

**CENTRAL INTELLIGENCE AGENCY**  
WASHINGTON 25, D. C.

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12 DEC 1961

The Honorable Joseph Campbell  
Comptroller General of the  
United States  
Washington 25, D. C.

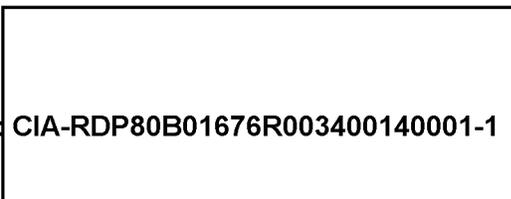
Dear Mr. Campbell:

There are a number of statutory provisions in which the Director of Central Intelligence is authorized to take certain actions. Some of these involve the expenditure of funds while others do not. Examples of the former are found in sections 3, 4, 5, and 8 of the Central Intelligence Agency Act of 1949, as amended.

The office of the Director of Central Intelligence was established by the National Security Act of 1947, which at the time of the original enactment made no provision for a Deputy Director. Consequently, it has been the practice in those cases where statutes granted authorization to the Director for him personally to take the actions specified.

The National Security Act of 1947 was amended by the act of April 4, 1953 (67 Stat. 20) to provide for the establishment of the office of a Deputy Director of Central Intelligence, who, like the Director, is appointed by the President by and with the advice and consent of the Senate. In explaining the need for this amendment, it was pointed out that among other considerations there was at that time no provision of law establishing a Deputy Director to perform such functions as the Director might assign to him (House Committee on Armed Services, Full Committee Hearings on S. 1110, March 24, 1953).

It is my belief that with the growing complexity of the activities of this Agency it would be in the interest of efficiency and the orderly administration of the functions vested by law in



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the head of the Agency to have, except where the law specifically precludes delegations, certain authorities exercised by the Deputy Director. I believe this would be in accord with your principles concerning the expenditure of Government funds. If, therefore, you see no objection, I intend to prescribe certain areas in which the Deputy Director of Central Intelligence will take final action in connection with the expenditure of funds under the above acts, including certification of expenditures provided for in section 8 of the Central Intelligence Agency Act of 1949, as amended.

Sincerely,

*Signature*

John A. McCone  
Director

OGC:LRH:jeb

O&I-Addressee *via DD/S - dispatch*

1-DCI

1-DDCI

1-O/DCI

1-ER

2-DD/S

1-Comptroller

1-Legislative Counsel

1-General Counsel

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*Note on buckslip by DCI "Arrange Congressional discussion at earliest time in January."*

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CENTRAL INTELLIGENCE AGENCY

Memorandum of Conversation

DATE:

SUBJECT : Establishment of New Organization Within the Bureau of the Budget 61-9367

PARTICIPANTS: BOB: Mr. Robert M. Macy, Chief, International Division  
Mr. Frank Ecker, Budget Examiner

CIA:  Deputy Comptroller

COPIES TO : DCI, DDCI, DD/S, Compt.

1. In conversation with Mr. Macy of the Bureau of the Budget on 29 November 1961, the undersigned was informed of the following:

a. The Director of the Bureau of the Budget has designated Mr. Robert M. Macy, Chief, International Division, Bureau of the Budget, as the responsible person in the Bureau for coordinating planning, programming, and organizational activities pertaining to members of the Intelligence Community. The Director of the Bureau has also established a new unit in the International Division consisting of Mr. Gerry Earl Pettibone and one other person, not yet designated, to carry out under the direction of Mr. Macy the review, coordination, etc., of Intelligence Community activities. The effect of these actions will be that CIA Budget Bureau examiners will now be Mr. Pettibone and one other person, not yet designated, under the direction of Mr. Macy. Mr. Ecker and Mr. Tschirgi will no longer serve as CIA examiners since Mr. Ecker has been transferred to other responsibilities and Mr. Tschirgi has been called to active duty with the Army.

b. Mr. Macy stated that the establishment of a focal point in the Bureau of the Budget for dealing with planning, programming, and organizational matters pertaining to the Intelligence Community would enable the Bureau to deal with the total Intelligence Community problem more effectively and it was also believed that this arrangement would provide for the Director of Central Intelligence a focal point in the Bureau for dealing with Intelligence Community problems.

*Comptroller*

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2. It should be noted that Mr. Macy referred to "planning, programming, and organizational matters." I originally assumed in writing this that the reference was primarily to budget problems, but in further conversation with Mr. Macy he assured me that this function was broader in scope and proposed the above wording.



Deputy Comptroller

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