MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT   : Allocation of Resources to the
                          Computer Security Program,
                          Office of Security

1. This memorandum suggests <u>action</u> on your part; this
action is contained in paragraph <u>11</u>.

2. The report of the Inspector General's survey of the
Office of Computer Services contained the following Recommenda-
tion No. 9:

> "That OCS and OS review their ADP security
> manpower requirements and develop measures to
> insure the secure, compartmented use of the OCS
> time-sharing 360/67 system both for CIA internal
> needs and for potential COINS application. "

3. Security manpower has been assigned to computer
security tasks since the inception of the program in the Agency.
On 30 July 1967, a Special Assistant to the Director of Security was
designated for computer security. He has served continuously in
this assignment with enthusiasm and has received a graduate
certificate from the American University in the field of Management
Information Systems. He has become a recognized expert in com-
puter security not only within the Agency but also in the intelligence
community. Since 24 May 1968, he has served as Chairman of the
Computer Security Working Group, later the Computer Sub-Committee
of the Security Committee of USIB. He is also a consultant to the
DIA for the proposed security testing of the Analyst Support and
Research System (ANSRS).

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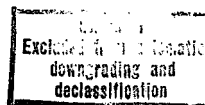
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4. As a result of continuing review and analysis of its computer security responsibilities, the Office of Security determined that it would be necessary to assign two additional positions and funds in the amount of $60,000 to be used for contracting with industrial specialists to implement a program of testing and evaluating computer equipment from a security standpoint. The positions and funds were requested for FY 1970 in the FY 1970-1974 Program Call submitted by the Office of Security. These positions could not be allocated to that Office and the overall reduction made in the Office of Security budget estimates precluded the hiring of industrial specialists on a contract basis. Even though additional positions were not allocated to the Office of Security, it was determined that this program should be initiated as soon as possible. In order to accomplish this, two additional Security Officers (GS-13 and GS-12) were detailed to work full time on computer security tasks. One was assigned in June 1968; the other, in July 1969.

5. In mid-1969, it was determined that the computer security functions and responsibilities warranted formal recognition as an organizational element under the Chief, Executive Staff. Therefore, on 16 October 1969, the Information Processing Branch was formally established. Positions for this new Branch were obtained by internal reallocations within the Office of Security as follows:

1	GS-13/14	--	Security Officer (Chief)
1	GS-13	--	Security Officer
1	GS-12	--	Security Officer
1	GS-06	--	Secretary

6. The GS-12 position was eliminated as of 30 June 1970 due to a reduction in the Office of Security ceiling for FY 1971. The GS-12 incumbent, however, is still assigned to the Branch on an overstrength basis because of the continuing heavy workload.

2

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7. Funds for the contract hire of industrial specialists for FY 1971 in the amount of $62,000 were included in the FY 1971-1975 Program Call for the Office of Security submitted in February 1969. In submitting the FY 1972-1976 Program Call for the Office of Security in February 1970, the amount for contract hire of industrial specialists was reduced to $40,000 due to budget limitations for FY 1971. In view of the five percent holdback in the temporary fund authorization for the Office of Security for FY 1971, this amount was further reduced to $28,000.

8. Based on a recent review of the present and proposed computer security program with the Director of Security and the Acting Director of Computer Services, it was determined that increased emphasis should be placed on both the staff and operational assets of this program. Further, the Office of Security has determined that the computer security responsibilities should be transferred from the Executive Staff to its Physical Security Division. Also, that in order to give the individual in charge proper recognition and authority consistent with his duties and responsibilities, he should be designated as the Deputy Chief, Physical Security Division for Computer Security.

9. We are convinced that in order to develop a fully responsive security program for the long haul, it will be necessary for a professionally trained system programmer to be a part of the Security team. Additionally, an engineer, competent in hardware design, structure and logic, will be required to round out the program. This need has been studied in conjunction with the Office of Computer Services for some time and has the complete concurrence of the Acting Director of that Office.

10. We consider the Director of Security to be responsible for:

    a. Developing and publishing uniform security policy and standards for maintaining the security of Agency computer and related information processing operations;

3

b.   Directing a coordinated Agency program
toward the identification and resolution of
security problems involved in the use of
computers and other modern techniques in
the processing of official data;

c.   Providing Agency computer components and
users guidance in the handling of security
problems posed by such operations;

d.   Conducting security audits of Agency computer
systems used for the processing of official data
in order to insure uniform application of com-
puter security policy and to test and evaluate
systems as to their security merit; and

e.   Providing Agency support to computer security
efforts within the USIB community where the
Agency has an assigned responsibility or where
it is requested to provide assistance.

11.   The proposed Table of Organization for the revised

X1   [   ] is as follows:

    1 GS-14   --   Security Officer (Deputy Chief, Physical
                                  Security Division for Computer Security)

    1 GS-13/14 --   Security Officer (Chief, Computer
                                  Security Branch)

    1 GS-13   --   Security Officer

    1 GS-13   --   System Programmer (contract)

    1 GS-12   --   Security Officer

    1 GS-12   --   Engineer

    1 GS-06   --   Secretary

4

All of the positions will be provided from the existing ceiling and Table of Organization of the Office of Security. The Director of Security will transfer a GS-14 slot from the Special Security Center. He will attempt to fill the System Programmer (GS-13) position on a contract basis. The GS-12 Engineer position will be transferred from the Technical Division, Office of Security. Subject to your approval of this plan, we will proceed with the necessary organizational formalities.

12. In order to fund the contract position and to provide additional funds for external contractual efforts, these items will be included as additional Office of Security funding requirements when the Support Directorate's budget for FY 1971 is being finalized. The amounts include $20,000 for a GS-13 level System Programmer and $22,000 to be used to contract for a program of testing and evaluating computer equipment from a security standpoint, or a total of $42,000.

R. L. Bannerman
Deputy Director
for Support

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SUBJECT: Allocation of Resources to the Computer
Security Program, Office of Security

CONCURRENCE:

X1

	Date
Acting Director of Computer Services	

The action contained in paragraph 11 is approved.

	Date
L. K. White	
Executive Director-Comptroller	

Distribution:
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