

DISPATCH VIA TELETYPE		CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NO. EGOT-8269
TO INFO	CHIEF, EE		HEADQUARTERS FILE NO.
FROM	COS, GERMANY		DATE 6 JULY 1960
SUBJECT	CABEZONE/HARVARD PROJECT APPROVAL FOR FY 1960 AND FY 1961		RE: "43-3" - (CHECK "X" ONE)
			<input checked="" type="checkbox"/> MARKED FOR INDEXING
ACTION REQUIRED	PLEASE OBTAIN PROJECT APPROVALS		<input type="checkbox"/> NO INDEXING REQUIRED
REFERENCE(S)	INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY		
<p>A. EGOS-5918 /28 JUNE 60/ CABEZONE FUND REQUIREMENTS B. EGOS-5873 /22 JUNE 60/ INFO FOR CABEZONE PROJECT RENEWALS C. EGOT-6613 /9 FEB 60/ STATION BUDGET ESTIMATE D. FRAN-3090 /19 MAY 60/ DRC ALLOCATION FY 1960 E. DIR- 28083/5 MAY 60/ INCREASE CABEZONE FY 1960 DUE MCDUGALD 72-52 32-60-6-28/1 F. DIR-32543/2 JUNE 60/ INCREASE CABEZONE FY 1961 DUE ROCKELLI ASSIGNMENT</p> <p>1. WE REGRET THE CONFUSION IN PRIOR CORRESPONDENCE. IT APPEARS FRAN-3090 DISCUSSED THE OVERALL DRC FIELD CASH ALLOCATION /CABEZONE AND HARVARD/ WHERE HQS WAS DISCUSSING CABEZONE ONLY. THE HARVARD FIELD CASH ALLOCATION OF 36,000 DOLLARS WAS APPARANTLY CONFUSED WITH THE CABEZONE HQS SALARY PAYMENTS TO CONTRACT EMPLOYEES OF 35,000 DOLLARS. TOTAL FY 1960 FIELD OBLIGATIONS FOR CABEZONE ARE NOW ESTIMATED AT [] DOLLARS. THIS DOES NOT INCLUDE AMOUNTS OBLIGATED BY HQS ASSUMING HQS OBLIGATIONS TO BE ABOUT 41,000 DOLLARS. TOTAL PROJECT OBLIGATIONS FOR FY 1960 WILL APPROXIMATE [] DOLLARS. IN ADDITION, COST AUTHORIZATION FOR PROPERTY WILL TOTAL 8,000 DOLLARS. IT THEREFORE APPEARS THAT PROJECT CABEZONE SHOULD BE AMENDED FROM THE PRESENT FY 1960 APPROVAL LEVEL OF 175,000 DOLLARS TO ABOUT [] DOLLARS DEPENDING ON THE AMOUNT OBLIGATED AT HQS.</p> <p>2. FOR CABEZONE FOR FY 1961C WE ORIGINALLY ESTIMATED /EGOT-6613/ [] DOLLARS FOR FIELD OBLIGATION AND PROPERTY AND 45,000 DOLLARS FOR HQS OBLIGATIONS, THUS REQUIRING A PROJECT APPROVAL OF ABOUT [] DOLLARS. HOWEVER, WE NOW ESTIMATE ACROSS-THE-BOARD INCREASES TO A TOTAL OF [] DOLLARS FOR CASH FIELD OBLIGATION PLUS 10,000 DOLLARS FOR PROPERTY. ALSO, OUR FEBRUARY ESTIMATES /EGOT-6613/ DID NOT PROVIDE FOR []. WE ESTIMATE HIS HQS. PAYROLL COST AT ABOUT 10,000 DOLLARS FOR A TOTAL HQS. FIGURE OF 55,000 DOLLARS. WE THEREFORE REQUEST A TOTAL PROJECT APPROVAL FOR CABEZONE OF [] DOLLARS. [] DOLLARS FOR CASH FIELD OBLIGATIONS, 10,000 PROPERTY, AND 55,000 DOLLARS HQS. OBLIGATIONS/ FOR FY 1961.</p> <p>3. IT IS ESTIMATED DRC WILL HANDLE APPROXIMATELY 60 DE CASES DURING FY 1961. FOR YOUR INFORMATION, 45 NUMBERED DS SOURCES WERE RECEIVED FROM 1 JULY 1959 THROUGH 30 JUNE 1960, PLUS APPROXIMATELY FIVE UNNUMBERED SES SOURCES, TOTAL 50 CASES. WE ANTICIPATE SOURCES WILL REMAIN IN RESETTLEMENT FOR LONGER PERIODS OF TIME AND INCUR ADDITIONAL COSTS DURING FY 1961 DUE TO THE DEMISE OF PL-85-316 AND TO OTHER LOCAL RESETTLEMENT OBSTACLES. HOUSING COSTS WILL INCREASE SLIGHTLY. OUR FIGURE OF 60 NEW DE CASES IN FY 1961 TAKES DUE CONSIDERATION TO THE POTENTIAL VOLUME OF EAST AND ETHNIC GERMAN DEFECTORS.</p> <p style="text-align: center;">DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCE METHOD EXEMPTION 3B2B NAZI WAR CRIMES DISCLOSURE ACT DATE 2007</p> <p style="text-align: right;">287</p>			
FORM 10-57 53 (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	CLASSIFICATION S E C R E T	PAGE NO. <input type="checkbox"/> CONTINUED

CONTINUATION OF DISPATCH VIA TELETAPE	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NO. EGOT-8269 PAGE 2
<p>4. WE REQUEST THE HARVARD PROJECT BE APPROVED FOR FY 1961 IN THE AMOUNT OF [] DOLLARS. WE BREAKOUT THESE FIGURES AS FOLLOWS-</p>		
RENTS AND UTILITIES	1500.00	DOLLARS
CONTRACTUAL SERVICES- TRAVEL AND TRANSPORTATION	10,000.00	
RESETTLEMENT PAYMENTS AND OTHER CONTRACT SERVICES	[]	
OPS ENTERTAINMENT	1,000.00	
SUPPLIES AND EQUIPMENT	1,000.00	
COMMUNICATIONS	500.00	
TOTAL	[]	DOLLARS
<p>HARVARD ESTIMATED FY 1960 OBLIGATIONS THROUGH 30 JUNE 1960 ARE [] DOLLARS.</p>		
<p>[]</p>		
<p>APPROVED [] [] []</p>		
<p>DISTRIBUTION BY TELETAPE 2-EE BY POUCH 1-EE</p>		
<p>TOT- 6 JULY 60/1700 TOR- 7 JUL/1030</p>		
<p>FORM 10-57 53a (40)</p>	<p>USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.</p> <p>CLASSIFICATION S E C R E T</p>	<p>PAGE NO. <input type="checkbox"/> CONTINUED</p>

7285