Approved For Release 2006/08/09 : CIA-RDP81M00980R002300010012-3

INTELLIGENCE COMMUNITY STAFF

Budget

13 December 1978

OLC #78-3711

NOTE FOR: Charles W. Snodgrass
Committee on Appropriations
House of Representatives

FROM : [redacted]
Director
Community Legislative Liaison Office

STAT

Attached for your information is a copy of the DCI's Policy Guidance for National Foreign Intelligence Program Budget Reprogramming Actions issued on 27 November. This was issued as a result of a general request by the Senate Select Committee on Intelligence for fuller justifications on reprogramming actions and, in particular, the DCI's views on such requests.

[redacted]

STAT

Attachment
As Stated

cc: James A. Fellenbaum, Committee on Appropriations, United States Senate (w/att.)

Thomas K. Latimer, Staff Director
House Permanent Select Committee on Intelligence (w/att.)

INFORMATION

cc: OLC (w/cy [redacted] letter to Bayh)

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Attachment to
NFIB-74.2/34
29 November 1978

MEMORANDUM FOR NATIONAL FOREIGN INTELLIGENCE COMMUNITY

SUBJECT: Policy Guidance for National Foreign Intelligence Program Budget Reprogramming Actions

1. Section 1-602(f) of Executive Order 12036 says: "The Director of Central Intelligence shall have full and exclusive authority for reprogramming National Foreign Intelligence Program funds, in accord with guidelines established by the Office of Management and Budget, but shall do so only after consultation with the head of the department affected and appropriate consultation with the Congress."

2. The Office of Management and Budget has issued "Guidelines Established Pursuant to Section 1-602 of Executive Order 12036 (Reprogramming)." They are attached for your information.

3. In addition to the requirement to notify OMB formally prior to implementation or congressional notification on reprogramming actions, the Chairman of the Senate Select Committee on Intelligence has requested fuller justifications for reprogramming actions. He says that he is also particularly interested in the DCI's views.

4. In order to implement the provisions of the Executive Order, all reprogramming action involving NFIP funds which require Congressional notification or approval will be submitted to the DCI for prior review.

5. The Deputy to the DCI for Resource Management is delegated authority to ensure implementation of the provisions of the Executive Order. The criteria set forth in the OMB guidelines are generally applicable. Procedures will be further specified, if required, following consultation between the Resource Management Staff and other components of the NFIP.

Attachment:
A/S

(27 November 1978)

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GUIDELINES ESTABLISHED PURSUANT TO SECTION 1-602 OF EXECUTIVE ORDER 12036 (REPROGRAMMING)

The heads of departments and agencies, in consultation with the Director of Central Intelligence, are responsible for the establishment of sub-allocations of appropriations or other systems of administrative control for National Foreign Intelligence Program funds consistent with Section 3679 of the Revised Statutes. They are also responsible for financial accounting, internal audit, and control and accountability over funds as prescribed in the Budget and Accounting Procedures Act of 1950, as amended, and for personnel management as prescribed by law.

The Director of Central Intelligence is responsible for the issuance of appropriate instructions to affected departments and agencies for the reprogramming of National Foreign Intelligence Program funds. Such instructions shall include definitions, criteria, and procedures for reprogramming and a mechanism for establishing a base from which reprogramming is to be measured. These instructions shall be coordinated with affected departments and agencies and the Office of Management and Budget (OMB) in order to ensure that they are compatible with apportionment procedures and systems of administrative control of funds. Reprogrammings implemented by the DCI must be consistent with apportionments and systems of administrative control under Section 3679 of the Revised Statutes, appropriations, and other laws.

In order to assure coordination on reprogrammings affecting statutory concurrence requirements or Presidential policy determinations, the DCI will notify OMB formally, prior to implementation or congressional notification of the following types of reprogramming actions:

-- Transfer of funds into or out of the National Foreign Intelligence Program (except that adjustments to military pay funds solely due to proration estimates need not be reported prior to implementation).

-- Transfer of funds between appropriations.

-- Transfer of funds between programs (Central Intelligence Agency, Consolidated Cryptologic Program, General Defense Intelligence Program, etc.) within the National Foreign Intelligence Program.

-- An increase in funding for an activity specifically reduced by Presidential decision.

-- A reprogramming affecting a program deemed to be of Presidential interest or specifically identified by OMB as of Presidential interest.

-- Any increase, or a significant decrease, of a proviously approved amount for a special activity as defined under Section 4-212 of Executive Order 12036.

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These reprogrammings require OMB coordination or approval. The instructions issued by the DCI should inform agencies of the need to assure sufficient time to allow the DCI to coordinate, as necessary, with OMB on these matters prior to presentation to the Congress of any proposed reprogramming action. Reprogrammings other than those listed above normally do not require prior OMB approval; information copies should, however, be provided.

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Deputy to the Director of Central Intelligence
for Resource Management
Washington, D.C. 20505

5 December 1978
DCI/RM-78-5145

Honorable Birch Bayh, Chairman
Select Committee on Intelligence
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

The Director of Central Intelligence has asked me to provide you with a copy of his Policy Guidance for National Foreign Intelligence Program Budget Reprogramming Actions which he issued on 27 November 1978.

Since the DCI has delegated responsibility to me to ensure implementation of EO 12036 with respect to NFIP reprogramming, I take this opportunity to assure you that my staff will work as closely as possible with the Committee's staff to make certain that reprogramming requests are handled in an orderly fashion.

Sincerely,

STAT

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As Stated

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