

# PBSUCCESS

ALLOCATION FUNDS 15 Dec - 15 Mar	TOTAL OBLIGATIONS 15 Dec - 15 Mar	UNEXPENDED BALANCE 15 Mar	ESTIMATED REQUIREMENTS 15 Mar - 15 A
OVERHEAD AND TRAVEL \$			60,000.
TASKS:			
FT/1			800.
FT/2			600.
FT/3			200.
FT/4			200.
FT/5			1,000.
FT/6			1,000.
FT/7			400.
FT/8			800.
FT/9			1,000.
FT/10			3,000.
FT/11			200.
FT/12			1,000.
FT/13			500.
FT/14			650.
FT/15			1,000.
FT/16			500.
FT/17			15,000.
FT/18			6,400.
FT/19			16.
FT/20			16.
FT/21			16.
FT/22			500.
FT/23			

PT/1			25,000.00
PT/2			5,000.00
PT/3			706.25
PT/4			500.00
PT/5			4,000.00
PT/6			
PT/7			1,400.00
PT/8			546.75
PT/9			
PT/10			5,000.00
PT/11			1,500.00
PT/12			2,700.00
PT/13			
PT/14			
PT/15			
PT/16			
PT/17			
PT/18			500.00
PT/19			
PT/20			

CIA HISTORICAL REVIEW PROGRAM  
RELEASE AS SANITIZED

2003

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	ALLOCATION FUNDS		TOTAL OBLIGATIONS		UNEXPENDED	ESTIMATED
	15 Dec - 15 Mar	15 Dec - 15 Mar	15 Dec - 15 Mar	15 Mar	BALANCE	REQUIREMENTS
MT/1						12,000.00
MT/2						7,100.00
MT/3						25,000.00
MT/4						4,000.00
MT/5						400.00
MT/6						10,000.00
MT/7						4,000.00
OOA						3,250.00
SCRANTON						(Included in MT)
SHERWOOD						(To be estimate)
SARANAC						(Included in MT)
TOTALS						\$204,965.92

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SECURITY - OPERATIONAL SUPPORT

(15 February 1954 - 15 March 1954)

I. Physical Security:

Certain necessary modifications were made with regard to the security of LINCOLN to insure that every reasonable precaution is taken to protect the true purpose of this station. These modifications included the complete compartmentalization of vehicles assigned to the safe sites and vehicles assigned to LINCOLN. Reserved parking signs near the LINCOLN office were removed as it is felt that such signs merely drew attention to the building and are not essential. No serious breaches of physical security occurred during this period.

II. Clearances:

A. Out of a total of thirty-seven (37) Provisional Covert Security Clearances (P/CSC) requested since the beginning of the project, thirty-two (32) have been received, all of them during the period covered by this report. Of the five (5) pending cases, none can be considered delinquent.

B. Of one hundred and seven (107) Provisional Operational Clearances (POC) requested since the beginning of the project, ninety-eight (98) have been granted and sixty-eight (68) of these were granted during the period covered by this report. Of the nine pending cases, none can be considered delinquent.

The excellent support and expeditious handling of clearance requests by Headquarters has materially aided the project in precluding delays in utilizing and contacting persons whose immediate operational use is often the key to the success of one or more phases of the project.

III. Operational Support:

A. Safehouses

General

During the period covered by this report, Headquarters forwarded a report which reflected that the FBI had furnished information to the effect that activities at Site B had aroused the suspicions of neighbors. However, the information contained in the report, which was furnished by [redacted], did not reflect any operational information concerning the site or its occupants. On the contrary, the report did contain the basic elements of the cover story. Therefore, the planning and maximum precautions taken in the use of this safe site were more than justified, as this site had served as the week-long meeting place for CALLIGERIS and [redacted] as well as a conference site utilized by project personnel during their meetings with these two principals. The site also contained a highly sensitive technical installations, the revelation of which would have seriously embarrassed the project.

Nevertheless, the report from the FBI, who had previously been advised as to the general use of this site as a precautionary measure, served as a warning or danger signal that could not go unheeded. Taking into consideration all of the security, technical, and operational ramifications of the three sites originally obtained for this project, it was decided that immediate steps would be taken to acquire new installations which would better serve our needs and at the same time afford better security and operational facilities. With the approaching end of the "winter season," more suitable sites are available and at a much more economical rate.

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This latter fact, plus the near expiration of the various leases, prompted the acquisition of a new safe site which will be referred to as Site D. Also, there are explanations under way for the acquisition of another site which will be referred to as Site E. Within the next month, Sites A, B, and C will be vacated and Sites D and E substituted.

As outlined in the previous Interim Report, [ ] occupied Site A which was actually managed by the Project Special Coordinator and his wife. The Special Coordinator's wife must return to her home on or about 1 April 1954 for personal reasons. Taking into consideration the close proximity of Sites A and B, plus the acquisition of Site D, it has been decided to have the persons at Site A moved to Site D on or about 15 March. This is a particularly good time for the move in view of the absence of [ ] who is out of the area in connection with the KUGOWN program. Upon his return, he will be taken directly to Site D. It is contemplated that the Special Coordinator's wife will remain at Site D for the two weeks prior to her departure from the area.

With regard to Site B, all technical equipment and all traces of the sensitive technical installation were removed and no operational activity took place at the site subsequent to receipt of the above-mentioned FBI report. The house was returned to the owner and proper releases obtained on 12 March 1954. The technician assigned to the project, who acted as manager of Site B after the departure of the original case officer on 20 January 1954, was moved to Site D utilizing every security safeguard to prevent linking Site B to Site D.

While no operational activity has taken place at Site C, it has been utilized by a case officer during the past month. Also, it was to serve as an emergency safe site during this period. While this site was originally intended to house certain alien KUGOWN personnel, it is deemed more feasible to acquire a new site (Site E) more suitable to the needs of the project from both a security and operational standpoint.

Site D was acquired utilizing a cleared cut-out and the cleared housekeeper took over the management of the site on 5 March 1954. This site consists of a large main house with three bedrooms as well as a detached two-apartment building located on the property. There are spacious grounds surrounding the site which is comparatively isolated, but less than ten minutes driving time from LINCOLN. The Special Coordinator and his wife will occupy the premises on or about 15 March and one KUGOWN case officer has resided at the site since 10 March. The technician has installed his equipment in one of the apartments and will reside in this apartment. There is still sufficient space to afford the housing of three or four cleared alien KUGOWN personnel. It is believed that with a cleared housekeeper plus the more suitable location, the chances for compromise of this site are considerably reduced.

Site E has not been obtained at this date; however, several prospective sites have been checked and it is contemplated that this site will be procured in the very near future. This site will house a case officer, certain KUGOWN alien personnel and a cleared housekeeper.

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B. Operational Vehicles:

In accordance with the plans set forth in Paragraph III - B of the Interim Report dated 15 February 1954, all vehicles used in connection with the project have been procured [

view of the fact that there will be only two safe sites in the near future, the rental transportation will consist of one vehicle assigned to each safe site and two vehicles assigned to LINCOLN. As a necessary precautionary measure, vehicles assigned to the safe sites are not brought to LINCOLN nor are LINCOLN vehicles taken to the safe sites. Arrangements have been made for meeting personnel at appropriate points and transferring to another vehicle using all operational security precautions. This compartmentalization of vehicles further reduces the chances for compromise of LINCOLN. J10

C. Mail [ ]

The established boxes have been utilized for additional phases of the project including the handling of personal mail for persons assigned to FJHOPEFUL.

D. Acquisition of Foreign Newspapers

As indicated in the previous Interim Report, the system established for the secure and expeditious receipt of certain pertinent foreign newspapers has proved to be satisfactory. The excellent cooperation of the field stations in obtaining and promptly mailing these papers has resulted in the receipt of these papers within a period of approximately twenty-four hours after publication.

E. Support of Operations

During the period of this report, a cover story was written for the use of the pilots who are to be used in support of the KUHOOK operations. This story was coordinated with the Air Maritime Division and the Chief of FJHOPEFUL, and the pilots briefed in the LINCOLN area. Secure channels of communication were established for emergency purposes to enable the pilots to contact LINCOLN during the period covering their travel to FJHOPEFUL. Details concerning this aspect of the operation are covered elsewhere in the report.

A member of KUSODA has been selected for assignment at FJHOPEFUL to insure the security of the air operations and assist in the coordination of the KUHOOK air support program. It is contemplated that this man will be in LINCOLN for appropriate briefing during the week of 15 March and the will be sent to FJHOPEFUL to commence his duties.

On 17 March the Chief of LCFLUTTER will visit LINCOLN to discuss the implementation of the use of LCFLUTTER personnel with appropriate language qualifications in support of operations in the field. The initial requests for such support were made in January, 1954, and the delay in implementing this program could prove to be a serious security hazard to the operation. Although it is not felt that justification for such a team is necessary, the recent "Delgado" revelations plus the compromise of sensitive material on the part of one of the persons previously assigned to the project, underscores the importance of implementing the LCFLUTTER program at the earliest possible date. The need is recognized particularly when one considers the fact that many of the clearances of indigenous personnel are based on a minimum amount of information thus multiplying our vulnerability to penetration. The immediate implementation of the LCFLUTTER program in the field is of primary importance to the security of the project.

F. General Security Support

Secure arrangements were made for meeting one of [ ] field representatives and subsequently arranging for a personal meeting between [ ] and this representative in the [ ] area.

KUSODA provided a man with language qualifications to accompany FAWCLETT on a trip outside the country. Both [ ] and the KUSODA representative were completely briefed on the procedures to be used during this entire trip as well as alternate procedures in the event difficulty was encountered. Secure channels of communication plus an emergency telephone code were established. Contact plans were arranged and details of transportation completed. These precautions have proven worthwhile as word has now been received that difficulty has been encountered by FAWCLETT in obtaining an appropriate visa and a delay is unavoidable. However, it is contemplated that these difficulties will be overcome and the operation will continue on or about 17 March.

G. Significant Security Incidents

The [ ] of cable traffic discovered by PIVALL on 17 February and reported in detail on 19 February after a complete debriefing of PIVALL in the LINCOLN area, was not only serious from a security standpoint, but it effectively delayed implementation of the project until all details could be assembled and an accurate analysis completed. As indicated in reports from Headquarters, [ ]

[ ] Conceivably, such compromises, if not discovered at the time, could have proven most embarrassing if not actually disastrous to the project. It is impossible to calculate the number of man-hours consumed in obtaining a complete clarification of this compromise; however, it is deemed incumbent upon LINCOLN to include mention of this unfortunate incident in the Interim Report. Although irreparable damage to the project does not appear probably at this time, the incident did serve to hamper operations and to create a reasonable amount of doubt as to whether all compromises have been discovered and properly reported.

H. Security Briefings

On 1 March 1954, all personnel at LINCOLN were briefed on the necessity of maintaining a positive attitude toward the security of the project. This briefing included a review of all of the major security aspects and particularly emphasized the absolute necessity of maintaining a personal security consciousness not only while at work, but outside the office. All personnel were reminded that the security and success of the project can be jeopardized by the ill-advised or indiscreet remarks of any one individual and appropriate examples were given to underscore this point. Group and individual reactions to the briefing reflect that it was well received and all personnel expressed their desire to actively cooperate in implementing the security of the project.