the types of problems which were believed extant. A meeting was held to distribute the questionnaire and to elaborate on the information felt important to the survey. Samples of inputs were also provided. TAB B is a listing of those agencies represented at the meeting. The Department of Commerce was briefed in a separate meeting. Due to the tight schedule, only 2 1/2 working days were allowed for replies and as a result some of the responses were uncoordinated within the agencies and NASA was unable to respond at all. The responses received are attached as TABS C through I. These were subjected to a preliminary analysis with the results below:

General Findings:

1. There is no consensus among agencies that there is a need for development of new, or clarification of existing, procurement policies and regulations. Four agencies (GSA, State, CIA, and Coast Guard) indicated no serious problems of any kind under existing guidance. (TABS C, D, E, F)
2. The two agencies who are responsible for the bulk of telecommunications procurement in the government (DoD and GSA) report no problems relating to interpretation or application of BoB Circular A-76, which was thought at the outset of this survey to be the cause of much difficulty in the communications community. Only Commerce indicated any desire for simplifying A-76 for communications applications.
3. No policy issues or problems relating to acquiring communications satellite services were presented by the agencies.
4. The only problem category which had more than one input was that dealing with difficulties with the FCC and the carriers on rates and tariffs. Four such problems were reported by DoD (TAB C-2, 3, 4, 5) and one by Commerce (TAB H-1). These and other specific problems reported are

summarized below:

Specific Problems:

1. Commerce reported difficulties with A-76 in two particulars (TAB H-2). They recommend clarification and an easing of the cost analysis requirements at the low end of the cost range.

2. Commerce also proposed action to put the onus on the carrier rather than the government to achieve the economies from multiplexing programs. (TAB H-1)

3. The FAA has experienced difficulties when complying with sole-source prohibitions. The problem includes the spillover effects on costs of spares and other side-effects when unable to go back to a regular supplier (e.g., teletypewriter equipment). (TAB I)

4. A need for reconciling the double impact of the different rules for ADF and communications procurement was suggested by DoD. (TAB G-1)

5. DoD has experienced difficulty with interconnect rules (both foreign attachments and networks). (TAB G-6)

6. Four DoD submissions suggest policy or statutory changes which would permit improved protection of the Government's interest in rates and tariffs cases. (TABS G-2, 3, 4, 5) These proposed changes would involve cooperative action by FCC, and, in one case, amendment of the Communications Act of 1934.

Significance of Problems:

1. It appears that the general policy set forth in A-76 does not constitute a problem; however, the Commerce suggestions for clarification and minor relaxation merit further discussion at the Support Group level.

2. The multiplexing tariff question also merits discussion by the Support Group within the broader context of future digital tariffs.

3. There is an apparent need to clarify and relax the rules relating to sole source prohibitions under special circumstances. Consideration should be given to such action.

4. An OMB ruling on the definition of ADP vs communications equipment might eliminate the dual-rules problem, without the need for special policy changes. Otherwise, this important area warrants special discussion by the Support Group and later consideration by the Council.

5. The interconnect question appears to be already resolved as a policy matter; what seems to be required now is to expedite the interconnect committee action of the FCC and to enhance Government influence in the action.

6. The DoD suggestions of mechanisms to improve the capability to protect the Government in rates and tariffs actions are potentially the most significant of the submissions and probably apply to other agencies as well. They indicate that it would be useful to have a discussion of the general question of the role and mechanisms available to the Executive Branch in rates and tariffs hearings, decisions, and carrier/customer negotiations. Eventual recommendations might affect Executive Branch policy, FCC relationships, and legislative proposals.

Conclusions

1. There is no present indication that further study effort is required in the general area of procurement policies and regulations per se. The report of the Commission on Government Procurement could result in a tightening of rules in the future and may require the entire subject to be reviewed again.

2. The Support Group needs to explore the matter of improving the Government's position with regard to rates and tariffs and possible means of relief. Appropriate recommendations from the Support Group should be awaited before a study effort is organized in this regard.

3. Further discussion at the Support Group level should disclose whether the sole source, multiplexing and interconnect problems identified by individual agencies are common to other agencies and whether special inter-agency or policy level efforts are required leading to amelioration of these problems.

4. A similar discussion by the Support Group of the "double jeopardy" aspects of procurement of computer processors used in communications should take place to determine if policy remedies are possible and the appropriate means of achieving relief.

Recommendations

That the Council note the Findings and Conclusions above and endorse further staff work by the Support Group in the areas identified.

That the Support Group report back to the Council on the results of their deliberations by the next Council meeting.

Information Required from Each Department or Agency
Engaged in the Design, Acquisition by Lease or Purchase,
and Operation or Management of Telecommunications
Equipment or Services

1. Provide examples of problems encountered in procurement by lease or purchase of communications goods and services which have served to hamper the meeting of agency objectives or functions, which have at their root one or more of the following causes:

a. Difficulty in meeting, interpreting or applying provisions of BOB Circular A-76.

b. Regulatory decisions which penalize the government user financially or operationally.

c. Litigation by hardware suppliers or common carriers based on differing interpretations of procurement regulations or policies.

d. Policies and statutes which constrain the latitude of agency procurement decisions.

e. Problems with common carriers because of refusal to accept systems responsibility or to cooperate with other suppliers of equipment on an interconnect basis or otherwise.

f. Deficiencies in service offerings, refusals or delays in obtaining tariff filings.

g. Constraints on the incorporation of new improved technology into telecommunications systems, as the result of policy considerations.

2. For each example cited: provide a concise statement of the general problem; the effect of a specific case on the agency's operation or budget; and possible corrective actions which might be taken to provide equitable solutions. These statements should be brief (200 words or less, if possible) and written in terminology that a nonspecialist in procurement can understand.

Agencies Attending 13 November* Meeting on Procurement Policy

Defense Communications Agency (several elements)
State Department
Office of Telecommunications Policy
Department of the Air Force (several elements)
Department of the Army
Department of the Navy
General Services Administration
Federal Aviation Administration
U.S. Coast Guard
Central Intelligence Agency
National Aeronautics and Space Administration
Office of the Manager, NCS

*Separate meeting held with Department of Commerce
on 10 November

MEMORANDUM

15 November 1972

TO: ASSISTANT MANAGER, NCS ITANS

FM: GSA REPRESENTATIVE, NCS

GSA, at the present time, has no Agency telecommunications procurement problems which cannot be resolved through present policies and regulations.

P. W. Hasie
P. W. HASIE



DEPARTMENT OF STATE

Washington, D.C. 20520

MEMORANDUM

November 14, 1972

TO: Mr. Paul J. Cahan
Assistant Manager
NCS Plans and Programs
National Communications System

FROM: Alfred Giovetti *AG*
NCS Representative, State

SUBJECT: Meeting on November 21, 1972, of the
Council for Government Communications
Policy and Planning

REF: Agenda Item on Policies Relating to the
Acquisition of Telecommunications Goods and
Services

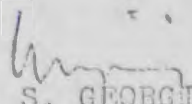
The following statement is in response to your request made at the meeting, November 13, 1972, for agency submission of procurement problems related to reference agenda item.

The Department of State has not experienced any serious problems in acquiring telecommunications goods or leased services under existing tariffs, policies, regulations, or statutes.

MEMORANDUM FOR PAUL J. CAMAN, ECS-PP

SUBJECT: Procurement Problems

As requested, we have reviewed our procurement activities to the extent possible within the time available. There is no indication that existing Federal procurement regulations have interfered with the accomplishment of the approved procurement programs of this Office.



W. S. GEORGIA, JR.
Special Assistant to
Director of Communications
CIA

MEMORANDUM FOR PAUL J. CAHAN, NCS-PP

SUBJECT: Inputs to Procurement Policy

1. The text of the study must recognize that the examples in the tabs are in virtually all cases uncoordinated within the agencies submitting them and situations described therein have not been fully validated due to the lack of time in preparation.

2. Specifics cannot be provided, however, the body of the report should recognize that the government policies require a complicated and time consuming acquisition process whereas civilian industry procedures are relatively simple and require less time. These conditions are particularly true in the acquisition of hardware. It must be recognized that this general problem is so broad that there will undoubtedly be some overlap, if further considered, with the activities of the Commission on Government Procurement (PL 91-129).


J. E. WEATHERFORD
DoD Rep/NCS

Easing of Restrictions Governing the Procurement of Telecommunication Processors

1. The Communications Objective:

In order to satisfy users mission-related telecommunications requirements in the most effective manner, both from economic and technical viewpoints; DOD agencies should have the capability to determine and procure the most desirable technical configurations of telecommunication terminals consistent with efficient and effective procurement practices.

2. The Policy Problem:

Where telecommunication terminals, required for use with the DCS common-user AUTODIN system, embody computer type processors in order to perform communications functions, DOD components are hindered in their pursuit of efficient procurement by a policy conflict which has its origins both in OMB policy and in guidance from the Congress. OMB Circular 54 as well as the Brooks Bill passed in October 1965 are intended to inhibit the uncontrolled proliferation and procurement by using agencies, of ADP equipment, systems and software, and to require a series of systematic reviews to insure some degree of commonality and economy. At the same time telecommunications terminals and related services are subject to their own procedural, approval, budgetary and procurement processes. Where telecommunications terminals utilize ADP type processors even though for purely communication functions, they thus become subject to both sets of procedures, a process which can be extremely time consuming and expensive, in terms of the work effort involved, to the point where the satisfaction of urgent operational requirements can be unacceptably delayed.

3. Effect on the Agency:

The dual nature of the requirements approval and program/budget decision chains subjects each such project to double jeopardy and can result in the approval of projects with disproportionate funding, difficulty in concurrent procurement or inefficient phasing in implementing the communication and automated processor subsystems.

4. Corrective Action:

The problem could be alleviated by a waiver of the ADP procedures for telecommunications terminals without jeopardizing the intent to regulate the proliferation of ADP equipment. The capabilities of the telecommunications terminals are restricted. AUTODIN system interface requirements dictate a

virtual commonality of software and family of hardware configurations for system compatibility. Other software and hardware aspects of the terminals in most cases relate solely to the processing or switching of message traffic where there is no manipulation of textual content. Further, internally produced reports are concerned with statistics, status and files of the communications messages which are processed. Thus there is little danger of an uncontrolled proliferation should the ADP procedures be waived based on a reasonably restrictive definition of what constitutes a communications terminal and its capabilities. It is emphasized that the scrutiny and review accorded to all telecommunication services should be retained. An alternative solution would consist of the formulation of a single integrated set of review and program/budget procedures which would utilize the best features of both present systems and which would reflect the interest of Congress.

PROPOSED AMENDMENT TO THE COMMUNICATIONS ACT OF 1934

1. The Communications Objective:

An amendment is proposed to the Communications Act of 1934 to change the present method of suspension and review of interstate tariffs. Currently the Act provides that the FCC may suspend the effective date of any new or changed tariff for a period of three months to permit a review by the Commission. Subsequent to any such suspension, the Commission must allow the tariff to become effective, pending completion of its review and final decision. The only exception to this procedure is if the carrier, on its own, voluntarily withdraws their tariff filing prior to start of investigation by the Commission. In some cases the Commission's investigations exceeds a year and the final decision is not issued for another year or two after the investigation.

2. The Policy Problem:

Currently, after the three month suspension period, the customer is forced to pay any filed rate increase permitted by the Commission. If it is determined by the Commission through investigation that a rate is not just and reasonable, the carrier is ordered to make adjustments to the rate and provide refunds but the customer is never compensated for the use of his funds during the period of review by the Commission. To complicate the situation further, there have been cases where a tariff rate has been investigated by the Commission and the carrier files a rate increase for the same service prior to completion of the original investigation. DoD has been obliged to pay the new increased rate for service while the original case is still under investigation.

3. Effect on Agency:

Over the years, DoD has provided millions of dollars in cost free financing to the carriers, while awaiting the decision of the Commission.

4. Corrective Actions:

DCA proposes a change to the Act which will give the Commission unlimited suspension power, eliminate the carriers rate from automatically becoming effective prior to completion of the Commission's investigation and review of the carriers rates, and be a very real incentive for the carrier and the Commission to conclude reviews and investigations expeditiously. Such power exists in many state commissions today. DCA proposes to first submit its proposed amendment to the Act to ASD(T) for policy review and second to OSD Legislative Reference Service to be made a part of the DoD Legislative Program. Enclosed is a copy of page 15 of the Act. We propose to amend the first sentence by striking out "but not for a longer period than three months beyond the time when it would otherwise go into effect".

such later laws have been filed and published in accordance with the provisions of this section and with the regulations made thereunder, and no carrier shall collect, demand, collect, or receive payment of any charge, or of any profit, for such communication, or for any service in connection therewith, based on the point named in any such schedule, the charge specified in the schedule then in effect, or any refund or rebate, or any means or device any portion of the charges so specified, or for or toward any person any private facilities, in such communication, or employ or collect any classification, regulation, or practice affecting such charges, except as specified in such schedule.

(d) The Commission may reject and refuse to file any schedule entered for filing which does not provide and give lawful notice of its effective date. Any schedule so rejected by the Commission shall be void and its use shall be unlawful.

(e) In case of failure or refusal on the part of any carrier to comply with the provisions of this section or of any regulation or order made by the Commission thereunder, such carrier shall forfeit to the United States the sum of \$500 for each such offense, and \$20 for each new every day of the continuance of such offense.

HEARING AS TO LAWFULNESS OF NEW CHARGES; SUSPENSION

SEC. 304. Whenever there is filed with Commission any new charge, classification, regulation, or practice, the Commission may either upon complaint or upon its own initiative without complaint, upon reasonable notice, enter upon a hearing concerning the lawfulness thereof; and pending such hearing and the decision thereon the Commission, upon delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension, may suspend the operation of such charge, classification, regulation, or practice, but not for a longer period than the period of the hearing, and if it went into effect before the hearing, it shall be suspended as to the period of the hearing. At the first full hearing the Commission may, in its discretion, with respect to the charges as would be proper in a proceeding initiated after it had become effective. If the proceeding has not been concluded and an order made within the period of the suspension, the proposed change of charge, classification, regulation, or practice shall go into effect at the end of such period; but in case of a proposed increased charge, the Commission may by order require the interested carrier or carriers to keep accurate account of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts are paid, and upon completion of the hearing and decision may by further order require the interested carrier or carriers to refund, with interest, to the persons in whose behalf such amounts were paid, such portion of such increased charges as by its decision shall be found not justified. At any hearing involving a charge increased, or sought to be increased, after the organization of the Commission, the burden of proof to show that the increased charge, or proposed increased charge, is just and reasonable shall be upon the carrier, and the Commission shall give to the hearing and decision of such question preference over all other questions pending before it and decide the same as speedily as possible.

CARRIERS COST AND PRICING DATA

1. The Communications Objective:

Current procedures and practices employed by the carriers in computing their cost proposals for service or their tariff rates do not, in many instances, provide the assurance that amounts proposed are fair and reasonable. In many cases, the carriers refuse to provide a detail breakdown of their actual or estimated costs. Since the carriers fall under the jurisdiction of Regulatory Commissions, the GAO and the ASPR provide that Public Law 87-853 does not apply. The regulations of the carriers is left to the Commission. The Commission may in some instances review the carriers company wide cost factors but with very little exception review or investigate the carriers specific tariff charges unless they receive a complaint from the customer. The Commission seldom determines that the carriers' rates are fair and reasonable unless a formal hearing is conducted on the rates.

2. The Policy Problem:

Since DoD is the carriers largest single private line customer and since the Commissions do not effectively regulate specific carrier service charges to any great extent, it is imperative that the carriers submit their proposals and schedule of charges in sufficient detail to determine if the charges are reasonable. In cases where the carriers have computed their rates on estimates, the carriers should adjust these rates to actual cost within twelve months after start of service.

3. Effect on Agency:

Submission of proper cost and pricing data by the carriers would ultimately eliminate a large portion of the formal complaints to the Commissions.

4. Corrective Actions:

Establish a Federal policy requiring the carrier to furnish cost and pricing data. Place a clause in the carriers General Contract that requires the carrier to provide the Contracting

Officer necessary cost and pricing data in any case in which the reasonableness of carrier rates has not already been specifically tested and approved by the appropriate regulatory commission.

FCC ORDERS AND DECISIONS

1. The Communications Objective:

When a customer is not satisfied with a carrier's interstate service or the rates it charges for the service, the customer must either negotiate with the carrier for relief or refer the matter to the Commission in the form of an informal complaint or formal litigation. DoD has many formal Complaints and Petitions on file before the Commissions awaiting hearing and investigation. These cases cover jurisdiction matters, unjust and unreasonable rates, interconnection matters and other tariff matters. The cases selected to go before the Commission are cases, in our opinion, that violate the Communications Act of 1934 and/or the Commission Rules and Regulations.

2. The Policy Problem:

The Commissions are almost immune from customer pressure once a case is submitted to the Commission for formal litigation. The customer cannot pressure the Commission to assign a Docket number or pressure for hearing dates. DoD has experienced many cases in the past where the Commission has exceeded two years or more in scheduling hearings. Notwithstanding these delays, once the case is completed, it normally takes from one to two years for the Commission to issue its final decision and order.

3. Effect on Agency:

Many of DoD's cases are rate increase which involve excessive rates in the millions of dollars. We have been fairly successful in obtaining a suspension of the rate increases up to 90 days through the Commission. However, after the suspension period, the rate increases automatically go into effect before the Commission has completed its investigation. Once the carrier receives these excessive payments, it becomes very difficult to obtain refunds or damages from the carrier and when funds are recovered in a fiscal year other than that in which they were appropriated they cannot be used. This is due to the large amount of dollars involved as a result of all the delays.

4. Corrective Actions:

The problem, we feel, could be eliminated by the establishment of an agreed policy between OTP and the FCC. Additionally to be considered is increased staffing of the Commission.

ACCESS TO CARRIERS BOOKS AND RECORDS

1. The Communications Objective:

Prior to contract negotiations with the carrier, at the time the carrier adjusts its rates from estimated to actual and at time of termination of service, the Contracting Officer normally requests DCAA to perform an audit review of the carriers' books and records. Access to the carriers underlying cost and pricing data (both factual and estimated) is necessary and essential to enable the Contracting Officer to determine the reasonableness of the price. We believe that timely access to records and the auditor's report is a vital part of the overall procurement cycle and is important in the final determination of equitable carrier rates.

2. The Policy Problem:

AT&T and the Bell Associated Companies refuse to allow access to detailed cost records other than to the GAO. Western Union does allow access to some books and records but not all. Restrictions on audits has frustrated negotiations and built up mistrust between the Government and the carrier personnel.

3. Effect on Agency:

Without access to the carriers' records, the Contracting Officer is neither able to verify any book costs nor determine if the Government is being overcharged for the service.

4. Corrective Actions:

It is essential that a Federal policy be established requiring the carriers to provide access to records. A follow-on action would be to add a clause in the carrier's General Contract requiring the carriers to provide the Contracting Officer or his representative access to records.

INTERCONNECTION OF CUSTOMER-PROVIDED EQUIPMENT

1. The Communications Objective:

It is the objective of DoD that it be allowed to freely interconnect its equipment or customer furnished equipment to facilities furnished by the carriers without issuing Letters of Military Necessity. We feel this can be accomplished through technical standards published by the Commission and through carriers' tariffs which incorporate these standards.

2. The Policy Problem:

The carriers' tariffs are entirely too restrictive regarding interconnection. The tariffs not only restrict the customer from interconnecting various customer furnished equipment but also restricts interconnection with other carriers in some instances. In many situations the customer is restricted by tariff to only one carrier for service which places the customer at the mercy of the carrier. The only recourse the customer has, if he is not satisfied with the service, is to take action through the Regulatory Commission. DoD has filed numerous Petitions for Investigation and Complaints with the FCC against AT&T and Western Union's tariffs. Some of these actions are over two years old and the FCC has never scheduled a formal hearing.

3. Effect on Agency:

Restrictions of interconnection greatly hampers contingency planning, reduces training of military personnel and reduces flexibility of operations. There are cases where DoD is restricted from installing its own spare equipment and connecting it to the carrier facilities. In many situations it would be extremely cost effective to obtain this interconnection instead of leaving the equipment in storage. There are other instances where DoD is restricted from issuing an order for channel facilities to one carrier from end-to-end. This increases the administrative costs and necessitates coordination with a number of carriers when outages occur thus resulting in longer outages in some cases.

4. Corrective Action:

As stated above, DoD has taken litigation action. Recommend OTP promote a policy which would require FCC to schedule formal hearings on such matters in a timely manner.



U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
Rockville, Md. 20852

Date: November 15, 1972

Entry to
File of: AD35

Subject: Results of Informal Survey Within Department of Commerce
Concerning Examples of Procurement Problems and Federal
Policy Issues Relating to Procurement
To: Clifford D. May, Jr.
Deputy Manager, NCS

The attached two papers are the result of discussions among a small group of Commerce representatives involved in telecommunications activities leading to, or an integral part of the procurement of telecommunications products and services.

Because of the "short-fuse" requirement to provide examples of procurement problems to the OTP for an early meeting of the Federal Council on Telecommunications, time did not permit the coordination of the papers throughout Commerce. These papers address generalized problems affecting telecommunications planning, system design and acquisition.

Arthur R. Cooke

Arthur R. Cooke
Chief, Telecommunications Management
and Planning Division

Attachments (2)

cc:
W15 (Straiton)
AD32 (Ross)
AD35 (Hogge)
AD1 (Marini)

UNREALISTIC RATES AND TARIFFS FOR LEASED DATA CIRCUITS

1. The Communications Objective:

To obtain leased data circuits at reasonable prices rather than implement multiplexing alternatives.

2. The Policy Problem:

If commercial circuit lease prices were reasonable there would not be the opportunity to achieve economy by implementing multiplexing (demultiplexing implied). In selecting the multiplexing alternative, user revenue is transferred from the common carrier to the equipment manufacturer and the user realizes a net savings in the process.

Because of the present rates and tariffs, multiplexing offers economies-of-scale benefits to the user. The common carrier achieves far greater economies of scale through multiplexing greater quantities of channels than any single user would require. A reduction in charges is needed from present rates for data transmission capabilities to the effect that it would be economically impractical for the relatively small user to implement multiplexing systems.

At present rates the cost of two data circuits is equal to one voice grade circuit. On a bandwidth comparability basis, one voice grade circuit occupies the bandwidth of about 12 low speed data circuits. An increase in the price ratio from 2 to 1, to 6 to 1, is considered a more equitable relationship and one that would eliminate the need for multiplexing few channels.

3. Effect in Agency:

The majority of DOC telecommunications capabilities are leased circuits, leased terminals and equipment, with leased maintenance on equipment not provided by a carrier. Many of DOC leased circuits are low speed data circuits connected throughout the contiguous United States to many of the same stations. Present conceptual planning indicates opportunity to obtain savings by implementing multiplexing.

There are technical disadvantages to multiplexing, but some efficiency will have to be sacrificed, as well as alternate route capability, in order to achieve better economy.

The effect in DDC is in both time and money. It will take a few years to fully implement multiplexing in DDC. By the time it is completed, the common carriers will have implemented a nationwide digital service expected to be available at prices far less than comparable services cost today. Only multiplexing obtained in early 1973 will have been amortized and many multiplexing opportunities not implemented by that time.

4. Corrective Actions:

Whatever is to be done must be done before the end of calendar year 1973 to be useful.

Both TELPAK and IXC circuit charges must be re-examined, and prices for low speed data circuits reduced to one sixth the price of a voice grade circuit.

In the event that the recommendation above cannot be met, there should be an approach toward reducing low-speed data circuit charges where the common carrier converts these circuits to multiplexed channels -- passing part of the large economies of scale on to the user.

It is noted that a decrease in voice grade circuit charges would encourage small user multiplexing unless data circuit charges were also reduced (as above). An increase in voice grade circuit utilization could impact adversely in some areas.

DISADVANTAGES OF OMB CIRCULAR A-76

1. The Communications Objective:

As a management-decision function: to implement without restraint, but under reasonable guidelines, Government Furnished Telecommunications Facilities where reasonable commercial rates and tariffs are not available.

2. The Policy Problem:

The Policy statement of OMB Circular A-76, "...in furtherance of the government's general policy of relying on the private enterprise system to supply its needs." appears incongruous with the tenets of good cost-benefits analysis.

It is observed that many within the Federal establishment do not apply A-76 to purchases of telecommunications equipment or services because they have generalized that A-76 does not apply unless the purchase is in the amount of \$50,000 or more. The statement "However, if there is reason to believe that inadequate competition, or other factors are causing commercial prices to be unreasonable, a cost comparison study will be directed...even if the government will spend less than \$50,000 per year for the product or service." is for the most part, ignored because in most cases the cost comparison study will cause delay and will cost more to conduct than the price of the product or service involved. Significantly, incremental additions to plant or additional services often fall far short of the \$50,000 amount, but over time total systems or capabilities are developed and implemented, on a piecemeal basis, without undergoing either cost comparison analysis or concept analysis.

3. Effect in Agency:

It can be assumed that A-76 has been ignored by most people except that the generalized interpretations of it have been used as excuse not to use it.

It is believed that much of DOC telecommunications would have evolved along conceptually different lines had a more useful guidance document on cost comparison analysis been provided.

In generalizing that "the government will not compete with its own industry" (generally accepted paraphrase of the actual statement cited above in 2.), planners have taken the most simple route and have purchased whatever they have found available in the marketplace at the lowest price; not taking advantage of potential opportunities that might lead to competition with the carriers or equipment manufacturers.

4. Corrective Actions:

A-76 should be re-written or an OTP document developed (other than a policy statement) which interprets and simplifies A-76 in application. Such a telecommunications procurement guide should include consideration of low cost changes produced by incremental buying habits. Criteria within the guide should be simplified to include tabular references to "ball-park" estimates and percentage relationships for what may be determined as routine situations rather than require detailed specific cost figures.

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

WASHINGTON, D.C. 20591

IN REPLY
REFER TO:

AAT-50

SUBJECT:

Policies Relating to Acquisition of Telecommunications Goods
and Services

TO:

Chairman, Ad Hoc Group for Identifying Associated Procurement
Problems

Within the Federal Aviation Administration, experience has indicated that the policy relating to the procurement of telecommunications equipment and services, either through Government ownership or via common carrier leasing, as set forth in BOB Circular A-76 has been satisfactory. In general, we find that the policy statements contained therein meet this agency's requirements for the provision of communications services and provide the flexibility required to achieve our mission.

Notwithstanding the foregoing, there is a procurement problem with which we have recently been confronted and which now causes us some concern.

Communications Objective:

Provide compatible terminal teleprinter equipment for the operation of four major operational teletypewriter networks operating in a multipoint circuit configuration. Modernization of such equipment to take full advantage of modernized solid-state central processing and distribution systems.

Policy Problem:

In the past, the procurement of teletypewriter units has been on a sole source basis from a single supplier - the Teletype Corporation. This has been done without accompanying specifications. The requirement now exists to write specifications for the acquisition of these equipments, but not necessarily tailored in conformity with the design of a particular make of teleprinter, of course.

The Teletype Corporation has indicated that, because of worldwide application of their units, spare parts, logistics, proven reliability, etc., it does not want to bid on specifications that do not meet their engineering design.

Effect on Agency:

Because of the increased restraints on sole source procurement, the problem of logistics, maintenance, operation, and system compatibility could result in increased costs far above those which might be incurred through sole source.

Corrective Action:

Further policy clarification on sole source procurement in those instances where a major supplier has provided highly reliable and cost comparative equipment for Government communications systems without the need for Government specifications.

JOHN R. KENNEDY

Chief, ATS International Programs Staff, AAT-50

COMMISSION ON GOVERNMENT PROCUREMENT

For Legislative History of Act, see p. 1350

PUBLIC LAW 91-123; 83 STAT. 239

(U. S. 434)

An Act to establish a Commission on Government Procurement.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That:

DECLARATION OF POLICY

Section 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and effectiveness in the procurement of goods, services and facilities by and for the executive branch of the Federal Government by—

- (1) establishing policies, procedures, and practices which will require the Government to acquire goods, services, and facilities of the requisite quality and within the time needed at the lowest reasonable cost, utilizing competitive bidding to the maximum extent practicable;
- (2) improving the quality, efficiency, economy, and performance of Government procurement organizations and personnel;
- (3) avoiding or eliminating unnecessary overlapping or duplication of procurement and related activities;
- (4) avoiding or eliminating unnecessary or redundant requirements placed on contractor and Federal procurement officials;
- (5) identifying gaps, omissions, or inconsistencies in procurement laws, regulations, and directives and in other laws, regulations, and directives, relating to or affecting procurement;
- (6) achieving greater uniformity and simplicity whenever appropriate, in procurement procedures;
- (7) coordinating procurement policies and programs of the several departments and agencies;
- (8) conforming procurement policies and programs, whenever appropriate, to other established Government policies and programs;
- (9) minimizing possible disruptive effects of Government procurement on particular industries, areas, or occupations;
- (10) improving understanding of Government procurement laws and policies within the Government and by organizations and individuals doing business with the Government;
- (11) promoting fair dealing and equitable relationships among the parties in Government contracting; and
- (12) otherwise promoting economy, efficiency, and effectiveness in Government procurement organizations and operations.

ESTABLISHMENT OF THE COMMISSION

Sec. 2. To accomplish the policy set forth in section 1 of this Act there is hereby established a commission to be known as the Commission on Government Procurement (in this Act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

Sec. 3. (a) The Commission shall be composed of twelve members, consisting of (1) three members appointed by the President of the Senate, two from the Senate (who shall not be members of the same political party), and one from outside the Federal Government; (2) three members appointed by the Speaker of the House of Representatives, two from the House of Representatives (who shall not be members of the same political party), and one from outside the Federal Government; (3) five members appointed by the President of the United States, two from the executive branch of the Government and three from outside the Federal Government, and (4) the Comptroller General of the United States.

(b) The Commission shall select a Chairman and a Vice Chairman from among its members.

(c) Seven members of the Commission shall constitute a quorum.

(d) Any vacancies in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

DUTIES OF THE COMMISSION

Sec. 4. (a) The Commission shall study and investigate the present statutes affecting Government procurement; the procurement policies, rules, regulations, procedures, and practices followed by the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Federal Government; and the organizations by which procurement is accomplished to determine to what extent these facilitate the policy set forth in the first section of this Act.

(b) Within two years from the date of enactment of this Act, the Commission shall make a final report to the Congress of its findings and of its recommendations for changes in statutes, regulations, policies, and procedures designed to carry out the policy stated in section 1 of this Act. In the event the Congress is not in session at the end of such two-year period, the final report shall be submitted to the Clerk of the House and the Secretary of the Senate. The Commission may also make such interim reports as it deems advisable.

COMPENSATION OF MEMBERS OF THE COMMISSION

Sec. 5. (a) Members of the Commission who are Members of Congress or who are officers or employees of the executive branch of the Federal Government, and the Comptroller General, shall receive no compensation for their services as members of the Com-

mission, but shall be allowed necessary travel expenses (or in the alternative, mileage for use of privately owned vehicles and a per diem in lieu of subsistence) and to obtain the rates provided in sections 5702 and 5701 of title 5, United States Code, and other necessary expenses incurred by them in the performance of duties vested in the Commission, except to the provisions of subchapter I, chapter 67 of title 5, United States Code, the Standardized Government Travel Regulations, or section 5701 of title 5, United States Code.

(b) The members of the Commission appointed from outside the Federal Government shall each receive compensation at the rate of \$100 for each day such member is engaged in the actual performance of duties vested in the Commission in addition to reimbursement for travel, subsistence, and other necessary expenses in accordance with the provisions of the foregoing subsection.

POWERS OF THE COMMISSION

Sec. 6. (a)(1) The Commission, or at its direction any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member. Subpoenas may be issued under the signature of the Chairman or Vice Chairman and may be served by any person designated by the Chairman or the Vice Chairman.

(2) In the case of contumacy or refusal to obey a subpoena issued under paragraph (1) of this subsection by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

(b) The Commission is authorized to acquire directly from the head of any Federal department or agency information deemed useful in the discharge of its duties. All departments and agencies of the Government are hereby authorized and directed to cooperate with the Commission and to furnish all information requested by the Commission to the extent permitted by law. All such requests shall be made by or in the name of the Chairman or Vice Chairman of the Commission.

(c) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual shall receive compensation at a rate in excess of the maximum rate authorized by the General Schedule. In addition, the Commission may procure the services of experts and consultants in accordance with section 3108 of title 5, United States Code, but at rates for individuals not in excess of \$100 per diem.

(d) The Commission is authorized to negotiate and enter into contracts with private organizations and educational institutions to carry out such studies and prepare such reports as the Commission determines are necessary in order to carry out its duties.

GOVERNMENT DEPARTMENTS AND AGENCIES AUTHORIZED TO AID COMMISSION

Sec. 7. Any department or agency of the Government is authorized to provide for the Commission such services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman or Vice Chairman. All such requests shall be made by or in the name of the Chairman or Vice Chairman of the Commission.

TERMINATION OF THE COMMISSION

Sec. 8. One hundred and twenty days after the submission of the final report provided for in section 4 of this Act, the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

Sec. 9. There are hereby authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this Act.

Approved November 23, 1969.

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