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STANDARD FORM NO. 64

Approved For Release 2001/09/01 : CIA-RDP84-0261R000600040028-6

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Director of Central Intelligence
FROM : Executive for A&M
SUBJECT: Administrative Support for CIA

DATE: 21 June 1948

1. In accordance with your instructions to prepare for discussion of the above subject, there is presented herewith a brief of the alternative possibilities for meeting the problem.

2. One alternative is to provide complete and separate autonomy for each of the two covert offices. The result will be:

- a. Necessary direct control of each office by the Director.
- b. No central means of adjusting programs within budget limitations except by direct arbitration of the Director between offices concerned.
- c. No staff coordination of overall CIA problems.
- d. Three separate direct channels from CIA to Budget Bureau, Civil Service Commission, Treasury, State Department, PBA, and other government agencies in connection with purely administrative problems.
- e. Defense of three separate budgets to Budget Bureau and Committees of Congress, involving major additional costs incident to triplication of normal support requirements.
- f. Establishment of complete units whose transfer to other than CIA control could be made overnight with no attending diminution of efficiency in operation.
- g. Establishment of competition between CIA units for available space, warehousing, other installations, personnel, and funds.

3. One alternative is to provide separate autonomous administrative support for two separate covert offices by designating an additional Deputy Director to supervise both offices directly and provide their administrative support.

- a. This plan would obviate the necessity for direct control indicated in paragraphs 2a and b above, but would inevitably lessen the Director's full knowledge and authority.
- b. The balance of the statements contained in paragraph 2 would apply to this plan.

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c. In order to control adequately and efficiently the covert offices, a special Deputy Director would have to set up a separate staff.

4. One alternative is to charge the Assistant Director for Special Operations with administrative support of the second covert office. The disadvantages of such a plan are obvious. No human being can be expected to be so disinterested as to support a separate activity with complete objectivity. The current stresses and strains incident to a divided support responsibility with the present CIA organization would be small in comparison.

5. A final alternative is to centralize all CIA administrative support functions under currently established staff executives responsible, through the Executive and Deputy Directors, to the Director. In such case personalities should not be determining factors. If individuals now assigned direct CIA staff responsibilities are not considered qualified, either from the standpoint of security or competence or both, they should be replaced by qualified individuals to carry out this plan, if this one should be selected for implementation. The results of this plan would be:

a. Placing current SO separate functions listed below under the Executive for A&M:

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- (1) Personnel (to be supervised by [redacted]).
- (2) Transportation and Services (to be supervised by [redacted]).
- (3) Special funds (to be supervised by Mr. Saunders).
- (4) Communications (to be supervised by [redacted]).

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b. Placing all inspection and security functions under the Executive for I&S.

c. Necessity for determining whether central control should be established for:

- (1) Cover and Documentation.
- (2) Registry.

d. Objective supervision of balanced support services for all of CIA in accordance with the Director's policies.

e. Improved cover for covert activities. Separate covert support with direct contact with other activities for administrative service points up covert activities quite specifically.

f. Economy and greatly improved efficiency in operations, due to non-duplication of personnel and facilities, with no element of competition for limited support facilities.

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g. Assurance to the Director, and by him to the Budget Bureau and Committees of Congress, that he has direct and disinterested control of and checks on utilization of funds, classification and procurement of personnel, and other support services, and that he can shift, within overall CIA capabilities, the emphasis and priorities indicated by current developments with no lost motion and a minimum of effort.

h. Maintenance of an integrated Agency with no portion thereof sufficiently autonomous to be a major problem either in operation or threat of detachment.

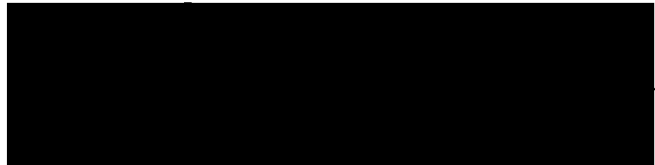
6. We have tried two plans for administrative support in CIA.

a. Under my predecessor the administrative support personnel were under the administrative supervision of the Executive for Personnel and Administration and under operational control of the Assistant Director for Special Operations. The result of such divided responsibility was almost chaotic and there was daily major friction and argument and constant referrals to the Deputy Director and Director for arbitration. No plan involving responsibility of operating personnel to two masters should ever be adopted.

b. Upon entering into my present assignment the present plan of partial autonomy for OSO was adopted. While it works much better than the previous plan, it involves duplication, inefficiency, and wasted effort, and inevitably creates frictions requiring the personal efforts of ADSO and myself to keep under reasonable control. A resulting recent trend has been gradually toward greater autonomy for OSO.

7. It is suggested that the interested parties be called together for a discussion with you personally in connection with this problem, and that at that time you announce your decision as to the plan of administrative support you desire to adopt. I am holding recent requests for increases in administrative personnel authorizations for OSO pending your decision.

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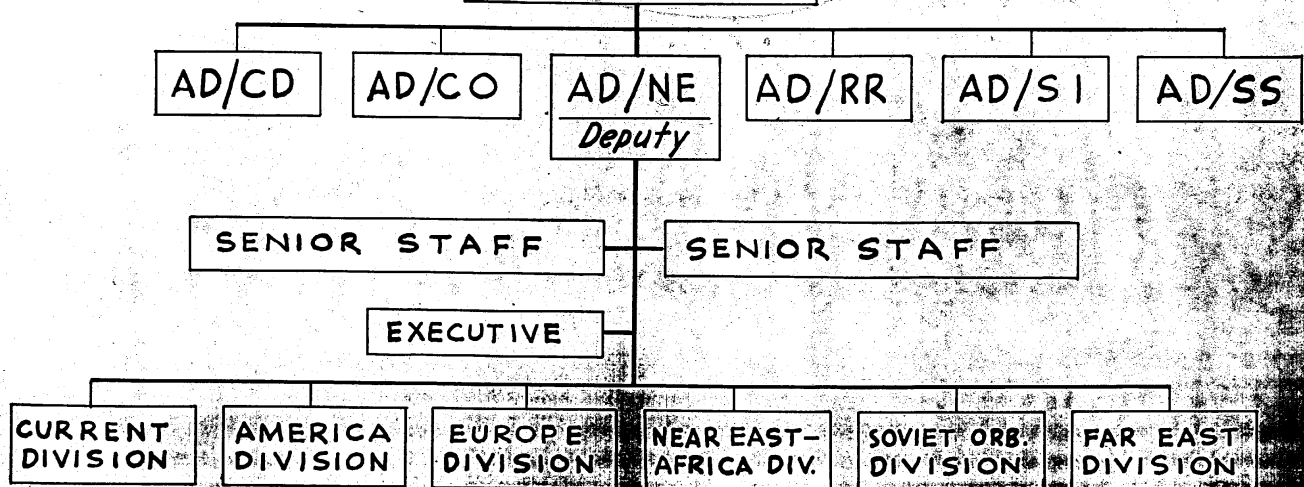
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