

65-5628

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

September 27, 1965

Honorable William F. Raborn
Director, Central
Intelligence Agency
Washington, D.C. 20505

Dear Mr. Raborn:

At the August 25 Cabinet meeting the President announced plans for development of a new planning-programming-budgeting system. He asked each department and agency head to develop a planning and program analysis staff to provide an essential input to this system.

To assist you in equipping your staff to conduct the continuing program studies which are inherent in the program, the Bureau of the Budget has arranged for the adaptation of a course developed by the Department of Defense to equip its personnel to conduct such analytic studies. The course will be given at the Naval Postgraduate School in Monterey, California.

The course covers programming, program budgeting, and their relationships with resource management systems. Emphasis is placed on the analytic aspects of management. A partial list of the specific subjects covered is attached. Students are not expected to become experts or technicians in all these subjects. The objective is to provide insights as to what inputs and analyses management requires for decision-making and an understanding of the analytic principles, methods and techniques used. Although some of the material and examples are in terms of the planning-programming-budgeting system in the Department of Defense, some non-Defense materials will be presented, and all of the concepts, principles and methods covered are relevant to other Government departments and agencies.

The course is a full-time, four week course running from Monday, October 25 through Friday, November 19. It will be held at the U.S. Naval Postgraduate School at Monterey, California. Due to the intensive nature of the course, which includes lectures, workshops, discussion and study periods, all students are to use the BOQ rooms and the closed mess facilities set aside for the purpose. These facilities are close to the classrooms, study areas and library, and any other arrangement would result in considerable inconvenience to the schedule of instruction.

The costs to the agencies will be the course fee and travel and per diem costs for each student. A fee of \$300 is normally charged for each participant from outside the Department of Defense. We are exploring the possibility of reduction or elimination of the fee for this one offering of the course. Further information as to the fee will be forwarded shortly. There is no charge for quarters at the school. The normal Defense Department per diem allowance for civilian students is \$9 per day.

I believe it is important that each department and agency have at least two persons attending this course, with the larger agencies having three or four attendees. I would appreciate receiving your nominations by October 13. Nominations should be made on the regular form for training nominations (Optional Form 37), which your training officer will have.

Sincerely,



Charles L. Schultze
Director

Enclosure

SECRET

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12 Oct 1965

The Honorable Charles L. Schultze
Director
Bureau of the Budget
Washington, D. C. 20503

Dear Mr. Schultze:

In your letter of September 27, 1965 you invited participation by the Central Intelligence Agency in the special course on planning-programming-budgeting to be held in Monterey, California, October 25 through November 19.

The kind of training outlined in your letter should be most beneficial, and the Agency wishes to take full advantage of this opportunity.

Accordingly, four key Agency officers are being nominated to attend the course. As you requested, a regular training nomination (Optional Form 37) on each candidate is submitted herewith.

Sincerely,

L. K. White

L. K. White
Executive Director-Comptroller

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Attachments

O/BPAM: gmb (12 Oct 65)

Distribution:

- Orig. & 1 - Addressee
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ENCLOSURE

MANAGEMENT SYSTEMS COURSE

PLANNING

Introduction to Quantitative Reasoning (L,D)
Functioning of an Economic System (L,D)
Some Common Graphical Forms (L,D)
How Quantification Aids Decision Makers (L,D)
Essence of Systems Analysis (L)
Model Building (L,PE,D)
Marginal Reasoning (L,D)
An Introduction to the Role of Probability and Statistics
in Management Decision Making (L,D)
A Statistical Approach to Decision Making (L,D)
Production Analysis (L,D)
Production Possibilities and Exchange Curves (L)
Cost/Effectiveness Analysis (L,D)
Useful Ways of Classifying Probability (L,D)
Effective Management under Conditions of Certainty,
Risk and Uncertainty (L,D)
Basic Cost Concepts (L)
The Relevance of Costs (L,D)
How Production and Statistics Aid the Manager in
Saving Time and Money (L,D)
Variance Analysis (L,D)
Regression Analysis (L,D)
Interest, Discounting and Depreciation (L,D)
The Computer as a Management Tool (L)

COST/EFFECTIVENESS ANALYSIS

Introduction to Cost Analysis (L,D)
Cost Quantity Relationships (L,D)
Design of Experiments (L)
R & D Costs (L,D)
Investment Costs (L,D)
Operating Costs (L,D)
Information Systems (L,D)
The Parametric Study (L)
Cost Sensitivity (L)
Expected Value (L)
Measures of Effectiveness (L,D)
Risk and Uncertainty (L,D)
A Simple Example of Systems Analysis (L,D)
Relationship between Cost and Effectiveness (L,D)
Conduct of a Cost/Effectiveness Study (L)
Pitfalls and Limitations (L,D)