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Adm. Asst., S/D

Department of Defense Directive

SUBJECT Administrative Arrangements for the National Security Agency

References: (a) DoD Directive S-5100.20, "The National Security Agency"
(b) DoD Directive 5148.4, "Assistant to the Secretary of Defense (Special Operations)"

I. PURPOSE

The purpose of this directive is to prescribe certain administrative arrangements and to delegate the administrative authorities required for the administration and operation of the National Security Agency.

II. POLICY

A. The Director of the National Security Agency shall make maximum use of the established facilities in the military departments for procurement, accounting, disbursing, investigative and related administrative operations rather than unnecessarily duplicating such facilities in the Agency.

B. Officials of the military departments shall provide such support within their respective fields of responsibility, to the Director of the National Security Agency as may be necessary to carry out the assigned responsibilities of the Agency.

III. ADMINISTRATIVE ARRANGEMENTS

The following specific arrangements and provisions will be applied in the administration and operation of the National Security Agency:

A. The Department of the Army will act as fiscal agent for the Agency and in that capacity will:

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1. Incorporate into its annual budget estimates the amounts determined by the Secretary of Defense to be necessary for operation and maintenance, procurement, and research, development, test and evaluation activities, including the amounts required for confidential expenses. Such amounts will be in addition to the budget of the Department of the Army for other functions.

2. Allocate appropriations, as approved by the Secretary of Defense, to accounts established for the National Security Agency.

3. Provide disbursing and financial accounting services, as appropriate, in connection with the expenditure of funds by the Agency.

The Agency, to the extent practicable, will conform to such budgetary and fiscal accounting procedures as may be required by the Department of the Army for similar activities. This arrangement, however, will not be construed or so utilized as to effect any administrative controls by the Department of the Army over the fund resources of the Agency other than those which may be imposed by the Secretary of Defense or required by law.

B. The Agency will utilize the established facilities and services of the three military departments, as appropriate, for effecting the procurement of equipment, supplies and services and for the disposition of excess equipment and supplies, including the disposal of surplus printing, binding and related equipment.

1. To the extent practicable and consistent with its purpose and objectives, the Agency will comply with the procurement regulations and practices of the individual military department furnishing this service. The need for and propriety of the items procured is a matter for determination by the Director of the National Security Agency and the military departments will assume no responsibility for such procurement, except when required by law as a part of the procurement process.

2. The costs of items purchased for the Agency will be charged to appropriations made available to the Agency, but no charge will be made for indirect or overhead

expenses for the procuring services unless such facility is operating under a Working Capital or Management Fund and it is the normal practice to include a charge for overhead.

3. Requests for procurement action made by the Agency to the military departments will bear an appropriate certificate indicating the funds that are properly chargeable and that such are available.

4. Although the Agency will operate its own printing plants, it will utilize the facilities of the military departments for the disposal of printing, binding and related equipment that is surplus to the needs of the Agency. Such equipment will be removed promptly from the Agency facility by the military department concerned. When such equipment is being replaced, it will be removed concurrently with or prior to, as appropriate, the delivery of the replacement items. In other instances, when it is necessary for the convenience of the Agency that surplus printing equipment be removed prior to its final disposition by a military department or the General Services Administration, the cost of the removal will be borne by the Agency.

5. Other excess or surplus equipment and supplies of the Agency will be disposed of in accordance with arrangements worked out between the military departments and the Agency.

C. Statistics, reports or information which will disclose the organization of any function of the National Security Agency, any of its activities, or the names, titles, salaries, or numbers of persons employed by the Agency will not be released outside the Department of Defense to any individual, organization, or government department or agency except when authorized by the Director of the National Security Agency, the Secretary of Defense, or other proper authority, or when required by law. Statistics, and progress or status reports, including those pertaining to personnel employed by or assigned to the National Security Agency, which are required by activities of the Office of the Secretary of Defense will be submitted by the Agency to the Statistical Services Center, Office of the Assistant Secretary of Defense (Comptroller) in accordance with the provisions of DOD Directive 7700.1.

D. All military and civilian positions of the National Security Agency are hereby designated as "sensitive positions" and will be treated as such in connection with investigative, security clearance, and employment matters governed by DOD Directives 5210.7 and 5210.8.

E. The provisions of DOD Directive 1400.7 and related DOD Instructions issued by the Assistant Secretary of Defense (Manpower, Personnel and Reserve) will apply to the National Security Agency. The Director of the Agency will designate an "Employment Policy Officer" and will establish and administer the procedures for employment policy matters as required by the pertinent DOD directives and instructions.

IV. DELEGATION OF AUTHORITY

A. An inclosure to this directive contains a delegation of the various administrative authorities required by the Director of the National Security Agency to administer and direct the operations of the Agency, including those required as a result of the enactment of Public Law 86-36.

B. All civilian positions established in the National Security Agency under the authority of the Classification Act of 1949, as amended, and Section 1581(a) of Title 10, U.S. Code, which were in effect immediately prior to the effective date of Public Law 86-36 (73 Stat. 63), as well as the compensation for such positions and the appointments of the incumbents of such positions will continue in effect under Public Law 86-36 until other appropriate action is taken in accordance with the applicable provisions of this Directive and the attached delegation of authorities to the Director of the National Security Agency.

V. CANCELLATION

Secretary of Defense memoranda dated May 19, 1954, March 7, 1955, August 10, 1956, and July 10, 1958, delegating certain administrative authorities and prescribing arrangements for administrative services for the National Security Agency, and Secretary of Defense memorandum dated July 2, 1959, continuing all civilian positions in the Agency are hereby superseded and cancelled.

VI. EFFECTIVE DATE

This Directive is effective upon publication.

Thomas S. Gates
Deputy Secretary of Defense

Inclosure - 1
Delegation of Authority

DELEGATION OF AUTHORITY

Pursuant to the authority vested in the Secretary of Defense, the following authorities, as required in the administration and operations of the National Security Agency, are hereby delegated, subject to the authority, direction and control of the Secretary of Defense, to the Director of the National Security Agency, or in the event of the absence or incapacity of the Director, to the person acting for him:

1. Authority to exercise the powers vested in the Secretary of Defense by Section 204 of the National Security Act of 1947, as amended (5 USC 171d), Section 12 of the Administrative Expenses Act of 1946, as amended (5 USC 22a), and Section 2 of Public Law 86-36, dated May 29, 1959 (73 Stat. 63), pertaining to the establishment of positions, the fixing of rates of basic compensation, the employment, the direction and the general administration of civilian personnel of the National Security Agency, subject to the following:

a. For the positions established in the National Security Agency which ordinarily would be subject to the Classification Act of 1949, as amended (5 USC 1113):

(1) The general compensation rules governing positions under the Classification Act of 1949, as amended (5 USC 1132) will be applied.

(2) The rates of basic compensation shall be fixed at the same rates of basic compensation required for positions of corresponding levels under the Act.

(3) Appointments may be made at rates of basic compensation above the minimum rates only when higher rates of basic compensation for similar positions or categories of positions under the Classification Act of 1949, as amended, have been approved by the Civil Service Commission or when otherwise specifically approved by the Secretary of Defense. Such appointments will be made at the same advanced rates of basic compensation as are approved by the Civil Service Commission for similar positions except when otherwise specifically approved by the Secretary of Defense.

b. Positions established at rates of basic compensation equal to rates of basic compensation authorized for Grades 16, 17 and 18 of the General Schedule of the Classification Act of 1949, as amended (5 USC 1113(b)) are subject to approval by the Secretary of Defense.

2. Authority to establish in the National Security Agency not more than fifty civilian positions involving research and development functions which require the services of specially qualified scientific or professional personnel and to fix the rates of basic compensation for such positions at rates not in excess of the maximum rate of compensation authorized by Section 1581(b) of Title 10, U.S. Code. The rates of basic compensation for such positions will be subject to approval by the Secretary of Defense.

3. Authority to grant additional compensation to civilian officers and employees of the National Security Agency who are citizens or nationals of the United States, in accordance with and not to exceed additional compensation authorized by regulations of the State Department or the Civil Service Commission, whichever is applicable, for employees whose rates of basic compensation are fixed by statute.

4. Authority to establish such advisory committees and to employ such part-time advisers as the Director of the National Security Agency considers necessary for the performance of functions of the National Security Agency, pursuant to the provisions of Section 173 of Title 10, U.S. Code.

a. Also, authority to make findings when required to comply with rule 1 in paragraph V.A. of DOD Directive 5030.13, dated May 29, 1959, and to waive compliance with any part or all of the requirements of rules 3, 4 and 5 in paragraph V.A. of DOD Directive 5030.13 for any public advisory committee, other than an industry advisory committee, when the Director of the National Security Agency finds that compliance would render effective utilization of the committee impracticable and that such waiver would be in the public interest.

5. Authority to administer oaths of office incident to entrance into the Executive Branch of the Federal Government or any other oath required by law in connection with employment therein, in accordance with the provisions of the Act of June 26, 1943 (5 USC 16a) and to designate in writing, as may be necessary, officers and employees of the National Security Agency to perform this function.

6. Authority to establish an NSA Incentive Awards Board and to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian employees of the Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts or services, benefit or affect the National Security Agency or its subordinate activities in accordance with the provisions of Public Law 763, 83rd Congress (5 USC 2123), Civil Service Regulations, and Department of Defense policies, criteria and standards.

7. Authority to (1) authorize, in case of an emergency, the appointment of a person to a sensitive position for a limited period for whom a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed, and (2) authorize the suspension, but not to terminate the services of an employee in the interest of national security in positions within the National Security Agency in accordance with the provisions of the Act of August 26, 1950, as amended (5 USC 22-1), Executive Order 10450 dated April 27, 1953, as amended, and DOD Directive 5210.7 dated August 12, 1953 (as revised).

8. Authority to clear personnel of the National Security Agency and such other individuals as may be appropriate for access to classified Defense material and information in accordance with the provisions of DOD Directive 5210.8, June 29, 1955 (as revised), "Policy on Investigation and Clearance of Department of Defense Personnel for Access to Classified Defense Information", and Executive Order 10450 dated April 27, 1953, as amended.

9. Authority to act as agent for the collection and payment of taxes imposed by Chapter 9 of the Internal Revenue Code and, as such agent, to make all determinations and certifications required or provided for under Section 1420(e) of the Internal Revenue Code and Section 205 (p)(1) and (2) of the Social Security Act, as amended (42 USC 405(p)(1) and (2)) with respect to employees of the National Security Agency.

10. Authority to authorize and approve overtime work for civilian officers and employees of the National Security Agency in accordance with the provisions of Section 25.221 of the Federal Employees Pay Regulations.

11. Authority to authorize and approve travel for civilian officers and employees of the National Security Agency in accordance with the Standardized Government Travel Regulations, as amended (BOB Circular A-7, Revised) and applicable Department of Defense directives and instructions, and for temporary duty travel only of military personnel

assigned or detailed to the National Security Agency in accordance with Joint Travel Regulations for the Uniformed Services, April 1, 1951, as amended.

a. In addition, authority to authorize and approve invitational travel to persons serving without compensation whose consultive, advisory, or other highly specialized technical services are required in a capacity that is directly related to or in connection with activities of the National Security Agency pursuant to the provisions of Section 5 of the Administrative Expenses Act of 1946, as amended (5 USC 73b-2).

12. Authority to approve the expenditure of funds available for travel by military personnel assigned or detailed to the National Security Agency for expenses incident to attendance at meetings of technical, scientific, professional or other similar organizations in such instances where the approval of the Secretary of Defense or his designee is required by law (5 USC 174a). This authority cannot be redelegated.

13. Authority to develop, establish and maintain an active and continuing Records Management Program, pursuant to the provisions of Section 506(b) of the Federal Records Act of 1950 (64 Stat. 583), (44 USC 396(b)).

14. Authority to classify, declassify and down-grade or up-grade the classification of defense information or material for which the National Security Agency has responsibility pursuant to Executive Order 10501, dated November 5, 1953, as amended, and DOD Directive 5200.1, dated July 8, 1957, and to designate in writing, as may be necessary, officers and employees within the National Security Agency to perform these functions.

15. Authority to purchase or contract through a military department or a Government department or agency outside of the Department of Defense, as appropriate, for supplies, equipment and services for the National Security Agency or for which the National Security Agency is responsible.

16. Authority to establish and use an Imprest Fund for making small purchases of materiel and services other than personal when it is determined more advantageous and consistent with the best interests of the Government, in accordance with the provisions of DOD Directive 7200.1, dated October 28, 1957, and the Joint Regulation of the General Services Administration-Treasury Department-General Accounting Office for Small Purchases Utilizing Imprest Funds.

17. Authority to act for the Secretary of Defense before the Joint Committee on Printing, the Public Printer, and the Director of the Bureau of the Budget on all matters pertaining to printing, binding and publication requirements for the National Security Agency.

18. Authority to publish advertisements, notices or proposals in newspapers, magazines or other public periodicals as required for the effective administration and operation of the National Security Agency (44 USC 324).

19. Authority to appoint Boards of Survey, approve reports of survey, relieve personal liability and drop accountability for property of the National Security Agency reflected in the authorized Departmental Property Account which has been lost, damaged, stolen, destroyed or otherwise rendered unserviceable in accordance with applicable laws and regulations.

20. Authority to promulgate the necessary security regulations for the protection of property and places under the jurisdiction of the Director, National Security Agency, pursuant to paragraphs III. A. and V. B. of DOD Directive 5200. 8 dated August 20, 1954.

In making this delegation it is intended that the Director of the National Security Agency utilize, to the maximum extent practicable and feasible, existing facilities of the military departments for procurement, accounting, disbursing, investigative and related administrative operations in lieu of duplicating such facilities in the National Security Agency.

All of the above authorities will be exercised by the Director of the National Security Agency in accordance with the provisions of applicable DOD directives and instructions. The Director of the National Security Agency may redelegate these authorities, as appropriate, and in writing, except as otherwise specifically indicated above or as otherwise provided by law.

This delegation of authorities is effective immediately and supersedes the delegations of authority from the Secretary of Defense to the Director, National Security Agency, dated March 7, 1955 and July 10, 1958.