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Volume IV



National Reconnaissance Program

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PREFACE

(S) [REDACTED]

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(U) In the FY 97 column of our budget displays, we reflect the funds the way we plan to spend them by appropriation. We plan to initiate a reprogramming action with the DCI and DoD comptroller to properly align the appropriations. In FY 98 and beyond, our appropriations request is consistent with DoD guidelines for acquisition and operations. This reprogramming is intended to move forward funding reductions to the appropriations which had contained the forward funding.

(U) A joint CIA-DoD audit has confirmed the NRO-calculated forward funding position. We will send our forward funding figures for FY 96 and our projections for FY 97-99 under separate cover to accompany this book.

(U) As a long-term improvement to our financial management, the NRO is implementing the Federal Financial Systems Program Office Desktop (FFS POD), which we selected as the best of several GSA-approved financial management systems, as the foundation for our Integrated Financial Management System. This system complies with all core financial systems requirements defined by Treasury and the Joint Financial Management Improvement Program. We will implement FFS POD in two phases. Phase One will reach initial operating capability (IOC) on 1 October 1997 and includes funds control, general ledger, disbursing, and accounts payable functionality. At this point we will be materially in compliance with the requirements of the Chief Financial Officer's Act. Pushing beyond that point, Phase Two implementation will include performance analyzer, contract management, and budget formulation and has an IOC of 1 October 1998. The NRO full operating capability (FOC) for automated financial activities is 1 October 1999.

(U) I would now like to summarize specific improvements made this year in our financial procedures, in our program management and technologies, and in our relationships with customers, contractors, and Congress.

(U) Financial Procedures

[REDACTED]

(U) Program Management and Technologies

(U) In addition to improvements in our financial procedures, we have also made some personnel and organizational changes that will increase the effectiveness of the NRO. To better serve our national customers, I created the Deputy Director for National Support (DDNS). This organization will complement the existing Deputy Director for Military Support (DDMS) and ensure we are responsive to the needs of the full range of our customers.

Additionally, to emphasize our commitment to technology and the critical role it plays in our future, I have established the position of Technical Director of the NRO. These and other organizational changes we've made this year are allied with changes in the way we do business—an increasing commitment to acquisition reform and best business practices.

(S) [REDACTED]

(S) [REDACTED]

[REDACTED]

(U) Relationships

(U) Many of the accomplishments of the past year, and certainly many of the plans for the coming years, have been heavily influenced by the NRO's relationships with its customers, its contractors, and oversight entities.

(U) The NRO has a variety of relationships with different elements of the Intelligence Community. Some groups are stakeholders, some use our products daily, some provide oversight. One special group—mission partners—are major customers with whom we have a mutually accountable and beneficial relationship. Each partner has complete insight and 50 percent of the decision in our major plans. Our mission partners—the National Imagery

and Mapping Agency, the National Security Agency, and the Central MAS-INT Office—come to our Acquisition Board and other relevant meetings, and are an integral part of our future architecture studies. The NRO is becoming better integrated with and attuned to its customers across the spectrum.

(U) The Deputy Director for National Support, mentioned earlier, provides another means of keeping our fingers on the customers' pulse. The Jeremiah Panel found that although we had done an outstanding job of supporting specific military commanders and the Joint Chiefs of Staff, some national-level users felt neglected. So, I created the DDNS to supply the same level of support and attention to our national customers which we have been supplying to our satisfied military customers. Only when every customer feels like he or she is our number one customer are we doing a good enough job.

(U) Close working relationships with contractors are equally vital to our success. We've taken several steps this year to ensure the most mutually beneficial NRO-contractor relationships are the norm. For instance, we are working hard to encourage contractor support of our acquisition streamlining efforts by briefing all our contractors on our reform strategy. Additionally, the changing security landscape has made it possible for us to declassify many of our contractor relationships. In November, we declassified the existence of our relationship with most of the contractors who work alongside our government personnel in the Westfields complex. This allowed them to participate in our first-ever Family Day, and to feel like an acknowledged part of the NRO community. We plan to continue the process by declassifying most of the rest of our contractor relationships throughout the spring.

[REDACTED]

(U) Our relationship with the American people is most directly evident through our interaction with the people's elected representatives in Congress.

In our efforts to continue to improve that relationship, we have made some changes in this year's CBJB: an increased number of resource displays with programs broken out by base, ongoing, and new; break-outs of System Integration/System Engineering funds by Structural Category; and an increased amount of budget justification, among other changes. We hope these changes will allow the members of Congress and their staffs greater insight into our programs, accomplishments, and goals.

(U) Summary

The FY 98-99 NRP budget request positions us to continue on the path toward technological break-through and organizational improvement we started down this year. It balances fiscal realities with the critical need for revolutionary technologies and improvements. To best serve all our customers—and the nation—we must be able to progress down this path and


develop and operate the world's most sophisticated overhead reconnaissance capability. We are poised on the cusp of a major opportunity, and we are up to the challenge. I ask your support of the initiatives contained in this CBJB at the requested levels as essential to our success.

[REDACTED]

Acting Director, National Reconnaissance Office

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Details in this volume may not add to the totals because of rounding.
 Years are fiscal unless otherwise indicated

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