

MEMORANDUM

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Jan 53

TO Deputy Director (Plans)

SUBJECT: Administrative Plan for Subsidy Phases of SR  
Project AERODYNAMIC

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCE METHOD EXEMPTION 3020  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2007

I. Objective

1. To provide for the exploitation and expansion of the anti-Soviet Ukrainian resistance movement for cold war and hot war purposes. The subsidy phases provide for grants to a UKRAINIAN Ukrainian newspaper for the purpose of attempting to unify the major Ukrainian groups and for grants to a political cadre school which will serve as a training center for political action agents for operations into the Ukrainian S. S. R.

II. Instrumentality

2. A Ukrainian newspaper is subsidized through AECASSOWARY/1 for the purpose of attempting to unify the various Ukrainian emigre groups in Western Europe. The newspaper is well established and has a good reputation within the Ukrainian emigration. Funds are introduced into the newspaper by AECASSOWARY/3, the principal indigenous agent, as contributions received by AECASSOWARY/1, from its members. The SR Field Case Officer makes suggestions concerning the editorial policy of the newspaper through the indigenous principal agent. The staff of the newspaper is unwitting.

3. AECASSOWARY/1 has arranged for the organization of a political cadre school as an extension function of an established university in the area. Funds for the operation of this school will be furnished by AECASSOWARY/1 from funds ostensibly contributed by its members. AECASSOWARY/3 will

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transmit the funds to a cleared representative of the university. The curriculum of the school will be approved by the SR Field Case Officer through AEGASSOWARY/e.

**III. Approval**

4. On 30 January 1953 the DGI authorized the renewal of the project and approved in principle the sum of [ ] for fiscal year 1953. Subsidy payments of [ ] for the newspaper and [ ] for the cadre school were included in the amount approved for the project.

**IV. Administrative Plan**

5. The attached Administrative Plan has the concurrence of the respective offices of interest and it is recommended for your approval.

[ ]  
Project Administrative Planning Staff, DD/A

[ ]  
Project Officer

**AERODYNAMIC  
Administrative Plan**

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**I. Funding**

1. Funds will be made available for the subsidy phases of this project on the basis of a field allotment to the Chief of Station in accordance with the approved budget and the terms and conditions of the project approval on the request of the SR Field Case Officer supervising the project.

2. The Field Case Officer will transmit the funds to AECASSOWARY/S, the representative of AECASSOWARY/I, who shall receipt for the funds. The receipt will show date, payer, and the amount of funds received.

**II. Organization**

3. The representative of AECASSOWARY/I who is used as a cutout for transmittal of funds to the newspaper and to the school shall have an operational clearance.

4. The representative of the newspaper and the representative of the school to whom the cutout transmits the funds shall be appropriately cleared and shall be unwitting.

**III. Operational Control**

5. Operational control of the school will be maintained by the SR Field Case Officer through <sup>cleared representatives of</sup> AECASSOWARY/I. AECASSOWARY/I will achieve control through the placement of their representatives in key positions in the school.

6. Operational control of the newspaper will be maintained by the SR Field Case Officer who suggests changes in the editorial policy of the newspaper through <sup>cleared representatives of</sup> AECASSOWARY/I.

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warrants continuing subsidy payments.

for which they were advanced and that the accomplishments of the group

supervising the project that the funds have been expended for the purpose

utilization of the funds provided and a statement from the SR Field Case Officer

accounts upon receipt by the Finance Division of financial statements showing

the project. These advances shall be cleared from the memorandum control

will be established by the ~~XXXXXX~~ Finance Division reflecting the advance to

10. At the time an advance is made memorandum control accounts

the date, payee, ~~paper~~, and the amount of funds received.

basis of receipts signed by a representative of AECASSOWARY/1 showing

expense all funds advanced for the subsidy phases of this project on the

9. The Authorized Certifying Officer is empowered to write off to

the Agency.

recorded as an allotment expenditure at the time the advance is made by

8. All funds advanced for the subsidy phases of this project will be

V. Withhold and Financial Control

Copies of these reports will be forwarded to SR and the Finance Division.

~~submit, at least quarterly, a balance sheet as of the end of the period.~~

~~disbursements by purpose of expenditures. The newspaper shall also~~

~~balance at the beginning and at the end of the period and shall clearly~~

~~ment of cash receipts and disbursements. This report shall show the cash~~

7. The newspaper and the school shall submit a monthly statement of cash receipts and disbursements. This report shall show the cash

*monthly statement*  
*by purpose of expenditures*  
*income classified by source and system*

IV. Accounting

**VI. Audit**

**ii. The audit program for the project shall be determined and carried out in accordance with Agency regulations.**