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THE WHITE HOUSE

WASHINGTON

January 15, 1966

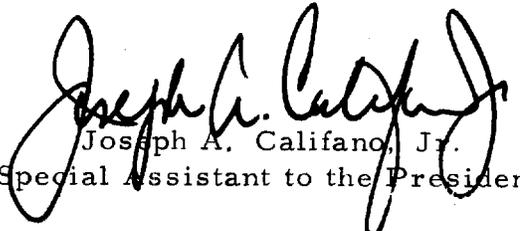
TO THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

Subject: Reorganization Proposals

The President has emphasized that he will take necessary steps to "modernize and streamline" the Executive Branch of the Government. We cannot afford to maintain organizational and administrative arrangements which have not kept pace with our changing needs, if Federal programs are to be administered effectively and at minimum cost to the taxpayer. The President desires that agency heads be as bold and imaginative in developing proposals for reshaping and modernizing the executive branch as they have been in devising new programs.

Each agency is requested to submit to me not later than noon January 22 such specific recommendations as they may believe desirable for actions to (1) promote the more effective management of the executive branch and provide a more logical and efficient grouping of agencies and functions; (2) eliminate overlapping and duplication; (3) improve coordination; (4) abolish obsolete or unnecessary agencies, offices and functions; (5) strengthen the capability of agency heads to manage their agencies most efficiently by eliminating unnecessary restrictions on management authority, including authority to delegate; and (6) reduce expenditures and promote economy. Proposed actions may include but should not necessarily be limited to recommendations for transfers of functions, consolidation of agencies and functions, and measures to facilitate coordination. In each instance it should be indicated whether it is proposed that the action be accomplished by (1) legislation; (2) reorganization plan under the provisions of the Reorganization Act of 1949, as amended; (3) executive order; or (4) administrative action.

A copy of your submission should be sent to the Director of the Bureau of the Budget.

  
Joseph A. Califano, Jr.  
Special Assistant to the President

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ER 66-189/a  
PPB 66-0040

21 JAN 1966

The Honorable Joseph A. Califano, Jr.  
Special Assistant to the President  
The White House  
Washington, D. C.

Dear Mr. Califano:

This is in response to your memorandum of 15 January 1966, which solicited reorganization proposals from the Heads of Executive Departments and Agencies.

Coordination of the intelligence community in the Federal Government is entrusted to the Director of Central Intelligence (DCI) by law, by various directives of the National Security Council, and most recently by letter from the President to me dated 24 September 1965. Assisting the DCI in this role is the United States Intelligence Board (USIB), comprised of the heads of the various U. S. intelligence agencies and including representation from the Departments of State and Defense, the Federal Bureau of Investigation, and the Atomic Energy Commission. Meeting weekly, the USIB and its various subcommittees provide invaluable advice in the resolution of precisely those kinds of problems to which your memorandum is directed. Further counsel of a most beneficial nature comes to the DCI from the President's own Foreign Intelligence Advisory Board, composed of distinguished Americans outside the Government and chaired by Mr. Clark Clifford.

From the foregoing you can see that the intelligence function of the Federal Government is under continuous, formalized review and, given the increasing responsibilities placed on the U. S. intelligence system, the organizational structure receives very heavy emphasis.

I meet frequently with Secretaries Rusk, McNamara, and Vance to review and consult on intelligence matters of common

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downgrading and  
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concern. In addition, one of my principal deputies serves me in my role as coordinator of U. S. intelligence activities by carrying out programs evaluations of various parts of the national intelligence effort. Much has been accomplished and more work in this field is planned.

Within CIA, we, like other agencies, are emphasizing the planning, programming, and budgeting system endorsed by the President as part of an intense effort to identify and eliminate lower-priority projects and to ensure that we are contributing all that we must in the interests of national security but with due regard to efficiency and economy.

We appreciate very much receiving your memorandum and the opportunity it gives me to comment as I have. I see no need of legislation or executive orders at this time in connection with U. S. intelligence activities.

**Sincerely,**

(signed) W. F. Raborn

**W. F. Raborn**  
**Director**

cc: Director, 303

O/PPB: :gmb (19 Jan 66)

Rewritten: O/ExDir/HKnoche:blp (20 Jan 66)

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EPE 66-0090

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Honorable Joseph A. Califano, Jr.  
Special Assistant to the President  
The White House  
Washington, D. C.

Dear Mr. Califano:

Admiral Raborn has asked me to reply to your memorandum of January 15, 1966, which solicited reorganization proposals from the Heads of Executive Departments and Agencies.

Leadership of the intelligence community in the Federal Government is, of course, entrusted to the Director of Central Intelligence (DCI) by law, by various directives of the National Security Council, and most recently by letter from the President to Admiral Raborn dated 24 September 1965. Assisting the DCI in this role is the United States Intelligence Board (USIB), comprised of the heads of the various U. S. intelligence agencies and including representation from the Federal Bureau of Investigation and the Atomic Energy Commission. Meeting weekly, the USIB and its various subcommittees provide invaluable advice in the resolution of precisely those kinds of problems to which your memorandum is directed. Further counsel of a most beneficial nature comes to the DCI from the President's own Foreign Intelligence Advisory Board, composed of distinguished Americans outside the Government and chaired by Mr. Clark Clifford.

From the foregoing you can see that the intelligence function of the Federal Government is under continuous, formalized review and, given the increasing responsibilities placed on the U. S. intelligence system, the organizational structure receives very heavy emphasis. Illustrative of resulting organizational improvements have been the creation of the Defense Intelligence Agency,

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the full participation of CIA in the National Communications System, the recent strengthening of the coordinating machinery for the national reconnaissance effort and many other such innovations, either implemented or in process.

Thus, the necessary authority and flexibility to effect change in our intelligence organizations already exist, as does a strong coordinating and reviewing mechanism. Good progress is being made in those areas referred to in your memorandum, and no legislative or executive action is required at this time.

Sincerely,

L. K. White  
Executive Director-Comptroller

O/PPB: :gmb (19 Jan 66)

Distribution:

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DDCI

MEMORANDUM FOR: DCI *by DCI, 21 Jan 66*  
*m.w.*

Attached for DCI signature is a letter to Presidential Assistant Califano in response to a Califano memo of 15 January to the heads of all agencies, asking for proposals concerning organization which might require legislation or executive orders.

The proposed reply describes coordination practices under the aegis of the DCI and describes current CIA efforts to identify and eliminate projects of lower priority. It makes the point that we do not at this time require special legislation or executive orders.

Replies are due in Califano's office by noon on Saturday, 22 January. Recommend signature.

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FORM NO. 101 REPLACES FORM 10-101  
1 AUG 54 WHICH MAY BE USED.

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