

SECRET

DIARY NOTES

25X1A

DD/S [REDACTED]

27 June 1961

25X1A9a

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1. [REDACTED] and I met with [REDACTED] and talked about his T/O and personnel ceiling. It was my feeling that the T/O which Joe proposed was reasonable insofar as our crystal ball could tell us at this point in time and that only time will tell whether it was proper in all respects. I therefore authorized the approval of a T/O [REDACTED] including five positions to be transferred from the DD/I. We must also ensure that the number of ceiling positions of the Management Staff and its budget are adequate to take care of the redistributed functions of the Management Staff, including the newly created Automatic Data Processing Staff.

25X9

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2. [REDACTED] telephoned to say that they had identified \$500,000 which could be obligated during Fiscal Year 1961 and withdrawn from the Fiscal Year 1962 budget. I told him to go ahead, and Jim Garrison has assured me that most of this can be put across the line prior to 1 July.

3. Jim Garrison advised me that there is a problem with the Naval Reserve Unit which he thinks we should look into right away. While I do not know the specifics, according to Jim a Navy Reservist in CIA is pretty well written off and has little chance of receiving the benefits which other Naval Reservists receive. I want to have the Military Personnel Division explore this and see whether there is anything that we can do.

25X1A9a

4. Otto Guthe and [REDACTED] have both talked to me separately about the problems which they are having with the General Accounting Office in ORR. Otto feels that to allow GAO full access to ORR would reveal a substantial amount of information about our clandestine activities. I told him and Earle that if this were, in fact, the case we, of course, would draw the curtain <sup>under</sup> ~~over~~ our ground rules. However, I emphasized to both of them that clandestinity and not classification per se was the criterion and that they should lean over backwards to comply fully with the spirit of our ground rules.

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5. Jim Garrison telephoned to say that he needed \$25,000 more in order to award a contract for the construction [REDACTED]. I told him to go ahead and on 28 June I signed a paper confirming this oral approval.

DD/S:LKW:mam

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